

**MEMBER'S STATEMENT — KEVIN O'REILLY, MLA FRAME LAKE
CAMERON HILLS GAS FIELD ENVIRONMENTAL LIABILITIES**

February 26, 2020

MR. O'REILLY: Merci, Monsieur le President. It was great to get the Minister of Lands' Minister's statement earlier today. Today, I am issuing a real red alert as our government is poised to assume tens of millions of dollars in environmental liabilities associated with the Cameron Hills sour gas field. I made a number of very critical statements in this House and asked a lot of tough questions on just how our government allowed this series of unfortunate events to unfold. How did our GNWT assume responsibility for the Cameron Hills gas field under devolution without an approved closure plan and without adequate financial security and yet never formally requested a revision in financial security or used other tools at its disposal to prevent this disaster?

Here are the latest developments, Mr. Speaker. The Mackenzie Valley Land and Water Board gave conditional approval to the fourth version of a closure and reclamation plan for Cameron Hills on January 16, 2020. Further changes are to be submitted by March 19, 2020. Strategic Oil and Gas had committed to provide an updated financial security estimate by June 30, 2020. The changes and updated financial security estimate will likely never happen, as an Alberta court granted an order on January 28, 2020, to appoint Alvarez and Marsal Canada Inc. as the receiver of all Strategic Oil and Gas so-called assets in the NWT. Basically, this means all efforts to sell or restructure the company have failed and what is left is to be sold in an attempt to settle some of the debts incurred.

On the same date, the executive director of the Office of the Regulator of Oil and Gas Operations filed an affidavit with the Alberta court stating that at least three wells owned by Strategic in the Cameron Hills field are currently in an unsafe state, with one of these wells leaking sour gas, which is toxic to humans and poses a risk to flora and fauna in the area. I will again have questions for the Minister of Lands on how we got ourselves in this mess of red ink whereby taxpayers of the Northwest Territories are on the hook for tens of millions of dollars of environmental liabilities, and what is being done about it. Mahsi, Mr. Speaker.