

across the board

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EUB Publishes *Public Safety and Sour Gas Annual Progress Report 2003*

ON APRIL 29, 2003, THE EUB published its second annual progress report addressing the 87 recommendations made by the Provincial Advisory Committee on Public Safety and Sour Gas (PS&SG) in December 2000.

The EUB PS&SG initiative is currently at a high point of activity, with work on 52 recommendations under way and an additional 17 recommendations scheduled to start before April of next year. Work on the 18 others is now complete.

In order to meet the intent of all 87 recommendations, the EUB has been working jointly with its stakeholders, including federal, provincial, and municipal governments, industry, and the public.

Some highlights of the work accomplished over the last 12 months are

- publication of the Alberta Health and Wellness report *Health Effects Associated with Short-term Exposure to Low Levels of Hydrogen Sulphide (H₂S)*;
- formation of a senior government steering committee cochaired by the EUB Chairman and the Deputy Minister of the Department of Energy to oversee an investigation into coordinating surface and subsurface planning and development activities;
- drafting of amendments to the Pipeline Regulation to address prevention of third-party damage to pipelines by requiring participation in Alberta One-Call by all pipeline operators;

- completion of *Guide 71: Emergency Preparedness and Response Requirements for the Upstream Petroleum Industry*, which is mainly a consolidation of existing emergency preparedness requirements;
- completion of the Incident

Response and Reporting Protocol, which ensures timely EUB response, investigation, enforcement, reporting, and follow-up of upstream petroleum incidents, such as well blowouts and pipeline failures.

- issuance of a draft *Guide 56: Energy Development Applications and Schedules*, which incorporates revised public consultation requirements and expectations, as well as the publication of a series of user-friendly documents, such as the EUB brochure *Understanding Oil and Gas Development in Alberta* and the EnerFAQs series, which explain specific details about facility, pipeline, and well projects to the public.

Full details on all project work related to the PS&SG initiative is found in the *Public Safety and Sour Gas Annual Progress Report (2003)*, available from EUB Information Services (403-297-8190) or on our Web site <www.eub.gov.ab.ca>. ❖



Synergy Round Table

Looking for an opportunity to shape the future of synergy groups in Alberta? Mark October 26 to 28, 2003, on your calendars and plan to attend the Synergy Round Table: Synergy Supporting Synergy, in Red Deer, Alberta, at the Capri Centre. Communities, industry, and regulatory groups working in Alberta's oil and natural gas sectors will join to communicate and coordinate ideas to foster working relationships that make a difference.

Sponsored by the Canadian Association of Petroleum Producers (CAPP), Alberta Synergy Groups, and the EUB.

Watch for more information in *Across the Board*, and on the EUB Web site.

About the EUB

Our mission is to ensure that the discovery, development, and delivery of Alberta's resources take place in a manner that is fair, responsible, and in the public interest. We regulate oil, natural gas, oil sands, coal, hydro and electric energy, pipelines, and transmission line development. On the utilities side, we regulate investor-owned natural gas, electric, and water utilities to ensure that customers receive safe and reliable service at just and reasonable rates. Regulation is done through four core functions: adjudication and regulation, applications, surveillance and enforcement, and information.

For Your Information...

Recent EUB publications

General bulletins

April 8: GB 2003-13: Large Facility Liability Management Program Initiation

April 3: GB 2003-12: Gas Production in Oil Sands Areas

April 1: GB 2003-11: Claims for Costs in Proceedings Before the EUB — Commercial Interests

April 1: GB 2003-10: Licensee Liability Rating (LLR) Program 2003 Industry Parameters — Return of Unaccepted Licence Transfer Applications

March 31: GB 2003-09: Core Research Centre-Service Fee Increases

March 26: GB 2003-08: Draft *Guide 56* (2003) Available on EUB Web Site for Stakeholder Comment

March 17: GB 2003-07: Draft Interim Directive (ID) 2003-XX: Requirements for Site-Specific Liability Assessments in Support of the EUB's Liability Management Programs Available on EUB Web Site for Stakeholder Comment

February 21: GB 2003-06: List of EUB-Approved Oilfield Waste Management Facilities

Interim directives

March 17: ID 2003-DRAFT-LiabilityAssessments: Requirements for Site-Specific Liability Assessments in Support of the EUB's Liability Management Programs

Informational letter

February 10: IL 98-04 Revised 2003: Revised Negotiated Settlement Guidelines: Tolls, Tariffs, and Terms and Conditions of Service

Other publications

April 23: Alberta Drilling Activity—Monthly Statistics for February 2003 (ST-59)

April 21: Alberta Drilling Activity—Monthly Statistics for January 2003 (ST-59)

March 26: 2003 Draft Guide 56: Energy Development Applications and Schedules

March 26: EnerFAQs 9: Animal Health

March 26: EnerFAQs 8: Understanding Oil and Gas Development: A Landowner's Guide

February 20: Alberta Drilling Activity — Monthly Statistics for December 2002 (ST-59)

Recent decisions

April 23: Decision 2003-027: The EUB issues a decision regarding 240-kilovolt (kV) transmission

facilities from Dover to Deerland (Fort McMurray/Fort Saskatchewan areas). This is regarding phase 1 of the application which addresses the need for the facilities.

April 8: Decision 2003-026: The EUB issues a decision for Aquila Networks Canada (Alberta) Ltd. regarding its 2001 Transmission Deferral Account. This decision has no direct impact on consumers' rates.

March 25: Decision 2003-025: The EUB issues a decision for ATCO Pipelines regarding interim exchange fees effective from April 1, 2003, to May 31, 2003

March 25: Decision 2003-024: The EUB issues a decision regarding AltaGas Utilities Inc.'s distribution of excess revenue collected between 2000 and 2002 and gain on property sales

March 25: Decision 2003-020: Glacier Power Ltd.-Dunvegan Hydroelectric Project, Fairview, Alberta: Report of the EUB-NRCB Joint Review Panel

March 18: Decision 2003-023: The EUB issues a decision regarding the production and shut-in of gas in the Chard Area and Leismer Field of the Athabasca Oil Sands Area

March 11: Decision 2003-022: The EUB issues a decision for ATCO Electric Ltd., which is an errata to Decision 2003-011: 2002 Investment and Contribution Policy Compliance Filing

March 11: Decision 2003-021: The EUB issues a decision for ATCO Gas South regarding the proposed use of a bid process to determine the fair market value of the uncontracted storage of gas at the Carbon Storage Facility

February 28: Decision 2003-019: The EUB issues a decision for Aquila Networks Canada (Alberta) Ltd. for its 2002/2003 general tariff application

February 25: Decision 2003-018: The EUB issues a decision for ATCO Gas and Pipelines Ltd. (North) for the distribution of the customers' share of proceeds from the sale of Beaverhill Lake and Fort Saskatchewan producing properties and a refund resulting from a settlement under the North Core Agreement for adjustments applicable to 2002 (all pursuant to Decision 2002-116)

February 19: Decision 2003-017: The EUB issues a memorandum of decision in follow-up to the ATCO Electric Ltd. prehearing meeting regarding the Dover to Deerland 240 kV transmission project in the Fort McMurray and Fort Saskatchewan areas. The decision reflects what the EUB heard at the prehearing meeting and outlines a path forward

February 18: Decision 2003-016: The EUB issues a decision to BP Energy Company regarding the rateable take from Blackstone Beaverhill Lake A pool

February 18: Decision 2003-015: The EUB issues a decision for ATCO Gas South and ATCO Gas North regarding their application to include certain delivery costs that effective April 1, 2002, are included in the Gas Cost Recovery Rate, in the reconciliation of their deferred gas account balances (a truing-up of forecast costs with actual costs); as well, ATCO Gas South applied to reconcile similar costs and revenues in its deferred company-owned storage account, which is used to determine the amount of the net benefit of using the Carbon gas storage facility that is allocated to distribution customers in its service area

News releases

April 23: NR 2003-16: EUB Approves Need for Fort McMurray Transmission Line

April 1: NR 2003-15: New EUB-Authorized ATCO Electric Regulated Rate Option Electricity Price Methodology to Begin April 1, 2003

March 28: NR 2003-14: EUB Approves April Natural Gas Cost Recovery Rates

March 25: NR 2003-13: EUB Approves Distribution of Funds by AltaGas Utilities to Customers

March 18: NR 2003-12: EUB Issues Decision on Applications to Produce or Shut in Gas Production in the Chard Area and Leismer Field

February 25: NR 2003-10: EUB Approves Distribution of Funds by ATCO Gas North to Customers for Sale of Natural Gas Properties

February 12: NR 2003-09: EUB Orders Suspension and Abandonment of All Condor Resources Inc. Oil and Gas Wells, Facilities and Pipelines

Recent AGS publications

February 23: ESR 2002-02: Precambrian Basement of the Western Canada Sedimentary Basin in Northern Alberta

ADR Provides Solid Second Year Results

In 2002, the Alberta Energy and Utilities Board's Appropriate Dispute Resolution (ADR) program continued to gain respect and credibility for settling difficult disputes between key stakeholders fairly and equitably.

The ADR process builds on a constantly evolving EUB initiative of encouraging more public and industry input that has its roots in the mid-1980s. Benefits highlighted in this year's *ADR Annual Report* include solid evidence of improved landowner-industry relations, better use of EUB and stakeholders' time, and more face-to-face discussions between affected landowners and operators.

"Finding local solutions to local problems and enhancing efficiencies to meet stakeholders' needs are what we're all about and results in this year's report confirm that," notes Bill Remmer, Chairman of the ADR Standing Committee.

Through the many ADR options available, concerned parties are able to choose the best way to settle a dispute. This ranges from agreements made with no outside involvement to having EUB staff facilitate meetings or, in more difficult or complex cases, having a third party act as independent mediator. If partial resolution or no resolution results from the facilitation, mediation, or other ADR alternative, an EUB hearing is likely required.

Of the 154 EUB staff facilitations that were completed in 2002, 129 were fully

resolved: an 84 per cent success rate, which can be directly attributed to the dedication and skill of EUB staff. In addition, there were 27 mediations completed, with 81 per cent fully resolved. Some hearings were avoided and nine hearings were actually cancelled as a result of ADR efforts.

But while the EUB plays an extremely important role in field facilitation and mediation, the role of achieving actual agreement often resides with disputing parties, notes Bob Garies, an ADR Standing Committee Member.

"I believe that credit must go to all three groups, the regulator, industry and the affected parties, for embracing new ways of resolving disputes. The ADR process is meant as 'another tool in the toolbox' when negotiations break down," Bob added, noting that by comparison, of the 26 947 applications filed with the EUB in 2002, the ADR program was only needed in a little over 1 per cent of instances. "This implies that for the most part the system is working."

The EUB and a new industry task force are now investigating how to improve company-versus-company conflict management. Copies of the *2002 ADR Annual Report* can be obtained by calling EUB Information Services at (403) 297-8190 or on the EUB Web site at <www.eub.gov.ab.ca>. For more information on the ADR program, contact Bill Remmer by telephone at (403) 297-8174 or by e-mail at <bill.remmer@gov.ab.ca>. ❖

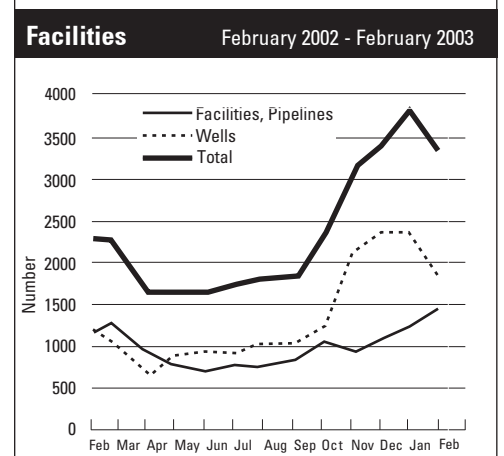
Highlights of the ADR program

The vast majority of disputes addressed by the program were resolved through EUB staff facilitation or third-party mediation:

- 84 per cent of EUB staff facilitations ended with full resolution, compared to 85 per cent in 2001.
- 198 EUB staff facilitations were initiated, compared to 161 in 2001; 154 were completed, compared to 115 in 2001; and 129 were resolved, compared to 98 in 2001.
- 85 per cent of the 20 mediations with company/landowners resulted in full resolution, compared to 82 per cent (17 mediations/13 resolved) in 2001.
- 71 per cent of the 7 company-to-company mediations resulted in full resolution, compared to 3 mediations (100 per cent) being fully resolved in 2001.

Applications summary February 2003

Facilities	
Production facilities	356
Pipelines	1116
Wells	1822
Total received	3294
Total approved	3214
Closed	41
Withdrawn	74



Resource	
Equity	84
(rateable take, common carrier, common purchaser, common processor, compulsory pooling, special spacing)	
Conservation	140
(resources – oil, gas, and in situ bitumen; gas removal, enhanced recovery, water disposal, concurrent production, underground storage, commingled production, reserves)	
Depletion administration	15
(good production practice, penalty relief)	
Corporate (transfer)	27
Mining (coal and mineable oil sands)	1
Total received	267
Total completed	228

Utilities	
Electric	1
Gas	6
Facilities	7
Franchises and others	5
Total received	19
Total approved	23

Corporate transfers and name changes	
Well licence transfers	966
Well licence name changes	793
Pipeline licence transfers	183
Facility licence transfers	68
Total received	2010
Total completed	2029

This list is subject to change at any time, so please check the complete list of upcoming public hearings on the EUB Web site at <www.eub.gov.ab.ca/bbs/applications/hearings/hearings.pdf>. If you do not have Internet access, contact EUB Information Services at (403) 297-8190.

Upcoming public hearings

Application No.	Applicant	Hearing Purpose
1287720	Baytex Energy Ltd.	Common Carrier, Application to construct and operate a sweet gas compressor station, section 40 of the ERCA for the EUB to review Pipeline Licence No. 33947, issued to PrimeWest - Harmon Valley Field
1282390	PrimeWest Energy Ltd.	
1280440		
Start Date: May 13 at Govier Hall, Energy and Utilities Board Building, 640 5th Avenue SW, Calgary		
1275466	ATCO Electric Ltd.	Combined 2003-2004 General Rate Application
Start Date: May 21 at Govier Hall, Energy and Utilities Board Building, 640 5th Avenue SW, Calgary		
1283119	Dynamic Oil and Gas Inc.	Review of Approval No. 5171 St. Albert Big Lake Ostracod "A" Pool Acheson Blairmore "T" Pool
Start Date: May 21 at Metropolitan Centre, 333 - 4th Avenue SW, Calgary		
1293177	Vermillion Resources Ltd.	Rateable Take and Special Off Target Penalty - Shane Field
1297939		
Start Date: May 22 at West Hall, Energy and Utilities Board Building, 640 5th Avenue SW, Calgary		
1284230	ATCO Electric Ltd.	Dover to McMillan 240 kV Transmission Project Fort McMurray/ Crow Lake areas
Start Date: May 27 at Sawridge Hotel, 530 MacKenzie Blvd., Fort McMurray		
1285881	ATCO Group	Collaborative Process to Develop the Terms of Reference for an ATCO I-Tek Benchmarking Study
Start Date: May 28 Location to be determined		
1253174	ATCO Electric Ltd.	Review and Variance of Board Decision 2001-082
Start Date: June 3 at Govier Hall, Energy and Utilities Board Building, 640 5th Avenue SW, Calgary		
1584240	ATCO Electric Ltd.	Dover to McMillan 240 kV Transmission Project Fort McMurray/Fort Saskatchewan areas (Charron to Deerland)
Start Date: June 10 Location to be determined		

Pending decisions

Application No.	Applicant	Hearing Purpose
1257887	Vintage Petroleum Canada Inc.	Badheart Gas Drilling - Sturgeon Lake South
1275405	Belair Energy Corp.	Application for a Licence to Drill a Vertical Sour Gas Well - Lochend Field
1286668	ATCO Pipelines (North)	UFG Methodology
1279345	AltaLink Management Ltd.	2002/03 - 2003/04 GRA
1279347	Trans Alta Utilities Ltd.	
1285072	ATCO Electric	RROT exit-entry fee compliance refiling pursuant to Decision 2002-051
2000234	ATCO Group	Affiliate Transactions and Code of Conduct Proceeding: Part B: Code of Conduct
1277912	South Alta Rural Electrification Association Ltd.	Approval to Amend the service boundary
1275505	City of Airdrie	Determination of Purchase Price
1270094	Battle River Rural electrification Association Ltd.	Amalgamation of Battle River, Central Community, Fenn and Fort REAs as a single REA designated as Battle River REA

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Tell us how we're doing

Please send your comments and suggestions to <acrosstheboard@gov.ab.ca>.

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Questions, complaints, problems?

Utilities: For information or to file a consumer utility complaint, contact us at:
EUB Utilities Branch, 10th floor, 10055-106 Street,
Edmonton, Alberta T5J 2Y2
Fax: (780) 427-6970
Complaints: (780) 427-4903*
E-mail: <utilities.concerns@eub.gov.ab.ca>

Oil and gas: 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 EUB Field Centre.

EUB Field Centres (24-hour service)

Bonnyville (780) 826-5352*
Drayton Valley (780) 542-5182*
Grande Prairie (780) 538-5138*
Medicine Hat (403) 527-3385*
Midnapore (403) 297-8303*
Red Deer (403) 340-5454*
St. Albert (780) 460-3800*
Wainwright (780) 842-7570*

*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.

Across the Board Advisory Committee

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