

Backgrounder

Draft Directive: Fluid Tailings Management for Oil Sands Mining Projects

Calgary, Alberta (September 17, 2015)...

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The Alberta Energy Regulator (AER) works to ensure that the oil sands are developed in alignment with government policy and in an environmentally responsible way—this includes considering cumulative effects. We are committed to protecting what matters most to Albertans—public safety and the environment—while ensuring that the rules are followed at every stage of development.

As Alberta’s provincial energy regulator, the AER implements government policy through our regulatory requirements. When those requirements are not met, companies face strict consequences.

The Government of Alberta released the *Lower Athabasca Region: Tailings Management Framework for Mineable Athabasca Oil Sands (TMF)* on March 13, 2015. In response, the AER suspended *Directive 074: Tailings Performance Criteria and Requirements for Oil Sands Mining Schemes* while the new requirements were being developed. The draft directive establishes the requirements operators must meet, including application requirements, review and approval process requirements, and performance reporting requirements for fluid tailings volume profiles and tailings management plans as part of a phased approach to implementing the *TMF*.

Surveillance requirements and enforcement measures will be included in the 2016 edition of the directive.

The main objective of the *TMF* is to minimize fluid tailings accumulation by ensuring that fluid tailings are treated and reclaimed progressively during the life of a project. This means that all fluid tailings associated with a project must be ready to reclaim within 10 years of the end of mine life. The AER has developed new requirements for tailings management to address the longer-term management of tailings growth and reclamation.

While *Directive 074* used a specific strength measurement for the capture of the clay particles within fluid tailings, the *TMF* uses the volume of fluid tailings as the metric to track reduction of fluid tailings. The *TMF* also provides direction on reclamation towards various end land uses and promotes outcomes-based, proactive management strategies while requiring additional monitoring and reporting.

New Requirements... A New Directive

Over the past several months, the AER has engaged stakeholders in the development of a draft directive to effectively implement and enforce the objectives of the *TMF*.

The draft directive on fluid tailings management for oil sands mining projects represents an evolution in how industry, the AER, and government will manage tailings. It addresses both existing fluid tailings and new fluid tailings growth.

The draft directive establishes the requirements operators must meet in order to ensure that fluid tailings are treated and reclaimed progressively over the life of the project and that all fluid tailings are ready to reclaim within 10 years of the end of a mine's life. This includes application information requirements and the requirements for tailings profiles and management plans. The draft directive will be updated regularly.

The directive uses an outcome- and risk-based approach, holding operators accountable for their fluid tailings as opposed to instituting universal, prescriptive requirements. The approach

- considers the net environmental effect of tailings management, considering consequences to air, land, land use, water, and the ecosystem;
- is enforceable;
- manages both new and existing (legacy) tailings;
- provides clarity and certainty to stakeholders; and
- requires progressive reclamation.

Tailings management performance will use four compliance levels:

- Level 1: projects are operating in line with their approved tailings profile.
- Level 2: conditions indicate an increasing level of risk associated with increasing volume growth of fluid tailings at a project.
- Level 3: the volume of tailings has exceeded the volume that would be possible to get ready to reclaim within 10 years of the end of mine life.
- Level 4: the total volume limit of fluid tailings for the project has been exceeded.

As fluid tailings volumes increase, the severity of management responses increase from additional reporting to financial penalties and ultimately to production cutbacks.

Once the draft directive is finalized, operators will be required to submit detailed applications that include fluid tailings profiles and management plans that demonstrate that they will meet the *TMF* objectives. If approved, those approvals will contain project-specific conditions and requirements, including thresholds. The AER will publish the management plans, profiles, and approval conditions.

The AER performs regular audits and inspections. If it discovers that an operator is not adhering to the conditions of its approval, the AER will respond with appropriate enforcement action.

Operators are required to report on their fluid tailings inventories annually. Tailings management plans are reviewed at least every five years. The AER will annually publish a summary report of fluid tailings in Alberta.

Performance-monitoring requirements will be put in place to keep industry on track and ensure that those results are clearly reported to Albertans.

Soliciting Feedback

Developing any new directive is a process that takes a great deal of time, technical resources, and input from all stakeholders.

The AER is using discussions with oil sands operators, First Nations and Métis groups, environmental nongovernmental organizations, affected municipalities, and multistakeholder community groups to gain insight into how the AER's implementation of the *TMF* may affect Albertans.

The AER has an aggressive timeline to implement this new directive:

- September 17 – November 17, 2015: Post draft directive and collect stakeholder comments and feedback.
- Winter 2016: Post summary of the feedback received from stakeholders.
- Winter 2016: Finalize the directive.
- Spring 2016: Review new tailings plans for each oil sands operation and begin public performance reporting.

The AER is also working to make it easier to understand the complex science behind tailings management. The talk.aer.ca tailings landing page allows everyone to learn about the history of tailings, access the new tailings directive, and share their feedback on the new directive.

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