

Via Email

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January 28, 2025

Mancal Coal Inc.

Attention: John Parkhill, Manager, Coal Projects, jparkhill@mancal.com

Dear Sir:

Re: *Reconsideration of Suspension and Extension of Expiry Dates under Section 42 of the Responsible Energy Development Act*
McLeod River Project: Mine Permit C 2011-4D issued under the Coal Conservation Act
(Approval)

Pursuant to section 42 of the *Responsible Energy Development Act* (REDA) the Alberta Energy Regulator (AER) has revoked its decision to suspend Mine Permit C 2011-4D of Mancal Coal Inc. on April 30, 2021 and also varied the mine permit to extend the expiry date of the mine permit to account for the period of suspension (as set out in Appendix 1).

Background:

Mine Permit C 2011-4D was suspended on March 7, 2022 following a reconsideration by the AER that followed the issuance of *Ministerial Order 002/2022, Coal Development Direction* (Suspension Decision).

Pursuant to section 67 of the *Responsible Energy Development Act* (REDA) the AER received direction from the Minister of Energy and Minerals, in *Ministerial Order 003/2025* (MO 003/2025), dated January 15, 2025. The AER has been directed to:

- a. lift the suspension of all approvals that were suspended under Ministerial Orders 054/2021, 093/2021 and 002/2022;
- b. extend the expiry dates of approvals suspended under Ministerial Orders 054/2021, 093/2021 and 002/2022 to account for the period of suspension;
- c. continue to apply the restrictions in place in respect of the exploration for and development of coal within categories of lands as described in *A Coal Development Policy for Alberta (1976)* when evaluating coal applications, with consideration of the Coal Industry Modernization Initiative

policy guidance set out in the Government of Alberta News Release, titled “Protecting the environment with tougher coal rules”, dated December 20, 2024, and

- d. comply with directions given under MO 003/2025 by January 31, 2025.

Following receipt of MO 003/2025, the AER wrote on January 20, 2024 to Mancal, the approval holder, and copied Tourmaline Oil Corp., who had filed a statement of concern (SOC) prior to the issuance of the mine permit.

The letter explained the AER had decided to reconsider Mine Permit C 2011-4D pursuant to section 42 of REDA. The AER would decide whether to confirm, vary, suspend or revoke its Suspension Decision and the expiry dates in the mine permit. Furthermore, it explained that the reconsideration will be conducted, without a hearing¹ on the basis of written submissions. Mancal and any person who had filed a SOC on the original application for the Mine Permit C 2011-4D could provide submissions to the AER by 4:00 pm January 24, 2025 on the issue of “**whether and on what grounds the AER can refuse to lift the suspensions of the Approvals and extend the expiry dates of the Approvals, given the mandatory requirement for the AER in section 67(2) of REDA to comply with the Minister’s Direction.**”

In response to the AER’s letter, no submissions were filed by Mancal or any person who had filed a SOC on the original application for the mine permit.

Decision on Reconsideration

Section 67 of REDA provides that

- 67(1)** When the Minister considers it to be appropriate to do so, the Minister may by order give directions to the Regulator for the purposes of
- (a) providing priorities and guidelines for the Regulator to follow in the carrying out of its powers, duties and functions, and
 - (b) ensuring the work of the Regulator is consistent with the programs, policies and work of the Government in respect of energy resource and mineral resource development, public land management, environmental management and water management.
- (2)** The Regulator shall, within the time period set out in the order, comply with directions given under this section.

Having reviewed and considered MO 003/2025, the AER is satisfied that the MO is clearly within the scope of subsections 67(1) (a) and (b) of the REDA. The lifting of the suspension of all approvals for coal

¹ Under section 43 of REDA, the AER may conduct a reconsideration with or without a hearing.

exploration that were previously suspended pursuant to Ministerial Orders, 093/2021 and 002/2022, is a clear priority of the Government of Alberta, which the AER has been directed to follow in the carrying out of its powers, duties and functions in this area of its jurisdiction. The direction is also aimed at ensuring the AER considers the application of the 1976 Coal Policy and government policy as expressed in the December 20, 2024 news release. Given that this is a valid exercise of the Minister's authority pursuant to legislation, the AER is required to comply with the direction as per subsection 67(2) of the REDA within the time period specified in it, and the AER has identified no other grounds that would warrant it doing otherwise.

Accordingly, pursuant to section 42 of the REDA, the AER has decided to revoke the Suspension Decision, which means the suspension of the Mine Permit C 2011-4D has been lifted. It has also reconsidered the mine permit and decided to vary the Approvals in order to extend the expiry date of the Mine Permit C 2011-4D to account for the period of suspension (as set out in Appendix 1).

Sincerely,

<Original signed by>

Laurie Pushor
President and CEO

cc: Tourmaline Oil Corp., Brimacombe@tourmalineoil.com

Rushang Joshi, AER

Doug Koroluk, AER

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Appendix 1: Approval on Category 4 Lands

Company	Project	Type of Disposition	Disposition Number	Original Expiry Date	New Expiry Date
Mancal Coal Inc.	McLeod River	Mine Permit	C 2011-4D	2026-Sep-30	2027-Dec-22