



Policy Title: Oil, Gas and Aggregate Extraction Policy

Policy Number: UEP005

Report Number: UE2009-12

Approved by: City Council

Effective Date: 2009 May 11

Business Unit: Environmental & Safety Management

BACKGROUND

As required by the *Municipal Government Act (MGA)*, municipal development plans must contain policies to provide guidance on the land uses adjacent to sour gas facilities. The Calgary Municipal Development Plan (MDP) includes policies that contain general statements on sour gas, aggregate extraction and development matters.

In 2006, the Gas, Power and Telecommunications Committee (GPT) requested Administration bring forward a report on the development of a sour gas policy and a go-forward strategy. It was determined there was a need for a more comprehensive policy that addressed not only sour gas, but also other emerging resource extraction issues, such as coal bed methane.

To create this policy, the natural resource extraction policies of the MDP were reviewed and found to be valid in light of the MGA requirements to address the type and location of land uses adjacent to sour gas facilities. A need to respond to changes in the types of oil and gas extraction, regulatory changes and requirements, heightened public awareness of the issues and Calgary's growth into areas of resource extraction was also required. Including reference in the policy to aggregate, like sand and gravel, would ensure a coordinated policy on all types of extraction issues.

This policy outlines The City's position on oil, gas and aggregate extraction matters, aligning and building on the MDP policy statements. This policy and the MDP must both be considered when making decisions related to extraction issues. This approach will provide flexibility should there be a need to amend the policy in the future.

PURPOSE

The policy provides information for decision-making related to oil, gas and aggregate extraction near and within Calgary's boundaries. It complements and expands upon the existing natural resource extraction policy statements in the MDP.



GOALS

- Protection of public health and safety and the environment;
- Coordination of urban development and resource extraction;
- Active engagement with the public, industry and regulators;
- Appropriate public notification by industry; and
- Mitigation and/or minimization of nuisance impacts to urban development in the vicinity of oil and gas infrastructure.

POLICY

- To coordinate urban development and resource extraction, The City will collaborate with the resource industry and regulators via internal and external stakeholder groups.
- The City will only support resource extraction that is consistent with Calgary's plans for existing and future residential, public facility, commercial and industrial development and where there is no risk to human health and safety.
- To ensure citizens are engaged, The City will advocate for appropriate public notification by responsible parties from the oil and gas and aggregate industries at the time of application.
- As part of the planning process, The City will apply safety setbacks established by the Energy Resources Conservation Board (ERCB).
- To mitigate and/or minimize nuisance impacts, The City reserves the right to apply its own setback regarding nuisance factors for oil and gas facilities and aggregate extraction operations.
- The City supports accelerated resource extraction in areas with little or no existing urban development to allow for orderly and safe development.
- To fund the additional work created for The City by such facilities existing within and around Calgary, The City will pursue eligible franchise and royalty fees.



PROCEDURE

- Applicable business units will align with this policy when making decisions within their respective mandates.
- Environmental & Safety Management is responsible for the coordination of the updates to this policy.
- The City will develop and maintain guidelines to assist with implementation and ensure consistent application of this policy. The Chair of the Gas & Oil Group (GOG) will coordinate the updating of the guidelines.
- The City may choose to seek intervener status with the ERCB for any applications that are inconsistent with the policy objectives.
- Stakeholder engagement on oil and gas issues is coordinated through the GOG (internal) and Synergy Calgary (external).
- Existing sand and gravel extraction operations shall continue to operate in accordance with the conditions of the necessary permits.
- This policy will be reviewed from time to time in conjunction with the MDP.

AMENDMENTS

None