
Background

In the spring of 2007, Alberta Environment and Fisheries and Oceans Canada asked the Cumulative Environmental Management Association (CEMA), to develop a recommendation for the Phase 2 Water Management Framework for the Lower Athabasca River. CEMA agreed and work was completed by CEMA's Surface Water Working Group and Task Groups.

The Phase 2 Framework Committee (P2FC) was established to develop recommendations for a Phase 2 Water Management Framework that will prescribe when, and how much, water can be withdrawn from the Lower Athabasca River for cumulative oil sands water use. The P2FC was a CEMA supported committee but included non-CEMA members to broaden the interest base in the discussions. The committee worked together for nearly 2 years to clarify issues and discuss interests, to conduct and review detailed technical assessments, and to develop and evaluate alternatives.

The P2FC limited its discussions to the potential impacts resulting from water withdrawals from the Lower Athabasca River; it did not discuss the merits of oil sands development and participation in the P2FC did not imply support for future oil sands development. Rather, the recommendations made by the P2FC are an attempt to find the best balance between social, environmental and economic interests regarding the issues surrounding water withdrawals from the Athabasca River should expansion of the oil sands continue according to the growth expansion scenario that is currently projected.

The Water Management Rules presented in the report were developed based on the design criteria of 1) the 50 years of historical Athabasca River flows, and 2) a low flow event expected to occur in only 1 year out of every 200 years. Oil sands mining operators must meet the Water Management Rules by either building the required storage amounts over time or through equivalent means, such as:

- Water sharing agreements,
- Technological improvements in water use efficiency,
- Curtailing production,
- Alternate drought response measures.

The report recommends the Lower Athabasca River Ecosystem Base Flow (EBF) threshold should be set at 87 m³/s. The withdrawal rule below the EBF threshold exempts up to a maximum of 4.4 m³/s from a full cut-off. That is, at levels of flow in the river below 87 m³/s (i.e., a 1 in 100 year low flow event), industry may continue to withdraw up to 4.4 m³/s. The Phase 1 Framework allows up to 5.2% of river flow to be withdrawn (8 m³/s). This exemption is included to respect senior water license rights while recognizing voluntary withdrawal reductions below levels to which these rights holders are legally entitled. It also provides infrastructure maintenance flows for each of two existing operations. The 87 m³/s effectively serves as a full cut-off threshold for all other oil sands water licenses.

While there was substantial agreement on the majority of challenging topics addressed in the process, the P2FC did not achieve consensus on a final set of water management rules. The key area of disagreement revolved around issues associated with the EBF exemption specifications, which deal with withdrawal rules during rare low flow events. The disagreement on the EBF exemption was, by extension, on the set of water withdrawal rules as a whole. There was also disagreement on the potential voluntary and policy actions that industry and government could or should take to seek resolution. The areas of disagreement can be summarized across a spectrum of differing perspectives, and are highlighted in the Phase 2 recommendation report.

These recommendations have been forwarded to the regulators, the Alberta and Federal Governments.

Members of the P2FC Committee

- Alberta Environment
- Alberta Sustainable Resource Development
- Alberta Wilderness Association - Non CEMA Member
- Canadian Natural Resources Limited
- Energy Resources Conservation Board
- Fisheries and Oceans Canada
- Fort Chipewyan Métis
- Fort McKay First Nation
- Imperial Oil Resources
- Parks Canada – Wood Buffalo National Park
- Petro-Canada
- Shell Canada Energy
- South Peace Environmental Association - Non CEMA Member
- Suncor Energy
- Syncrude Canada
- Total E&P Canada
- World Wildlife Fund Canada - Non CEMA Member

These organizations were present as observers at various times during the process:

- Fort McMurray Métis 2020
- Opti Canada
- Regional Municipality of Wood Buffalo