

# Weekly NEWS



An Information Service for Alberta's Environment Industry

The Week Ending March 20<sup>th</sup>, 2020



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**Comments & submissions are welcome!**

Please submit your announcement via e-mail to:  
[weeklynews@esaa.org](mailto:weeklynews@esaa.org)

## IMPORTANT UPDATE FROM ESAA

As you are probably already aware, and on the strong recommendation of the Alberta Government, **EnviroTech 2020 has been postponed**. We have secured **June 10-12, 2020** at the Hyatt Regency in Calgary on the assumption the crisis will have subsided and EnviroTech can take place. Should we need to postpone again, we will work with the Hyatt on new dates. As always, the safety of everyone in the ESAA/EnviroTech family is our top priority.

## Current EnviroTech Sponsors, Exhibitors, Speakers and Delegates?

If you are currently registered as a Sponsor, Exhibitor, Speaker or Delegate, you should have received an e-mail with additional information that outlines the next steps for you.

## ESAA Operations and Events

It will be business as usual at ESAA as we continue to monitor the situation, and plan *EnviroTech*, the *25th Annual Golf Tournament* and *RemTech*.

I would personally like to thank everyone in advance as we all navigate these challenging and unprecedented times facing all of our families, businesses and the world.

More information will be available in the coming weeks and months.

**Stay healthy and safe.**

Joe Chowaniec  
ESAA, Executive Director

## ***OIL SANDS ENVIRONMENTAL MONITORING PROGRAM REGULATION AND REGIONAL MONITORING APPROVAL CONDITIONS***

We require oil sands operators to conduct and support regional monitoring activities and to participate in regional monitoring programs. When we issue approvals under the *Environmental Protection and Enhancement Act (EPEA)* to oil sands operators, conditions are added that require them to participate in regional monitoring programs, such as those run by the Wood Buffalo Environmental Association.

The Oil Sands Monitoring (OSM) Program was established by the *Oil Sands Environmental Monitoring Program Regulation* (2013). This joint provincial-federal program performs various types of environmental monitoring across the oil sands regions of northern Alberta. Oil sands operators holding AER-issued *EPEA* approvals are required to participate in this program and pay a yearly fee. Under section 6 of the regulation, if an approval condition requires regional monitoring that is being done by the OSM program, and the approval holder is meeting its obligations under the program, then the approval holder is deemed to be in compliance with that condition. We will check this “deemed compliance” annually.

Deemed compliance does not apply to certain conditions related to regional initiatives, such as participation in some environmental management frameworks under the *Alberta Land Stewardship Act*.

We will now issue letters annually to existing approval holders listing specific approval conditions that are considered satisfied under the regulation. All other conditions, including project area monitoring requirements, remain unchanged and are the responsibility of the approval holder.

For more information, please contact our Customer Contact Centre by phone at 403-297-8311 (1-855-297-8311 toll free) or by email at [inquiries@aer.ca](mailto:inquiries@aer.ca).

## DRAFTING / GIS & DATA PROCESSING SERVICES

FOR ENVIRONMENTAL CONSULTANTS OF ALL SIZES

- ESA Report Figures
- Conceptual Site Models
- Geological Cross-Sections
- Groundwater Flow Maps
- Contours from LiDAR, DEM
- Borehole & Monitoring Well Log Plotting
- Data Tabulation (Exceedance Tables)
- Trimble File Processing



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## ***DIRECTIVE 065 AND MANUAL 012 UPDATED TO ALIGN WITH GOVERNMENT POLICY***

Today we released new editions of *Directive 065: Resources Applications for Oil and Gas Reservoirs* and *Manual 012: Energy Development Applications Procedures and Schedules*. We have updated section 4.1.3 of *Directive 065* and section 7.3.6 of *Manual 012* to align with Alberta Energy's *Information Letter 2019-37* (<https://inform.energy.gov.ab.ca/Documents/Published/IL-2019-37.pdf>) and AER *Bulletin 2019-30*, clarifying consent requirements when Crown mineral and disposal rights overlap.

For questions about AER requirements for disposal scheme applications, please contact our Customer Contact Centre at [inquiries@aer.ca](mailto:inquiries@aer.ca).

*Directive 065* and *Manual 012* are available on the AER website, [www.aer.ca](http://www.aer.ca). Printed copies of the directive and manual can be purchased from AER Information Distribution Services, Suite 1000, 250 – 5 Street SW, Calgary, Alberta T2P 0R4; telephone: 403-297-8311 or 1-855-297-8311 (toll free; option 0); fax: 403-297-7040; email: [InformationRequest@aer.ca](mailto:InformationRequest@aer.ca).

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## ***\$1.2 MILLION FINE FOR SOLVENT SPILL IN ALBERTA***

(Source: HazMat Magazine) Drever Agencies Inc. was recently fined \$1,250,000 in Wetaskiwin Provincial Court for an offence under the Canadian Fisheries Act. The company pleaded guilty to a charge of depositing a deleterious substance into water frequented by fish. The fine will be directed to the Government of Canada's Environmental Damages Fund.

The incident which led to the fine occurred in August 2017. Environment and Climate Change Canada enforcement officers responded to a report of a solvent spill on a commercial property in Wetaskiwin. A number of dead fish were observed in an unnamed creek that flows into the Battle River. An investigation determined that approximately 1800 litres of Petrosol solvent leaked from a storage tank owned by Drever Agencies Inc. and entered the creek. Through laboratory analysis, it was confirmed that the solvent was deleterious (harmful to fish).

Wetaskiwin is a city of 12,000, approximately 70 kilometres south of Edmonton. The city name comes from the Cree word wītaskiwinihk, meaning "the hills where peace was made"

As a result of the conviction, the company's name will be added to the Environmental Offenders Registry.

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## ***JOURNEY ENERGY INC. TO PAY \$125 000 FINE FOR JUNE 2017 PIPELINE FAILURE***

*Journey Energy Inc.* has been ordered to pay a \$125 000 fine for a pipeline failure that happened in June 2017.

The company pled guilty to one charge under the [Environmental Protection and Enhancement Act](#) in provincial court.

Journey's plea comes after a mixture of crude oil and produced water was released from two breakpoints on a pipeline approximately one kilometre southeast of Winfield, Alberta.

In total, at least nine cubic metres of emulsion was released from the second breakpoint, adversely impacting the environment. The AER laid charges against Journey in June 2019. The agreed statements of facts and Journey's court submissions are available on the AER's [Compliance Dashboard](#).

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## ***RECORD WELL ABANDONMENTS FOR SASK. IN 2019-20, AND THAT'S A GOOD THING***

(Source: *PipelineNews.ca*) Regina – When an oil or gas well is finally put out of commission, never to be used again, and done so properly, it is "abandoned," in industry lingo. And to that end, the province of Saskatchewan has seen a substantial increase in the number of abandonments in recent years.

On March 9, Energy and Resources Minister Bronwyn Eyre told a press conference in the Legislature in Regina, "Saskatchewan's oil and gas companies have responsibly completed a record number of oil and gas well abandonments in 2019, and into 2020.

"Our province has seen a total of 2,030 well abandonments completed between April 1, 2019 and Feb. 29, 2020. This represents an increase of more than 40 per cent compared to 2018-19 and 240 per cent compared to 2016-17," Eyre said.

Abandonments should not be confused with “orphan wells,” which are wells that are not in production, have not been properly abandoned, and whose ownership has essentially left them as someone else’s problem. This can happen when companies become insolvent, for instance.

Eyre said, “Abandonment, in this context, is the opposite of walking away. An abandoned well means a well that is no longer supporting oil and gas development and has been decommissioned to a safe, environmentally sound condition.”

“This impressive increase in well abandonments demonstrates the clear commitment between industry and government to manage the entire life cycle of our provincial wells, to ensure the safe retirement of unused oil and gas infrastructure, to protect our environment, landowners and the public.”

She highlighted that oil and gas operators, not taxpayers, pay for this decommissioning.

This is in contrast to Alberta, which, on March 2, that province’s government offered a \$100 million loan to decommission approximately 1,000 orphan wells. This follows a similar loan of \$235 million in 2017.

Eyre attributed the increase in well abandonments to collaboration between the Ministry of Energy and resources and industry working groups to develop a revised directive on well abandonment requirements which came into effect last July, which streamlined and clarified procedures for obtaining regulatory approvals for abandonment operations.

“In Saskatchewan, wells must be cleaned up in a way that ensures there’s no contamination of geological formations, fresh water, or the surface environment,” she said.

In recent years, some Saskatchewan oil producers had suggested federal and provincial governments should expend money on well abandonments as a way to boost lagging activity levels for the oilfield services sector, similar to what Alberta recently announced for orphan wells.

Eyre replied, “We have a very different landscape, in Saskatchewan, here, in terms of orphan wells than is currently the case in Alberta.

“The orphan well fund, everyone should know, is something that comes into play when there’s an insolvency. In Saskatchewan’s case, versus Alberta’s, we’ve spent \$28 million – that’s not taxpayers – that’s from industry, since the creation of the orphan well fund in 2010, cleaning up about 560 wells. My understanding is there are about 175 inactive wells currently in the province. That’s a very manageable inventory, compared to Alberta’s, which are somewhere around the 3,000 well mark. So a very different situation between the two provinces, a very manageable inventory here. So we feel, at the moment, it’s a different scenario than Alberta.”

She added, “I think there’s a sense in, in industry, that they want to manage their inventory of inactive wells. They want to manage their liability for the long-term health of the sector, which includes all aspects of the challenges.”

Eyre pointed out there are four phases in the life cycle of a well. Initially it’s in production. Then it becomes inactive. It becomes formally “inactive” after a period of 12 months of not being in production. The next phase is abandonment, followed by remediation.

“It’s not that oil wells are only about production. They’re also about remediation. That’s just the natural process, and the cycle of the sector,” she said.

Asked about how liability ratios have pushed Alberta companies into insolvency, which resulted in more orphan wells, she replied, “I want Saskatchewan people to be assured that the life cycle of wells in this province are being managed. And that the wells are being cleaned up. That’s the most important part of the announcement today.

“In terms of the liability, we have an unfunded liability, right now, in the province of Saskatchewan, of zero. So that, again, is a positive number, because we’ve collected some \$100 million in security deposits to prevent against liability by companies. That said, the overall liability of companies in the province of Saskatchewan has dropped by about \$40 million. Again, a positive number. And it’s all about the asset versus liability ratio. We collect more security deposits when there’s a greater risk of liability. Right now we’re well covered and under control in that area,” she concluded.

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## COVID-19 Updates and Resources

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### Legally Speaking: A COVID-19 Blog

March 19, 2020

By the McLennan Ross Labour & Employment Team



#### WHAT WE ARE SEEING

- Both the federal and the Alberta governments announced measures to provide financial support to businesses during this crisis.
  - Our summary of the announcement from the Canadian government can be found [here](#).
  - The Alberta government's support package is primarily the delaying of payment of corporate income tax balances and installment payments and clarifying that employees on leave due to either having COVID-19 or being required to self-quarantine will be compensated during the leave through Employment Insurance benefits and the Emergency Isolation Support program. This is good news to employers who were concerned about having to provide paid leave to such employees. Read about the details [here](#).
- An option available to some employers to continue operations but with reduced capacity is to apply for the federal government's Work-Sharing Program. The Work-Sharing Program aims to help employers avoid layoffs and provide employees with income support during times of temporary reduction in normal business activity outside of an employer's control. Work-Sharing is available to employees eligible for Employment Insurance benefits and requires that employees agree to a reduced schedule of work. Employers and employees must apply for the program together (with union involvement, if applicable). In response to the COVID-19 outbreak, the federal government has waived the mandatory 30-day waiting period for Work-Sharing agreements and has extended the number of weeks that benefits may be received from 38 weeks to 76 weeks. These special measures will remain in effect until March 14, 2021.

#### WHAT WE ARE HEARING

- The Alberta Human Rights Commission has issued an information statement regarding COVID-19 that can be found [here](#). It is important to note that this statement has no precedential value and should not be considered as a binding interpretation of the *Alberta Human Rights Act*. The same guiding legal principles and decisions used prior to the pandemic will be the foundation for any future analysis of whether an employer's conduct during this crisis constituted discrimination under the Act. For a summary of those principles with respect to family status, please see our e-alert [here](#).
- Alberta Occupational Health and Safety has not yet provided any guidance to employers regarding its obligations under the Act and Code with respect to COVID-19. As such, we continue to recommend employers follow our pandemic planning checklist which can be found [here](#).
- McLennan Ross LLP, like most other law firms, is trying to provide real-time information to its clients and to employers generally regarding legal issues arising from the pandemic. It is important not to rely solely upon this summary information for important business decisions. We have seen incorrect or overgeneralized information being provided to the public by other firms. We recommend employers consult legal counsel before making such important labour and employment decisions.

#### WHAT WE ARE SAYING

- Employers can rescind offers of future employment which were made prior to the COVID-19 crisis, but you must be mindful of the possible legal consequences. As with most employment relationships, the terms of any written employment agreement are key, which often is comprised of little more than the offer letter:
  - If your offer letter or executed employment agreement reserves the right to terminate within the first three months of employment with the payment of any notice, we expect you can rely upon that clause to terminate prior to the commencement of the relationship without employee recourse.
  - If, however, your employment documents describe the first three months as a "probationary period", there is a 2017 decision from British Columbia which found that using such a term required the employer

to actually evaluate the employee's performance and did not permit termination prior to commencement of employment.

- If your employment documents are silent regarding termination, you may owe the employee pay in lieu of notice despite the employee having never actually worked for you. In the same British Columbia decision referenced above, for example, that employee was awarded pay in lieu of 6 weeks' notice.

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## ***GOVERNMENT CANADA ECONOMIC ANNOUNCEMENTS***

On March 18, 2020, [the Government of Canada announced a new set of economic measures](#) to help stabilize the economy during this challenging period. These measures will provide up to \$27 billion in direct support to Canadian workers and businesses.

### **Temporary Income Support for Workers and Parents**

For Canadians without paid sick leave (or similar workplace accommodation) who are sick, quarantined or forced to stay home to care for children, the Government is:

- Waiving the one-week waiting period for those individuals in imposed quarantine that claim Employment Insurance (EI) sickness benefits. This temporary measure is in effect as of March 15, 2020.
- Waiving the requirement to provide a medical certificate to access EI sickness benefits.
- Introducing the Emergency Care Benefit providing up to \$900 bi-weekly, for up to 15 weeks. This flat-payment Benefit would be administered through the Canada Revenue Agency (CRA) and provide income support to:
  - Workers, including the self-employed, who are quarantined or sick with COVID-19 but do not qualify for EI sickness benefits.
  - Workers, including the self-employed, who are taking care of a family member who is sick with COVID-19, such as an elderly parent, but do not qualify for EI sickness benefits.
  - Parents with children who require care or supervision due to school closures, and are unable to earn employment income, irrespective of whether they qualify for EI or not.
  - Application for the Benefit will be available in April 2020, and require Canadians to attest that they meet the eligibility requirements.

### **Longer-Term Income Support for Workers**

For Canadians who lose their jobs or face reduced hours as a result of COVID's impact, the Government is:

- Introducing an Emergency Support Benefit delivered through the CRA to provide up to \$5.0 billion in support to workers who are not eligible for EI and who are facing unemployment.
- Implementing the EI Work Sharing Program, which provides EI benefits to workers who agree to reduce their normal working hours as a result of developments beyond the control of their employers, by extending the eligibility of such agreements to 76 weeks, easing eligibility requirements, and streamlining the application process

### **Temporary Wage Subsidy**

The government is proposing to provide eligible small employers a temporary wage subsidy for a period of three months. The subsidy will be equal to 10% of remuneration paid during that period, up to a maximum subsidy of \$1,375 per employee and \$25,000 per employer. Businesses will be able to benefit immediately from this support by reducing their remittances of income tax withheld on their employees' remuneration. Employers benefiting from this measure will include corporations eligible for the small business deduction, as well as non-profit organizations and charities.

### **Flexibility for Businesses Filing Taxes**

- The CRA will allow all businesses to defer, until after August 31, 2020, the payment of any income tax amounts that become owing on or after today and before September 2020. This relief would apply to tax balances due, as well as installments. No interest or penalties will accumulate on these amounts during this period.
- The CRA will not contact any small or medium (SME) businesses to initiate any post assessment GST/HST or Income Tax audits for the next four weeks. For the vast majority of businesses, the CRA will temporarily suspend audit interaction with taxpayers and representatives.
- The Liaison Officer service offers help to owners of small businesses to understand their tax obligations. Traditionally available in-person, this service is now available over the phone, ensuring small businesses are aware of any changes such as filing and payment deadlines, proactive relief measures, etc.

### **Ensuring Businesses Have Access to Credit**

- The **Business Credit Availability Program (BCAP)** will allow the Business Development Bank of Canada (BDC) and Export Development Canada (EDC) to provide more than \$10 billion of additional support, largely

targeted to small and medium-sized businesses. BDC and EDC are cooperating with private sector lenders to coordinate on credit solutions for individual businesses, including in sectors such as oil and gas, air transportation and tourism. The near term credit available to farmers and the agri-food sector will also be increased through Farm Credit Canada.

- The Office of the Superintendent of Financial Institutions (OSFI) announced it **is lowering the Domestic Stability Buffer by 1.25%** of risk-weighted assets, effective immediately. This action will allow Canada's large banks to inject \$300 billion of additional lending in to the economy.
- The Bank of Canada cut the interest rate to 0.75% as a proactive measure in light of the negative shocks to Canada's economy arising from the COVID-19 pandemic and the recent sharp drop in oil prices.

#### **Income Support for Individuals Who Need It Most**

- To ensure that certain groups who may be vulnerable to the impacts of COVID-19 have the support they need, the Government is proposing targeted help by:
- Providing \$305 million for a new distinctions-based Indigenous Community Support Fund to address immediate needs in First Nations, Inuit, and Métis Nation communities.
- Placing a six-month interest-free moratorium on the repayment of Canada Student Loans for all individuals currently in the process of repaying these loans.
- Supporting women and children fleeing violence, by providing up to \$50 million to women's shelters and sexual assault centres to help with their capacity to manage or prevent an outbreak in their facilities. This includes funding for facilities in Indigenous communities.

#### **Goods and Services Tax Credit (GSTC) Payment Amounts**

The Government is proposing to provide a one-time special payment by early May 2020 through the GSTC. This will double the maximum annual GSTC payment amounts for the 2019-20 benefit year. The average boost to income for those benefiting from this measure will be close to \$400 for single individuals and close to \$600 for couples. This measure will inject \$5.5 billion into the economy.

#### **Canada Child Benefit (CCB) payment amounts**

The Government is proposing to increase the maximum annual CCB payment amounts, only for the 2019-20 benefit year, by \$300 per child.

The overall increase for families receiving CCB will be approximately \$550 on average; these families will receive an extra \$300 per child as part of their May payment. In total, this measure will deliver almost \$2 billion in extra support. Together, the proposed enhancements of the GSTC and CCB will give a single parent with two children and low to modest income nearly \$1,500 in additional short-term support.

For more information, see the [Department of Finance Economic Response Plan](#), or visit the [CRA website](#).

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### ***Webinar Recording: COVID-19: Workplace Readiness and Pandemic Planning***



The daily news cycle is a constant reminder that COVID-19, the novel coronavirus, continues to spread globally and is starting to have a measurable impact on the day to day lives of Canadians. There are many steps Employers can take to protect their workforces and manage competing obligations.

On March 17, 2020 [Erin Ludwig](#) and [Rebecca Silverberg](#) provided a practical and (clean) hands-on approach to managing employee expectations and maintaining a safe workplace as spread of COVID-19 increases in Canada. Some of the issues they explored included:

- Sick or Self Isolating: When to Pay Employees
- Navigating Work Refusals
- Managing Anxiety and Expectations with Effective Employer Communication
- Temporary Lay-offs and other measures to deal with the downturn
- A Pandemic Planning Primer

If you were unable to attend this webinar, we are offering copies of the presentation and the webinar recording.

**Cost:** \$50 per recording link Click [here](#) to purchase your recording.

## Industry Positions Openings



**As a benefit of ESAA Membership**, ESAA Members can now post position openings on our website at no charge. Position opening ads also will appear in the newsletter at no charge. For full details visit: <https://www.esaa.org/news/job-board/>

**Note:** You must still complete the advertising form. After completing the order form, you will receive an email with a link to post your position.

**Non-Members** are welcome to advertise as well for a nominal charge. Visit [advertising form](#) to place your order.

Job Title	Organization	Application Deadline	Term	Details
Intermediate Environmental Consultant	North Shore Environmental Consultants	2020-03-20	Full-Time	<a href="#">more</a>
Environmental Engineer, Water (38904)	City of Edmonton	2020-03-23	Full-Time	<a href="#">more</a>
Environmental Engineer/Scientist/Technologist – Whitecourt, Alberta	Nichols Environmental (Canada) Ltd.	2020-03-21	Full-Time	<a href="#">more</a>
Environmental Engineer/Scientist/Technologist – Edmonton, Alberta	Nichols Environmental (Canada) Ltd.	2020-03-21	Full-Time	<a href="#">more</a>
Planner, Environment & Land	ATCO	2020-03-25	Full-Time	<a href="#">more</a>
Intermediate/Senior Vegetation Ecologist	Trace Associates Inc.	2020-03-31		<a href="#">more</a>
Biophysical Coordinator	North Shore Environmental Consultants	2020-03-30	Full-Time	<a href="#">more</a>
Intermediate Wildlife Biologist	North Shore Environmental Consultants	2020-03-29	Full-Time	<a href="#">more</a>
Senior Environmental/Risk Assessor	Solstice Environmental Management	2020-04-05	Full-Time	<a href="#">more</a>
Environmental Inspectors	Trace Associates Inc.	2020-04-14	Contract	<a href="#">more</a>
Environmental Scientist or Biologist - 5 to 10 Years Experience	Langan	2020-04-30	Full-Time	<a href="#">more</a>
Senior Environmental Engineer/Geoscientist	DILLON CONSULTING LIMITED	2020-04-30	Full-Time	<a href="#">more</a>
Department Manager I	Element Materials Technology	2020-03-16	Full-Time	<a href="#">more</a>