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Chair

Mr. Bob Mills

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● (1110)

[*English*]

The Chair (Mr. Bob Mills (Red Deer, CPC)): I'd like to call this meeting to order. Welcome to our guests who are on the video and our two guests who are here.

Just for the committee's information, I will be tabling Bill C-307 tomorrow. Mr. Kevin Parks cancelled last evening; however, he has a brief that will be handed around. The clerks are putting that together right now.

We will try to deal with the motions close to the end of the meeting. If need be, we will go slightly longer to take care of them.

Can our guests on the video screen hear us? Okay. I think we'll start with your presentation. If you can keep it to 10 minutes, that will give the members an opportunity to ask questions. From there we'll go to Mr. Schwartz and finally to Ms. Ernst.

I have a magic timer here to keep track of your time. Please begin.

Mr. David Pryce (Vice-President, Western Canada Operations, Canadian Association of Petroleum Producers): Thank you, Mr. Chairman and members of the committee.

My name is David Pryce. I'm vice-president of western Canada operations with the Canadian Association of Petroleum Producers. I appreciate the opportunity to talk with you today, and my apologies that I was not able to get down to Ottawa.

With me today I have Cam Cline, who's an engineer with 23 years of experience, and Marc Dubord, who's a hydrogeologist with 15 years of experience. They're representing the Canadian Society for Unconventional Gas and are here to provide assistance in answering any of the technical questions you may have.

I understand you have our slide deck with you. If you turn to the first slide, it will show the outline.

What I want to do is cover very briefly what natural gas from coal is and where it is in Alberta, then talk about typical operations we have in developing this resource. I also want to spend a little time talking about a stakeholder consultation process that has gone on in Alberta and about some of the issues and concerns and what's being done to address them, and then, finally, put this in the context of Canadian gas production.

It's a lengthy deck, so I will move quickly through it to meet the time constraints. If you have questions that I don't cover, you can catch us at the end of this.

On the next page, “Natural Gas from Coal in Alberta” is the title. Really, natural gas from coal is found across Canada. I want to focus on Alberta because that's where the industry activity is occurring at this time. The map shows the various horizons or zones where natural gas from coal—or coal-bed methane, as it is also known—can be found.

I want to focus on the three zones that are attracting industry interest at the moment. The first is the Horseshoe Canyon. It has about 66 trillion cubic feet of resource and is probably the largest play in the world right now. But it is in its infancy, as all of them are. Current production is around 600,000 cubic feet per day. That's where our focus is at the moment.

The second, the Mannville zone, is a huge resource, and it is at the point of trying to determine technically whether it can be produced on a commercial basis. It is associated with salty water typically.

The third zone is the Ardley zone, another large resource, which can be associated with either salt water or fresh water and in some cases is dry. This particular zone is sitting in abeyance for development, as we wait for rules to be developed on how we will deal with the fresh water that might be produced with it. So there's not a lot of activity in that particular horizon.

I think the bottom line is that there's a huge resource potential. It is in its infancy, and we are looking at ways to make this a commercial play.

The next slide—the next few slides, really—talk about the typical footprint we might have out on the landscape. This particular one is a drilling operation that is in effect. It is an operation that really is for coal-bed methane, or natural gas from coal. It has a much smaller footprint as we do these kinds of activities: smaller and fewer pieces of equipment and minimal surface disturbance is the typical way we do things. We don't necessarily strip off the vegetation and topsoil; we try to get in and out with minimal disturbance.

The next slide shows the next phase in activity. This is a well stimulation operation. This is where we inject, typically, nitrogen gas down the hole to try to enhance and flush the reservoir to better encourage production. As with the drilling operation, a minimal footprint objective is what we're trying to achieve.

In the next slide, titled “Well Construction”, what we're trying to convey is the engineering and regulatory measures that are in place to ensure that we separate our production zone from the upper water aquifers. What we are required to do by regulation is apply a surface casing and cement it in place and then a production casing and cement it in place. The intent of that, as I said, is to separate the producing zones from the upper aquifer zones.

If you move to the next slide, titled “Well Depths”, what we're trying to show is the vertical depiction of the different wells we deal with. On the left side is a typical residential or farm domestic well. That's usually completed in the 10- to 100-metre range. The next well is the dry “natural gas from coal” well typical of a Horseshoe Canyon well, subject to those well completion requirements I mentioned before. It is usually completed in the zone somewhere around 200 to 800 metres in depth to access those coal seams. Again, it's typically a dry well, with no fluids associated with it.

● (1115)

The next one is the Mannville well. It is deeper and typically associated with salt water.

The final well is a typical disposal well. The point of this last piece is to indicate that any salt water we produce we are required by regulation to inject downhole. When you look at the slide as a whole, we're trying to show that there is a significant vertical separation between the upper water aquifers, where domestic wells typically occur, and the producing zones we have.

The next two slides show the pipelining procedures. We install pipelines to get the gas to market. With coal-bed methane the pipelines are relatively small—six inches down to less than four inches. When it's around six inches we do a little bit of topsoil stripping to preserve and protect the topsoil. Then we plow the line in.

The next slide shows the plowed-in pipeline four inches or smaller. We're able to plow that right in without any topsoil disturbance. The goal overall is to minimize the footprint, minimize the disturbance, and protect the topsoil.

Next is the sound attenuating compressor. Noise is one of the issues that has been raised from time to time, and we have the technical capability to minimize that through sound attenuation control. We are subject to the rules of the Alberta Energy and Utilities Board and the National Energy Board, which set the standards or criteria around noise. Where it's needed and appropriate, we have the ability to apply sound attenuating equipment on compressors.

The next slide is on stakeholder consultation. This is not a new issue for the industry, nor is it a new opportunity in terms of a resource. It was developed several years in advance in the United States. We've been learning from that experience, but we also have our own experience in developing conventional oil and gas. With that experience comes the regulatory environment. Notwithstanding that, because it's a resource that's moving forward in Alberta, questions arise around how to develop it responsibly.

The Government of Alberta installed a MAC, or multi-stakeholder advisory committee, in 2003. It was led by the departments of energy and environment. As a stakeholder group they tried to identify the issues that might be of concern to folks to determine if the regulatory environment addressed them or if new measures were required.

Do we have confidence that the regulatory environment is adequate? Does it protect the water? Does it deal with the surface impacts that might be associated with natural gas from coal development, such as well density, the number of wells and their proximity together, the number of roads, the level of activity and noise, and the cumulative effects of those things? There are also questions around air quality, the overall pace of activity, and the effectiveness of the interrelationship or communication among industry, government, and the land owners.

Our view is that we have a pretty strong regulatory environment in place. It has been in place for decades, as a result of the evolution of the conventional aspect of the oil and gas industry. Coal-bed methane development is quite similar in its process to conventional development methods. So the regulatory environment deals with issues around well density or well spacing, flaring, noise, and how we protect downhole for the upper aquifers with the casing and cement methodologies. It deals with handling saline water or produced water and mechanisms whereby we're required to have consultations with the landowners.

In Alberta we have surface rights and subsurface rights, and we need to reconcile those rights. We have a Water Act in Alberta that's been in place for more than a decade. It provides controls for our industry, through permitting and licensing processes, as we look at ground water and surface water.

● (1120)

Having said that, the MAC process raised some questions and challenged whether there were things that could be done better. I'll talk to that in the next few slides.

The Chair: Mr. Pryce, I just want to let you know your 10 minutes are up, so please conclude.

Mr. David Pryce: I will summarize.

There are mechanisms in place around water protection. There are mechanisms in place, both technical and regulatory, for managing our footprint, as you can see in the subsequent photos, by pulling well heads together and drilling from a common pad. There are mechanisms for dealing with the air issues that are being raised.

We support the recommendations of the MAC process. We've done things to improve the regulatory requirements around stimulation of wells and well testing. CAPP has put its own best management practices in place to guide our membership. Other associations are looking at ways of doing business better with land owners.

The second-last slide shows the role that CBM is going to play in the future—it's about 8% to 10% of Canada's gas production profile.

So my time is up. There is a summary slide at the back that I will leave to you. My only other comment is it's a huge resource with vast potential. There are technical challenges we're working through, and there are strong regulatory rules in place to manage it.

Thank you very much.

The Chair: Thank you very much, Mr. Pryce. Sorry for the short time, but it does go very quickly.

I will move to Mr. Schwartz. As members recognize, it's a matter of us collecting information on all sides of the issue and trying to understand it better, as it does apply right across Canada.

Mr. Schwartz.

Mr. Robert Schwartz (Director, Pine Lake Surface Rights Action Group): Thank you, Mr. Chairman.

First, I'd like to thank the members of this committee for actually agreeing to hear this issue. Thank you very much.

My name is Robert Schwartz. I live near Red Deer, a city located in the southern third of Alberta, approximately 100 kilometres east of the eastern slopes of the Rockies.

Is coal-bed methane a federal environmental issue? To answer this question, we must understand what coal-bed methane gas is and how CBM production differs from conventional oil and gas production. We must also understand the magnitude of the proposed development and how it will affect the hydrology of the interprovincial watershed.

I would like to quote two passages from Alberta's *Earth Sciences Report 2003-2004*. The first quote is:

> These tests suggest producing water from these aquifers initiates flow from the aquifers, flow across aquifer-aquitard boundaries and potentially flow from surface water bodies. These connections became evident under relatively low flow conditions when compared to production rates that would be associated with coalbed methane development.

The second quote from the same report states:

> Under this scenario, one of the potential receptors of this produced water is surface water, such as rivers and lakes.

I would also like to quote Mr. Neil McCrank, past chairman of the Alberta Energy and Utilities Board, the regulatory body that we deal with there. In 2006, as a speaker at a Canadian Society for Unconventional Gas conference, Mr. McCrank stated that there will be 25 to 50 times as many wells drilled for coal-bed methane than have been drilled for conventional oil and gas.

To date there have been 327,000 conventional oil and gas wells drilled in Alberta. If the past chairman of AEUB is correct, there will be 8 million to 16 million CBM wells drilled in this province. Most of these 8 million to 16 million wells will produce coal-bed methane gas from many shallow or thin coal layers that also contain fresh water. These coal seams have a hydrological connection to the interprovincial watershed. These seams can be seen at many places along both the Red Deer River and North Saskatchewan River.

The southern third of the province of Alberta is the headwaters of this major interprovincial drainage system. This headwater drainage area flows via the Oldman River, the Bow River, the Battle River, the Red Deer River, and the North Saskatchewan River. The Red Deer River and the North Saskatchewan, in particular, are used as a spawning ground for Lake Winnipeg whitefish and touladi. All of the rivers mentioned are used, to some degree, as spawning habitat for many fish species originating in Manitoba. These river systems all discharge into Hudson Bay via the Nelson River. These river systems, as well as being a vital component of a viable fish population in Manitoba, are a vital source of potable water in Saskatchewan.

The geological layering of subsurface Alberta is interesting. We know that on the surface, precipitation and river flow is from west to east. Precipitation that becomes ground water through soil absorption follows the underlying geology and flows as groundwater from east to west in the Red Deer area. Much of this groundwater does not travel far west before it is discharged through springs and seeps into the deep gorges of these interprovincial river systems.

If one thinks of the eastern slopes and foothills of the Rockies as a 100,000-square-mile sponge that moderates river flows, this would be a correct analogy. This hypothetical sponge would lie above the Lee Park formation. The Lee Park formation is the shallowest impermeable formation above which all other formations are considered to be unconsolidated. The hydrology above the Lee Park formation is known to have small impermeable lenses capable of trapping gas. As a whole, all geology above the Lee Park formation is considered permeable and homogeneous. What Alberta allows to happen in this sponge will certainly have downstream consequences.

● (1125)

The AEUB special report number 81, published in September 2006, admits in the executive summary that a hydraulic connection exists between the different portions of coal-bearing formations on a regional scale. Most coal-bed methane development will take place above the Lee Park formation, whereas most conventional oil and gas production takes place below the Lee Park.

I hope my explanation of the general geology of Alberta has kindled a federal interest in what type of activity takes place above the Lee Park. All water above the Lee Park, whether it's precipitation, groundwater, or surface water, eventually ends up as interprovincial river flow.

Conventional oil and gas production takes place predominantly below the Lee Park. These host rock formations are capped by impermeable lenses of material that prevent the upward natural migration of oil and gas. The oil and gas trapped in these host rock formations is thermogenic—that is to say, conventional oil and gas has been produced by heat and pressure. This process of converting prehistoric plant and animal matter into oil and gas has long since expired. There is no more conventional oil and gas being created. Because of the geological age of conventional oil and gas, it is nearly always associated with highly saline water, which is the remnant of a vast inland salt water ocean.

Provincial regulation mandates that conventional oil and gas wells isolate potable groundwater from saline water by means of cemented surface casings, inside which are cemented production casings that are run right to the bottom of the well. The hypothetical freshwater sponge zone mentioned earlier is by and large protected, although a significant percentage of all surface casings develop leaks. These leaks are required to be repaired under current provincial conventional oil and gas regulations.

Coal-bed methane is a completely different situation. CBM is produced from shallow geologic zones that have historically been excluded from production by previous regulations.

The origin of CBM is entirely different from conventional oil and gas. CBM is the result of present-time microbiological organisms that produce methane as a waste. This microbiological process is dependent on the presence of non-saline water. The coal seam only acts as a host rock in which the methane collects. The presence of coal is not critical, or even necessary, for the microbiological production of methane gas; coal seams are merely the most porous geological formations and thus the most efficient medium from which to extract methane. I'd like to add that some coal seams have a porosity high enough that they will allow a water flow rate of 800 metres a day. These are aquifers, and moving aquifers.

The regulations that have historically protected these hypothetical sponges have been relaxed. The new regulations have, by and large, been put forward by industry and summarily adopted by the Alberta government regulators. These new regulations allow for and authorize many practices that will have a profound negative effect on groundwater and consequently river water.

The new CBM regulations allow for the dewatering of coal seams and the injection of this water into deeper saline zones. This dewatering of coal seams, necessary to induce gas flow into the well bore, will have the delayed effect of reducing river flows, as the creation of dry depressurized zones in the near-surface geology will surely acquire river water to replace that which was removed.

The new regulations allow for the commingling of production of a well from all zones capable of being produced. In other words, this allows shallow CBM gas to be produced from the same well bore as, and at the same time as, deep conventional gas.

● (1130)

As a point of reference, in water well construction, the practice of producing potable water from more than one aquifer has been banned for years.

It is reasonable to expect that water will drain from an upper freshwater formation into the lower saltwater formations—

● (1135)

The Chair: Excuse me, Mr. Schwartz, your time is up. Perhaps you could summarize the main point you'd like the members to hear, and I'm sure you can get the rest in as the questions go around. So if you could summarize as quickly as possible, that would be great. Thanks.

Mr. Robert Schwartz: Thank you.

It is reasonable to expect that water will drain from an upper freshwater formation into the lower saltwater formations due to depressurization from previous conventional gas and oil production. To my knowledge, there has never been a study done to determine the probable effect of having 8- to 16-million vertical conduits installed that are capable of transferring potable groundwater to deep saline zones. That water is gone forever.

The new regulations do not require the industry to repair surface casings or leaks on conventional wells. All that is required is to connect the surface casing vent to the gas sales pipeline. There is no requirement to identify how much water is flowing down the old well bore and into deep saline conventional zones. This water will be lost forever, and it will certainly never reach Hudson Bay.

The new regulations allow for unrestricted injection of formation stimulants such as benzene, toluene, xylene, synthetic olifins, and methanol into freshwater zones below 600 metres. This is achieved by a process called “fraccing”. Tons of these chemicals are currently being used. This contaminated groundwater will eventually surface as river flow. Based on a 30-year-old incomplete database, the base of groundwater protection is actually set at less than 600 metres in many areas. In other words, these toxins are now being injected into freshwater formations as shallow as 200 metres.

The industry-inspired new regulations do not protect groundwater at all below 600 metres from chemical injection, even though we have known areas of pristine groundwater in the foothills that are a kilometre and a half deep—

The Chair: Mr. Schwartz, I really apologize. You're at 13 minutes now. Obviously, then, I would have to do it for everyone. So to give members the maximum chance, I would like to go on to Ms. Ernst, and then you can finish it up as you answer the questions.

Thank you.

Ms. Ernst.

Ms. Jessica Ernst (Environmental Specialist, Ernst Environmental Services): Good morning. Bonjour.

I grew up in Montreal. I now live in Alberta. I'm very sorry, but I have forgotten all my French. I live near Rosebud, Alberta. It's a small, little-theatre cultural town with a lot of beautiful historic resource.

I have worked in the oil patch for 25 years. I have also been banished by the regulator that Mr. David Pryce was so proudly discussing earlier in his presentation. I believe I was banished—this was in writing—by the energy regulator because they were trying to intimidate me.

I have evidence of EnCana Corporation not complying with the noise regulations, and the EUB actually covering up for the non-compliance in writing. I believe that the EUB, the regulator, did this to try to silence me. They copied the RCMP. So I'm very surprised that you, honourable members, here have allowed me to speak, because I do believe this was the first time this had happened in Alberta. I have been informed that the banishment was a violation of the Canadian Charter of Rights.

I grew up proud to be a Canadian. I grew up proud of our water, of our leadership on peace and mediation, and environmental issues globally. I have worked in other parts of the world. I have to admit, I'm ashamed to be Canadian now, and I plead to you all as this committee to listen carefully and review the documents, and carefully consider whether the federal government needs to get involved.

I have never seen such atrocities in my 25-year career of working in the oil patch as I have now seen in the boom: human rights violations, environmental degradation, and disrespect of the legislation and the regulations.

In regard to noise, the other day when I was leaving from the airport, the night before I left, the compressor noise—we're surrounded by 13 EnCana compressors—drove me to distraction. Occasionally the noise is mitigated, but not always. There's a straw-bale wall surrounding these compressors.

I have direct experience with the water. This is my water, on fire, from my tap, poured into a pop bottle, a water bottle. There is no sugar in there. A few minutes later I set it on fire. I've lived in my place since 1998, 50 acres. CBM came and my water dramatically changed—a chemical burst on my skin and eyes. My dogs not only refused to drink the water, but they would back up. White smoke was coming off the water.

There were whistling taps. I didn't know what it was. I was really busy. I thought it was my plumbing. I thought, “Oh my goodness, I have to replace the taps.” Little did I know that I was living in an explosive time bomb. It was methane and other hydrocarbons coming out of my taps. Sometimes I couldn't even close my taps there was so much gas. I couldn't get suds out of my soap or shampoo anymore; the water changed.

Also, living rurally, you know you get stains on your plumbing and toilets—sorry to speak so intimately. All of a sudden my toilets went pristine, brand new. Something got rid of the stains, I think probably what was burning my skin.

Mr. Pryce mentioned the good regulations. This happened in 2004. These are the two aquifers in my community. This is an EnCana well. It fractured into—*into*—our aquifers. So the protection and the separation that was discussed is not possible. Perforations, which explode through the casing, and then the fracs, and who knows what solvents went into our aquifers?

In the States, EnCana was found to contaminate groundwater and did not protect health and safety.

This again is another picture of my water, a different picture. I don't do this in the house anymore because the flame exploded so high it shot up to the ceiling. I'm a blur in the picture—this is me here—because I had to jump; it scared me.

We have one out of 20 resource wells leaking. The landowner in an investigation is usually blamed, instead of comprehensive testing of the resource wells. There are ways to find out which gas wells are leaking. They can be fixed. In this case, EnCana has stated publicly that they do not need to cooperate with this investigation because they don't believe in the science that can lead to finding out which wells are leaking.

The regulators misinform the public. We have thousands of resource wells leaking.

The new testing that came up only began when a number of concerned citizens went to the legislature and went to the public. The MAC committee was still in deliberation. I believe the testing requirements wouldn't have happened.

● (1140)

We have now had, finally, a number of years of CBM, but our knowledge on groundwater is behind. The precautionary principle: where is it?

In 2005, industry advised the Alberta Energy and Utilities Board that some of their shallow fracs were damaging oil and gas wells. So they brought in some new rules. These rules should have been brought in before they began the experiments, especially for our drinking water.

This is a water well that exploded last spring. The farmer had dealt for three years with the regulator—the so-called best regulator. What's wrong with this picture? Three men were seriously injured on sampling day. After contamination, some companies refused to cough up the data that was needed to investigate and remediate.

This is a diagram that the AEUB, the energy board, and Alberta Environment go to the public with. They say it never happens. Oh, no, there is no leaking.

By the way, methane is a much worse greenhouse gas than CO_2, and we have thousands of these leaking methane directly into the atmosphere. There is surface casing vent flow, and gas migration through soils. The interesting thing is that the AEUB, in 2007, is even warning that the gas leakage and the gas migration potential is worse in the shallow zones. This is where we're going to be doing our CBM and where our water is.

In Rosebud water we have 30 milligrams to 66 milligrams of dissolved methane, as well as free gas. CAPP, which is here today on the video, has a report that one milligram puts you at risk of explosion if the water passes through an unventilated place. A light switch, static in my hair, could have blown up my house.

The regulator is still in denial. They have done tests on our water. You have a table. We have benzene, toluene, ethylbenzene, and xylenes in our water. We have ethane, propane, methane, butane, and octanes, and we have kerosene in the community drinking water. In most cases, the landowner is blamed for the contamination by way of bacteria. On the table, you can look at the process we have to go through.

I read your report that came out recently on the chemicals and your Canadian Environmental Protection Act, and I plead with you to please implement this act in Alberta.

We are told that only nitrogen is used, so our water is safe because nitrogen comes from the air. I would like to show you a list. This came from *Oilweek*. These are a variety of products, hundreds of them, used in different stages of drilling, cracking, and servicing. Some of them contain diesel and mineral oil. In Alberta, the regulator does not require industry to disclose any of the chemicals used, not even if they're toxic, not even if it's benzene, a known carcinogen, or toluene, which damages the brain, notably in children. Toluene was found in our water.

We need to know what the chemicals are, especially so shallow, and I believe that the federal act is perfect. I noticed in your report this is seldom used and seldom implemented. I would like to ask that you use this and implement it in Alberta and ask the regulators to control the chemicals being used.

I have seen many pallets of chemicals that aren't even on this list, bags of chemicals that say, “Danger, Unregulated”. Nobody knows what's inside, driving through playground zones. We don't know now how to analyze our water. These chemicals could have gone into our water, but we don't know what to test for.

I also brought with me a pledge to protect our groundwater. You had this translated. I would like to ask every member of Parliament, not just the committee members, to sign this pledge and fax it to Honourable Minister Baird and our Honourable Premier Stelmach.

There are a few things we would like done to protect our groundwater.

CBM can be a fantastic new resource. We can all share in the prosperity. Canada is a fantastic country. I would like to see the Canada I knew as a child come back from corporate rule. I would like to see the people in charge. I would like to see public health and safety protected. There are still people in my community bathing in and drinking water with benzene and toluene. We do not need to harm people to have prosperity.

Coal-bed methane will spread far. The shales are coming. They will spread far. These impacts, violations of the Canadian Charter of Rights and Freedoms, will spread through the country if we continue to allow industry to rule.

● (1145)

The precautionary principle: why are we allowing perforations and fractures into these shallow zones above the base of groundwater protection? Industry still doesn't know what these shallow perfs and fracs do. They have stated this in writing to the EUB. Why don't we learn first? We can do an economical mitigation here, slow down, think first, collect some data first. Let's find out what we're doing to our groundwater. This is Canada's water. We all have water on the table here. This water will affect all of us.

The story has been much in the news. I bring one gift for my French friends here today. Quebec journalists are writing three stories on the water situation. In September, I believe, the Rosebud water situation will be published, but they are also writing about climate change. I find it interesting that Quebec is so concerned about what is happening to our water in Alberta that they're sending journalists out. There is an *Alberta Views* article. I have copies here for you. They've been handed in. Even *Canadian Business* magazine has published the story about the water. There I am with my water. I can't live with this water anymore. It's too dangerous. I have trucked-in water that the Alberta government is supplying and paying for. I've lost my independence. I live rurally. I have to rely on trucked-in deliveries. I want my water back. I want to protect water for others.

In conclusion, in my experience, the regulations are not working. The regulators are not working. Instead of dealing with the industry's non-compliance, they banished an ordinary citizen, considered me a threat to safety and the public. I had just found out when I got this letter from my regulator in Canada, a country that I thought was a democracy, that I was living in danger of explosion from my water. Yes, methane can be natural, but it is normally at very low levels. Nothing like the levels we have after this company, EnCana, fractured directly into our potable water supplies. They have cemented this well off, but we do not know what damage has been done to our aquifers. This is very serious.

Thank you.

● (1150)

The Chair: Thank you, Ms. Ernst, for your comments.

We'll now go to our first round. I will remind our guests that here are headphones there for translation. Some of the questions will be asked in French, so you will need those.

I also would like to welcome the students who have just joined us. For the members' information, these are students from the franco-Ontarian school, Gisèle-Lalonde, from here in Ottawa.

I would like to welcome all of you to the hearing of the environment committee. We are looking at coal-bed methane and its recovery and its possible effects on the water aquifers. Welcome to all of you, and thank you for being here.

We'll now go to ten-minute rounds. I believe you're sharing your time, Mr. Rota, with Mr. Regan.

[*Translation*]

Hon. Geoff Regan (Halifax West, Lib.): Thank you, Mr. Chairman.

I would like to join you in welcoming the students who are here today.

Allow me to now switch to English.

[*English*]

Mr. Chairman, I'd like to ask a question, through you, to Mr. Pryce, if I may.

Mr. Pryce, the last time that I think I can recall seeing a toilet on fire, or exploding with fire, would be when my kids were watching the movie *Home Alone*. So it's a surprising and startling thing when you see the photograph that Ms. Ernst just presented to us, showing fire shooting out of her commode, so to speak. It comes across as irrefutable evidence of the problem. What can you tell us about this?

Mr. David Pryce: Thanks for the question. One of the slides I didn't get to really spoke to the issue. There are a couple hundred thousand water wells drilled in Alberta. The data from Alberta Environment's records show that at least 26,000 of those wells have been drilled through. The coal seams have encountered them. The data further indicates that there are probably 900 gassy—as they call them—water wells shown in their records that are indicative of the challenge of the geology that Mr. Schwartz spoke about. The gases there are naturally occurring. The fact that they are occurring and that you're seeing the fires, or the explosions as they're reported, in some of these wells is a result of the naturally occurring gas migrating into those water wells.

Hon. Geoff Regan: From what you're saying, I guess that gives one cause for concern about past regulation of those wells. Why should we be more sanguine or more reassured about the situation today with the drilling of wells for coal-bed methane?

Mr. David Pryce: The point I was trying to make, in terms of the technical requirements around the completion of the wells, is illustrated in the slide that shows the cement and the steel casing that is put in place. It is intended to separate the producing zones from those upper shallow water aquifer zones. So there is engineering applied to this. There is a regulatory environment that requires us to adhere to those practices to ensure that we do provide that measure of protection.

In addition to that, as we talked about the MAC process, one of the recommendations the department of the environment has mandated now is that we do water well testing. We test the wells in proximity to the coal-bed methane wells we drill, to confirm the condition of that water prior to drilling those wells, to understand whether or not methane is present. If it is present, the presumption is that it's naturally occurring, and then following up with that, if there's any change in that water well after the fact, we know we've got something to look at.

Hon. Geoff Regan: I hope we'll follow up with that with the other witnesses as we go on. I think there are opportunities for that. I am anxious to hear other reactions.

But let me ask you another question, Mr. Pryce. You've undoubtedly seen the government's climate change plan, which claims it will cut greenhouse gas emissions by 20% by 2020. That's the claim. It has been disputed, but that's the claim they're making. CAPP has said it doesn't know what the impact will be because it hasn't been provided with the information.

Can you help us understand what role your sector will play in the government's climate change plan?

● (1155)

Mr. David Pryce: I was prepared to talk about coal-bed methane. I will do my best to answer the question.

As we look at the requirements that are coming out, we're looking at ways to enhance the efficiency of our operations, to minimize the intensity of those emissions coming from our activity. Beyond that, I'm not in a position to really respond. It's not something I was prepared for, for this discussion.

The Chair: Mr. Rota.

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Thank you, Mr. Chair.

[*Translation*]

I would like to welcome the students and wish them a fruitful day. I hope the information that they collect this morning will be of interest.

[*English*]

My question is for Mr. Pryce, followed by Ms. Ernst.

The numbers I hear are 8 million to 16 million wells using groundwater or taking gas out. I'd like a little bit of comment on that, because it seems that you've got a lot of wells out there. What is there to regulate or monitor the cumulative effects of mining this gas, the coal-bed methane, out of the earth? What I'm seeing is a lot of separate holes being drilled, with no large, overseeing body. Is there an oversight body out there, and what kinds of reports are we getting from the body? First Mr. Pryce and then Ms. Ernst.

Mr. David Pryce: Sure. The Alberta Energy and Utilities Board is our primary regulator for the activity that is undertaken by our industry, and there are well-licensing requirements that we have to go through.

One of the policy goals is to maximize the recovery of the resource. There are other policy goals that require protection of the environment, and that's typically administered by Alberta Environment in this case. So where we're looking at the water side of the issue, Alberta Environment is the primary regulator. Where we're looking at the drilling practices, the regulatory requirements around production and that sort of thing, the Alberta Energy and Utilities Board is the primary regulator.

Mr. Anthony Rota: Ms. Ernst.

Mr. David Pryce: If I could ask Mr. Cline to add to that—

Mr. Cam Cline (Engineer, Canadian Society for Unconventional Gas): I think I might just want to add that the well count is far too high. It is not the number that we'll ever achieve drilling coal-bed methane in Alberta.

Mr. Anthony Rota: Do you have a number now and what is anticipated?

Mr. Cam Cline: The current estimate for Horseshoe Canyon is that right now there are about 10,000 CBM wells, and we drill about 2,000 wells per year. There are some upside estimates for the Horseshoe Canyon in the 50,000-well range, but that would certainly be in the high end. That would be if every Horseshoe Canyon resource was developed in the province. That's just the one coal, but that's the one out of the three. Not only that, in a lot of cases, particularly with CBM, well bores will be shared, so, for example, of the 10,000 CBM wells that are currently used in the province, approximately 35% of those are actually using existing well bores. So the number of wells would simply not get that high.

Mr. Anthony Rota: Very good.

Ms. Ernst.

Ms. Jessica Ernst: Most of the work I do in the oil patch is on cumulative effects, and alarmingly, as our developments are dramatically increasing in Alberta, the mitigation of and assessment of cumulative effects seem to be going down. We seem to be deregulating in Alberta instead of increasing our assessment of these effects.

From the global warming perspective, the leakage of these wells, as well as potential effects on groundwater, the cumulative effects of these shallow zone developments, the unconventional developments, I think could be dire if we don't take better protection.... As Mr. Cline mentioned, a lot of the older wells are being used to commingle and perforate and frac. When they come to do the CBM, they will often come back again and again to perf and frac again and again. The cement in the surface casing as well as the production casing leaks from many different ways. When the cement is setting, if there are air bubbles or gas moving through from the deeper zones, that can create channels. The cement degrades over time. With each one of these perfs and fracs happening, cumulatively, what is the integrity of the cement going to be?

Interestingly, too, on the EUB, the data collection is so behind, and we're increasing the cumulative effects, but we have less knowledge and data collection than we really should have for the groundwater mapping and the baseline testing. For example, in my area the experiments on the CBM happened before the baseline testing, even though this multi-stakeholder committee was saying, "We have to test first. We have to protect the groundwater; it's vital for life."

It only took pressure through the press before the baseline testing happened. I believe we still would not have baseline testing if a number of concerned Albertans had not gone to the legislature and gone public.

The EUB did a study that just finished in 2006. This is the regulator. They actually said that seven out of seven of the produced water from the coal-bed methane wells had the contaminants that we found in our Rosebud drinking water—the benzene, toluene, ethylbenzene, etc., the heavier hydrocarbons—but 11 out of the 12 water wells in the study did not, had no detectable levels. And 10 out of those 12 water wells had no detectable levels of methane, and they were all getting their water from coal. So even though CAPP has stated that 26,000 of our water wells getting coal supposedly have this natural methane, the regulator's very own study found that this was actually not true.

So hopefully, now, with the baseline testing, if we can improve on the testing.... In the baseline testing, for example, Mr. Rota, the industry is not even required to test for heavy metals or the BTAX, these contaminants that could get into drinking water. So right now we're not even able to assess the cumulative effects because the baseline testing standard isn't testing for the right things.

● (1200)

Mr. Anthony Rota: Thank you.

They tell me my time is up. I have a lot more questions, but thank you.

The Chair: If you could just keep your answers short, members can get all their questions in.

Mr. Lussier.

[*Translation*]

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Thank you, Mr. Chairman.

I too would like to acknowledge the presence in this room of a group of Franco-Ontarian students. I believe it is shepherded by my colleague from Gatineau. Welcome to all of you.

My first question is for Mr. Pryce.

I would like to know who decides the make-up of the advisory committee, the MAC.

[*English*]

Mr. David Pryce: Thank you.

The multi-stakeholder advisory committee, or MAC, was a group that was put together by the Government of Alberta that consisted of members of the public, members of industry, and members of the government itself. That was the composition of MAC.

[*Translation*]

Mr. Marcel Lussier: How many members does it have?

[*English*]

Mr. David Pryce: There were probably about—and I'm guessing—20 to 25. There were also a number of people who came into and out of the process as issues came up, who have an interest in or an expertise in that kind of an issue.

[*Translation*]

Mr. Marcel Lussier: Is your group responsible for appointing some members to the MAC and, if so, how many?

[*English*]

Mr. David Pryce: We had been asked to be represented on the committee, and CAPP had, I believe, two or three.

[*Translation*]

Mr. Marcel Lussier: Did you ever consider suggesting the names of Ms. Ernst or Mr. Schwartz for this committee?

[*English*]

Mr. David Pryce: If I may come to that in a moment, I've been corrected on something. CAPP had one member and CSUG, the Canadian Society for Unconventional Gas, had one member.

We left the representation up to the Government of Alberta to make those determinations.

[*Translation*]

Mr. Marcel Lussier: Thank you, Mr. Pryce.

Ms. Ernst, did you receive any financial or technical support from farmers or private land owners for testing your wells or did you have to bear the whole cost?

[*English*]

Ms. Jessica Ernst: Do I have a translation?

[*Translation*]

Mr. Marcel Lussier: Would you like me to repeat my question?

Ms. Jessica Ernst: I do not understand.

Mr. Marcel Lussier: Did you have to bear the full cost for testing your water or did you receive any assistance from the industry?

[*English*]

Ms. Jessica Ernst: I wish I could speak in French.

My cost so far has been almost $10,000. I had such a good well that I did not have a holding tank. They had to clean out part of my basement and put in these big tanks. That cost $5,000. The government promised in writing to pay me back, but it's more than a year later and they haven't.

The government is doing very minimal testing. In over a year they still have not done comprehensive testing. We have done some of the testing ourselves. The isotopic fingerprinting costs $500 per test. If you don't know what the chemicals are in some of the heavy metals, it could cost many thousands of dollars. And there is no funding.

Some landowners are trying to come up with funding. I know some landowners who wanted to take their cases forward to the government, but they couldn't afford the testing.

● (1205)

[*Translation*]

Mr. Marcel Lussier: When one does not know what to test for, it can cost every individual hundreds of dollars.

Ms. Jessica Ernst: Yes.

Mr. Marcel Lussier: Mr. Schwartz, you mentioned the spawning habitat of fish. You mentioned whitefish and touladi which migrate from Lake Winnipeg. In your view, does a change in the composition of water or in the smell affect the spawning behaviour of fish?

[*English*]

The Chair: Are you getting the interpretation? I'm on channel 3. It's 1 or 3.

[*Translation*]

Mr. Marcel Lussier: I will repeat. You mentioned touladi and whitefish that spawn near Lake Winnipeg. Could a change in the smell, the colour or composition of the water change the spawning behaviour of fish?

[*English*]

Mr. Robert Schwartz: Yes. Since we have an unconsolidated zone in the foothills of the Rockies—it's the headwaters of Lake Winnipeg and all the way out to Hudson Bay—we will be changing the composition of the water in the river flows. We have inflow and outflow from the foothills into these river systems.

Does that answer your question, sir?

[*Translation*]

Mr. Marcel Lussier: Yes.

Do you have any tests done on surface water that would show concentrations of chemicals such as benzene, toluene, xylene or any other substance used by the industry to dissolve methane?

[*English*]

Mr. Robert Schwartz: There have been no studies done that I know of that indicate whether anything is in the water. In my estimation, these studies have not been done because nobody wants a baseline.

[*Translation*]

Mr. Marcel Lussier: Thank you.

Ms. Ernst, you talked about the noise made by compressors. Are there presently any standards in Alberta specifying a minimum distance between a residence and the location of a compressor?

[*English*]

Ms. Jessica Ernst: Mr. Lussier, that's a brilliant question. This is one of the cumulative effects that is becoming so serious in Alberta because it seems that humanity is not being considered.

One of my neighbours runs a cattle ranch. A well was first put right beside the house—a few hundred metres—and within a short time a compressor came. The farmer and I noticed that in the different environmental conditions, when the temperatures fluctuate...because noise normally goes up...when it's colder it rolls down. We live in a lot of coulee land, like the Gatineau Hills, beautiful rolling hills. Every time the compressor noise would go up, the cattle would raise.... So this could have an implication financially to the farmer. It could cause them stress. The World Health Organization has studied noise. And the compressors can be very close to homes.

In my community, there are two compressors about 900 metres away. I lived in two coulees where the noise bounced off and magnified the noise.

In the early planning stages industry is supposed to consider communities, where you have, like mine, a historic resource. Industry should not interfere with the historic resource of a small tourist town. In our community this planning was not done. The compressors were just put in. They could have been moved farther away, especially from the coulee walls.

● (1210)

[*Translation*]

Mr. Marcel Lussier: Somebody mentioned earlier the natural occurrence of methane. Did I understand you to say, Ms. Ernst, that there was no gas infiltration in your well a few years ago, before the oil companies started drilling for methane?

[*English*]

Ms. Jessica Ernst: I will clarify, Monsieur Lussier. This is one of the problems where the MAC has failed the people of Alberta. The testing was only begun in 2006. These experiments took place in our drinking water in 2004 and earlier.

I do not know what was in my water. EnCana actually came to in 2003, for a well on my neighbour's land, and I asked to test my well. But one of the problems is that this company didn't tell us coal-bed methane was coming around us. They actually said in public, “No, it's not coming yet”, and through investigation and searching, I found out they had already drilled 35 CBM wells right around us. In fact, they had already fractured into our drinking water. They didn't tell us, they didn't monitor the water, and as soon as they knew they had done this.... So, unfortunately, I have no knowledge of what was in my water first.

If they had told me it was going to be CBM, because I work in the patch, I would have insisted on proper hydrocarbon testing and the BTEX. This was not done. However, I'm a scientist, so I observe my water. There has been gas, historically, in Alberta water, but nobody knows what it is. There are no studies on whether it was methane.... It could be CO_2. It could be a pump causing a lot of oxygen and bubbles.

Before the CBM, my water would only have bubbles for a few seconds. In 2005, all of a sudden, it was for more than a minute, and the bubbles would shoot high off the glass, so anecdotally, that's an indicator of a big change. Some experts have said natural methane in groundwater is usually below one milligram per litre. Ours is up to 30 milligrams to 66 milligrams. That's far more than natural.

The Chair: Thank you, Mr. Lussier.

Mr. Cullen, please.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Thank you, Mr. Chair. Thank you to all our witnesses for being here.

My communities in northwestern British Columbia are struggling with the same issue right now. As Mr. Pryce and his colleagues will know, there's great interest in coal-bed methane in British Columbia, now washing over from Alberta, and the question has boiled down to risks versus benefits, at the local community level certainly: how much risk is incurred by the local community versus how much benefit they'll receive back, whether in jobs or future development?

I have to say I was rather neutral on the issue two years ago, but the education that I and some of my citizens have gone through over the last couple of years has put up a strong resistance.

Mr. Pryce will be aware of the Klappan project in northwestern British Columbia, a very significant resource, as well as the Telkwa fields and some others in British Columbia. The reason I'm prefacing my questions with this is because in his questions of options for the government and the regulators of the day...I'm curious as to where the citizens actually engage and have input as to whether something goes ahead.

My first question for Mr. Pryce is around the scope of the resource. I'm just looking over some of the research we've had done. I imagine you would describe this as a significant resource going ahead over the next 10 or 20 years, just in terms of volume, potential earnings, etc.

Mr. David Pryce: Yes, that's the case. To put it in perspective, the conventional natural gas in Alberta is about 100 trillion cubic feet; the coal-bed methane potential is about 600 trillion cubic feet. A vast resource on the conventional side is significantly exceeded by this resource as a potential.

The challenge is in finding ways to make this a commercial resource going forward, because it is a low-productivity resource. One of the benefits, though, is that it is a long-term-producing resource.

● (1215)

Mr. Nathan Cullen: If I were a landowner in Alberta right now and a company was coming in wishing to drill CBM sites around my property, do I or any of my neighbours have the capacity to resist or refuse those wells?

Mr. David Pryce: I'm going to defer the question to Mr. Cline.

Mr. Cam Cline: Of course, several tens of thousands of wells get drilled in Alberta every year, and those include several thousand CBM wells. In the vast majority of cases, landowners are very comfortable to have you drill on their land.

If they have a concern—

Mr. Nathan Cullen: That wasn't the question, though. Let me phrase my question directly.

If I were a landowner in Alberta and there was a plan to drill a well on my property, do I have the ability myself, or with my neighbours, to refuse or resist that project?

Mr. Cam Cline: There is a process run by the Alberta Energy and Utilities Board by which you can ask that the well not be drilled. The final decision is made by the Energy and Utilities Board on the basis of the interests of society. It also takes into account the impact on the landowner.

Mr. Nathan Cullen: Let me ask a very specific question about this utility board. Is it the equivalent of the Oil and Gas Commission in British Columbia? Is that the equivalency in regulators?

Mr. David Pryce: It's similar. The difference is that there is actually a board that sits in a hearing process. In British Columbia, the Oil and Gas Commission makes the decision as a regulator; the Alberta Energy and Utilities Board is a quasi-judicial board and process.

Mr. Nathan Cullen: Is there membership on that board of any citizens' groups, first nations, or environmental organizations?

Mr. David Pryce: The board composition probably does not include them at this point in time.

Mr. Nathan Cullen: Is there a representative from industry?

Mr. David Pryce: No, there is not.

Mr. Nathan Cullen: Is it made up entirely of bureaucrats within the government? Is that what the board is?

Mr. David Pryce: The board is appointed by the Government of Alberta. It includes professional experts who may have rolled up through the staff at the board, but it also includes former politicians in the municipal world as well. There is a cross-section in that sense.

Mr. Nathan Cullen: I'll put this to Ms. Ernst or Mr. Schwartz. Has there ever been an assessment of property value before and after wells are drilled on a particular property in Alberta? Does property value go up, stay the same, or go down once people have CBM wells on their property?

Mr. Robert Schwartz: There has been a study done. It's a hard one to get a hold of, but according to this study, property values do go down in proximity to oil and gas facilities. There's no doubt.

To answer your previous question, you can refuse all you want on an oil facility; you will end up having that thing. They will make you wear this well or pipeline one way or another.

Mr. Nathan Cullen: I have a question about contamination. Mr. Pryce, you alluded earlier to the idea that there is naturally occurring methane in drinking water in wells within Alberta. Did I hear you correctly?

Mr. David Pryce: Yes.

Mr. Nathan Cullen: Is it your contention that there has been no contamination from CBM wells into the drinking water supply of Alberta?

Mr. David Pryce: I'm going to pass this to Mr. Cline, but the Alberta government has said in its analysis that they have not seen a case in which that has occurred.

Mr. Cam Cline: We're not aware in industry of any cases in which contamination has happened.

Mr. Nathan Cullen: You're not aware of any cases where contamination has happened. It's remarkable.

One of the questions I have is about trying to understand the geology of these aquifers in British Columbia and whether they're contiguous or self-contained or migratory. If an aquifer gets contaminated—which it does, in terms of the injection of this water and the release of water and the gases that come up—does it have the ability to migrate over to another aquifer? Can it affect the drinking water supply further down the line in the seam? Is it your contention that that's not possible?

Mr. Cam Cline: I think an explanation of the shallow coals in Alberta might help with this.

The shallow coals in Alberta, which are the primary commercial target, do not produce water. They're dry coals, so we're not faced with the situation of having to pump water to get the gas to move. The fact that they're dry is a very strong indicator that these coals are totally isolated from the overriding aquifers, because if they weren't isolated, you would have water in the coals, which we don't see.

● (1220)

Mr. Nathan Cullen: I think Ms. Ernst might have a comment.

This wet versus dry thing is very interesting, because when you boil down the issue, often it returns to the water. In British Columbia, water and fish are the two central issues, and asking citizens to incur a certain amount of risk on the wet wells as to how much certainty we have there will be no contamination into our drinking water or our rivers....

Ms. Ernst, if you could comment on this contention of non-contamination—

Ms. Jessica Ernst: Thank you, Mr. Cullen.

I'll try to be very quick, Mr. Mills.

There are a few things.

In the States, one of the contamination cases that EnCana suffered with their CBM was where the methane came up through a creek. I don't know if we've done studies on what...but I imagine it will change the oxygen. I think if a creek is bubbling like ginger ale, we may see a lot of dead fish.

I've done a lot of legislative work with my business in northern B. C. The concerns of the people are valid, especially the first nations. In the Horseshoe Canyon coal, I must admit I'm getting very tired of industry and CAPP's and the regulators' excuses that the coals are dry. EnCana was producing 8,000 litres of fresh water a day from this coal-bed methane well by my community, and they did this, in my expert understanding of the legislation, in violation of the Water Act, which is supposed to protect the water, because the rules in place at the time required that the company get a permit from Alberta Environment. This didn't happen. In B.C., I think the ODC is not strong enough to protect. I did work down in the Elkford area, and the CBM waste water, with high ammonia, was going directly into the watershed, to the point where the Governor of Montana was very upset because of the impacts on fish.

Mr. Nathan Cullen: Just a quick question.

In terms of the environmental assessment that's meant to go on, is there a joint federal-provincial environmental assessment, which is a high-order assessment, of coal-bed methane projects?

Ms. Jessica Ernst: I don't think so. The regulations say that cumulative effects are supposed to be assessed—should be, but they're not. The best practices say “should be”; we need “must”.

I think we need to join together, federally and provincially, for B. C., Saskatchewan, Nova Scotia, and New Brunswick to really look at these issues and assess, with unbiased, independent researchers, what the cumulative effects to fish, but also human drinking water, will be.

Mr. Nathan Cullen: Thank you.

Thanks, Chair.

The Chair: Mr. Allen.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Thank you, Mr. Chair.

I'm going to be splitting my time with Mr. Warawa.

Thank you so much for all the presentations. There are so many questions I could ask, but I'm going to focus on slides 6 and 7 of Mr. Pryce's presentation.

One is on well construction. We talked about the steel casing and the cement. Just so I'm clear in my mind, Mr. Pryce, how has this construction process changed over the last number of years, and when did this process come into play, versus the old one, to compare what might have been done before on the construction of your wells?

Mr. David Pryce: I'm going to ask Mr. Cline to answer that.

Mr. Cam Cline: Basic well construction—the base process of casing and cementing has not changed since oil and gas production started in Alberta with Leduc. What has changed is that the technologies and the cements and the materials used have improved greatly. So in modern wells, we're very confident in the cement jobs we have. We have methods of assessing the cement jobs using things like rods and stuff. So although the basic construction has not changed much, the quality of the construction has improved significantly, particularly over the last 20 to 30 years.

Mr. Mike Allen: As a general question, and each person can answer this, do we have some risk from some of the old construction potentially contaminating the groundwater?

Ms. Ernst.

Ms. Jessica Ernst: I think we have risk with the old wells, but we also have risk with the new wells.

From the studies I have been looking at, even with the good cements, it's quite difficult to get a perfect seal from the well casing to the formation. The more you're going to go in and perf and frac, if you comingle your CBM with your conventional and then come in and perf and frac with the shales...I believe every time you do this you're compromising even a top-quality cement.

I think the best way to assess the cumulative effects of this is to measure the gas migrating through the soils. There are experts in Alberta who have done this research. In fact, many industry players are involved in it, so it could be carefully assessed. Possibly, we would see how good the new cements and the technologies are and improve where the weaknesses are.

● (1225)

Mr. Robert Schwartz: I'd like to make a comment on that. One CBM well that is within a mile of my place is 700 metres deep, perfed at 700 metres and also perfed all the way up to 320 metres deep, with 22 separate perforations.

I don't care what kind of cement job you have; you have a vertical communication between 320 metres and 700 metres down or up that well bore. It doesn't matter what kind of cement you have outside the casing: you have communication vertically through the well bore.

Mr. Mike Allen: I have a quick follow-up question on that. It was clear in the statements you made, Mr. Pryce, in your presentation that it was intended to shelter it from upper aquifer zones. Mr. Schwartz's presentation shows that the industry does not protect groundwater below 600 metres from chemical injection, even though we have known areas of pristine groundwater as deep as 1.5 kilometres.

So is there any concern from the industry's side about potential impact on deep aquifers?

Mr. David Pryce: I'll turn that question over to Mr. Cline in a moment.

What I want to make sure people understand is that when we have these facilities out there, the companies are visiting these sites on a regular basis. The Alberta Energy and Utilities Board is visiting these sites on a regular basis too. So there is an ongoing evaluation of the condition of the sites, there are audits that are done, and there's information that needs to be submitted to the regulator that confirms the adequacy of the work that is being done—and it is reviewed. I think it's important to understand that there is a strong regulatory oversight here.

It's also important I think to make sure we don't draw conclusions that there are problems on the basis of what might be occurring, the "what ifs". From a risk management perspective, the industry and the regulatory environment are well aware of the risk environment that's out there and have measures in place at the front end—the design end—of the process to mitigate those measures, and through the operations phase and indeed in the abandonment phase to deal with them. So while there may be concerns about potential risk, I think it's important for folks to understand that those potential risks are understood and are being managed.

The Chair: Mr. Warawa, did you want to pick up?

Mr. Mark Warawa (Langley, CPC): Yes, thank you, Chairman.

The first question is for Ms. Ernst.

You showed some pictures of your water. As long as they're just pictures, if you could pass them around the table, I'd find it interesting to see those pictures, if that would be okay.

You began your presentation saying that you wanted your water back. But then you went on to share that you don't know what your water was, because it wasn't tested in the first place. You said there were some bubbles in the water, but you also said, "My water is in danger of exploding." I think that's what you said.

I'm curious as to how you determine, when you say "I want my water back", what you mean by it.

Ms. Jessica Ernst: That's a good point. Thank you for giving me the opportunity to clarify.

What I meant by wanting the water back is having it the way it was before the CBM came, when my taps weren't whistling—my taps felt like a gas well, and I had so much gas blowing out, you could feel the gas—and when I used to be able to bathe without having my skin and eyes burn.

In fact, the gases coming out of my taps would burn my eyes in the house. When the government began bringing the trucked-in water, my skin no longer burned and my eyes no longer burned in the house. I think dogs are a lot more intuitive than we are, and when the water whistling began, they would pace incessantly.

● (1230)

Mr. Mark Warawa: I only have a few minutes. I understand that. It's based on personal experience, as opposed to having your water tested.

Ms. Jessica Ernst: Yes. I would like to be able to rely independently on my well and be able to bathe and not have my skin burn.

Mr. Mark Warawa: I understand.

The next question is regarding noise. You mentioned that you couldn't listen to music. I think it was a comment in your presentation that you had difficulty listening to music because of the number of wells. What's the closest well that you had? You said it was near your house, and then you said it was about 300 metres.

Ms. Jessica Ernst: I don't think I mentioned music, or at least I don't remember that; I think I was mentioning cattle.

On that, I was talking about a neighbour's farm. I'm not exactly sure of the distance; I think it was about 300 metres from their house.

Some compressors are much closer. In my case, the closest compressor site is about 900 metres away. In terms of the closest CBM well, I'm not exactly sure how far it is, but it's probably around that same distance. I think there are a number of wells at that compressor site as well, but I don't know which ones are CBM.

Mr. Mark Warawa: I have a comment that's attributed to you. It says:

> I love the quiet, but after living in the vicinity of coal-bed methane development, I can't even stand to listen to music. I fell in love with the big sky and the powerful spirit of the people in Alberta, and I can't believe we powerful people, especially the farmers and ranchers, are allowing the rape and pillage that is taking place in Alberta.

Is that a comment you made?

Ms. Jessica Ernst: Did I make that here today?

Mr. Mark Warawa: No. But is that a comment you made?

Ms. Jessica Ernst: I have mentioned music before, yes. Interestingly, I don't listen to music any more because I find I'm so craving quiet. I used to listen to classical music a lot. I don't listen to it any more.

Mr. Mark Warawa: Noise is a factor in coal-bed methane.

Ms. Jessica Ernst: Yes, a very big factor.

Mr. Mark Warawa: Okay.

Mr. Schwartz, you live in the area also. Is noise an issue for you? If it is, what's the closest compressor area?

Mr. Robert Schwartz: Yes, noise is an issue. The closest compressor to me would be over two kilometres away.

Mr. Mark Warawa: And you can still hear that?

Mr. Robert Schwartz: Oh, certainly; certainly.

The Chair: Excuse me, Mr. Warawa.

Mr. Vellacott, the clerk advises me that because that is not translated, we need to put it through the clerk. He'll get it translated and then we can distribute it. There's an official languages rule on that matter.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Do you mean the picture?

The Chair: Yes. Those are the rules, I'm sorry.

Mr. Maurice Vellacott: But how do you translate a picture?

The Chair: There is wording on it.

Mr. Maurice Vellacott: Okay. I'll send that in.

The Chair: Thank you, Mr. Vellacott.

Mr. Warawa, carry on.

Mr. David Pryce: Mr. Chairman, could we respond to the noise piece?

Mr. Mark Warawa: The point made by Mr. Schwartz is that it's approximately two kilometres away. So yes, perhaps you would comment on the noise.

Mr. David Pryce: I think it would be useful to understand the noise rules in Alberta. The noise rules in Alberta are governed by something called “Directive 040”, with which all oil and gas companies, in fact all utilities, need to comply. The directive states that your noise level, for the closest residence, has to be below 40 dBA. It actually doesn't matter how far the residence is. However distant the residence is, the noise level has to be below 40 dBA at nighttime. And 40 dBA is equivalent to about a refrigerator.

Mr. Mark Warawa: Does it meet those guidelines?

Mr. David Pryce: Absolutely.

Mr. Mark Warawa: Thank you.

Am I out of time?

The Chair: You're out of time.

I'd like to go very quickly to the second round. I know that a few of you really want to get in here.

Mr. Scarpaleggia, five minutes maximum, please.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Sure.

To link back to Mr. Warawa's comment, it's very hard to know who to believe. We have Mr. Pryce saying there's no noise and Ms. Ernst saying there's a lot of noise.

Were environmental assessments done? Are environmental assessments done before there are these kinds of drilling projects? Obviously not federal assessments, because you're not apparently impacting on fish, for example, but does the government do environmental assessments on these things?

● (1235)

Mr. David Pryce: I'm assuming this is still the noise question.

Mr. Francis Scarpaleggia: Having to do with noise, having to do with potential water contamination—anything. Who does the assessment? I know you have regulations, but who does the assessment?

Mr. David Pryce: The Energy and Utilities Board does some of that and Alberta Environment does some of that.

Mr. Francis Scarpaleggia: So assessments have been done.

Mr. David Pryce: They assess the merits of the project.

Mr. Francis Scarpaleggia: The merits of the project or the environmental impacts of the project? These are two different questions.

Mr. David Pryce: The mandate of the Energy and Utilities Board is to look at the merits of the project from an economical, technical, and environmental perspective. They have that mandate in their interest of looking at the interests of Albertans as a whole.

Mr. Francis Scarpaleggia: Ms. Ernst, you have in Alberta one of Canada's great freshwater experts, a man I have had the pleasure and honour of meeting and knowing, David Schindler. Have you consulted him? What does he think about all this?

Ms. Jessica Ernst: I don't think I have the right to speak on his behalf. It would be good to bring him here, but I have—

Mr. Francis Scarpaleggia: I understand that. I don't understand why he's not here today, quite frankly.

Ms. Jessica Ernst: Yes, well, I don't understand why the regulators aren't here. I have to bring this up. I don't understand why CAPP is here instead of Alberta Environment and the regulator.

I think Dr. Schindler is very worried. He has great concerns, too, about the amount of water being used for the oil sands and for CBM, because we're starting to run out of water in some parts of Alberta.

Mr. Francis Scarpaleggia: But we're talking contamination now.

Ms. Jessica Ernst: Yes, and about the contamination, he is also very concerned.

Mr. Francis Scarpaleggia: He's also worried. I don't know why he's not here, Mr. Chair. He should be here by videoconference. He's at the University of Alberta.

Ms. Jessica Ernst: May I add a quick comment about the noise assessment? I'm sorry to jump in. I'll be very quick.

Mr. Francis Scarpaleggia: Yes, absolutely.

Ms. Jessica Ernst: One of the interesting things is that when EnCana studied the noise at my property, they had their consultant do the work. They were to study the ambient noise, which is the noise without the industry. So they turned off two of the compressors—they are supposed to study for 24 hours and they only did 12 hours—but they left all the other compressors running. Their conclusion was that the ambient noise is very loud in this area, therefore.... And they used this as part of their reasoning so say they were within the regulations.

Mr. Francis Scarpaleggia: I see.

Mr. Pryce, what do you think about Mr. Schwartz's view that:

> The new regulations allow for the unrestricted injection of formation stimulants such as benzene, toluene, xylene, synthetic olefins and methanol into fresh water zones below 600 meters or less. Tons of these chemicals are currently being used to stimulate CBM well. This contaminated groundwater will eventually surface as river flow.

And then it would flow into other provinces. Apparently, part of the river system runs directly into Hudson Bay. How do you respond to that? Is it simply by saying your casings are impermeable?

Mr. David Pryce: I'll ask my colleague to speak to that.

Mr. Cam Cline: I'll speak to that. In Alberta there is something called the base groundwater protection, and the base groundwater protection is set at a depth below which the AGS, the Alberta Geological Society, believes what they consider to be non-saline water does not exist. So below that depth, the water is considered to be saline and therefore not useful.

Below the base groundwater protection, stimulation fluids will contain different products. I'm not sure if they contain everything you mentioned, but they will contain different things. Above the base groundwater protection, you're not allowed to use toxic materials. Certainly, in coal-bed methane we use nitrogen, which is obviously not toxic.

Mr. Francis Scarpaleggia: So Mr. Schwartz is wrong when he says...in other words, these toxins are being injected into freshwater formations as shallow as 270 metres. He's simply flat wrong.

Mr. Cam Cline: They would only be injected in there if AGS had determined that there is no usable water at that depth or below.

Mr. Francis Scarpaleggia: Okay. Thank you.

The Chair: Thank you, Mr. Scarpaleggia.

Mr. Warawa.

Mr. Mark Warawa: Thank you.

I had a couple of other questions. Mr. Schwartz mentioned in his presentation that half a million wells are being proposed. Is that correct?

Mr. Robert Schwartz: That is my presentation that was translated, is that correct?

● (1240)

Mr. Mark Warawa: Yes, correct.

Mr. Robert Schwartz: Okay. Since then, I've been made aware of the past AEUB president's statement—I think it was at the CSUG conference—where he made the statement that there would be anywhere from 25 to 50 times more CBM wells drilled in the province than conventional oil and gas wells. If you extrapolate that out from 320,000 currently conventional wells in the province, that works out to anywhere between 8 million and 16 million CBM wells.

Mr. Mark Warawa: Okay, so it's substantially more even than what you were presenting.

Mr. Robert Schwartz: Oh, absolutely.

Mr. Mark Warawa: Thank you.

Mr. Pryce, could you comment on that, please?

Mr. David Pryce: I guess Mr. Cline commented before that we do not see that number of wells going forward. I'm not familiar with Mr. McCrank's statement. It may have been a multiplier on the number of actual operating wells, not the number of wells that are drilled. But I'm speculating on that without the benefit of seeing the statement.

Cam, do you want to add?

Mr. Cam Cline: Regarding the expectation, at least for the Horseshoe Canyon coal-bed methane, if it was entirely developed—and I think I mentioned this earlier—there's some talk with numbers as high as 35,000 to 50,000 wells.

Certainly no one is anticipating millions of wells for coal-bed methane. It does not seem feasible to me, and certainly to all the members of CSUG. I have never heard anyone talk about numbers that large.

Mr. Mark Warawa: My next question is regarding complaints. We heard some complaints from Ms. Ernst and Mr. Schwartz. How many complaints are received? I imagine you would have to deal with some of those complaints, but can anybody comment on the number of complaints lodged annually for coal-bed methane?

Mr. Cam Cline: Do you specifically mean water well complaints?

Mr. Mark Warawa: Yes.

Mr. Cam Cline: I'd be extrapolating on the basis of the information I have, but it would probably be between 100 and 200.

Mr. Mark Warawa: Is that annually?

Mr. Cam Cline: That would be in the last five years, so it would be somewhere in the neighbourhood of 20 per year.

Mr. Robert Schwartz: I'd like to make a comment on the number of complaints. When you make a complaint about a water well, you make your complaint to Alberta Environment. As a landowner, there's an awful lot of risk involved in making a complaint to Alberta Environment, because if they come out and see a contamination in your well, it might be benzene, which does not, nor could not, occur naturally in your water. It has to come from industry; there's no other way around it. You make that complaint in peril, because if Alberta Environment sees that you have benzene in your water, you get an environmental work order on your land that makes it untransferable.

So maybe the number of complaints is not reflective of the number of issues. I'd like to make the committee aware of this.

Mr. David Pryce: Could we comment on the benzene piece? Would that be acceptable?

The Chair: Yes.

Mr. Mark Dubord (Hydrogeologist, Canadian Society for Unconventional Gas): With the water well complaints that have been investigated to date, the vast majority related to well construction, maintenance, and use. With respect to contaminants specifically, the most common source for benzene in a water well is an above-ground or leaky fuel storage tank. It's very rare to see any kind of impact on the shallow groundwater from a CBM well. You just wouldn't see it; you wouldn't expect it.

The Chair: I wonder if Mr. Bigras and Mr. Lussier would let Mr. Cullen go next. He has some pertinent questions.

It is your turn, unless you want to pass to Mr. Cullen.

Agreed. Thank you.

Mr. Cullen.

[*Translation*]

Mr. Nathan Cullen: I would like first of all to thank the members of the Bloc québécois.

[*English*]

I have a couple of quick questions. It's unfortunate that we don't have any representatives here from British Columbia, because that seems to be the next sort of vanguard of this action. There are a lot of questions that B.C. residents have about this.

I have a quick question for Mr. Pryce. The Oil and Gas Commission in British Columbia is industry funded. Its source of revenue comes from the industry itself. Does that put it in some sort of conflict of interest, in terms of setting up the regulations around an industry activity?

● (1245)

Mr. David Pryce: That's a comment we've heard in the past, and quite honestly, we would prefer not to be the funders of a regulatory process. Nevertheless, it is the case, and the funding is funnelled indirectly through licence fees and other levy kinds of processes. So it's not directly funded by the companies.

It is administered by a board of government folks. Industry is not involved in that, so there is a separation.

Mr. Nathan Cullen: I have an important question for a lot of our rural constituents about well density. Are there any restrictions on well density in any of the proposed projects?

Mr. Cam Cline: In Alberta—

Mr. Nathan Cullen: Sorry. I wanted to be particular to British Columbia for a moment. Do we know?

Mr. Cam Cline: I'm afraid I'm not familiar enough with the regulations in B.C.

Mr. Nathan Cullen: Okay. That's understandable.

Have we ever done CBM in a wild salmon watershed before? Has coal-bed methane ever existed within a watershed that also has wild salmon in it?

Mr. David Pryce: I would say not that I'm aware of.

Mr. Nathan Cullen: Last question. When a company comes forward with the process to get a licence for CBM, does it have to submit long-term plans for the project? Do the assessment people have any sense of how long the project will last and its total scope on the company's initial application?

Mr. David Pryce: I'll let you answer in a minute, but I guess when a company first is trying to decide the merits of the project, they will probably want to drill one or two wells to understand the nature of the resource there. So in some respects it's a bit evolutionary. There are challenges to being able to say how big this project is going to be from the outset. Notwithstanding that, we've seen the Alberta Energy and Utilities Board in the last little while, and indeed the Government of Alberta, require a more comprehensive planning process on the part of not only one company but groups of companies that might be operating in the area. So—

Mr. Nathan Cullen: So just to understand that, because of the nature of this particular extraction, when a company comes forward with an application and the community has been made aware of it, by its nature, we don't actually know the full scope. It may be 100 wells; it may be 1,000 wells or more.

Is there any requirement, as it is built into legislation or law right now, that the company has to disclose its total impact or the total plans for wells?

Mr. David Pryce: I guess the point I would make is the company doesn't know that at the outset. As it learns that, then it does get into that kind of consultative process.

Mr. Nathan Cullen: Right. But in order to receive—just to be clear—permission from the government to go ahead with the project, the company can say that because of the nature of the project, it doesn't know how many wells. Once the government says yes to going ahead with the project, is there then any restriction on the numbers of wells that can go ahead, or is it now up to the company's discretion?

Mr. Cam Cline: No, absolutely. In the approval, the number of wells is restricted, and if we want to have additional wells, we actually have to apply again in order to add additional wells.

Mr. Nathan Cullen: I just want to get a comment from Mr. Schwartz.

Mr. Robert Schwartz: Yes, initially, if a company was going in to do one well as a pilot, they would apply for one well. If the thing proved out, they would apply for another well and another well and another well, and more compressors and transfer sites and whatever. The thing builds. There is no—

Mr. Nathan Cullen: Once it gets going, is there any stopping it?

Mr. Robert Schwartz: There is no plan. It's one well at a time. They're evaluated one well at a time, but there's no stopping this.

Mr. Nathan Cullen: Okay, thank you.

Thank you for the extra time, Chair.

The Chair: I'd like to thank our witnesses for appearing today. We will ask Tim to do a summary of this, and we'll discuss that on Thursday, if we have a moment.

Thank you very much. Thanks to our witnesses, Mr. Pryce and company, and thank you to Mr. Schwartz and Ms. Ernst.

We'll excuse you now and go on to the motions.

If I could just remind...yes?

● (1250)

Mr. Mark Warawa: Could we have a two-minute break so that we can see the pictures?

The Chair: They have to be translated, Mr. Warawa, because there is some written material on them.

Mr. Mark Warawa: Before we go on to a new item, maybe we can have a quick break.

The Chair: We would have to suspend the session, Mr. Warawa.

A voice: Let's just keep going.

The Chair: Yes, I think we should just move on.

If we could go on, I'd just like to remind members that there are two motions here. The first motion does impact on the second motion, and I would also like to make sure that everybody remembers that we did have a future business meeting, and at that future business meeting, we did decide to deal with three one-off subjects, of which we've done one today.

We have witnesses already, airline tickets, etc., for the 15th and for the 17th, and of course then we have a break week. So if we're going to change that, which these motions would, that poses some problems for us. Anyway, if we could carry on, we'll begin with Mr. Cullen's motion.

Mr. Nathan Cullen: Thank you, Mr. Chair.

Just as our guests are leaving, the notion that I have.... This is one of those unfortunate moments when I wish we had a subcommittee. My instinct on this is to say that while we have some interest in looking at Bill C-377 expeditiously, we are also supportive, in concept at least, of Mr. McGuinty's motion to do some assessment of what the government's plans have shown.

What we're interested in doing is, in a sense, suggesting a calendar that will work for all committee members. We know that we have some commitments to witnesses coming forward; some might be more flexible than others. The ideal for us is to set out a calendar that will take us to at least the first week of June, because I think it gets very sketchy after that.

As I said, we're supportive of the concept of this motion that Mr. McGuinty has brought forward and are prepared to adjust our own. This is the problem with making these calendar decisions as a group of 12. It's not very quick.

I'm going to suggest that a responsible person from each of the parties come forward and sit with you with a proposed calendar later today or after caucus tomorrow to work out something that gets both of these things accomplished and gets the minister here as well.

The Chair: Mr. Cullen, I did point out to you that we did have a rough one here, which I'll just go through quickly. It's not written in stone, obviously. I'm quite happy to meet with one member from each party.

Basically, of course, we have put off Bill C-298. It is hoped that we could deal with that on Thursday and thus get that private member's bill dealt with.

As I mentioned, on May 15 we have CO_2 sequestration, and on May 17 we have my favourite subject, garbage gasification.

I would then propose that our next meeting date would be Tuesday, May 29. Hopefully, we could get the minister, which would accomplish what Mr. McGuinty—

An hon. member: [*Inaudible—Editor*]

The Chair: We're not here that week.

An hon. member: Oh, is that a break week?

The Chair: Yes.

On May 31, we could begin with witnesses, and so on, for Bill C-377.

Now, that's just a rough proposal.

On June 5, four of us will be away at the G-8 plus five. I would propose cancelling that meeting because of members' being away.

That's kind of a rough, tentative schedule, if that helps at all.

Mr. Bigras, you're next.

[*Translation*]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Thank you, Mr. Chairman.

I am inclined to support the motion of Mr. Cullen. I also like very much that of Mr. McGuinty.

You just threw out a whole bunch of things to do until June. I have not seen any document that clearly spells out a schedule of future business. We are used to discuss future business at a steering committee meeting. It might be a good idea to call a meeting of the steering committee, for example for tomorrow afternoon, in order to establish a work plan and avoid having to vote on motions which might be conflicting.

We have a number of deadlines imposed by the Standing Orders. We have 60 sitting days of the House to consider Bill C-377, but there are also other items that we should deal with. I believe a meeting of the steering committee would allow us to do a proper job.

● (1255)

[*English*]

The Chair: Mr. Bigras, we did vote previously not to have a steering committee, because you sort of go through the arguments twice. But I would suggest that we could have a meeting. If Mr. Cullen, Mr. Bigras, Mr. McGuinty, Mr. Warawa, and I could get together in the next 24 hours, we could certainly look at that schedule and hopefully accommodate what both your motion and Mr. McGuinty's motion are attempting to accomplish.

Mr. McGuinty.

Mr. David McGuinty (Ottawa South, Lib.): I'm not sure what we're debating or discussing. Are we debating Mr. Cullen's motion?

The Chair: He is suggesting.... The two are interrelated. What has been suggested is that we have a meeting of all parties to decide on a schedule that would go from now until June 7.

Mr. David McGuinty: I've tried to do that, Mr. Chair, in the motion that's been tabled here today. I've worked around deadlines, drop-dead dates, reporting times, estimate challenges, deadlines for Bill C-298, and so on. I've tried to weave most of this into the motion that's in play.

I know that, theoretically, we're only supposed to have five meetings left in May. There are strong rumours circulating that the government intends to have the House rise earlier than planned. What I'm saying is that I've tried to reflect most of this in a lot of thought that went into this motion before us today.

The Chair: We do have to find out if Mr. Cullen is going to put his motion. If he is, it's first on the agenda and we would have to vote on that. He has made a suggestion, on which I haven't heard agreement, that we get together to come up with that schedule.

Mr. Warawa.

Mr. Mark Warawa: Thank you, Chair.

I have no problem with us making a decision to go to a steering committee. I think that would be helpful.

The Chair: I don't think that's the issue. It's a matter of whether we should have a meeting to decide that.

Mr. Mark Warawa: Chair, that was the recommendation of Mr. Cullen, I believe, and Mr. Bigras has said yes.

You're quite right in that we did make a decision that we weren't going to have a steering committee, but that could be changed. If we feel at this time that it would be a wise decision, I have no problem with that, which is what you're suggesting in a friendly way, as long as the rules of the steering committee are that consensus must be reached, otherwise it comes back to the committee and is voted on.

There are a lot of issues on the table besides Bill C-377 specifically, but what do we do with all these other issues that Mr. McGuinty wants to speak to on his motion? I would think that a steering committee would be a better way to deal with it, considering that time is just about up.

The Chair: In order to have a steering committee, we would need a motion that we rescind the orders that we voted on earlier and that we establish a steering committee. Obviously that motion, if it's put, needs to be debated. I think all of us have expressed that.

My hope was that we could accomplish this just by sitting down and saying this is the schedule we agreed to. It seems to me it's not that difficult. We have very few meetings, and yes, we have witnesses already arranged. We obviously have deadlines of the minister appearing. We have a deadline on Bill C-377, but that's a little bit further out, and so on. But it would seem to me that we could come to a conclusion. It's not rocket science.

Mr. Warawa.

Mr. Mark Warawa: About a week and a half or two weeks ago we had decided what we were going to do for the spring session. There was good debate and there were eight future business topics. We had decided that we were going to deal with coal-bed methane, which we discussed today. We decided on gasification of waste and carbon sequestration. Witnesses have been called. Now, at the 11th hour, at the 59th minute, we're changing this, which concerns me, because a decision has already been made.

So I think the most practical way of dealing with this and changing the agenda for the fall session would be, if we don't want to have a motion to have a steering committee, then we do it in practice. I am fine with meeting this afternoon or tomorrow, or whenever, so that this can be dealt with as quickly as possible.

The Chair: My first wish would be that we sit down together and come up with the agenda for the next three weeks, in that we've had those meetings, as Mr. Warawa has pointed out, we have agreed, we've called witnesses, and so on. Obviously the committee is in charge of the direction in which it goes. Changes can be made. But I would hope that we could sit down reasonably and come up with that conclusion. If you intend to put the motions, we'll proceed. I don't agree that that's the way to proceed, but certainly I'm at your mercy.

Mr. Cullen.

● (1300)

Mr. Nathan Cullen: There are two quick things. I don't know if we need to do it formally. I think the informal process works, if we have enough agreement to do it in the next 24 hours.

The reason I want to do that is because I want to open up the docket and consider one or two extra meetings as well. It's not as simple as just saying yes, yes, yes, no. I think there's a little conversation we need. It saves committee time if we do it informally, with the four or five people you mentioned, and then if we get agreement, let's do it. And we can take care of Mr. McGuinty's motion today or tomorrow morning. That feels comfortable for me.

The Chair: Would you agree to proceed that way?

[*Translation*]

Mr. Bernard Bigras: Yes, of course. Naturally, I want these meetings held in both official languages and I think it is possible. I do not want a meeting in your office, around a conference table. I will agree only if we have no other choice.

I was away for one afternoon meeting. The government's agenda was agreed to, essentially, since these seem to be the subjects that the government wanted us to consider. So I leave it up to the other members of the committee. This group could meet whenever you decide.

[*English*]

The Chair: Mr. McGuinty has a comment.

Mr. David McGuinty: I would second what I just heard from Monsieur Bigras. I was not present when the committee business you rhymed off, Mr. Chair, was discussed. I think a number of the subjects that are being foreseen are important, but they're just not as important as some of the other subjects we ought to be dealing with. What's changed between then and now, of course, is what is happening in this country on climate change, what is happening in this country now in terms of the debate on the response to climate change.

We have some really important drop-dead dates. Ms. Minna's bill, Bill C-298, has to be done by June 5. We have to report back to the House on the estimates by May 31. I would suggest that estimates are more important than coal-bed methane. I would suggest that estimates are more important than a garbage meeting. I would suggest that talking, as I put forward on this motion, about where we're going on climate change and about the analysis backstopping the government's plan is more important than some of the subjects that were chosen from a list, short or long.

The Chair: All members were here, Mr. McGuinty, except for yourself and I believe Mr. Cullen.

Mr. David McGuinty: And Mr. Bigras.

The Chair: No, Mr. Bigras was here.

Mr. David McGuinty: He just said he wasn't.

[*Translation*]

Mr. Bernard Bigras: I had been replaced on that day.

[*English*]

The Chair: That could be.

[*Translation*]

Mr. Bernard Bigras: I was away when that discussion on future business was held. Since that time, the government introduced its regulatory framework on climate change. New subjects have come up which, in my view, might justify us changing the agenda established a few weeks ago. These are not minor issues. We are talking here about the national climate change plan of the government.

In view of those major new items, we should be entitled to at least have a proper discussion on our future work.

[*English*]

The Chair: Okay. I think the way to bring this to a conclusion would be that we do one of two things: we have a formal motion to change our orders, so that we set up a steering committee and convene a meeting officially and have it, or we proceed with these motions. We'll do one or the other.

I think we'll start with Mr. Cullen. You've heard the comments; I don't think we need to keep discussing around that issue.

Mr. Cullen.

Mr. Nathan Cullen: I come back: I will not need to move my motion if the four or five of us can sit down and figure this thing out and work through it. People are running over time now. I don't see any proposed delay, in terms of my suggestion.

The Chair: I think we have some agreement to that.

Mr. Godfrey, you had a comment.

Hon. John Godfrey (Don Valley West, Lib.): With all respect here, I don't think you need to create a formal steering committee if there's a consensus of this group that, for purposes of planning, a designated number of people come together on this for this purpose. If everybody agrees, that's a useful way of moving forward. I don't think you have to create a precedent or anything else; you just have to have agreement amongst the committee.

● (1305)

The Chair: Here's a comment from the clerk at this point: that to proceed and to follow Mr. Bigras' wishes to have the clerks here and have translation here basically could be accommodated through a steering committee, where we had a formal structure. Without it, of course, it would have to be an informal meeting of the four or five of us to accomplish this schedule.

Mr. Nathan Cullen: Just to be clear on what the clerk is suggesting, is it that if it's informal, then we have no translation? If what we need to do is move a formal motion to create this committee, even if it's just interim, then I'll move the motion to get this out of here, to get some good translation, and to do it properly. I don't know whether I need to formally present that in text or whether the committee can understand exactly what I'm saying.

The Chair: We can do it right now.

Mr. Nathan Cullen: Okay. In order to afford translation services and all the rest, I will move that motion.

The Chair: Yes, Mr. Regan.

Hon. Geoff Regan: I'd like to know whether you're telling me that on Parliament Hill we can't arrange an informal meeting with translation. Is that really the case? It's a little hard to believe.

The Clerk of the Committee (Mr. Justin Vaive): A group of members can get together and on their own arrange for the translation of a proceeding or a meeting they might have. But in order to call a subgroup together and ensure that all the services you're used to having at a committee are present in order to transact a proceeding, we need a formal structure such as the steering committee. That's why it comes up in the routine motions at the beginning of each session, explicitly asking the members whether they want a steering committee or not, precisely in order to get together as a smaller group.

Obviously, if members of the committee want to get together informally and arrange for whatever sort of translation you might want—say, in the chair's office or some other location—you're always free to do that, and I can provide whatever assistance I could in that regard to facilitate it. But in order to actually have the subgroup come together to talk about these things, we would probably need a more formalized structure, which would be a formal steering committee.

The Chair: Mr. Bigras, if we have translation, would that be adequate? You don't need the other services.

[*Translation*]

Mr. Bernard Bigras: It seems to me that a motion calling clearly for a meeting of the steering committee, tomorrow afternoon at the latest, in order to discuss our future business would solve the problem.

[*English*]

The Chair: Mr. Cullen, do you modify your motion to fit that?

Mr. Nathan Cullen: Yes, I want to make it as simple as possible. It is that the committee strike a formal subcommittee to meet and discuss future committee business. Let's just get on with it.

The Chair: Those in favour?

Go ahead, Mr. McGuinty.

Mr. David McGuinty: Yes, let's just make sure, Mr. Chair, that we're going to meet by 4 tomorrow afternoon, with translation, please. Can we do that?

The Chair: Can we accomplish that?

I don't think we need any more discussion about the motion. My goodness, guys.

Mr. David McGuinty: Can we meet tomorrow by 4, with a room?

The Chair: I think Mr. Cullen's motion, just to make it clear, is that he's suggesting that we create a steering committee. Mr. McGuinty adds that we meet by 4 tomorrow, and we can do that. So that's what we're voting on. If that's acceptable, then that's what we're going to do.

(Motion agreed to)

● (1310)

The Chair: We will advise you of that meeting.

The meeting is adjourned.

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