

April 12, 2024

Enforcement File: 2023-0127

Coastal GasLink Pipeline Ltd
450-1st Street SW
Calgary, AB T2P 5H1

Attention: Crystal Begin,

RE: Fail To Comply With A Condition Of An Authorization

Dear Crystal Begin,

Coastal GasLink Pipeline Ltd (CGL) holds many short term water use authorizations (STWU) issued under the Water Sustainability Act. On December 12, 2023, CGL submitted a letter to the Regulator advising the Regulator of non-compliances with respect to STWU authorization AD 100110486 on the Murray River and STWU authorization AD 100115430 on the Burnt River.

CGL audited all its STWU authorizations and as a result it learned its Prime Contractor did not report daily withdrawal amounts in its Q2 and Q3, **2022**, cycles. As a result it was discovered the amount of water withdrawn from the Murray River was greater than the approved daily withdrawal allotment for two days in June 2022 and water withdrawn from the Burnt River in July 2022 was not correctly reported.

Each authorization contains a standard condition as follows:

*The permit holder must maintain **accurate** records of all water withdrawal activities throughout the term authorized. Water withdrawal records for each diversion point, including '0' values for months where no water was withdrawn, must be recorded monthly. Water withdrawal records must be submitted to the Commission on a quarterly basis via eSubmission. Quarterly reports are due on or before April 25, July 25, October 25 and January 25.*

This condition provides the company 25 days to compile its water withdrawal data and to submit a report to the Regulator. This is not an onerous condition and has been required on all authorizations for many years. For reports to have any validity they must be accurate. All the STWU authorizations are compromised if authorization holders are dishonest or fail to exercise the necessary due diligence to report accurately and timely.


Given the circumstances, Coastal GasLink Pipeline Ltd will issued a warning only for each authorization:

Coastal GasLink Pipeline Ltd, on or about July 26, 2022, at or near Dawson Creek, in the Province of BC, did fail to comply with a condition of an authorization contrary to Section 106(3)(k) of the Water Sustainability Act.

Coastal GasLink Pipeline Ltd, on or about October 26, 2022, at or near Chetwynd, in the Province of BC, did fail to comply with a condition of an authorization contrary to Section 106(3)(k) of the Water Sustainability Act.

If Coastal GasLink Pipeline Ltd has any questions about this matter, please feel free to contact the undersigned.

Sincerely,



R.A. Workman
Manager, Enforcement
BC Energy Regulator

