

# General Bulletin

## GB 2001-1

January 17, 2001

TO: All Stakeholders

### **INVITATION FOR STAKEHOLDERS TO COMMENT ON THE *STAFF REPORT ON THE REVIEW OF THE ALBERTA SULPHUR RECOVERY GUIDELINES***

Today the Alberta Energy and Utilities Board (EUB/Board) posted on its Web site the *Staff Report on the Review of the Alberta Sulphur Recovery Guidelines*, jointly prepared by the EUB, Alberta Environment, and the Alberta Department of Resource Development. The report includes an implementation document (appendix), which identifies staff recommendations for applying sulphur recovery guidelines in Alberta.

This general bulletin invites stakeholders to review the staff report and implementation document and provide comments to the EUB for consideration by the Board and Alberta Environment.

The staff report follows earlier stakeholder consultation to clarify how the current sulphur recovery guidelines should be applied to older sour gas plants and to other facilities in Alberta handling sour or acid gases. Staff prepared the report and recommendations having considered the individual submissions received, as well as a report by an independent, multistakeholder advisory group of public, environmental, industry, and academic representatives.

With respect to the three key areas the review was specifically intended to clarify, the staff recommendations are summarized as follows.

- **Grandfathering Guidelines**

The staff report recommends that grandfathered plants planning to expand throughput by more than 25 per cent from recent historic levels be upgraded to meet the current requirements before increasing their processing rates. Under certain conditions outlined in the implementation document, sour gas plants with grandfathered sulphur recovery approvals operating in clearly declining gas supply situations should be permitted to continue operations without upgrading sulphur recovery. Remaining grandfathered sour gas processing plants should be expected to meet current sulphur recovery requirements by September 30, 2005.

Since Alberta's air quality guidelines continue to be met at current sulphur recovery levels, it was felt that industry should be given sufficient time to meet upgrading requirements. In particular, the longer time frame will help to avoid possible constraints of available technical and construction resources needed to complete these upgrading projects.

- **Application of Sulphur Recovery Guidelines to Other Facilities**

Consistent with current industry practice, the report includes a recommendation to apply the sulphur recovery guidelines to all facilities, including petroleum refineries and heavy oil upgraders, on the basis of sulphur contained in acid gas streams produced within the facilities. The staff report also proposes that there be flexibility in the application of the guidelines to provide for partial maintenance shutdowns of emissions control equipment.

- **Sour Gas Facility Proliferation Guidelines**

The staff report supports stakeholders' recommendations for greater scrutiny of regulatory approvals in order to prevent the unnecessary construction and spread of smaller, lower-recovery sour gas plants.

The report recommends that prior to applying for approval to construct a new sour gas processing facility, applicants complete a thorough evaluation of alternatives for processing the gas in existing facilities. In particular, proponents must clearly demonstrate to the EUB that any proposed new sour gas plant within 15 kilometres of an existing sour gas processing facility is justified in terms of net social and environmental effects. In addition, proponents should consult and involve local residents in their process for evaluating alternatives and identify and assess all existing facilities in the area that afford technically viable alternatives, regardless of ownership or interest.

The staff report and implementation document, as well as other documents associated with this latest review of sulphur recovery guidelines may be accessed on the EUB's Web site at [www.eub.gov.ab.ca](http://www.eub.gov.ab.ca).

Please direct comments on the staff report and associated implementation document to Mr. Kim Eastlick of the EUB at (403) 297-4325 or by e-mail to [kim.eastlick@gov.ab.ca](mailto:kim.eastlick@gov.ab.ca). Comments must be received on or before February 15, 2001, for consideration.

*<Original signed by>*

Brian F. Bietz, Ph.D.  
Board Member