

Minutes of the Red Deer River Municipal User Group Regular Meeting held on July 19, 2012 at 1:00 PM, Badlands Community Facility, Drumheller, Alberta

1.0 Call to Order – 1:02 PM

Attendance: John Kaster – Town of Hanna, Annette Clews – Town of Sundre, Al Campbell – Town of Stettler, Ken MacVicar – Town of Sylvan Lake, Ray Reckseidler – Village of Delburne, Ray Olfert – Town of Blackfalds, Ron Howe – Town of Three Hills, Barrie Hoover – Starland County, Jordon Christianson – Special Areas, Dug Major – Special Areas, Ray Romanetz – Town of Drumheller, Terry Yemen – Town of Drumheller, Dana Kreil – Lacombe County, Les Hibbs – Village of Linden, Earl Graham – Clearwater County, Murray Ball – Town of Olds, Brian Patton – Town of Olds, Sandy Gamble – Town of Bowden, Tony Nibourg – Paintearth County, Jerry Wittstock – Kneehill County, Gates Bilodeau – Town of Stettler, Dianne Wyntjes – City of Red Deer, Bill Shaw – City of Red Deer (Advisor), Keith Ryder – RDRMUG, Recording Secretary – Linda Handy.

2.0 Adoption of Agenda

Campbell that the agenda for the July 19, 2012 Red Deer River Municipal User Group Meeting be adopted as presented. Carried unanimously.

3.0 Presentation

PLAINS MIDSTREAM PIPELINE SPILL – Overview of Incident that occurred on June 8th and river cleanup

Paul Kelly, Managing Director, EH&S, Land & Regulatory Affairs at *Plains Midstream Pipeline* provided an overview of their response to the June 8th spill with comments as follows:

- Release point north of Sundre limits and flowed 30 km downstream;
- Water quality was first concern for residents with the setup of water supply for livestock / drinking water;
- Air quality monitors installed;
- Wildlife containment with fencing; and
- Report available on Alberta Environment website.

Questions / Comments:

- Age of pipelines? P. Kelly responded – do not know the mechanism of failure at this time. Workers are in the process of removing the failed piece of pipe. As well, building a protective space around pipe in order to cut the piece of pipe out. Age of pipe is not a factor in safe operations. The company is gathering learning's from the incident and building a process. The info will be available once known.
- New regulations require boring? P. Kelly responded – not sure pipe will be reinstated – any new pipe will require a boring.
- How do you accomplish the clean up process in every corner? P. Kelly responded – the river is broken into segments and biologists / agencies are inspecting every area.

If the workers miss something, it will be dealt with. Local residents in close proximity have been provided with alternate accommodations and as the company reaches the end points of the clean up, the residents can move back when agreed to. Testing of water is ongoing – still testing water every other day and the numbers have dropped to normal levels – monitoring will be ongoing. Where the workers find pockets of oil – the area is tested and in most cases, fractions are now absent in the oil due to the weather effects and natural process. Crude oil is a natural phenomenon and it degrades quite rapidly. Natural processes will clean up residuals.

- Another pipeline break in the Province? P. Kelly responded – Rainbow's main line 100 km east of Peace River. This break is still pending investigation, possibly a well defect on repair sleeve about 30 years ago.
- Is there a corporate responsibility to identify locations and age of pipelines? P. Kelly responded - oil and gas companies pay a tax on right of ways so locations of pipelines are shared with the municipalities.

Tom McGee – Shareholder Engagement Manager with ERCB provided his background information, advising that he was the former Mayor of Drayton Valley and EUB member and now serves in his current position with ERCB. ERCB manages the compliance and enforcement for the industry as well as ensuring an effective clean up with mitigating the effects on water bodies and land.

Chad Temple – Field Inspector Supervisor - Red Deer Office & involved with the control, containment and cleanup of the Plains Midstream Spill provided an overview of the process.

Questions / Comments

- Is there a requirement to camera the lines? C. Temple responded - although no requirement to camera lines, companies must evaluate their pipeline integrity of their operations. Companies learn from failures and apply learning's to their operations. Higher risk lines need to meet standards of pipeline integrity, such as high risk line sour gas (closer to public crossings, i.e. rivers).
- Where does the oil spill waste go to? C. Temple responded - oil spill waste is accepted at Class 1 & 2 landfills. Oily wood is put through a chipper and sent to a suitable landfill and power generating company for fuel.
- Is there a requirement to report leak detection and track flows? C. Temple responded - trending and surveillance can be done via SCADA data for evaluation of leaks (dependant on substance).
- Is there a requirement for pipeline directional boring under the rivers? C. Temple responded - there is no regulation to state companies must do boring. ESRD and DFO will not allow companies to go in rivers during certain times. HDD boring has improved and 90% of water crossings are bored.
- Do ESD valves close automatically? C. Temple responded - ESD valves are either remotely operated or automatically censored and they do close automatically if associated with a failure. All sour gas pipelines have ESD valves.

- Is there a directive to have all new pipelines crossing rivers to have block valves on either side of the river. C. Temple responded - although there should be a requirement for valves to be located on all pipelines – there is a requirement for regular maintenance. T. McGee questioned whether ERCB needs to be more prescriptive as a regulator or should the proponent be more responsible?

Wayne Boyd – Sr. Regulatory Specialist, Compliance Assurance, Red Deer Office, re AESRD role in Plains Midstream Incident. W. Boyd stated that after contamination, a regional team conducts an assessment including treatment and remediation as per the soil and water guidelines. The river is divided into segments / equipment is brought onto the sites / landowners are informed and evacuated following which a long term plan is developed. Their work is carried out under the Alberta Environment Protection Act and they work along with other agencies such as Department of Oceans and Fisheries to ensure that any adverse effects are dealt with.

Questions / Comments

- What is included in the long term plans? More sampling will be carried out next spring as part of the long term monitoring which includes fish tissue analysis and surveys on vertebrae.

Steven Wallace – Ground Water Policy Specialist, re GOA management approach to Hydraulic Fracturing. S. Wallace stated that the BC province has launched FracFocus.ca, a new website that discloses the ingredients used in hydraulic fracturing. The AB Province will launch a similar website on January 1st, 2013. Currently, the Province relies on residents to report activities.

Questions / Comments

- Is CBM (Coalbed Methane) testing required before drilling? S. Wallace responded - oil companies are required by regulation to conduct well tests for performance which gives a clear snapshot of quality and production. If a landowner notices a change in water quality, the driller is responsible to do more testing.
- Chemicals used? S. Wallace responded - the major proponents in the fracking process include water, sand and forms of chemicals that would be used in some form under the sink at home. It is a competitive industry so propriety issues arise but the Province has asked for clearer definitions. ERCB is using more measures to make this information public. EnCana has made a directive not to use carcinogenic chemicals.

4.0 Confirmation of Minutes

4.1 Confirmation of Minutes of the Regular Meeting of May 17, 2012

Christianson that the Red Deer River Municipal User Group Meeting minutes of May 17, 2012 be adopted as presented. Carried unanimously.

5.0 Financial Reports to June 30, 2012

5.1 Balance Statement

K. Ryder, Executive Director provided an overview of the financial status to June 30, 2012 as follows:

Total Cash in Bank - \$163,736.65
Total Current Assets - \$175,102.91
Revenue year to date \$31,189.33
Actual Expenses year to date \$18,706.69
Surplus (Loss) to date is \$12,482.64.

K. Ryder stated that Special Projects will be discussed at the September meeting.

MOTION Reckseidler moved to accept the Financial Report as presented. Carried unanimously.

6.0 New Business

7.0 Executive Director's Report

K. Ryder provided the following overview of his activities:

7.1 Review of CWRA National Conference – information and templates to be shared with the membership.

7.2 Update re: meeting with Minister

- August 15th is the date for the Executive to meet with Minister McQueen in Edmonton; at that time an invite will be given for her to attend one of the RDRMUG's meetings.

7.3 Crown Reservation progress report

- Water for Life Allocation Management Study – no new allocations will be considered until the study has been completed by the Minister's Advisory Group.

Kreil moved to accept the Executive Director's Report as presented. Carried unanimously.

8.0 Municipal Project Review: *An opportunity for all representatives to share their current and future water/waste water projects.*

9.0 Correspondence:

Worth Every Penny – Conservation-oriented water pricing by Kirk Stinchcombe, Oliver M. Brandes and Steven Renzeth;
Water Education Programs; and
WET: Canadian Water Resources Association Program

9.0 Next Scheduled Meeting Date: September 20th, 2012 with the November meeting being changed to December 6th, 2012

10.0 Adjournment – 4:15 PM