

November 29, 2022

www.aer.ca

By Email Only

Kathy Lepine
Elizabeth Metis Settlement**Statement of Concern No. 32140
Canadian Natural Resources Limited
Application No. OSE220013**

Dear Sir/Madam:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. OSE220013. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the application, and all applicable requirements and other submissions or information about the application. The AER has decided that a hearing is not required to consider the concerns outlined in your SOC.

In our review of your concerns, we considered the following:

- The Oil Sands Exploration (OSE) project will be constructed during the 2022/2023 and 2023/2024 winter drilling season, under frozen conditions to minimize the impact of the construction and drilling operations.
- The AER has previously determined that OSE project impacts are localized and temporary in nature (*Decision 2013, ABAER 017*).
- The concerns regarding impacts on traditional land use, water, wildlife, and vegetation are general in nature. There is insufficient information to determine that the EMS would be negatively affected by the proposed project. The application has been reviewed by the AER Land Use Officer who has deemed the application satisfactory.
- The AER acknowledges the concerns regarding impacts to Caribou; however, the proposed activity does not fall within a caribou zone and no caribou protection plan is required.
- 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 application are permitted under LARP.

- EMS does not own the land on which the project is proposed and is approximately 60 km SE from the project location.
- The proposed project is approximately 5.75 km E of Wolf Lake, which is EMS's specified area of concern.
- The AER acknowledges the concerns regarding the potential for future development; however, this is out of scope of the application. In the event, CNRL initiates development of the Wolf Lake field with pad sites and associated infrastructure, EMS will have the opportunity to submit statements of concern against those application at that time.
- The AER acknowledges the concerns on the impacts to the feasibility of the Indigenous Protected and Conserved Area (IPCA) prior to considering the application. However, the IPCA is not realized as a sub-regional plan and the AER has no authority to delay processing of this application due to a draft IPCA.
- The concerns regarding historical assessments are outside the AER jurisdiction and should be addressed by the Government of Alberta, Historic Resources Management Branch. CNRL is required to follow Section 31 of the *Historical Resources Act*, should any historical resources be discovered during construction.
- The concerns regarding Crown consultation are outside the AER jurisdiction and should be addressed by the Aboriginal Consultation Office (ACO). Furthermore, the ACO has issued an Adequacy Decision on FNC202252310 as of November 9, 2022. The adequacy decision states that the consultation is deemed adequate, including a buffer.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application. The AER has issued the applied-for Letter of Authority, and this is your notice of that decision. A copy of the Letter of Authority is attached.

All AER-regulated parties must comply not only with the conditions of their Letter of Authority, 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 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>.

You may file a regulatory appeal on the AER's decision to issue the Letter of Authority if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are located here: <https://www.aer.ca/regulating-development/project-application/regulatory-appeal-process>.

If you have any questions, please contact SOC@aer.ca.

Sincerely,

<Original Signed By>

Andrew MacPherson
Director, In Situ
Regulatory Applications
/bg

Attachment (1): Letter of Authority

cc: Brad Bailey, CNRL
Ashley Blackwood, AER
SOC Inbox, AER
Field Operations East, AER
Aboriginal Consultation Office – FNC202252310