



STAFF REPORT

Title: AER Notice of Hearing - Imperial Cold Lake Expansion Project

Meeting Date: April 9, 2019

Executive Summary:

The Alberta Energy Regulator (AER) has issued a notice of hearing (proceeding ID 376) for a regulatory appeal to the approval for Imperial Oil Resources Limited's Cold Lake Expansion Project.

The hearing was granted in response to September 12, 2018 requests for a regulatory appeal from the Elizabeth Metis Settlement (EMS). In its application EMS is seeking:

1. A stay of the AER decisions pending the outcome of the appeal, and;
2. A reversal of AER's decisions to approve the project, or;
3. A revision of AER's approvals to include:
 - a. Consultations between Imperial and EMS to address its statement of concern (Attached – "Reasons for requesting Regulatory Appeal)
 - b. An EMS project-specific Traditional Land Use and Impact Study.
 - c. An in-depth Historical Assessment on the former Colony Lands
 - d. A stay of the approval until the conditions have been fulfilled.

EMS, Imperial, and AER's Authorizations Group currently are the parties to the appeal hearing. Other people, groups or organizations could be allowed to participate if they are "directly and adversely affected by a decision of AER on the regulatory appeal" or if they have a tangible interest in the subject of the appeal and can bring new information that will assist AER in its decision while not unnecessarily delaying the appeal.

In order to participate, a written application must be filed with AER by 4:00pm on April 16, 2019. Participation may vary between full participation, in which participants give testimony and evidence and can be cross examined, to partial participation, allowing a written or verbal statement to be submitted to the hearing board during the proceeding.

Background:

In March of 2016, Imperial applied for regulatory approvals for the Cold Lake Expansion Project. These were approved by AER in August of 2018.



On September 12, 2018, AER received a request for a regulatory appeal hearing from the EMS. This request was granted on December 20, 2018 and the notice of appeal was published on April 1, 2019.

The notice of hearing states that “[t]he purpose of the hearing is to determine whether AER should confirm, vary, suspend or revoke its decision to issue the appeals.”

In 2018, Imperial applied for amendments to the Cold Lake expansion project so that it could take a phased in approach to the project with the intention of accomplishing the project in its entirety, but over a longer period of time. The hearing that AER has granted is for the Cold Lake Expansion project’s March 2016 application (the original project application/approval).

In November 2017, Cold Lake City Council passed a motion expressing support for Imperial’s Cold Lake Expansion Project, and expressing concern and seeking clarity from the Provincial Government in regards to the regulatory hurdles the project was facing. Based on this, His Worship Mayor Copeland has requested for a discussion on the appeal and next steps.

It should be noted that the April 9, 2019 regular meeting of Council is the only regular meeting (to make decisions) leading up to the April 16, 2019 deadline for submitting a request to participate in the appeal hearing.

Alternatives:

- Council may pass/defeat a motion authorizing the City of Cold Lake to apply to the AER to participate in the appeal hearing either for or against the Cold Lake Expansion Project.

Recommended Action:

- Administration recommends that council pass a motion authorizing the City of Cold Lake to apply to participate in Alberta Energy Regulator proceeding ID 376, in support of the Cold Lake Expansion Project.

Budget Implications (Yes or No):

No.

Submitted by:

Kevin Nagoya, Chief Administrative Officer



City of **Cold Lake**