

BATTLE LAKE WATERSHED SYNERGY GROUP

<http://synergyalberta.ca/group/battle-lake-watershed-synergy-group>

A meeting of the Battle Lake Watershed Synergy Group was held on Thursday Jan. 7, 2016 at the Lakedell Ag. Centre with Paul McLauchlin acting as Facilitator.

CALLED TO ORDER:

Paul called the meeting to order at 7:05 pm.

Agenda

- Introductions
- Review of Minutes (Nov. 5, 2015)
- AER Update
- Industry Updates
- Community Updates
- Next Meeting

ATTENDANCE:

In attendance were {2} residents, {7} industry representatives and government officials. (See the attached list.)

Review of Minutes:

Nov. 5., 2016 meeting notes had been distributed and now accepted.

AER Update: Darcy Allan

- Quiet. For public information go to www.aer.ca
- Recruiting for a Stakeholder Engagement role in the capital region. The job posting can be found in the career section of the website. Deadline for applications is Jan. 13, 2016.

Industry Updates:

Baytex Energy: Shane Koss

- No new plans in the near future.
- Budget dollars going to Texas.

BonaVista Energy: James Lutes

- Normal Activity in this area. 38 wells being drilled around Rimbey.

Questfire Energy Corp: Ted Thompson

- No new activities are planned.

Resourceful Petroleum: Mike Gyorfi (Sent his regrets and emailed the update)

- No further activity.

Journey Energy: Dale Guidi (Sent his regrets and emailed the update)

- No activities planned in the area this Winter, no issues to report.

County of Wetaskiwin: Kathy Rooyakkers (sent her regrets)

Community Updates:

Graham Gilchrist: Consultant

- Shared the Multi-Stakeholder Engagement Advisory Committee (MSEAC) minutes from Sept. 22, 2015. Find attached to these minutes.

Ken Jenny:

- Questioned fatal incident in the area. Found not to be in the watershed but nearby.
- Questioned some on going flaring (not directly in the watershed). AER referred to Directive 60-Flaring and Venting, and to report anything questionable to the AER.

Dave Doze:

- Questioned who is operating on SE-16-46-2-W5. Had activity where he was not notified. Deneen to follow up.

Michael Black:

Sent his regrets that he was unable to attend the meeting.

BMP's

Group decision for Deneen to go ahead and accept track changes in the DRAFT updated version of the BMP's that has been circulated to all the members.

Projected Meeting Dates:

March 3, 2016

May 5, 2016

June 16, 2016 (Bar-b-Que)

September 8, 2016

Nov. (TBA)

**ACTION ITEMS
2015**

#	Action	Request Date	Person Responsible	Status
179	Pilot Project-Update BMP's	Nov. 6, 2014	Paul	In Progress
182				

ATTENDANCE LIST

INDIVIDUAL	REPRESENTING
Paul McLauchlin	Facilitator
James Lutes	Bonavista Energy
Shane Koss	Baytex
Dave Doze	Resident
Ken Jenny	Resident
Deneen Evans	Minute recorder
Ted Thompson	Questfire
Graham Gilchrist	Consultant
Darcy Allen	AER

Attendees

Last Name	First Name	Organization
Burton	Tom	AAMDC
Craig	Kim	AUMA
Ungstad	Wayne	Alberta Environmental Network
Denman	Keith	CASA
Plesuk	Brian	Engagement Advisor
Pinto	Alvaro	Fort McKay First Nation
Stuckless	Daniel	Fort McKay First Nation
Ilnicki	Brian	Land Stewardship Centre
Gilchrist	Graham	Landowner Advisor
Barner	Aaron	Metis Nation of Alberta
Murray	Alice	Synergy Alberta
Provost	Corbin	Treaty 7
Fujikawa	Jim	WPACS
Volt	Marjorie	AER
Comrie	Jennifer	AER
Darwent	Marta	AER
Ellis	Jim	AER
Etris	Patricia	AER
Gigantelli	Patricia	AER
Gladue	Bruce	AER
Hendy	Phil	AER
Kimmel	Eric	AER
Lutz	Jennifer	AER
Millar	Scott	AER
Novotny	Tiffany	AER
Schroeder	David	AER
Wells	Jennifer	AER

Welcome and Introductions

Jennifer Wells, VP, Alberta Stakeholder Engagement

Jennifer Wells welcomed the committee, and individual introductions were made. MSEAC Terms of Reference have been updated regarding half-day versus full-day meetings.

AER Environmental Operations Plan

Monique Dubé, Ph.D., Chief Environmental Scientist, Strategy and Regulatory Division

Monique Dubé presented “AER Environment – Preparing for the Future” that focused on the balance of the environment and resource development, and the AER’s three year work plan. The four environmental themes are to monitor and report on environmental performance, have responsive and adaptive environmental management, increased AER alignment for the environment, and recognized environmental expertise. Dr. Dubé is available to present for MSEAC committee members in their work place.

Discussion/Questions:

- AER must ensure that its dual mandate of resource development and environmental protection does not conflict.
- It is important that we determine where we stand in respect to what is appropriate environmental performance. Where is the line?
 - What is appropriate environmental performance on a federal level? There is a Memorandum of Understanding with Environment Canada that is under development.
 - What is the timeframe for integrating non-energy sector data such as Environmental Impact Assessments and cumulative effects?
- Organizations must share information, work together, and deliver on individual mandates.
- There is concern about the AER’s capacity for air monitoring. The mandates of the AER, Alberta Environment and Parks (AEP), and the Alberta Environmental Monitoring, Evaluation and Reporting Agency (AEMERA) may work together to achieve seamless air monitoring.
- Cumulative Effects Management (CEM) is foundational to policy. In order to achieve progress, the AER’s CEM Blueprint must be transparent and shared.
- There is a responsibility to understand that licensing bodies may need to reconsider their approvals.
- The AER is working with Alberta Health and Alberta Health Services on a protocol regarding recurring complaints that have a human health component, including air emissions. If an agriculture piece such as the health of livestock arises, then it will be incorporated in the way that we have included human health.
- The three year plan has been approved and is being implemented in the AER. Upper level staff are reviewing the plan and determining priorities. These decisions are driven down through the organization.
- The mandate is to be efficient, rather than have regulatory processes that create long lags.
- *MSEAC – Environmental Management Flip-Charting (ex. synergy, air)*
 - How can ENGO’s support environmental work at the AER?
 - Share changes
 - Develop dialogue
 - The MSEAC group can help determine the ‘right level of engagement’
 - Create partnerships and ensure everyone is at the table
 - How can this information be shared from the AER down to the organizations and committees doing the work?
 - Communicate good work
 - Environment for Metis and First Nations
 - Need transparency
 - Include Metis in consultation
 - Linked to Traditional Knowledge
 - Build relationship and alignment at front
 - Deal with past issues (reclamation)
 - Engage outside of Oil Sands areas
 - Communication plan on who AER is – especially to communities outside of the Oil Sands

- Landowners/other
 - “Walk the talk”
 - Help the landowners understand applications
 - Checklist to make review transparent
 - Perceptions are important
- Municipalities
 - Engage everyone
 - Communicate
 - Emergency Response Plans

Feedback:

- All Albertans are partners in development in this province, including Industry. Perhaps Industry must be invited into the conversation and collaborated with.
- An increase in standards should be a natural part of this process, including scientific documentation. Consider the role of licensees in this framework. Why is the licensee not a mandatory generator of the data by means of approval clauses that require them to monitor the source?
- Note that cumulative effects are not limited to the environment, but to infrastructure as well.
- The AER has to make complicated decisions. There are multiple considerations to balance and it is valuable to be explicit about what factors go into these decisions.
- Regional plans need more detail so less time is spent on the back end with monitoring and assessments.
- The AER has a lot left to do in terms of policy management and monitoring.
- Having the right engagement strategies and a communication plan would be valuable to engage all of Alberta at the appropriate level. If Albertans are not aware of what’s going on, they will not engage.
 - This framework has to have a very high level of transparency in order to maintain credibility.
 - It is important to empathize and engage using a shared dialect. Trust is key.
 - It is important to inform stakeholders and for them to understand why and how changes are being made, as well as how the pieces all fit together, such as who does what and how it works.
 - How do the organizations represented at MSEAC fit into the new framework?
 - Communities and landowners should know about the AER and ‘what’s going on’.
 - Many communities want to assist but do not know what to do.
 - Consider what little capacity some stakeholder groups have to participate and respond. For First Nation and Metis stakeholder groups, participation in the form of sharing traditional knowledge is valuable, but often comes after the fact rather than in advance.
 - First Nations and Metis may not have the capacity to do their own monitoring.
 - It is important that a stakeholder knows where to direct their concerns, or which jurisdiction specific instances would fall into.

Play-based Regulation Pilot Project; Overview, lessons learned, and next steps

Marta Darwent, Director, Regulatory Engagement

Scott Millar, Director, Play-based Regulation

Marta and Scott discussed the origins of Play-based Regulation (PBR), the strategic intent to improve sustainability of energy development, the approach and benefits of PBR, and gave an overview of the PBR Pilot. They explored with the group what successful PBR engagement should look like.

Discussion/Questions:

- The AER is leading this initiative and taking it to the Government of Alberta. There is a current focus on the Ministries of Aboriginal Relations, Energy, Environment and Parks, as well as IRMS.
- Play-based Regulation is the building of a fundamentally new regulatory system.
 - There is a necessity for creating limits for development, such as limiting footprints.
 - Limits may encourage industry to work together to share a footprint, water sources, etc.
 - There is possibility of creating a market for footprints, modelled after water.
 - PBR will involve strategic review of applications, considering all factors under AER jurisdiction.
 - If there is a resource of equivalent value that has fewer negative consequences, that is where the development should go.
 - Subsurface resource development may be determined by surface impact.
 - The goal could be to allow Alberta to meet its extraction targets by producing an intensified area, decreasing negative consequences.
 - The PBR Pilot area is used to combine all the factors that would go into a decision.
- Many factors are impacting the way PBR is progressing. It is a work in progress, with many considerations such as providing best benefit back to Albertans, lowering footprints, and reclamation timelines.
- Early stakeholder engagement and making information available in a timely fashion is important, and feedback from stakeholders is invaluable.
 - Considered a synergy group for the pilot, but resources did not allow. Local collaboration allows for development of performance measures that work for all stakeholders.

Feedback:

- MSEAC could be very valuable to the PBR pilot. The Terms of Reference say to be informed about regulatory change initiatives. There could be proactive engagement of what you are thinking of doing, providing some context, and requesting feedback.
- This project has strong social aspects which should be considered in the cost-benefit assessment.
- Potential to use economic climate as opportunity to connect with stakeholders.

Action Items:

- The objectives of PBR are clear, but what are the goals? Is it driven by more than just economics?
- Check for “Taber PBR application” on AER systems
- How might a landowner distinguish between a Play-Based application and a normal application?
- How is the AER addressing freehold mineral holders and their private mineral rights?

Best-in-Class (BiC) – Executive summary overview

Jim Ellis, AER President and CEO

Jennifer Steber, EVP, Stakeholder and Government Relations

Tiffany Novotny, Director, Transformation & Best-in-Class

Jim Ellis and Jennifer Steber discussed the Best-in-Class project and provided an overview of the executive summary of the University of Pennsylvania’s final report on Regulatory Excellence. This outlines nine tenants of regulatory excellence. Jim stated that “we need to be seen as an excellent regulator, overseeing an excellent

regulatory system". Early engagement, involving listening and learning, is an important aspect of regulatory excellence.

Discussion/Questions:

- Discussion about trying to be Best-in-Class with a lot of moving parts to consider. Transparency spurs action because having others look into your system causes you to grow. We have powerful, strong stakeholders that have opinions. The key is to collaborate to evaluate what is in place, prioritize what is not in place, and start taking action.
- AER has to achieve a balance of internal (culture, training, staff development) and external (alignment with stakeholders, policy being given to us) factors. The AER integrates these things in order to achieve desired outcomes.
- Why were Aboriginal and Treaty Rights not considered in this report? There has to be more dialogue to glean First Nations knowledge. This report is about streamlined and efficient engagement, so the writers did not have the reach to address empathic engagement. However, for the AER itself it is important to incorporate the Aboriginal, Treaty, and landowner aspects.
- The executive summary provided the model that the AER can use to implement the report findings. Heavy engagement in Alberta can be launched in October and November. It will be put to the executive once consultation begins to co-create a framework in December. The AER is trying to gain buy-in, and will look for the help of MSEAC to design it and work through a work plan.
- The Premier has announced the implementation of the United Nations Declaration. What direction is the AER planning to take? There is a policy being developed, and we are a regulator making regulatory decisions.

Feedback:

- The AER has committed to share the report on Regulatory Excellence with other regulators, but because it was so costly perhaps it should be shared with other regulators in Alberta.
- Best-in-Class Stakeholder Engagement by proponents needs to be regulated better. A huge component of Best-in-Class is not only how the AER engages, but how the companies that we regulate engage as well.
 - Useful to have a framework to engage on
 - Use MSEAC members to help engage their communities
- What is the value of hosting additional summits in the fall, as opposed to targeting specific stakeholders and having one-on-one conversations?
 - Continue on with how it was in the past, as it was valuable.
 - AER staff should ask for specific feedback to generate dialogue, rather than an open forum.
 - There is value in using both.
 - Engage those who are impacted by and care about the issue. Use available networks such as Synergy Alberta, but consider that some landowners are left out of the synergy option.
 - Keep in mind that some conversations would be good to have as a separate session for different Alberta communities. For example, some First Nation and Metis see value in being part of larger engagement, but some may also want separate engagement.

Action Items:

- Make Best-in-Class a standing agenda topic to cover new steps that have been taken or how the AER is moving forward.

Fluid Tailings Management for Oil Sands Mining Projects Draft Directive; Next steps – Public comment period, Technical Advisory Committee

Tania De Silva, Director, Tailings Regulatory Management

Jennifer Lutz, Director, Regional Engagement

The Draft Directive was released on September 17, 2015. The AER is setting up a Technical Advisory Committee (TAC) on Tailings Regulatory Management, which launches on September 23, 2015. TAC is very resource intensive, and will promote meaningful discussion and consensus based recommendations.

Discussion/Questions:

- The AER re-evaluated its direction when MSEAC advised that full and meaningful engagement was important.
- TAC will promote meaningful two and three-way conversations. The AER is taking recommendations to improve the directive and identify gaps. We will evaluate this process and there will be continued phases.
- The Government of Alberta determined the policy and directed the AER to implement it, thereby defining the AER's scope as the AER cannot address issues that are not part of this policy. This is a phased process and we are not the process owners. It is important to get the draft directive out, and it will be continuously improved and re-released over the next few years. The goal is to establish the requirements so that operators may submit their tailings management plans which we can then evaluate and get feedback on what else may be required.
- This is a committee process and is breaking new ground. The committee will provide feedback about what information they want. We are also looking for feedback about the process itself.

Feedback:

- Regarding scope and policy, there are a lot of issues that are not yet clear or not part of this policy. Perhaps experts need to look at these topics or identify gaps in policy.

Talk AER - New information sharing and engagement tool

Jennifer Comrie, Engagement Specialist, Regulatory Engagement

Talk AER platform at <http://www.talk.aer.ca/> was launched on September 17, 2015 and currently hosts two project pages, one of them being MSEAC. Jennifer Lutz shared a video clip that indicates that Talk AER is aligned with online engagement strategies emerging across the country. View the featured clip at: <http://www.cbc.ca/player/News/TV%20Shows/The%20National/ID/2675481420/> (Time: 1:11 – 3:05). Online engagement is important to the AER because there is an increased need to engage with stakeholders in their own time and space.

Discussion/Questions:

- This tool is valuable for document sharing and distribution of meeting materials. It is important to ensure that meeting materials are posted in advance so committee members can familiarize themselves.
- The MSEAC project page is only accessible to MSEAC members and alternates. AER staff who are involved in MSEAC have access, but there is no broader AER access.

- Talk AER will be utilized by TAC, and will also be used to communicate the release of the report on Regulatory Excellence once it is released.

Feedback:

- Consider the name 'Talk AER'. The word 'talk' may indicate that the AER is talking *to* the stakeholder.
- It is important to advertise and make changes to ensure that the public located outside the Emergency Zone of a project are reached, other than by means of Notices. Perhaps this could be a tool.

Future Topics – What is important to MSEAC, meeting de-brief, next meeting date

Jennifer Wells, VP, Alberta Stakeholder Engagement

The October MSEAC meeting has been cancelled.

Feedback:

- MSEAC is very important for AER, and is intended to gain feedback from stakeholders regarding what the AER should engage on or needs to develop engagement plans for.
- The group is still establishing to what extent it is a focus group with a cross-sample of Albertans, and to what extent it is a group instructing on how to engage Albertans. The blend of the two that we currently have is ideal.
- AER is involved in so much, so it is helpful to explain all the topics and activities of the AER over a year or two. More understanding of how the AER works is required in order for committee members to advise. Committee members need to know how the AER functions in relation to a specific item before they can advise. Keep providing new topics and note when a certain one peaks interest.
 - The committee members are passengers in the MSEAC process. The AER chooses the agenda items and drives the conversation that the whole committee takes part in.
- There are too many acronyms used
- Consider including Industry in MSEAC. It was previously decided that the intent was to hear from Albertans, but Industry is a partner in this. The Terms of Reference may not reflect where MSEAC has progressed to. Certain topic areas could use Industry input, so keep evaluating the need for Industry.
- How can this information be shared from the AER down to the organizations and committees doing the work? How do these organizations fit into the new framework? Some MSEAC members are representative of larger groups – perhaps the AER can assist these representatives with conveying this information back to their groups.

Future Topics:

- The AER's mandate.
- Emergency Response and Emergency Response Plan Lists for municipalities.
 - Municipalities should be involved and notified regarding emergency management.
- Reclamation.
- An overview of geology.
- A briefing on the Aboriginal Consultation Office duty to consult. Provide a full picture - what is it, what does it mean, is there a difference between Treaties, and how does the Metis population fit in?
- A review of the Compliance Dashboard.

- Invite an AEMERA guest speaker to provide information on their role, and who monitors outside of the Oil Sands.
 - Environment and Parks sets the policy, so they could join and provide some information about their priorities, how they set them, and they types of resources available to them.
- What are the accountabilities of groups outside of AEP, AER, AEMERA?
- Provide more information on compliance and enforcement.
 - Integrated Compliance Assurance Framework (ICAF).
 - Why do companies self-disclose and then shut down operations, rather than inspections catching the non-compliance?
 - Why is a spill itself not illegal? It seems contradictory that an operator can be fined for not having the correct paperwork or the right checks in place, but if a spill does happen it is not illegal.
- Share Cost Benefit Analysis considerations and outcomes.
- The AER's approval process.
 - Enhanced Approval Process.
 - How do environmental factors fit into the internal application process, for example how is an application reviewed for impact on air quality or water?
- Current consultation and notification is lacking. How do we inform the public of developments in their area in a useful way? Membership in local synergy groups needs to be encouraged.
 - Ex. Devon residents who missed information on well drilling
 - Successful engagement use synergy groups, because you need all stakeholders at the table

Action Items:

- Follow up on the Encana event.
- Why was the point of release not detected in the Nexen event?
- Feedback is valuable to inform the group and continually evaluate if the group is on task. A proposed "Meeting Monitoring Form" (at the back of this meeting binder) would be assigned to a person at the beginning of the meeting, and that person would evaluate if MSEAC is spending an appropriate amount of time on each topic. The form is completed at the end of the meeting before the meeting can adjourn. The form becomes record of the discussion, possibly on Talk.AER.
 - "Meeting Monitoring Form" to be tailored for MSEAC purposes.