

Edmonton (Twin Atria)

2nd Floor, Twin Atria Building 4999 – 98 Avenue Edmonton, Alberta T6B 2X3 Canada

> tel 780-638-4491 fax 780-442-1459

> > www.aer.ca

BY E-MAIL ONLY

December 21, 2018

Onion Lake Cree Nation Attn: Terri Quinney

Re: Imperial Oil Resources Limited Application No. OSE180012 Statement of Concern No. 31293

Dear Sir/Madam:

You are receiving this letter because you filed a statement of concern on behalf of the Onion Lake Cree Nation (OLCN) regarding Application No. OSE180012. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's application, and all applicable requirements and other submissions or information about the application. The AER has decided that the OLCN's concerns outlined in your statement of concern have been adequately addressed.

In our review of the OLCN's concerns, we considered the following:

- Imperial has applied to drill evaluation wells in conjunction with its oil sands exploration program. Well drilling and construction activities associated with the applications will be of limited duration. The evaluation wells are abandoned after drilling and no bitumen production is authorized as a result of the AER's approval of the application. The AER has previously determined that OSE project impacts are localized and temporary in nature (*Decision 2013, ABAER 017*).
- Should Imperial request to retain the wells as observation wells, Imperial must apply to the AER for a long term land disposition and public notice of those applications will be issued.
- The proposed project is located approximately 62 km NW from the OLCN Reserve lands in Saskatchewan.
- OLCN's concerns about impacts of the proposed project and cumulative effects on your traditional rights including hunting, fishing and trapping will be mitigated as per the following:

- Imperial planning their construction phase during the 2018-2020 winter drilling season, under frozen conditions to minimize the impact of the construction and drilling operations.
- The existing access roads, ice roads, existing trails and seismic lines will be utilized to gain access to the proposed project locations where available, to reduce the environmental footprint.
- The project area is within the Lower Athabasca Regional Plan (LARP), which addresses the management of cumulative impacts on the environment on a regional basis.
- The activities proposed in the area of the application are permitted under LARP.
- OLCN's concerns about subsistence and historical resource value, the destruction
 or damage to the berry patches and medicinal plan gathering locations,
 construction and operating noise and access to the lands will be mitigated by:
 - OLCN will have access to harvest berries and plants within the project area prior to construction by instructing their staff to not block access to any trapping cabins or trails within the project area.
 - o Imperial has stated that if a map of culturally significant plants or harvesting locations is provided to Imperial prior to work execution, Imperial will consider hand cutting these areas to avoid significant disturbance and reduce noise impact where practical. Imperial is open to further discussing berry, herbs and medicine contamination monitoring or alternative methods of protection.
 - o The abundance of berries and traditional medicine plants identified by OLCN within the project area, are located on existing linear disturbances.
 - Imperial will use minimum disturbance methods such as the use mulchers and chain saws as needed under frozen conditions and the snow pack could further protect vegetation.
 - o Imperial has committed to not impede on OLCN members from carrying out their traditional land use within the lease and respect the Treaty rights to hunt. For the safety of everyone, Imperial has stated it can share schedule updates to ensure that OLCN is aware of ongoing work and Imperial will continue engagement with OLCN to address on-going hunting concerns.
- OLCN's concerns in regards to water monitoring programs are out of scope of this
 application. The regular water monitoring program executed throughout the Cold
 Lake lease is approved through the *Environmental Protection and Enhancement*Act approval for Imperial's Cold Lake Operations.

Based on the above, the AER is of the view that the OLCN's concerns outlined in your statement of concern have been adequately addressed to the satisfaction of the AER through Imperial's response and proposed mitigation measures. Furthermore, the AER has decided a hearing is unnecessary for the purposes of rendering its decision on the application. The AER has issued the applied-for authorization and this is your notice of that decision. A copy of the authorization is enclosed.

All AER regulated parties must comply not only with the conditions of their approval, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being

24-hour emergency 1-800-222-6514

inquiries 1-855-297-8311

2 www.aer.ca

education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: https://aer.ca/regulating-development/compliance/compliance-assurance-program.

Under the *Responsible Energy Development Act* an eligible person may file a request for a regulatory appeal on an appealable decision. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*.

inquiries 1-855-297-8311 24-hour emergency 1-800-222-6514

You may file a regulatory appeal on the AER's decision to issue the approval if you meet the criteria within section 36 of the *Responsible Energy Development Act*. You can find filing requirements and forms on the AER website, http://www.aer.ca/regulating-development/project-application/decisions.

If you have any questions, contact

at

or by e-mail

Sincerely,

<Original Signed By>

Paul Ferensowicz

Senior Advisor, Industry Operations

Enclosure (1): (Authorization)

cc: Jezelle Zatorski, Imperial Oil Resources Limited
Jaret Cardinal, Imperial Oil Resources Limited
Aron Taylor, Maurice Law Barristers & Solicitors
AER SOC Assessor
AER Bonnyville Field Centre
AER Indigenous Relations
Aboriginal Consultation Office

3 www.aer.ca