



CITY POLICY

POLICY NUMBER: C515

REFERENCE:

Municipal Government Act, including Subdivision and Development Regulations; Energy Resources Conservation Board: Measures to Reduce Problems of Co-existence; Oil and Gas Conservation Regulations; EUB Interim Directive 81-3: Minimum Requirements Separating New Sour Gas Facilities from Residential and Other Developments; EUB Interim Directive 97-6: Sour Well Licensing and Drilling Requirements; EUB Directive 56: Energy Development Applications and Schedules; EUB Directive 71: Emergency Preparedness and Response Requirements of the Upstream Petroleum Industry; Alberta Municipal Affairs: Advisory Land Use Planning Notes on Abandoned Well Sites; EUB Public Safety and Sour Gas Recommendation 53: A Review of the Implications of Sour Gas Setbacks on the Ability to Develop Property; EUB Public Safety and Sour Gas Advisory Committee: Findings and Recommendations Final Report; Public Health Act.

ADOPTED BY:

City Council

SUPERSEDES: New

PREPARED BY: Planning and Development Department

DATE: December 19, 2007

TITLE: Oil and Gas Facilities

Policy Statement:

The City of Edmonton will manage co-existence between oil and gas facilities and urban development through this policy, and by improving business processes and communications.

The purpose of this policy is to: ensure the orderly and safe co-existence of urban development and oil and gas facilities within the City of Edmonton in accordance with the following principles:

- 1. The safety of the public is protected and ensured:** To minimize and prevent risks to the health and wellbeing of Edmonton citizens. This includes ensuring that all facilities are easy to access for servicing and emergency response.
- 2. The citizens of Edmonton enjoy the best possible quality of life:** Managing oil and gas facilities contributes to the social, health, economic and environmental wellbeing of Edmonton citizens.
- 3. Nuisance and inconvenience to Edmonton citizens and residents is managed and where possible prevented:** To minimize and prevent irritants to citizens and residents, resulting from oil and gas activities including noise, odours, dust, glare, traffic and aesthetic concerns.

This policy is subject to any specific provisions of the Municipal Government Act or other relevant legislation or Union Agreement.

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4. **Oil and gas activity in and around Edmonton does not jeopardize orderly urban development:** To ensure that oil and gas activity does not negatively impact the City's ability to undertake urban growth and that construction is undertaken in an organized and timely manner that is in the best interests of the citizens and residents of Edmonton.
 5. **The City of Edmonton's environmental policies are achieved in conjunction with oil and gas development:** Promote the development of an environmentally sustainable community that functions in harmony with the natural environment. The City of Edmonton will steward its operations, projects and services, based on its commitment to preventing pollution, continually improving its environmental performance, and meeting or exceeding applicable environmental requirements.
 6. **The safe development of both city infrastructure and oil and gas resources is undertaken in a manner that is in the best interests of the citizens of Edmonton:** Ensure that development of infrastructure and oil and gas resources is balanced with protecting health, safety and interests of Edmonton citizens.
 7. **The citizens of Edmonton have a say in the decisions that affect them:** In accordance with the Public Involvement Policy C513, Edmonton citizens will be ensured that information and input opportunities continue to be made available for oil and gas facilities.
 8. **The City of Edmonton carries out its legislative mandate with respect to oil and gas activity and urban development:** The City of Edmonton is meeting all of its legislative requirements, roles and responsibilities with respect to municipal development and oil and gas activity, as set out in its governing legislation (i.e. Municipal Government Act and Subdivision and Development Regulations.)
 9. **Effective coordination and communication occurs between all parties involved in oil and gas activity and urban development:** There is a well coordinated communication among parties involved in or affected by oil and gas activity or urban development. This includes a clear understanding of the roles, responsibilities and expectations of all stakeholder groups.
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1. DEFINITIONS

- 1.01 Area Structure Plan (ASP) – means a plan which provides the framework of the development of an area of land in a municipality by describing: the land use proposed for the area, the sequence of development proposed for the area, the density of population proposed for the area, and the general location of major transportation routes and public utilities.
- 1.02 Neighbourhood Structure Plan (NSP) – means an intermediary plan which details the form and pattern of development regarding land use, density of development, and roadway alignments for purposes of providing the framework for subsequent subdivision and development of a specified area of land in a municipality,
- 1.03 Energy Resources Conservation Board (ERCB) (known as the Alberta Energy and Utilities Board or EUB prior to January 1, 2008) is an independent, quasi-judicial agency of the Government of Alberta that regulates the safe, responsible, and efficient development of Alberta's energy resources.
- 1.04 Abandoned Well – A well is considered abandoned when operations specified by the ERCB have been conducted to eliminate any potential flow from the well. This includes the installation of cement plugs in the well to ensure that cross flow between porous zones does not occur.
- 1.05 Suspended Well – A well which no significant producing or injecting operations have occurred during the past 12 months.
- 1.06 Battery – A “battery” means a system or arrangement of tanks or other surface equipment receiving the effluents of one or more wells prior to delivery to market or other disposition, and may include equipment or devices for separating the effluents into oil, gas or water and for measurement.
- 1.07 Facilities – “Facilities” in the context of this policy means an oil or gas well, or battery site.
- 1.08 Environmental Impact Assessment (EIA) – the process of identifying, predicting, evaluating and mitigating the biophysical, social, and other relevant effects of development proposals.
- 1.09 Risk Assessment – the process of identifying and documenting actual and perceived risks to human health or the environment, to allow further evaluation and appropriate responses.
- 1.10 Emergency Planning Zone (EPZ) – An area surrounding a battery facility, pipeline, or well where residents or other members of the public may be at highest risk during the early stages of an incident such as an uncontrolled release of toxic materials (i.e. hydrogen sulphide), an explosion, or a fire and the area for which the operator must have a specific emergency response plan.



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2. PROCEDURES

2.01 Administration will evaluate the opportunity to establish a position of Oil and Gas Liaison Officer to act as a point of contact for all oil and gas related issues.

2.02 Multi Party Working Group:

- a) Administration will establish a multi-party working group. The major functions of this group will be to:
 - i) Refine and carry out the recommendations of this Implementation Plan, and monitor its achievements;
 - ii) Keep current on relevant activities, policies, regulations and legislation and share information in a readily useable form;
 - iii) Develop information such as a brochure and web product to educate and inform the public of the existence / location of oil and gas facilities, the potential impacts of them, safety features, and the specific contacts for additional information and for emergencies;
 - iv) Address emerging issues of co-existence and provide periodic recommendations to the City.

2.03 Urban Development and Existing Facilities:

- a) All urban development will maintain the minimum ERCB setback from active and suspended (also considered active) wells, as well as battery sites. This setback will be applied from the property line of the proposed development to the well head, or battery equipment.
- b) A more detailed risk assessment or an Environmental Impact Assessment (EIA) will be required where urban development activities are proposed within twice the setback distance from an existing facility. This assessment will be used by the City of Edmonton to determine whether or not the development should be subject to a greater setback distance, and if additional mitigation measures should be integrated into the development.
- c) Notwithstanding the results of an EIA or risk assessment, berming and landscaping of the well site will be required as a condition of subdivision.
- d) Where development occurs in proximity to operating oil and gas facilities, subdivision design will accommodate the continued transport and maintenance needs of the oil and gas company while minimizing the impact on adjacent development. This will include the provision for temporary emergency access while oil and gas wells are still operating within the neighbourhood.

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2.04 New or Expanding Facilities:

- a) Administration will establish a clear and formalized internal process for reviewing applications involving new or expanding oil and gas facilities in and around the City of Edmonton. This includes:
 - i) A single point of entry for oil and gas applications;
 - ii) A mechanism for review by other City departments and consultation with affected residents. More specifically, Administration will seek input from all landowners within a minimum 400 m radius of a newly proposed facility and provide an internal Administrative review. A summary of the collective responses and a letter outlining the City's concerns will be forwarded to the ERCB.
 - iii) A procedure that will ensure Administration's involvement in further ERCB processes such as hearings or appeals, should it be necessary.
- b) Where the Emergency Planning Zone is greater than the minimum ERCB required setback, the City of Edmonton will request that the facility operator:
 - i) undertake a more detailed risk assessment to determine the risks associated with the operation,
 - ii) explain how the facility will integrate with existing and future urban development in the area, and
 - iii) propose mitigation measures to minimize potential negative effects from the operation.

Based on the findings of the risk assessment, the City of Edmonton may request that the ERCB require a greater setback distance from Edmonton's existing or future urban areas.

2.05 Abandoned Well Sites:

- a) Where urban development is proposed around an abandoned well site, a 10 m x 15 m work area will be provided around the well, and an 8 m access corridor will be provided for service vehicles. A minimum 5 m setback is required from the abandoned well head to the edge of the work area.



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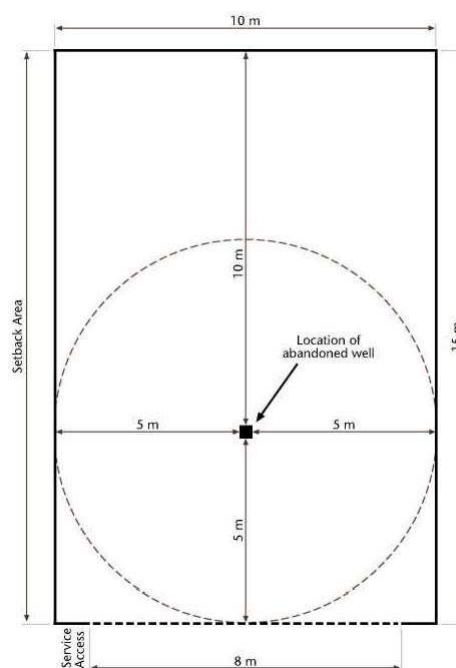
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Abandoned Well Setbacks



- b) Abandoned well areas should only assume land uses that will allow for immediate maintenance should a well ever require servicing. Parks or roadways (i.e. more open areas) are preferred designations that allow for the maximum movement of repair equipment on the abandoned well site.
- c) A temporary identification marker should be placed as precisely as possible on the abandoned well site to prevent damage both to the well site and to construction or excavation equipment.

2.06 Area Structure Plans and Neighbourhood Structure Plans

- a) Pre-application involvement of all area oil and gas operators, mineral lease holders, the ERCB, and landowners are required prior to the submission of an application to the City for any ASP or NSP having oil and gas facilities.
- b) Area Structure Plans and Neighbourhood Structure Plans will require land use planning

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strategies for managing the co-existence of urban development with operational, suspended and abandoned oil and gas facilities.

- c) Specific information will include:
 - Detailed information and maps for the area showing existing and abandoned facilities. This includes type of facility, coordinates, access roads and setback areas.
 - A staging plan that ensures continued transport and maintenance needs of existing oil and gas operations over time. It will also provide for continued emergency access while facilities are still operating within the neighbourhood.