



ALBERTA

ENVIRONMENT AND PROTECTED AREAS

Office of the Minister

APR 22 2026

Ms. Dana Kreil
Chairperson
Medicine River Watershed Society
Lacombe County Office RR3
Lacombe AB T4L 2N3
dkreil@lacombecounty.com

Dear Ms. Kreil:

Thank you for taking the time to meet on March 16, 2026, and for your follow-up email. I appreciate you forwarding Resolution 7-24F that Mountain View County brought forward at the 2024 RMA Fall Convention. I am grateful for the Medicine River Watershed Society's continued engagement and your efforts to advance this issue through the upcoming fall conventions, consistent with the suggestion raised at our March 16 meeting.

As discussed, we are managing Alberta's water management system in a period of increasing variability, long-term drought cycles, and growing demand. Environment and Protected Areas (EPA) works closely with the Alberta Energy Regulator (AER) to align approaches to water licensing and to actively manage responses to changing supply conditions, including drought response measures.

The AER assesses temporary diversion licence (TDL) applications in accordance with the Surface Water Allocation Directive. While freshwater alternatives are often available, their use can involve technical, logistical, and environmental considerations. The Water Conservation Policy for Upstream Oil and Gas Operations and the AER's Manual 025 require applicants to identify alternative water sources and assess the environmental net effects of their use.

Regulatory changes introduced through Directive 077: Pipelines – Requirements and Reference Tools further encourage the use of alternative and poor-quality water, including storage options and the use of temporary pipelines. In 2024, the AER also strengthened monitoring and reporting requirements for TDLs used in hydraulic fracturing.

To support your discussions, EPA conducted a preliminary review of water allocations within the Medicine River watershed. For more information, please visit alberta.ca and search for “Alberta Flow Estimation Tool for Ungauged Watersheds” and “Authorizations issued under the Water Act or EPEA.” Records indicate there are 375 groundwater licences in the watershed, primarily for agricultural and industrial uses, as well as 78 surface water licences, with the majority allocated to hydraulic fracturing.

I have attached the Medicine River Gross Drainage Basin Active Allocations, which provides additional context on licensed surface water use relative to available supply. The total allocable volume is set at 50 per cent of the median yield of approximately 160.88 million cubic metres, resulting in an allowable allocation of 80.44 million cubic metres. Active allocations represent approximately five per cent of this allowable limit, and currently, this suggests basin-wide allocation pressure does not appear to be imminent.

While allocations are well below the allocation threshold, this assessment is based on a yearly median yield. Seasonal variations occur, with higher flows typically in the spring and lower flows in late summer, which may make withdrawals appear more concerning during low-flow periods despite overall allocations remaining within allowable limits.

You can find all documents referenced in this letter at open.alberta.ca/publications, while the directives and manual referenced are available by visiting aer.ca.

For more information, please have staff contact Ms. Elise Chamberland, Regulatory Assurance Manager, in Red Deer, at 403-340-4384 or elise.chamberland@gov.ab.ca.

Thank you again for sharing the resolution and for your continued leadership on this issue. We value the Medicine River Watershed Society’s input and look forward to continued engagement as work progresses on water management and long-term water security.

Sincerely,



Grant Hunter
Minister of Environment and Protected Areas

Attachment

cc: Jennifer Johnson, MLA, Lacombe-Ponoka
Travis Ripley, Assistant Deputy Minister, Regulatory Assurance, EPA

MEDICINE RIVER GROSS DRAINAGE BASIN SUMMARY

Medicine River Gross Drainage Basin - Water Allocation Report

Report Date: as of March 20, 2026

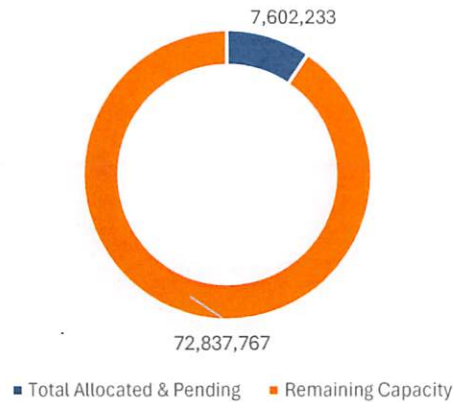
KEY INSIGHTS

The Medicine River gross drainage basin remains well below surface water allocation limits. The river has a median annual yield of approximately 161 million cubic metres, of which up to 50 per cent (about 80.4 million cubic metres) may be allocated under provincial policy. Current licenced and pending surface water allocations total approximately 7.6 million cubic metres, representing about five per cent of the median yield, indicating substantial remaining capacity at the basin scale. While allocations are well below the threshold, this assessment is based on a yearly median yield; seasonal variations occur, with higher flows typically in the spring and lower flows in late summer, which may make withdrawals appear more concerning during low-flow periods despite overall allocations remaining within allowable limits. Most surface water allocations in the basin are associated with hydraulic fracturing activities.

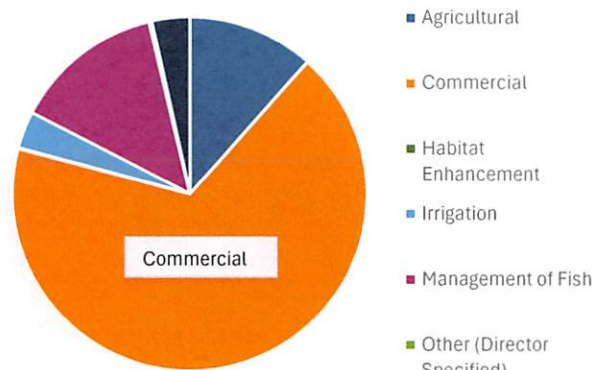
Groundwater use in the basin is managed differently, as Alberta does not set a fixed allocation limit for groundwater and allocations are assessed on a site-specific, aquifer-based basis. Total groundwater allocations, including pending licences, are approximately 4.4 million cubic metres, with the majority allocated for agricultural and municipal purposes, reflecting local land use and community water needs.

VISUAL CHARTS - Allocation Breakdowns (Charts will be positioned below)

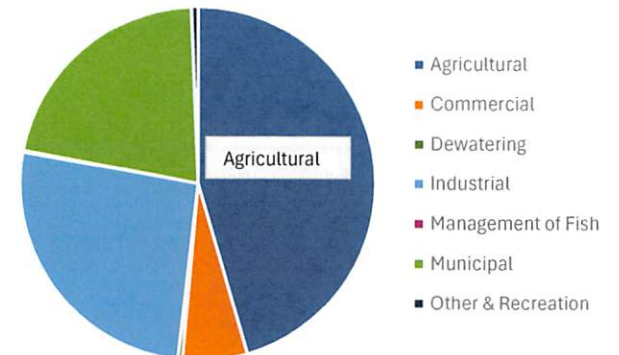
Surface Water Allocation Status



Surface Water by Purpose



Ground Water by Purpose



KEY METRICS AT A GLANCE

Median Yield (m ³) Medicine River Surface Water	Allocation Cap 50%	EPA Allowable (m ³)
160,880,000		80,440,000

SURFACE WATER ALLOCATION			
Category	% of Term	Volume (m ³)	% Share
Active Term Licences	61%	2,907,623	38%
Temporary Diversion Licences	30%	1,463,500	19%
Traditional Ag. Registrations	9%	431,110	6%
Current Allocation (Subtotal)		4,802,233	63%
Pending Allocations		2,800,000	37%
TOTAL ALLOCATED & PENDING		7,602,233	5%

GROUND WATER ALLOCATION			
Category	% of Term	Volume (m ³)	% Share
Active Term Licences	54%	2,075,270	47%
Temporary Diversion Licences	13%	500,000	11%
Traditional Ag. Registrations	33%	1,275,062	29%
Current Allocation (Subtotal)		3,850,332	87%
Pending Allocations		575,500	13%
TOTAL ALLOCATED & PENDING		4,425,832	—

ALLOCATION BY PURPOSE - ACTIVE TERM LICENCES

Surface Water Purpose	Volume (m ³)	Ground Water Purpose	Volume (m ³)	
Agricultural	336,823	Agricultural	943,735	} c: 51%
Commercial	1,964,220	Commercial	122,798	
Habitat Enhancement	1,230	Dewatering	8,182	0%
Irrigation	98,780	Industrial	540,237	26%
Management of Fish	398,420	Management of Fish	3,242	0%
Other (Director Specified)	7,000	Municipal	443,865	21%
Water Management	101,150	Other & Recreation	13,211	1%
TOTAL	2,907,623	TOTAL	2,075,270	

A: Commercial - includes 1.8M m³ Hydraulic Fracturing (62% of Active Term Licences)

B: Industrial - primarily Hydraulic Fracturing & enhanced oil recovery (26% of Active Term Licences)

Medicine River - Applications received in the last 5 years (both Ground & Surface Water)

Term Licences							
Purpose	2021	2022	2023	2024	2025	2026	Total
Agricultural	4	1	4	7	41		57
Commercial			3	8	7	4	22
Dewatering				5			5
Irrigation				2	2		4
Management of Fish					1		1
Municipal	2	3		12	10		27
Other Purpose Specified by the Director	3						3
Recreation				4			4
Water Management				18			18
Grand Total	9	4	7	56	61	4	141

Temporary Diversion Licences							
Purpose	2021	2022	2023	2024	2025	2026	Total
Agricultural					2		2
Commercial	149	175	214	196	205	35	974
Industrial		1					1
Municipal	8		2	19	33		62
Other Purpose Specified by the Director		1	1	4	8		14
Grand Total	157	177	217	219	248	35	1053

Active Term Licences Ground water 375 allocations totaling 2,075,269 m³
Surface water 78 allocations totaling 2,907,623 m³

Active Temporary Diversion Licences Ground water two allocations totaling 500,000 m³ all for hydraulic fracturing
Surface water 12 allocations totaling 1,463,500 m³ all for hydraulic fracturing

Traditional Agricultural Registrations (TARs) Ground water 1,303 allocations totaling 1,275,062 m³
Surface water 1,128 allocations totaling 431,110 m³

Applications in the Review Process 3 Term surface water applications for a combined volume of 2,300,000 m³ and 1 TDL application for 500,000 m³. All applications are for hydraulic fracturing.
2 Term ground water applications for a combined total of 575,000 m³ for hydraulic fracturing and 1 TDL for 500 m³ for hydrostatic testing