

THE PSAC 2011 SPRING CONFERENCE

April 12 to 13, 2011
Red Deer
Capri Hotel & Convention Centre

The Petroleum Services Association of Canada's 2011 Spring Conference will offer delegates insights, information, and training on issues affecting the petroleum service industry today. Conference organizers say this year's event will focus on three streams related to transportation, labour issues, and personal development to provide management and field personnel with strategies and tools to effectively manage people, projects, and resources.

For more information call 403-263-7174 or e-mail info@psac.ca. The Web site is www.psac.ca/events.

This event is not sponsored by or affiliated with the ERCB.

ABOUT THE ERCB

The Energy Resources Conservation Board (ERCB) is an independent, quasi-judicial agency of the Government of Alberta. We regulate the safe, responsible, and efficient development of Alberta's energy resources: oil, natural gas, oil sands, coal, and pipelines.

March 2011

Regulatory legend cuts ribbon on new ERCB hearing room



Dr. George Govier cuts ribbon as Chairman Dan McFadyen (left) and former chair Phil Prince look on.

The ERCB in March honoured Dr. George Govier — its longest-serving Chairman — with the opening of a new hearing room that bears his name.

“Over the course of his career, Dr. Govier has made outstanding contributions to engineering education and oil and gas conservation policy,” Board Member Jim Dilay said at the ribbon-cutting ceremony to open the new Govier Hall.

Before serving as ERCB Chair from 1962 to 1978, Dr. Govier made his mark in the academic world.

Dr. Govier first joined the University of Alberta Department of Chemistry in 1940 as an engineering instructor,

and by 1948 was a Professor of Chemical Engineering. That same year, he was appointed Head of the Department of Chemical and Petroleum Engineering, a position he held until 1959, when he became Dean of Engineering.

While working in post-secondary education, Dr. Govier also served the ERCB's predecessor, the Petroleum and Natural Gas Conservation Board, joining the organization in 1948. The Board was renamed the Oil and Gas Conservation Board in 1957 before becoming the ERCB in 1971.

During his tenure as Chair, the Alberta energy industry grew to become a

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RECENT ERCB PUBLICATIONS

DECISIONS

March 09, 2011: Decision 2011 ABERCB 007: Shell Canada Limited, Applications for Well, Facility, and Pipeline Licences, Waterton Field - Applications No. 1614134, 1614144, 1614145, 1614198, and 1614210

March 01, 2011: Decision 2011 ABERCB 008: Compton Petroleum Corporation and Darian Resources Ltd. Section 39 and 40 Review Ensign, Parkland Northeast, and Vulcan Fields

February 02, 2011: Decision 2011 ABERCB 002: West Energy Ltd./ Daylight Energy Ltd. Review Application 1647499 A Section 39

Review of Linda McGinn's Status under Section 26 of the ERCA re Hearing of Application 1623169

February 01, 2011: Decision 2011 ABERCB 006: Cequence Energy Ltd. Application for a Pipeline Licence Gordondale Field (Application 1639824)

BULLETINS

March 21, 2011: Bulletin 2011-08: Revised Edition of Directive 077: Pipelines-Requirements and Reference Tools

March 09, 2011: Bulletin 2011-07: Directive 066: Requirements and Procedures for Pipelines Reissued

March 08, 2011: Bulletin 2011-06: Report Evaluating the Battle Lake Watershed Development Planning Pilot Project Issued

March 03, 2011: Bulletin 2011-05: Volumetric Reporting Submission Errors and Noncompliance Fees Related to Waste Plant Reporting

DIRECTIVES

March 21, 2011: Directive 077: Pipelines-Requirements and Reference Tools

March 09, 2011: Directive 066: Requirements and Procedures for Pipelines

Panels render decisions on gas, oil sands applications

Shell well approved, but gas facility and pipelines denied

The ERCB last month conditionally approved Shell Canada applications to drill a sour gas well in the Waterton area and amend its licence to add a fuel gas compressor, but denied applications for a fuel gas pipeline, a production pipeline, and a gas battery.

The hearing panel — which heard evidence during a hearing held in Pincher Creek in late October — determined that it is in the public interest to drill the well, noting that it will provide valuable data about the nature of the resource in this area.

At the same time, the Board denied Shell applications to construct a gas battery, a fuel gas pipeline, and a production pipeline. The panel was

not prepared to grant these applications given the information provided at the hearing pertaining to the need for Shell to improve its operating practices in the area.

In regards to the approved well, the ERCB imposed conditions that direct the company to conduct an emergency response planning exercise, monitor traffic and control dust on a nearby road, and submit plans for any well testing to the ERCB for approval.

Meanwhile, a Joint Review Panel — ERCB and the Government of Canada — granted conditional approval to TOTAL E&P Joslyn Ltd. to construct and operate the Joslyn North Mine Project. The approval contains numerous

conditions and recommendations.

The decision was announced in late January.

The project includes construction, operation, and reclamation of an oil sands surface mine and bitumen extraction facility, to be located about 70 kilometres north of Fort McMurray with initial operations planned for 2017.

The decision placed 20 conditions on TOTAL related to environmental and technical aspects of the project, including tailings and reclamation management. The panel also made numerous recommendations to the Government of Alberta, the Government of Canada, and the ERCB.

ERCB takes stakeholder engagement to new level

Since 1938, ERCB staff have been chatting with landowners and industry operators about everything from the weather to landowner concerns about oil and gas operations. Back then no one knew to call it “stakeholder engagement;” it was just considered doing your job and being a good neighbour.

The ERCB, which is well versed in engaging its public, Aboriginal, industry, and government stakeholders, has taken things to the next level by creating the Stakeholder Engagement Office (SEO).

The SEO is a small, centralized team connected to a larger community of ERCB staff who regularly interface with stakeholders. It will provide strategic advice, guidance and coordination to all areas of the organization involved in stakeholder engagement. The SEO is also responsible for understanding stakeholder needs and concerns and relaying them to the ERCB so that they may be taken into consideration in its various processes.

“My original thought was that stake-

holder engagement meant getting out and talking to folks, building relationships and driving around Alberta,” said Tom McGee, Manager of the Stakeholder Engagement Office. “When I started to have discussions around the organization about what it means to staff, it became clearer to me it was more than that.”

According to Tom, stakeholder engagement is as much about building a culture of engagement within the ERCB as it is about the frontline work the Board carries out with all interested and affected parties.

“It’s about fostering trust through relationships, demonstrating competence, and sustaining our social licence to regulate — we all have a role to play.”

McGee will champion the continuing evolution of the organization’s stakeholder engagement and outreach initiatives. He has many years of experience in public service, including as a Board Member of the ERCB’s predecessor, the Energy and

Utilities Board, and Commissioner with the Alberta Utilities Commission. He also served many years in municipal government.

Other team members include Deborah Eastlick, who will be primarily responsible for engaging industry on regulatory issues, and Bruce Gladue, who will lead Aboriginal engagement efforts. Elizabeth McKellar will focus on engagement of the public.

“We want the public to know that we are here to understand their needs and concerns, to provide them with credible reliable information, help them understand what’s happening in their backyards, and how to meaningfully access our process,” Eastlick said.

“Industry should know that we’re looking to change the way we engage them in a manner that is more efficient, effective and timely,” she said, adding that by “efficient” she means predictable. “When they come to the table they will know up front exactly what they’re getting into, the level of their involvement, and the nature of the desired outcomes.”

Regulatory legend cuts ribbon on new ERCB hearing room *(continued from page 1)*

world-class oil and gas producer. As a result of the ERCB’s responsibilities and under Dr. Govier’s guidance, the organization developed leading production, conservation, and environmental guidelines for oil, gas, coal, and hydroelectric developments.

“The ERCB also emerged as a world-class regulatory body, one that governments and industry around the globe would seek out to learn about Alberta’s effective regulatory framework,” Dilay said.

Dr. Govier has been recognized with 12 awards of merit for his impressive work in the regulatory field, including the Order of Canada.

Govier Hall, located on the third floor of its new Calgary head office,

is equipped with the latest technology, including the ability to display real-time court reporting and display evidence in a variety of mediums. Screens also allow evidence to be presented and viewed by everyone in the room simultaneously.

“Over the course of his career, Dr. Govier has made outstanding contributions to engineering education and oil and gas conservation policy”

UPCOMING PUBLIC HEARINGS

Application No.	Applicant	Hearing Purpose
1661488 1668182	TykeWest Ltd.	Applications for an off-target penalty and pool delineation, Stettler North and Erskine Fields
Hearing Date:	April 06 - April 08, ERCB Offices, Govier Hall, Calgary, AB	
1663364	Baytex Energy Ltd.	Application for a pipeline to transport natural gas (25% H ₂ S), Pembina Field
Hearing Date:	April 19 - April 20, Drayton Valley Omniplex, 5737 – 45th Ave, Drayton Valley, AB	
1658391	Royal Park Energy Ltd.	Application for a compulsory pooling order for the production of gas, Royal Field
Hearing Date:	April 20 - April 21, Capri Hotel Trade and Conference Centre, 3310 – 50th Ave, Red Deer, AB	
1516389	Sarg Oils Ltd.	Review of Abandonment Orders
Hearing Date:	May 03 - May 05, 5 Calgary Downtown, 618 – 5 Avenue SW, Calgary, AB	
1644910	EnCana Corporation	Application for a gas pipeline and a contingency pipeline (0% H ₂ S), Entice Field
Hearing Date:	May 04 - May 05, ERCB Offices, Govier Hall, Calgary, AB	

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Alberta Geological Survey (AGS) documents on geological research

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ERCB Core Research Centre (CRC) cores, cuttings, and tour reports

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Calgary, Alberta T2L 1Y7

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Questions, complaints, problems?

For information or complaints about new or existing oil and gas developments and facilities, we recommend contacting the operating company first. If the company does not respond appropriately, you may contact the nearest ERCB Field Centre.

ERCB Field Centres (24-hour service)

Bonnyville 780-826-5352*

Drayton Valley 780-542-5182*

Grande Prairie 780-538-5138*

High Level 780-926-5399*

Medicine Hat 403-527-3385*

Midnapore 403-297-8303*

Red Deer 403-340-5454*

St. Albert 780-460-3800*

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Fort McMurray Office

Office: 780-743-7214*

24-hour emergency: 780-881-1283*

*To call toll free from anywhere in Alberta, dial 310-0000 and enter the phone number, including area code, or press zero for a RITE operator.

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