Energy & Natural Resources Regulatory Bulletin April 2021



FEDERAL

Government of Canada Plans to Strengthen Canadian Environmental Protection Act, 1999

On 13 April 2021, the Government of Canada <u>announced</u> their intent to modernize the *Canadian Environmental Protection Act*, 1999 (CEPA). The Government of Canada provided <u>background information</u> to support the proposed changes, and released a <u>summary of amendments included in Bill C-28</u>, *Strengthening Environmental Protection for a Healthier Canada Act* (Bill C-28 can be read in full <u>here</u>.

There are six main areas that the Government of Canada has identified, with the intent to strengthen protections for Canadians and the environment:

- Recognizing a right to a healthy environment
- Assessing real life exposure
- Implementing a new regime for toxic substances that pose the highest risk
- Supporting the shift to less harmful chemicals
- Creating a new Plan of Chemicals Management Priorities
- Amending the Food and Drugs Act

The proposed amendments are the first major reforms to the CEPA since it was last updated more than 20 years ago and are expected to improve protections for human health and the environment.

Canada Energy Regulator Issues Statement Reaffirming Appropriate Conduct of Regulated Companies

The Canada Energy Regulator (CER) issued an <u>All Company Letter</u> on 15 April 2021, which provides clarity on the Government of Canada's new <u>Work Place Harassment and Violence Prevention Regulations</u>, made under <u>Part II of the Canada Labour Code</u>. These regulations came into effect on 01 January 2021 and apply to all locations where a federal employee works, including CER staff while working onsite at CER-regulated infrastructure. CER Inspection Officers have been asked to consider and verify compliance with the new regulations as part of their day-to-day work, for all CER-regulated companies and their contractors.

In particular, the CER has identified specific behaviours and actions that will not be tolerated by the CER including, but not limited to:

- Offensive jokes or remarks
- Bullying
- Derogatory comments about gender, race, religion, cultures or traditions, or other identity characteristics
- Disparaging comments intended to damage personal or professional reputation
- Displaying sexually explicit materials such as stickers, posters, or clothing
- Abusive or aggressive conduct
- Threatening gestures and unwelcome physical contact, including physical or sexual aggression or assault in any form

Work place harassment and violence prevention is an ongoing priority of the Government of Canada. Any non-compliances to the new regulations and related policies will be dealt with in accordance with the **CER's Enforcement Policy**.

Directive 056 and Manual 012 Updates

On 25 March 2021, the Alberta Energy Regulator (AER) released <u>Industry Bulletin 2021-08</u>, outlining new editions of <u>Directive</u> <u>056: Energy Development Applications and Schedules</u>, and <u>Manual 012: Energy Development Applications Procedures and</u> <u>Schedules</u>. Under Directive 056, the following changes have been made:

- Well licence applications, amendments, cancellations, and information updates are now done within OneStop.
- Amendments to certain licence details can now be made before or immediately after drilling occurs.
- Requirements for resumption approvals, requests to deepen wells, and extensions to licence terms have been simplified.
- Application processes that are now automated by OneStop have been removed from the directive.

Manual 012 has been updated to align with the new changes to Directive 056.

Changes to Well Spacing Requirements

On 09 April 2021, the AER released <u>Industry Bulletin 2021-14</u>, changing the requirements for well spacing. The Government of Alberta (GoA) has updated the <u>Oil and Gas Conservation Rules (OGCR</u>) to remove well spacing prescription from the rules. The OGCR now provides the AER the authority to limit the number of wells that may be produced in a drilling spacing unit or well pad. These changes result from an increase in horizontal wells, allowing the AER to take a more case-by-case approach instead of standard well spacings.

New Water Conservation Policy Manual

On 20 April 2021, the AER released the draft <u>Manual XXX: Water Conservation Policy for Upstream Oil and Gas Operations</u> for public and industry feedback. This manual is intended to provide guidance for Water Act licence applications pertaining to the Water Conservation Policy for Upstream Oil and Gas Operations.

The AER is seeking feedback on the manual pertaining to the submission of water licence applications and clarity of wording. Comments are being accepted until 21 May 2021.

Coal Exploration Halted on Category 2 Lands

In February 2021, the GoA reinstated the 1976 Coal Policy, which designates four coal categories. On 23 April 2021, the GoA announced an immediate <u>halt to all coal exploration on Category 2 lands</u>. Under the 1976 Coal Policy, Category 2 lands include parts of the southern Rocky Mountains and Foothills.

This decision stems from the Coal Policy Committee, an independent group appointed to develop a more modern coal policy, which made the recommendation to the GoA following public feedback. The Coal Policy Committee is continuing work to develop a new modern coal policy with feedback from the public.



Enhancements to Kiskatinaw Seismic Monitoring and Mitigation Area (KSMMA)

Effective 19 April, 2021 the BC OGC has made enhancements to the KSMMA Special Project Order for hydraulic fracturing operations of a well in the Farmington and Tower Lake areas of Northeast B.C.

Highlight of changes include:

- Special Project Order boundaries have been changed to focus on active areas.
- Pre-assessments will follow the BCOGC template.
- An accelerometer continues to be required and their placement may be within 3 km of the well trajectory.
- The Commission determines the magnitude of record using a local magnitude standard.
- A magnitude 3 or above event will result in the immediate suspension of fracturing activities from the suspected well(s) for a minimum of five calendar days.
- A well that causes a magnitude 3 or above event will have a reduced suspension threshold of magnitude 2.7 thereafter.

Did You Know? Migratory Birds

The <u>Migratory Birds Convention Act (MBCA)</u> has been in place since 1999 and protects migratory birds from destruction by commercial activities. Nearly 400 species of migratory birds are protected under the MBCA, which includes the eggs and nests of the birds. During the <u>general nesting period</u>, the migratory birds are breeding and more susceptible to harm. As we enter the general nesting period between March to August, Operators are reminded they must take actions to ensure no migratory birds or nests are damaged or destroyed.

It is important to identify the presence of migratory birds as early as possible to ensure the proper protection measures are put in place. If migratory birds or their nests are found to be affected or potentially affected by construction activities, Environment and Climate Change Canada can issue enforcement actions up to and including a stop-work order to cease all activities.

Integrated Sustainability can help your project navigate the MBCA and ensure compliance with all regulatory requirements. To learn more information on the MBCA or our services offered, please contact Jamie Peters, Regulatory Manager at (403)-200-7905 or Jamie.Peters@IntegratedSustainability.ca.

Did You Know? Integrated Sustainability Hiring Initiative

Integrated Sustainability is on the lookout for great people and fresh talent to join our teams in Calgary, AB, and Vancouver, BC! Check out our <u>post</u> on LinkedIn or our <u>Careers</u> page for available positions.

EnergyNow.ca Feature 28 April 2021

The winter season has now passed, and we are again heading into the annual freshet (runoff) period. Streamflow monitoring is critical.

Integrated Sustainability has been helping clients navigate the challenging early spring flow conditions by proactive planning for upset conditions. We have developed several water security plans and corporate sustainability strategies to guard against business interruptions from erratic conditions in challenging watersheds.

Follow the link to learn more. \longrightarrow





SUSTAINABLE INFRASTRUCTURE SPECIALISTS

Jamie Peters, B.Sc., EP, NCSO Manager, Regulatory 403.200.7905 Jamie.Peters@IntegratedSustainability.ca www.IntegratedSustainability.ca



Contact Us