



## **Kearl EPO Update #5 – March 15, 2023**

*Imperial is committed to complying with an environmental protection order that was issued by the Alberta Energy Regulator (AER) related to industrial wastewater at our Kearl oil sands operating site. We regret these incidents and are making every effort to learn from it and apply preventative measures.*

*Imperial will provide regular updates to communities and potentially affected stakeholders. Updates will be posted to Imperial's website weekly and notifications will be sent via e-mail.*

*There are two separate incidents included in the order issued on Feb. 6. We are working with the regulator on next steps for both.*

Imperial is providing an update on work underway at its Kearl oil sands facility. Nearly 200 people are working on related activities at the site. The company has toured community leaders through the area, as well as regulatory officials from the Alberta Energy Regulator, the Government of Alberta, Environment and Climate Change Canada, and Fisheries and Oceans Canada.

### **Summary:**

- Imperial is progressing seep mitigations; nearing completion of cleanup from drainage pond overflow at Kearl.
- The Regional Municipality of Wood Buffalo has declared drinking water to be safe in the community of Fort Chipewyan.
- Imperial's current monitoring and water sampling data has been stable and shows no impacts to local waterways or drinking water.
- All seven Indigenous communities have been invited to site for tours and to conduct independent monitoring and water sampling; in-community meetings are occurring.
- Imperial confirms there continues to be no indication of impacts to wildlife or fish.

### **Seepage mitigation and prevention**

Imperial continues to address isolated areas of shallow seepage in close proximity to the Kearl operating lease. The seepage is primarily natural groundwater and precipitation, with a small amount of industrial wastewater.

The possibility of seepage is anticipated and included in mine design as part of regulatory requirements. Kearl's seepage interception system is designed to capture seepage in deeper groundwater layers; however, the noted seepage originated in shallower layers.

To address these issues, Imperial is installing additional monitoring and pumping wells, as well as additional drainage structures in the area which will continue to collect water that can be pumped back to collection areas. Imperial has several drilling rigs onsite and work is near completion, we remain on track for 100% completion in the coming days.

- 17 of 17 pumping wells have been drilled
- 42 of 52 shallow monitoring wells have been drilled

- 64 of 72 deep monitoring wells have been drilled

Extensive and ongoing water monitoring has confirmed the seepage is isolated and has not entered local waterways and our water sampling continues to be stable and show there have been no impacts to local drinking water sources. There is no indication of impact to wildlife. Additional fencing has been installed at inactive work areas to prevent potential access by wildlife.

We have shared our mitigation and monitoring plans with communities and have asked for their input on these plans. We have also asked communities to tell us how they would like to participate in these monitoring programs.

### **Cleanup of drainage pond overflow**

Work to clean up wastewater released from a drainage pond on January 31, 2023, is nearing completion. All impacted surface ice and snow in the area has been removed and safely disposed. Sampling is in progress to confirm all impacted materials have been removed.

Based on our monitoring, released fluids did not enter any waterways and our water sampling continues to show there has been no impacts to local drinking water sources. There is no indication of impact to wildlife. Imperial continues to work closely with the Alberta Energy Regulator on the cleanup.

### **Meeting with communities**

Imperial extended invitations to all seven communities to visit the site, and also offered all communities the opportunity to do independent onsite monitoring and water testing. We are working directly with communities that have asked to do so.

Additional in-person meetings with communities are occurring at their request. Meetings are planned to review monitoring information with community representatives, and we are actively answering community questions.

We work hard to maintain transparent communication with our communities, and we recognize the communities' concerns about delays in receiving additional information.

We deeply regret that our communications during our investigation into the seepage did not meet the expectations of some communities, we have committed to taking the necessary steps to improve our communications, so this does not happen again in the future.

It was always our intent to share our findings when we had more definitively determined the cause and planned actions. We are committed to learning from this and will continue to provide updates to the communities.

### **Water quality**

On March 14, the RMWB issued a public update confirming that final test results of water from the Fort Chipewyan Water Treatment Plant is safe, potable and meets all Canadian drinking water standards and requirements. The RMWB posted the update to its website: [03.14.23-Community-Notice-FCWTP-Update.pdf \(rmwb.ca\)](#)

In response to community concerns regarding local drinking water, Imperial is providing drinking water to communities who have requested it for emergency back-up purposes. We are in the process of sending a shipment to the community of Fort Chipewyan this week.

Imperial employs a robust water monitoring program at the Kearl site, which has been in operation for over a decade. Our extensive surface water monitoring to date shows no evidence to suggest that local drinking water supplies have been compromised.

The water in the seeps is primarily composed of natural groundwater, with a small contribution of industrial wastewater. Several naturally occurring constituents (i.e., minerals and metals) are elevated in the seep locations adjacent to the lease boundary. Importantly, our data tells us that all concentrations reduce quickly

with increasing distance from the lease boundary and our monitoring continues to show no change to baseline conditions in the Firebag River.

Additionally, increased monitoring has been ongoing since the seepage issue was first identified in May 2022 and data has been shared openly with the Alberta Energy Regulator on an ongoing basis. Results have been stable and consistent with above commentary confirming there are no impacts to local drinking water supplies.

We plan to post additional information in our website that details our water sampling program and the results of our recent testing.

### **Environment and Climate Change Canada (ECCC) direction issued on March 10, 2023**

We are responding to the direction that was provided by ECCC officials following their visit to Imperial's Kearl site the week of March 6, 2023. Several measures were underway prior to issuance by ECCC. Surface water pumps were installed and are helping prevent the seep from entering a waterbody.

Monitoring to date at this waterbody indicates there has been no significant change in baseline conditions. As part of our mitigation and monitoring plans that have been previously submitted to the Alberta Energy Regulator, we plan to collect the fish from this waterbody as a precaution and install a fish barrier to prevent migration.

Imperial understands that Environment and Climate Change Canada is seeking additional information and we are co-operating with the department.

### *Additional updates*

### **Regulatory submissions**

Imperial has submitted the documents required for the February 28 submission deadline. These documents include the Sampling and Monitoring Plan, Source Control and Containment Plan and the Remedial Action Plan. Imperial received supplemental information requests from the AER on March 6 and responses were returned to the AER March 13.