

Bulletin 2009-36

October 20, 2009

Invitation for Feedback on Proposed Legislative Framework for In Situ Coal Schemes

The Energy Resources Conservation Board (ERCB) invites stakeholders to provide feedback on proposed legislative and regulatory changes to accommodate in situ coal gasification and liquefaction schemes. The proposed changes are described in the ERCB's *Proposed Legislative Framework for In Situ Coal Development*, released October 19, 2009, which is available on the ERCB Web site www.ercb.ca under Industry Zone : Rules, Regulations, and Requirements.

A legislative and regulatory review by the ERCB to clarify its authority and requirements for in situ coal development has resulted in proposed amendments to the *Coal Conservation Act (CCA)*, the *Coal Conservation Regulations (CCR)*, the *Oil and Gas Conservation Act (OGCA)*, the *Oil and Gas Conservation Regulations (OGCR)*, the *Pipeline Act (PA)*, and the *Pipeline Regulations (PR)*. The proposed amendments encompass the entire development process, from exploration and construction to abandonment and reclamation.

The key recommendations are as follows:

- In situ coal developments would be classified as schemes and approved under the *CCA* and *CCR* since they pertain to the development of coal. The wells, facilities, and pipelines required for in situ coal development would be licensed under the *OGCA* and *OGCR*, *PA*, and *PR*. This approach is similar to the in situ oil sands regulatory model.
- The participant involvement program conducted for an in situ coal scheme would, as a minimum, satisfy the participant involvement requirements under the *Directive 056: Energy Development Applications and Schedules* process and include notification of offset mineral rights lessees and lessors within 1.6 kilometres of the applied-for scheme boundary.
- An applicant should obtain the coal rights prior to applying for an evaluation well.
- An applicant would obtain the coal rights and the petroleum and natural gas rights for the coal and all lithologic units above the targeted coal seam prior to the submission of an in situ coal scheme application.
- Abandonment and reclamation security deposits could be collected for in situ coal schemes.

The ERCB is seeking stakeholder feedback on the proposed legislative and regulatory changes by **December 14, 2009**. All comments received by that date will be considered by the ERCB in finalizing the proposed changes. All of the information collected, used, and disclosed through this consultation will form part of the public record and will be subject to the *Freedom of Information and Protection of Privacy Act* of Alberta. The ERCB may use the contact information you provided for follow-up communication related to your feedback. If necessary, the ERCB is prepared to meet jointly with those stakeholders requiring further clarification or discussion.

Any feedback or questions may be directed to Andrea Larson at

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