

INFORMATION BULLETIN 2018-04

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Annual Dam Assessment Finds No Significant Issues

A recent assessment of dams used in the oil and gas industry determined some corrective actions were required, but otherwise found no significant issues.

Eighteen industry dams in northeast B.C. were assessed in May and June 2018, by the Commission's dam safety experts to ensure public safety and protection of the environment. The Commission classifies the potential risk of dams based on the Dam Safety Regulation using a five point rating, where Levels 1 and 2 indicate "Alert" and "Caution" respectively. Levels 3, 4 and 5 indicate "Stable", "No Concerns" and "Effectual".

Of the 18 dams assessed, 10 were rated at Level 3 – Stable, five were rated at Level 4 – No Concerns and one was rated at Level 5 – Effectual. The Commission has requested more information from a company prior to determining a rating on two other dams. Each dam operator is being asked to review the Commission's recorded observations, correct any deficiencies noted, as well as submit any necessary documentation requested by the Commission.

In addition to the annual assessment, the Commission undertakes ongoing compliance throughout the year. See the Commission's <u>Compliance and Enforcement page</u> for more information about orders, contravention decisions and tickets.

The Commission has put in place new procedures to ensure all dams and water storage structures used in oil and gas development are properly licenced and safe for use. This starts the moment an application is submitted – it is tagged and based on the classification of risk, the dam may be subjected to a review including available water sources, environmental impacts of dam construction, detailed engineering design and other cultural values and safety considerations. Companies must meet all requirements and conditions imposed by the Commission before any authorization is granted to construct, repair or use a dam structure.

A Backgrounder follows.

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BACKGROUNDER

The Commission has a Dam Safety and Integrity Engineer, and designated Dam Safety Officers, which in conjunction with the Compliance and Enforcement team, conducts regular assessments to ensure all dams used in the oil and gas sector are appropriately licenced and authorized.

Oil and gas companies typically store fresh water in various water storage structures such as dugouts, water reservoirs, tanks, c-rings and other similar structures in preparation for using the water in their activities. Water is used in oil and gas activities such as drilling, hydraulic fracturing, rig washing, as equipment coolant and for sanitary purposes.

Some of these structures qualify as dams under the Dam Safety Regulation (DSR) of the Water Sustainability Act (WSA), which took effect in February 2016, replacing the British Columbia Dam Safety Regulation under the old Water Act. Except for minor dams (those with live storage volumes of less than 10,000 m3 and less than 7.5m high), these dams must be approved under water licences.

The Commission requires operators of water storage structures (not classified as minor dams) to submit the necessary applications, including assessments and supporting documents prepared by professional engineers. Depending on their location and source of water, these storage sites may also require applications to divert water from a stream or aquifer under the WSA and authorization to use Crown land under the Land Act. The Commission requires companies to report water used in oil and gas activities that is diverted from a stream or aquifer.

For more information about the location, size, storage area, year constructed and owner of each dam, see the Commission's Regulated Dams page and map.

For more information about risk level definitions, see the provincial Dam Safety Audit Program Dam Safety Audit Program Dam Audit Check Sheet.

