



Provincial Agricultural Land Commission - Staff Report

Application: 51976

Applicant: Shell Canada Ltd
Agent: SHARP Environmental (2000) Ltd
Local Government: Peace River Regional District

Proposal: To use 22.40 ha of portions of four adjoining quarter sections for a water storage facility (Sunset Water Hub). The purpose of the Sunset Water Hub is to store and distribute water for Shell's oil and gas activities in the area, such as: hydraulic fracturing of wells, drilling of wells, dust control and hydrostatic pressure testing of pipelines and equipment.

The project will be phased. A ~40,000 cubic meter pond is proposed to be constructed early in 2011, with an option to construct an additional three 20,000 cubic meter ponds within the 22 ha footprint at an unspecified future date.

BACKGROUND INFORMATION

Shell Canada and the City of Dawson Creek have entered into an agreement to use treated sewage water from the City for oil and gas requirements. Shell will upgrade the City's sewage treatment facilities and build a pipeline to the proposed 40,000 cubic meter earthen pit located within the ~22 ha area.

PROPERTY INFORMATION

Legal Description: North East 1/4 Section 8 Township 80 Range 18 West of 6th Meridian, Peace River District

Property Area: 64.8 ha
ALR Area: 64.8 ha

Location: Sunset Community Pasture
Owner: Province of British Columbia - Crown Lands

Legal Description: North West 1/4 Section 9 Township 80 Range 18

Property Area: 65.0 ha
ALR Area: 65.0 ha

Location: Sunset Community Pasture
Owner: Province of British Columbia - Crown Lands

Legal Description: South West 1/4 Section 16 Township 80 Range 18

Property Area: 64.5 ha
ALR Area: 64.5 ha

Location: Sunset Community Pasture
Owner: Province of British Columbia - Crown Lands

Legal Description: South East 1/4 Section 17 Township 80 Range 18 West of the 6th Meridian

Property Area: 64.4 ha
ALR Area: 64.4 ha

Location: Sunset Community Pasture
Owner: Province of British Columbia - Crown Lands

Total Land Area: 258.7 ha
Total ALR Area: 258.7 ha

LAND USE

Current Land Use:

A mix of pasture, minor areas of forested upland, existing oil/gas facilities and infrastructure are the current land usages

Surrounding Land Uses:

- North: Continuation of pasture land, willow and aspen windrows, soil and woody debris piles, continuation of Shell IMP Sunset 1-17-80-18 access road, existing Shell pipeline right of ways, existing dugout, Sunset Pasture Road right of way and existing oil/gas leases
- East: Continuation of pasture land, willow and aspen windrows, abandoned and reclaimed Shell wellsite 4-16-80-18, existing Shell pipeline right of ways, existing dugout and existing oil/gas leases
- South: Continuation of pasture land, willow and aspen windrows, forested upland portions, existing dugout, existing Shell pipeline right of ways, existing dugout and existing oil/gas leases
- West: Continuation of pasture land, existing Shell frac-water storage pit 15-8-80-18 (ALC # 50690), existing road infrastructure, existing Shell battery site 2-17-80-18, existing Shell pipeline right of ways and existing oil/gas leases

PROPOSAL DETAILS

Non- Farm Use Area: 22.4 ha

Non- Farm Use Type: Industrial: Oil and Gas Activities

Agricultural Capability:

The majority of the area under application is rated as: Secondary

Source: CLI

Mapsheet: 93 P/16

RELEVANT APPLICATIONS

Application ID: 50690

Applicant: Shell Canada Ltd

Proposal: To use 5.9 ha of Crown Land located in the Sunset Prairie Grazing reserve for a water storage facility. Eventually the facility would consist of two 1 ha water storage pits and several associated buildings (total area approximately 350 sq m).

Decision:

Resolution #	Decision Date	Decision Description
1625/2009	November 18, 2009	Allowed subject to the clearing of an equivalent area of land in the community pasture in consultation with the community pasture manager.

LOCAL GOVERNMENT INFORMATION

Official Community Plan:

Bylaw Name: Bylaw #477

Designation: Agriculture - Rural Resource

OCP Compliance: Yes

Zoning:

Zoning Bylaw Name: Bylaw #479

Zoning Designation: A-2 Large Agricultural Holdings

Minimum Lot Size: 63.0 ha

Zoning Compliance: Yes

Comments and Recommendations:

LOCAL GOVERNMENT INFORMATION

Comments and Recommendations:

Board/Council

The Peace River Regional Board has a standing resolution that oil and gas applications be forwarded to the Commission and the Electoral Area director, and that the non farm use and alienation of farmland be kept to a minimum.

ALC STAFF COMMENTS

Staff suggests that the Commission consider the following:

- 1) The affected 22 ha area is comprised of CLI Class 4 soils of which the majority are cleared for pasture/hay.
- 2) It is noted that the Commission approved a smaller water storage facility on adjoining ALR land in November 2009. The project offers benefits for the City of Dawson Creek and Shell Canada. Furthermore it protects local fresh water sources.
- 3) The creation of water storage facilities will permanently alienate a significant area which is improved for grazing. The previous decision to allow two 1 ha water storage pits was conditional upon clearing an equivalent area for additional pasture. As such there may be opportunity to require Shell Canada to improve (clear and seed) a commensurate, or greater amount of land in the Sunset Community Pasture area than is being proposed for non farm uses. Irrigation of hayland may also be an option.

ATTACHMENTS

51976_ContextMap50k.pdf
51976_AirphotoMap20k.pdf
51976 sketch plan.pdf

END OF REPORT

Prepared by: Martin Collins