

Joint Media Release
Municipal District of Bonnyville, Town of Bonnyville, City of Cold Lake
Local communities facing job losses

*Residents urged to send Alberta government concerns
regarding revised curtailment formula*

January 29, 2019 – On Friday, January 25, 2019 Canadian Natural Resources Ltd. (CNRL) announced that as of February, it would be shutting in its new ECHO pipeline, and all operations associated with it. This is due to a change in the curtailment formula from the Alberta Government, which would significantly limit the company's production.

"While curtailment was requested by the oil industry, the latest proposed revisions are concerning," said M.D. of Bonnyville Reeve Greg Sawchuk. "We want the Alberta government and Energy Minister Margaret McCuaig-Boyd to revisit the revisions based on the economic impact this will have on our communities, and to ensure the curtailment is applied equitably across the industry, instead of placing the emphasis on certain operations."

In order to convince the Energy Minister to revisit the formula, Sawchuk, Town of Bonnyville Mayor Gene Sobolewski and City of Cold Lake Mayor Craig Copeland are urging residents to voice their concerns by writing letters to Premier Rachel Notley and McCuaig-Boyd to return to the previous curtailment formula.

"We all understood the guiding principle to curtailment was to increase the market value of WCS and to protect jobs in Alberta," said Sobolewski. "In changing the curtailment formula for February, the government has now violated the principle of protecting jobs by devastating our region. I implore the Premier to intervene and leave the original formula unchanged."

Sobolewski went on to explain CNRL had voluntarily throttled back production prior to mandatory curtailment, and that hadn't been factored into the new formula.

"I would also ask the Province to consider all factors in the equation to ensure that jobs in northeast Alberta are protected."

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The ECHO pipeline is located in the M.D., and transports cold flow/heavy crude from this region as well as Lloydminster and Elk Point. The closing in of the pipeline would create a domino effect, negatively affecting the region's economy. CNRL employees live in the M.D., the City of Cold Lake and the Town of Bonnyville. Local oil servicing companies are also involved in the operation. The shut-in would mean substantial job losses across the board. The domino effect would continue on, affecting restaurants, retail establishments, tourism, etc.

"If curtailment is not properly implemented it threatens to be another economic blow in a region already embattled by a prolonged downturn," said Copeland. "It is our hope that the government works closely with all industry partners to arrive at an equitable formula."

Letters of concern can be sent to the following:

Premier Rachel Notley – premier@gov.ab.ca

Energy Minister Margaret McCuaig-Boyd – minister.energy@gov.ab.ca

Alberta's Energy Regulator Production Curtailment Issues Panel – curtailment@aer.ca

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