Indian Oil and Gas Canada
Indian Oil and Gas Canada’s Environmental Regulatory and Policy Changes

Watertech 2013
ESSA Conference
Banff Springs, April 10-13, 2013
Elaine Blais, BSc. P.Ag. Environment Team Manager
Outline

• Overview of Indian Oil and Gas Canada (IOGC)
• Environment Team Responsibilities
• Changes to CEAA 2012 and IOGC’s new Environmental Review Form
• Changes to the IOGA and Policy Considerations for proposed Environmental Regulations
IOGC Overview - Focus and Mandate

IOGC - Special Operating Agency with sole focus on First Nation oil and gas resources on designated Indian Reserves

IOGC is a national agency operating in 5 provinces (including NT)

Mandate

• Fulfill the Crown’s fiduciary and statutory obligations related to the management of oil and gas resources on First Nation lands

• Further First Nation initiatives to manage and control their oil and gas resources, i.e. governance

History

• IOGC was established in 1987

• IOGC affirmed as a Special Operating Agency in 1993
IOGC Overview – Statutory Authorities

• IOGC operates pursuant to:
  - Indian Oil and Gas Act (IOGA)
  - Indian Oil and Gas Regulations, 1995

• IOGC also operates pursuant to provisions of other federal legislation:
  - Indian Act
  - Canadian Environmental Assessment Act (CEAA)
  - Other relevant like Species at Risk Act, Migratory Birds Convention Act, Canadian Environmental Protection Act
Canada’s seven hydrocarbon regions are those areas of Canada that are composed of sedimentary rock, which is the type of rock that can hold oil and natural gas.
IOGC Overview - Main Functions

• Assist First Nations in oil and gas process:
  - Negotiate, issue and administer agreements with oil and gas companies
  - Administer the environmental life cycle for surface agreements
  - Monitor oil and gas production and sales prices
  - Verify/assess and collect moneys such as bonuses, royalties and rents
  - Ensure legislative and contract requirements are met
Oil and Gas Development - Surface and Subsurface

IOGC Approval
- Bonus
- Royalty
- Commitments
- Fair Return

FN Approval
- Partnerships
- Ec/Dev
- Employment
- Culture
# Environment Group Responsibilities

<table>
<thead>
<tr>
<th>Overall Responsibilities</th>
<th>Corresponding IOGC Duties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balancing development with environmental protection and cultural values</td>
<td>Environmental review, Mitigation Measures, Management Planning</td>
</tr>
<tr>
<td>Providing assurance to First Nations on Compliance &amp; Enforcement</td>
<td>Compliance Toolkit - including Environmental Audit, Direction to Comply, Inspections</td>
</tr>
<tr>
<td>Trust Building with First Nations &amp; Industry</td>
<td>Meetings, Engagement, Inclusion, Follow-up</td>
</tr>
<tr>
<td>Returning the land to what it was before development</td>
<td>Remediation &amp; reclamation</td>
</tr>
</tbody>
</table>
3 Types of Surface Agreements

1. Exploratory license (Seismic)

2. Surface leases – wells, facilities, RS

3. Right-of-way agreement - flowlines
Surface Lease or Right-of-Way Environment Life Cycle

**Application Process** Step 1

- ~1 month
- <1 month* for Surface Land Administration
- <1 month* for Env. Review

*Dependent on:
- workload
- type of application
- quality of application
- experience of applicant

**Final Review and Approval Process** Step 2

- ~1 week to 1.5 years
- Dependent on time needed for signed BCR

**Environmental Audits**

- 1 and every 5 years (well sites)
- 1 and every 3 years (batteries and compressor stations)
- 2 and every 10 years (pipelines)

**Closure**

- Abandonment
- Reclamation approval
- Surrender

*Dependent on:
- workload
- quality of Environmental Review:
  - site assessment conducted in the growing season?
  - potential species at risk and if so, appropriate surveys?
  - FN involvement for location and cultural concerns?
Canadian Environmental Assessment Act, 2012

• The Canadian Environmental Assessment Act (CEAA 2012) came into force on July 6, 2012.

• Environmental Assessments (EA) pursuant to CEAA for oil and gas projects on Indian Reserves are no longer required.

• IOGC issues permits, leases, licences & right-of-way agreements on the land so still has the responsibility to ensure oil and gas activity does not cause significant adverse environmental effects pursuant to the CEAA 2012.

• IOGC has developed a new Environmental Review process to ensure there are no adverse environmental effects.
### Environmental Review Form

**Indian Oil and Gas Canada (IOGC)**  
**Pétrole et gaz des Indiens du Canada**

**DRAFT ENVIRONMENTAL REVIEW FORM**

- The accurate completion of this Form is required to conduct oil and gas activity on Indian Reserve Land in Canada.
- This Form is designed to be completed with Guide to Preparing an Environmental Review Form for Indian Oil and Gas Canada (2013).
- In the interim, Applicants can refer to IOGC’s Information Letter: How to Prepare an Environmental Assessment for Indian Oil and Gas Canada (Interim Guidelines: March 2017).  
- The applicant shall ensure that the environmental information contained herein is prepared by an independent qualified environmental professional and that the site assessment is conducted and recorded by a qualified assessor as per the aforementioned Guide.
- Use additional space if required.

#### Section A. PROJECT IDENTIFICATION

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Applicant name:</td>
</tr>
<tr>
<td>2.</td>
<td>Project name:</td>
</tr>
<tr>
<td>3.</td>
<td>New project or amendment or change to an existing agreement?</td>
</tr>
<tr>
<td></td>
<td>□ New project</td>
</tr>
<tr>
<td></td>
<td>□ Amendment (additional well/pipeline, change of use and/or expiry of Environmental Protection Term)</td>
</tr>
<tr>
<td></td>
<td>If amendment, provide IOGC surface agreement # and go to Section F.</td>
</tr>
<tr>
<td>4.</td>
<td>Project location</td>
</tr>
<tr>
<td></td>
<td>a) Legal land description (e.g. surface and bottom hole, start and end points):</td>
</tr>
<tr>
<td></td>
<td>b) Latitude and Longitude:</td>
</tr>
<tr>
<td></td>
<td>c) Reserve name and number:</td>
</tr>
<tr>
<td>5.</td>
<td>Anticipated start date or quarter:</td>
</tr>
<tr>
<td>6.</td>
<td>Date(s) of site visit(s):</td>
</tr>
<tr>
<td>7.</td>
<td>Type of application (See Section C):</td>
</tr>
<tr>
<td></td>
<td>□ Standard application</td>
</tr>
<tr>
<td></td>
<td>□ Non-standard application</td>
</tr>
</tbody>
</table>

#### Section B. PROJECT DESCRIPTION

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Project Type:</td>
</tr>
<tr>
<td>a)</td>
<td>Surface lease</td>
</tr>
<tr>
<td></td>
<td>□ Developmental well</td>
</tr>
<tr>
<td></td>
<td>□ Exploratory well</td>
</tr>
<tr>
<td></td>
<td>□ Multi-well pad (# of wells: )</td>
</tr>
<tr>
<td></td>
<td>□ Access road</td>
</tr>
<tr>
<td></td>
<td>□ Single well battery</td>
</tr>
<tr>
<td></td>
<td>□ Battery</td>
</tr>
<tr>
<td></td>
<td>□ Disposal well</td>
</tr>
<tr>
<td></td>
<td>□ Remote ramp</td>
</tr>
<tr>
<td></td>
<td>□ Pipeline riser</td>
</tr>
<tr>
<td></td>
<td>□ Compressor</td>
</tr>
<tr>
<td></td>
<td>□ Borewell pit</td>
</tr>
<tr>
<td></td>
<td>□ Satellite</td>
</tr>
<tr>
<td></td>
<td>□ Enhanced Oil Recovery (EOR)*</td>
</tr>
<tr>
<td></td>
<td>□ Stream Assisted Gravity Drainage (SAG-D)*</td>
</tr>
<tr>
<td></td>
<td>□ Coalbed methane*</td>
</tr>
<tr>
<td></td>
<td>□ Other (describe)*</td>
</tr>
<tr>
<td></td>
<td>*Contact a Representative from the Environment Unit to discuss how to proceed.</td>
</tr>
</tbody>
</table>
Environmental Review Form

A. Project Identification
B. Project Description
C. Standard vs. Non-standard Application
   “Yes” answers means the application is processed as ‘non-standard’ and will require Appendix 5: Non-standard mitigation measures
D. First Nation Contact Information, First Nation Traditional Knowledge (FNTK), Resident Consultation and Communication with Community
E. Site-Specific Environmental Information
F. Amendment, Additional Well/Pipeline, Change of Use, and Expiry of Environmental Protection Terms
   *Not completed for new projects
G. Appendices
H. Presentation of the Environmental Review
I. IOGC Decision
Environmental Review Form

Appendices:
1. Project activities Table
2. Consultation and Accommodation Table
3. Soil Evaluation
4. Potential Species at Risk within the Proposed Project/Program Area Table
5. Non-Standard Mitigation Measures
6. Survey Plan
7. Aerial Photograph(s) or Map(s)
8. Site Diagram(s)
9. Site Photographs
10. Pre-construction water well test results

Larson, G. 1989. Wildlife Preserves
Environmental Review Form

Appendices:

11. Correspondence/permits/applicable operational statements from other federal departments
12. Pre-Development surveys/Third-Party Reports
13. Table C-1: Potential Impacts, Mitigation and Related Residual Effects (from 2011 IL, Appendix C page 49)
Proponent Environmental Review Requirements

• The field requirements to complete the Environmental Review Form are the same as those required for the EA.

• Environmental Review completed by a qualified independent Environmental Consultant in consultation reps assigned by Chief & Council (e.g. affected residents, Elder Committee, Oil & Gas Representative);

• Environmental Review forwarded to both IOGC and the First Nation Chief and Council;

• First Nation review – BCR as part of surface agreement
Field Assessment in Environmental Review

• Site assessments, any baseline studies and surveys should be completed in spring/summer.

• Must be completed by a qualified environmental professional.

• If species at risk have been identified within the project area, species at risk surveys will be required.

• Rare plant surveys are mandatory on proposed projects located on native prairie.
Policy Considerations for Environmental Regulations

✓ Manage environmental responsibilities through regulations vs contracts and policy/procedures

✓ Modernize IOGC’s environmental responsibilities on par with the provinces (revolutionary vs evolutionary)

✓ Regulations to be developed on the following guiding principles:
  ✓ Fiduciary
  ✓ Ease of Administration
  ✓ Clear and Transparent
  ✓ Effective
  ✓ Fairness
  ✓ Sustainable over Time
  ✓ Efficient
The Environmental Regulations have been divided into the following modules:

• **Environmental Review Process** and First Nation Traditional Knowledge
• Standard Environmental Protection Terms
• Environmental Audits
• Release of Substances
• Remediation
• Reclamation
• Security Deposits (on-hold)
Environmental Review Process & FNTK

Sections:
1: Definitions and When is an Environmental Review Required
2: Preparation of Environmental Data
3: Environmental Review Information to be submitted outlined
4: First Nation Traditional Knowledge in the Project Life Cycle
5: Public Engagement
6: Obligations and Duty to Implement Mitigation Measures
7: Environmental Monitor
8: Environmental Authorization to Proceed
Standard Environmental Protection Terms

Sections:
1: Definitions
2: Offences
3-6: Water
7-8: Heritage Resources
9-11: Damage to Property
12-13: Wood Fiber
14: Native Grasslands
15-20: Soils
21: Weeds
22-25: Waste Management
26: Housekeeping
27-29: Progressive Reclamation
30-31: Spills
32: Exploration
Environmental Audit

Sections:

1: Definitions
2: Compliance with Environmental Protection Mitigation Measures
3: Applicability to Surface Agreements
4: Environmental Audit Timelines
5: Environmental Audit Requirements
6: Duty to Meet the Environmental Protection Measures and/or Mitigation Measures
7: Enforcement
Reclamation

Part I Sections:

1: Definitions
2: Reclamation Inspection
3: Duty to Reclaim - Timelines
4: Issuance of Reclamation Certificate
5: Amendment and Cancellation of Reclamation Certificate
6 a. Compliance with regulations
   b. Compliance action plans
   c. Off-site damage or trespass
   d. After reclamation certificate or surrender
   e. Emergency
7: Continuing Liability
Reclamation

Part II Sections

1: Criteria

2: Application for Reclamation

3: Improvements Left in Place

4: Inspection of Reclaimed Land after Application

5: Incomplete Reclamation

Schedule A: Reclamation Criteria

AB Criteria
Release of Substances

Definitions

Sections:

1 and 2: Intent of Regulations
3 and 4: Permission Required for Intentional Releases
5 - 8: Reporting
9: Release of Substances Notification
10 - 12: Off-Site Migration
13 - 15: Enforcement
Remediation

**Sections:**
1: Definitions
2: Inspection
3: Order Remediation
4: Care and Duty to Prevent Contaminated Sites
5: Notification of Remediation
6: Submission and Review of the Remedial Action Plan
7: Confirmatory Remediation Report
8: Criteria – CCME & applicable Prov
9: Continuing Liability
Other Legislative Powers - IOGA, 2009

- Ministerial Orders
- Inspectors designated by the Minister
- Powers to Audit
- Enforcement Regulation
- Administrative Monetary Fines and Penalties
- Referential Incorporation of Provincial Laws
- Enter in Provincial – Federal Agreements
Summary

• The Draft Environmental Review Form replaces the environmental assessment process
• Pre-construction water well test results are required with the Environmental Review Form
• Field assessments must still be conducted in the growing season
• The Guide to the Environmental Review Form is being developed
• IOGC’s Reclamation Cover Sheet is available
• Pipeline audit requirements are now 2 years after installation and every 10 years thereafter
• Consultation with Industry about the new Environmental Regulations is targeted for this year
• The new IOGA and Regulations are expected to come into force April 1, 2014
Indian Oil and Gas Canada
100, 9911 Chiila Boulevard
Tsuu T’ina, AB  T2W 6H6
Tel: 403-292-5873
Fax: 403-292-5618
E-mail: elaine.blais@aandc-aadnc.gc.ca