

News Release

Calgary Head Office
Suite 1000, 250 – 5 Street SW
Calgary, Alberta T2P 0R4
Canada

Guilty plea leads to \$925,000 penalty for Obed Mountain Coal Mine spill

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For immediate release.

Calgary, Alberta (June 9, 2017)...Prairie Mines & Royalty ULC will be required to pay a total penalty of \$925,000 as a result of a spill from a wastewater containment pond at the Obed Mountain Coal mine approximately 30 km east of Hinton.

The spill that occurred in October 2013 contaminated water and damaged the creek bed of two tributaries of the Athabasca River. The contaminated water subsequently flowed into the Athabasca River. The company pleaded guilty to one count under the [Environmental Protection and Enhancement Act](#).

The total penalty includes a fine of \$192,000 and a creative sentencing order to both pay \$363,000 to fund a dam safety research project related to coal mine water storage, and pay \$370,000 for an indigenous youth environmental education project.

Further information about the projects and the agreed statement of facts regarding the incident are available on the AER's [Compliance Dashboard](#).

The AER initially laid charges in October 2015 against Coal Valley Resources Inc. (CVRI) and its parent company Sherritt International Corporation operating as Sherritt Coal. CVRI has since been purchased by Westmoreland Coal Company and was subsequently amalgamated into Prairie Mines & Royalty ULC.

The AER continues to receive monthly and annual reports regarding the environmental monitoring and remediation of the impacts caused by the Obed Mountain Coal mine spill from the company as required by an environmental protection order (EPO) issued on November 19, 2013. The Obed Mountain Mine is being decommissioned and reclaimed by the mine's current owner, Westmoreland Coal. The AER continues to inspect both the mine site and the area that was impacted by the 2013 release that is currently being remediated.

In addition to the penalty under the *EPEA*, Prairie Mines & Royalty ULC has pleaded guilty to charges under the federal *Fisheries Act*. For further information on those charges, see the Government of Canada's news release.

The Alberta Energy Regulator ensures the safe, efficient, orderly, and environmentally responsible development of hydrocarbon resources over their entire life cycle. This includes allocating and conserving

water resources, managing public lands, and protecting the environment while providing economic benefits for all Albertans.

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For more information, please contact:

Ryan Bartlett, AER Public Affairs

Phone: 403-669-3916

Email: ryan.bartlett@aer.ca

Media line: 1-855-474-6356

NR-2017-08