

News Release

Calgary Head Office
Suite 1000, 250 – 5 Street SW
Calgary, Alberta T2P 0R4
Canada

AER responds to Auditor General’s audit of pipeline safety and will support recommendations made to the Government of Alberta on dam safety

www.aer.ca

For immediate release.

Calgary, Alberta (March 11, 2015)...The Alberta Energy Regulator has accepted all of the recommendations made by the Alberta Auditor General following an audit on pipeline safety that was released earlier today.

Alberta Energy Regulator Pipeline Safety Audit

The Auditor General’s pipeline safety audit found that the AER has well-functioning pipeline regulation systems, noting that “Albertans can be assured that the regulator is performing its essential function of overseeing pipeline safety and reliability in Alberta.” The audit made six recommendations for improvement focused on surveillance and enforcement activities.

“I’m pleased that the Auditor General has expressed confidence in the Alberta Energy Regulator’s oversight of pipeline safety in Alberta,” said President and CEO Jim Ellis. “While we welcome the opportunity to continuously improve our work, Albertans can be assured that we will continue to ensure the safe, environmentally responsible development of our energy resources.”

The AER has begun implementing changes to pipeline regulation as a result of the audit process and its findings, including improvements in surveillance and enforcement, establishing performance measures and targets and enhanced training for AER staff.

Auditor General’s Audit of Alberta Government’s Dam Safety Program

Also today, the Auditor General released its audit of Alberta Environment and Sustainable Development’s management of the province’s Dam Safety Program.

In 2014, the AER accepted responsibility for the regulation of all dams related to development of Alberta’s energy resources. The transition of these responsibilities was completed in September 2014. The AER regulates 65 of the approximately 1500 dams in Alberta – 40 of those 65 dams are related to oil sands development while the remaining 25 are related to coal mining. A list of Alberta’s oil sands dams can be found below.

“The Auditor General’s recommendations related to dam safety will be applied to the AER’s regulatory oversight of dams related to energy development as part of our mandate to ensure the safe, environmentally responsible development of energy resources for Albertans,” said Ellis. “The Auditor General has recognized the AER’s pipeline regulation performance, and Albertans can be confident that we will apply that same rigour to all AER-regulated dams.”

In May 2015, the AER will launch an inspection program to ensure the integrity of all AER-regulated dams, including a review of past inspection data from Alberta Environment and Sustainable Resource Development. This inspection program is expected to be complete by the end of October 2015, and the results will be made public.

Copies of the Auditor General's reports can be found at www.oag.ab.ca/reports.

The Alberta Energy Regulator ensures the safe, efficient, orderly, and environmentally responsible development of hydrocarbon resources over their entire life cycle. This includes allocating and conserving water resources, managing public lands, and protecting the environment while providing economic benefits for all Albertans.

-30-

For more information, please contact:

Bob Curran, AER Office of Public Affairs

Phone: 403-297-3392

E-mail: bob.curran@aer.ca

Media line: 1-855-474-6356

NR-2015-03

AER Regulated Dams

Oil Sands Dams (very high to extreme consequence)

Company	Operations	Structure	Consequence Classification	Annual Performance Report (APR)/Dam Safety Review (DSR)	
Syncrude	Mildred Lake	Mildred Lake Settling Basin	Extreme	APR 2013-14	
		West In-pit NS End Enclosure	Extreme	APR 2013-14	
		Southwest I.P. North End Dam	Extreme	APR 2012-13	
		Southwest Berm (Dyke)	Very High	APR 2013-14	
		Coke Cell 5	Extreme	APR 2013-14	
		Southwest Sand Storage Facility	Extreme	APR 2013-14 DSR 2013	
		EIP Highway 63 Berm	Extreme	APR 2013-14	
		EIP North Closure Dam	Extreme	APR 2013-14	
		EIP Boundary Dyke Facility	Extreme	APR 2013-14	
		Mildred Lake Dam	Very High	No APR/DSR	
		Beaver Creek Diversion	Very High	APR 2013-14	
		Aurora North	Aurora Settling Basin	Extreme	APR 2013-14
		Suncor	Lease 86/17	Pond 1	Extreme
Pond 1a	Extreme			DSR 2014	
Pond 2/3	Extreme			APR 2013-14	
Pond 4, 4G, 4G2	Extreme			APR 2012-13	
Pond 5	Extreme			APR 2012-13	
Pond 6	Extreme			APR 2012-13	
Millenium Mine	Pond 7			Extreme	APR 2013-14
Pond 8	Extreme		APR 2012-13		
Pond 8a	Extreme		APR 2013-14		
Pond 8b	Extreme		APR 2013-14		
South Tailings Pond	Extreme		APR 2012-13		

Shell	Muskeg River Mine	External Tailings Facility (ETF)	Extreme	APR 2013-14
		South Expansion Area (SEA)	Extreme	APR 2013-14
		In-Pit Dykes (1, 2, 2i, 3S, 3N)	Very High	APR 2013-14
	Jackpine Mine	External Tailings Facility (ETF)	Extreme	APR 2013-14
		In-Pit Dykes	Very High	Design Stage
Suncor	Fort Hills	Out-of-pit Tailing Area (OPTA)	Extreme	Design Stage
CNRL	Horizon	Pond 1 (Dyke 10)	Extreme	DSR 2013
		Horizon Dam	Extreme	APR 2013-14
Imperial Oil	Kearl Project	External Tailings Area (ETA)	Extreme	APR 2013-14