

LEGACY OIL & GAS WELLS TPP

Application Proposal

July 23, 2024





INTRODUCTION

The Ministry of Natural Resources (MNR) is, leading the development of a comprehensive action plan to help address risks from legacy oil and gas wells and subsurface gas migration hazards in southwestern Ontario.

Action Plan Strategy focus:

- Increasing understanding of risks

- Identifying actions to reduce risks

- Supporting measures to enhance emergency preparedness



TRANSFER PAYMENT PROGRAM

- \$7.5 million investment over three years
- Nine targeted municipalities
- Year 1 (2023-2024) - \$2.0 million base funding (collectively)
- Year 2 (2024-2025) and Year 3 (2025-2026) - \$4.0 million base funding and \$1.5 million collaborative project funding (collectively)

YEAR 1 ELIGIBLE ACTIVITIES



Understand Risks

- **Training** – e.g., working around hydrogen sulphide, hazardous materials awareness, etc.
- **Communications** - developing and delivering education and outreach materials (e.g., information for residents, social media content – sharing of resources, etc.)



Reduce Risks

- **Monitoring/Assessment** – developing and implementing a monitoring program, acquiring monitoring equipment



Enhance Preparedness

- **Building Capacity** – e.g., participation in related working groups, delivery of local emergency mock exercises, etc.
- **Supplies & Equipment** – e.g., stock EOCs and Evacuee centres, purchase protective equipment, etc.
- **Training** – e.g., BEM training IMS training, first aid, communications, health & safety training, etc.

Note: Additional activities could be submitted by a municipality for consideration



ELGIN COUNTY YEAR 1 DELIVERABLES

- Trained over 650 personnel, including firefighters, senior and elected officials, and municipal staff across Elgin County, all lower tier municipalities (LMPs), St. Thomas, and neighbouring municipalities through various opportunities.
- Educate 125 participants from across the County and neighbouring municipalities at the Petroleum Emergencies Workshop.
- Purchase gas monitoring equipment for each of the fire stations throughout Elgin County; including all LMPs as well as St. Thomas.
- GIS mapping of County gas wells.

ELGIN COUNTY YEAR 1 DELIVERABLES – CON'T

- Purchase 24 Hazardous Materials Class A training suits for firefighter training.
- Acquire and stock 4 Emergency Response Units – 3 to support reception centre activation and 1 to support transport of hazmat and fire services equipment throughout the county.
- Improve the EOC at 450 Sunset Drive allowing better support of the County and our LMPs in the event of an emergency.
- Participation in both provincial and local Legacy Wells Working Groups.

YEAR 2 & 3 ELIGIBLE ACTIVITIES

Base Funding	Collaborative Projects
Capacity Building Training	Projects between two or more municipalities.
Communications Monitoring/Assessment	Projects that undertake work that demonstrates collaboration between upper and lower tier municipalities where the municipalities are represented by different CEMCs.
Emergency Response Planning Other activities approved by MNRF	Projects that are undertaken by a selected municipality for the general benefit of other municipalities with oil and gas wells.

ELGIN COUNTY YEAR 2 & 3 PROPOSAL

Eligible Activity	Details	Approx. Budget
Capacity Building	Collaborate with LMPs and local industry for fire training. Live fire structure Propane props Ground preparation Land acquisition Move existing props	Approx. \$670K – 700K (freight, installation, taxes undetermined)
Emergency Response Planning	Collaborate with LMPs to create/update ERPs to include Hazmat specific plans.	Approx. \$0



IDEAL LAND REQUIREMENTS

- Hydrant access with sufficient flow rates
- Leeward of or out of close proximity to residential areas or other sensitive land uses.
- Land that is cleared, ideally paved or packed gravel to decrease ground preparation costs.
- Centrally located
- Land area of approx. 3-5 acres for future expansion of the training ground as funds and partnerships become available.
- Cost effective

FINANCIAL CONSIDERATIONS

Year 2 Funding	Year 3 Funding	Cost Recovery
Base Funding \$280,000	Base Funding \$280,000	Rental – 4 days/mos. \$750/day \$3,000/month \$36,000/year
Collaborative Projects Portion of \$500,000	Collaborative Projects Portion of \$1,000,000	20 Year Lifespan \$720,000
Approx. \$335,500	Approx. \$391,100	
*Estimated Total Funding - \$726,600		

*Estimated funding based on funding available to Elgin County for Year 2 and Year 3 and one ninth portion of Collaborative Project funding (not yet confirmed).

Expenditures which exceed funding allotment will be covered by County and recovered through rental fees.



BENEFIT TO COMMUNITY

- Improved EM planning and response with hazard specific ERP plan
- Opportunity for more complex training scenarios for hazardous materials, live fire scenarios, and many others that will improve firefighter skill level and, ultimately, service to their communities.
- Collaborative training opportunities with other LMPs – strengthening capacity for multi-jurisdictional response.
- Opportunity for training with area industries that fire services are expected to work closely with to establish an effective response.
- Ability to train in a capacity that is currently not possible within Elgin County.
- Decreased cost for training without having to travel outside the County.



CONCLUSION

It is recommended that County Council approve the submission of Year 2 and Year 3 application to the Legacy Oil & Gas Wells Transfer Payment Program with MNRF for a collaborative fire training ground.

With the support of the LMPs and that of the County, we can improve our preparedness and response to legacy oil & gas wells in Elgin County.