

CLIMATE CHANGE

Alberta is developing a new climate change strategy based on recommendations put forward by the Climate Change Advisory Panel. The strategy was introduced by Premier Notley with the unique support of environmental and aboriginal stakeholders, and the leaders of four large oil and gas producers. Details of the final strategy are still developing, but there are four key areas the Alberta government is moving forward on:

- Phasing out coal-generated electricity by 2030 and developing more renewable energy, with a target for 30% of electricity to come from renewable sources by 2030
- Implementing a new carbon price on greenhouse gas pollution (starting at \$30/tonne in 2018 and likely increasing each year after that) that also implements a form of carbon trading for oil sands operators, intended to reward operators who have relatively low carbon emission intensity.
- A legislated oil sands emission limit of 100 Megatonnes (Mt) of CO₂ equivalent/year
- Employing a new methane emission reduction plan, to reduce emissions (from the oil and gas industry) by 45% by 2030.

Many of the details of the plan are yet to be fully communicated, including the proposed legislation to implement the above changes; clarification around how quickly the carbon price will increase; how an emissions trading scheme for large oil sands emitters will work; the cost of early closure of coal fired electricity plants; the future cost and reliability of electricity supply with its unique planned mix of natural gas and renewable energy; detailed expenditure plans for the anticipated revenue to flow to the government from the carbon tax; and the process for compensating economically struggling households for the additional costs imposed by the plan.

Government media releases on this policy, including an advisory panel report can be found at <http://alberta.ca/climate/leadership-plan.cfm>

COAL AND OILSANDS EXPLORATION RECLAMATION REQUIREMENTS

This directive was updated in December 2015 and provides the Coal Exploration Program (CEP) and Oil Sands Exploration (OSE) requirements for reclamation certification: criteria, assessment methodology, and sampling methodology. It applies to public and private land. These requirements were released to coincide with the Peatland Reclamation Criteria.

PEATLANDS CRITERIA

Alberta Environment and Parks (AEP) released the Reclamation Criteria for Wellsites and Associated Facilities for Peatlands (2015); all applications after April 15, 2016 must meet these criteria. The reclamation criteria in this document are to be used to evaluate whether a site has met or is on a trajectory to meet equivalent land capability. AEP acknowledges that re-establishing peatlands is a very slow process and that reclamation of these areas should aim to re-establish the landscape and vegetation components that will provide a trajectory to future peatlands.

INTERIM REUSE POLICY

AEP has released the following document: Interim Guidance to Authorize Reuse of Municipal and Industrial Wastewater. This is an interim approach to use existing regulatory tools to make decisions that support optimal water use in Alberta. The policy allows for the reuse of wastewater that would otherwise be treated to a quality that is approved for release to a receiving water body. This includes domestic, industrial and municipal wastewater. There is a process defined that requires Letter's of Authorization (LOA) from the appropriate jurisdiction to be applied for and received by both the producer of the wastewater and the reuser of the treated wastewater. These LOA's may stipulate specific conditions for the use of the wastewater including, volumes, use, and term.

This interim policy supports messaging from the Government of Alberta (GOA) that it supports water re-use in general. A broader reuse policy for the province of Alberta is currently being developed.

Regulatory Bulletin

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BRITISH COLUMBIA

Stay tuned...

B.C.'s Water Sustainability Act is expected to come into force in early 2016!

FIRST NATIONS UPDATE

Effective January 1, 2016 it will be mandatory to attach a completed Project Description Form to all First Nations Referral Packages. This will assist the OGC in assessing the initial impact of the application.

First Nations Forms: <http://www.bcogc.ca/first-nations/forms>

Industry Bulletin: <https://www.bcogc.ca/node/12927/download>

PIPELINE UPDATE

The BCOGC issued an industry bulletin on November 30, 2015 reminding pipeline permit holders of the requirement to operate in compliance with CSA Z662 and Annex N of CSA Z662.

The bulletin outlines Clause 5.7.1 of CSA Z662, stating the requirement to retain specifications and records, which must be transferred when there is a change of ownership of the pipeline. If records are missing, permit holders must develop plans or programs to re-establish missing records in a timely manner, otherwise it may result in the shutdown of the pipeline system.

Industry Bulletin: <https://www.bcogc.ca/node/12938/download>

2014/15 ORPHAN SITE RECLAMATION FUND ANNUAL REPORT UPDATE

The BCOGC issued the annual report for the Orphan Site Reclamation Fund (OSRF) for the 2014/15 fiscal year. The OSRF is used for oil and gas sites including wells, facilities, pipelines or other affected sites where the operator is insolvent or cannot be located.

OSRF Balance for 2014/15 Fiscal Year

• Orphan Site Decommissioning & Restoration	\$1.3 M
- Well Decommissioning	\$650,000
- Facility and/or Pipeline Decommissioning	\$302,000
- Site Investigation	\$135,000
- Site Remediation	\$147,000
- Site Reclamation	\$64,000
• OSRF balance	\$4.2 M
• Estimated Liability for future restoration	\$7.5 M
• Total Oil & Gas Levies	\$1.3 M

The full 2014/15 OSRF Report: <http://www.bcogc.ca/node/12939/download>