

across

# THE BOARD

October 2006

## Land Challenge Pilot Projects Planned for Innisfail and Carstairs Areas

*EUB tests new approach to early engagement and coordinated development*

**A**ddressing landowner concerns while at the same time developing the rich hydrocarbon reserves that fuel Alberta's growing economy can be a challenge. The EUB recognizes this fact, which is why the energy regulator is launching a new pilot project known as the "Land Challenge."

The Land Challenge is an early engagement approach targeting select regions of heightened development in the province that confronts the unique concerns of local residents that may not be met by the current regulatory framework. The Land Challenge is a tool designed to benefit both industry and members of the public who live and operate in a specified area.

Between November 2006 and January 2007, the EUB is piloting the Land Challenge in two townships. One is located east of Innisfail in township 35-27W4, and the other in township 30-28W4, which lies east of Carstairs. The two pilot projects will focus on the siting of facilities for the development of unconventional gas (coalbed methane).

The Land Challenge tool aims to enhance orderly energy development and is designed to encourage the early engagement of people living in a community, foster better exchange of information between the parties, initiate coordinated development among companies, create EUB-backed mitigation of stakeholder concerns, and enhance efficiency and effectiveness of the EUB's application process.

"The goal is to give the local residents the ability to understand and influence oil and gas development and potential mitigation strategies in their area," said Tristan Goodman, EUB Projects Leader. "At the same time we want to provide industry with effective and efficient processing of applications regardless of the unprecedented number of applications received by the EUB and increased landowner expectations."

The Land Challenge arose from concerns expressed about the EUB's approval process in regions where heightened development is proposed. To deal with these concerns, companies operating in an area are being asked to determine specific public objections early and to coordinate

*(continued on page 3)*

### 8th Annual Unconventional Gas Conference

November 15-17, 2006

Telus Convention Centre  
Calgary, Alberta

Join the Canadian Society for Unconventional Gas (CSUG) at the 8th Annual Unconventional Gas Conference. Last year's event attracted more than 1,100 participants and 55 exhibitor booths.

The conference is a forum for industry, government, technology researchers, and stakeholders to come together to discuss the responsible development of unconventional gas.

For more information contact Kerri Markle at 403-218-7720, or by email at [kmarkle@csug.ca](mailto:kmarkle@csug.ca). You may also visit the CSUG Website at [www.csug.ca](http://www.csug.ca).

### About the EUB

Our mission is to ensure that the discovery, development, and delivery of Alberta's energy resources and utilities services take place in a manner that is fair, responsible, and in the public interest. We regulate oil, natural gas, oil sands, coal, 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 two core functions: adjudication and regulation, information and knowledge.



## Recent EUB publications

### News Releases

**October 18:** News Release (NR 2006-44): EUB adjourns AltaLink transmission line hearing and sets pre-hearing meeting

**October 17:** News Release (NR 2006-43): EUB forms public safety group

**October 15:** News Release (NR 2006-42): EUB Working with Milestone Resources to Control Sweet Gas Well Blowout Southwest of Peace River

**October 12:** News Release (NR 2006-41): Clean-up and investigation continuing after pipeline failure near Slave Lake

**October 10:** News Release (NR 2006-40): EUB Investigating Pipeline Failure Near Slave Lake

### Bulletins

**October 16:** Bulletin 2006-35: EUB Forms Public Safety Group

**October 13:** Bulletin 2006-34: Information Sessions on Commingling of Production Within Development Entities and Related Water Surveillance Requirements

**September 29:** Bulletin 2006-33: 2005 Alberta Coalbed Methane Activity Summary and Well Locations

### Publications

**October 26:** ST60B: Flaring and Venting 2005 Report

**September 28:** EnerFAQs15 All about appropriate dispute resolution (ADR)

### Decisions

**October 24:** Decision 2006-105: Suncor Energy Inc. Preliminary Decision Regarding Jurisdiction to have the Ventures Pipeline (Oil Sands Pipeline) Regulated Under the Provisions of the Gas Utilities Act

**October 24:** Decision 2006-104: ENMAX Energy Corporation 2006 Regulated Rate Tariff Non-Energy

**October 24:** Decision 2006-103: Declaration Naming James W. Glover Pursuant to Section 106 of the Oil and Gas Conservation Act

**October 16:** Decision 2006-099: FortisAlberta Inc. 2006/2007 Distribution Tariff Phase II and Other Matters

**October 11:** Decision 2006-100: ATCO Utilities - 2005-2007 Common Matters Application

**October 10:** Decision 2006-101: Milestone Exploration Inc. Application for a Pipeline Licence, Gilby Field

**October 10:** Decision 2006-098: ATCO Gas - Retailer Service and Gas Utilities Act Compliance Phase 2 Part B - Customer Account Balancing and Load Balancing

**October 10:** Decision 2006-097: Mystique Energy Inc. Application for a Well Licence, Wildcat Hills Field

**September 29:** Decision 2006-096: EnCana Corporation, Application for a Gas Plant Licence, Entice Field

**September 26:** Decision 2006-095: ATCO Pipelines 2006 Other Pipeline Receipt Deferred Account

**September 26:** Decision 2006-094: EnCana Corporation, Section 40 Review Request of Well Licence No. 0355025, Ensign Field

## EUB launches Public Safety Group

The EUB has made an important internal change, rolling out a group focused squarely on public safety issues.

The Public Safety Group was formed to provide clear and timely information about the EUB and its public safety responsibilities, with the goal of increasing public confidence in the EUB's regulatory system.

The Public Safety Group consists of two sections: the Emergency Planning and Assessment (EPA) section, which concentrates on emergency response plan reviews, approvals, and assessment and setback requirements; and the Community and Aboriginal Relations (CAR) section, which focuses on informing stakeholders and customers about the EUB's key public safety services, rules, regulations, and processes to build trust and ongoing relationships. CAR section members are being located at EUB Field Centres in St. Albert, Midnapore, Drayton Valley, Red Deer, and Grande Prairie.

The Public Safety Group also includes the Public Safety Advisory Team, which devel-

ops, implements, manages, and coordinates ongoing improvements to the EUB's public safety mandate.

Another group role is to ensure that the 87 recommendations in the Provincial Advisory Committee on Public Safety and Sour Gas 2000 report are addressed and a final report is prepared on their implementation.

"This affirms the EUB's commitment to enhancing and continuously improving the EUB's public safety mandate for the exploration, development, and production of sour gas in Alberta," said Greg Gilbertson, Policy and Planning Leader for the new group. "The EUB is known around the world for its stringent and uncompromising rules and regulations for sour gas development."

Through its CAR section, the group is also working to enhance public and First Nations/Metis relations throughout the province by improving working relationships, addressing issues, and ensuring better communications with the public, synergy groups, aboriginal communities, local gov-

ernments, regional health authorities, and other stakeholders.

As well, the Public Safety Group's EPA section ensures industry compliance with EUB *Directive 071: Emergency Preparedness and Response Requirements for the Upstream Petroleum Industry* and augmenting public safety responsibilities on an ongoing basis by working with all EUB branches to analyze and improve the regulatory system.

The EUB has also changed the Field Surveillance Branch's name to the Public Safety/Field Surveillance Branch. The EUB's ongoing field surveillance functions remain in place and are unchanged with the addition of the Public Safety Group to the branch.

The public and industry can forward comments and questions to Marilyn Craig, Manager, Public Safety Group, Public Safety/Field Surveillance Branch, by telephone at (403) 297-3194 or by e-mail at marilyn.craig@gov.ab.ca.

## Land Challenge approach ushers in a new era in energy development for Albertans (continued from page 1)

development – sharing access roads and other infrastructure is one example.

Earlier this year, the EUB met with major oil and gas operators, local landowners, and elected officials from the counties of Mountain View and Red Deer where the pilots are located. All have agreed to participate in the pilots. (The concept was also presented to the Alberta Association of Municipal Districts and Counties as well as the Canadian Association of Petroleum Producers.)

In addition, recommendations from various government and stakeholder reports have called for the EUB to examine both the public notification process in the Board's approval process and the scale of development proposals

Once the two pilot projects have concluded, the EUB will take the multistakeholder mitigation plans into account as part of its application process and operational activities.

As with all EUB initiatives, the pilot projects will focus on regulatory issues within the board's jurisdiction. The projects do not address policy issues, although the EUB continues to provide regulatory advice to government as it moves forward with various policy changes.

Goodman says the EUB must take a leadership role in regions where resource development is shifting (for example, from conventional gas to coalbed methane development) and multiple companies are operating, as

well as where the public is seeking a new way to participate in the process.

"The pilot projects are only tests and we don't yet have all details sorted out," he said. "But we will be flexible in working with both industry and the public, and we'll evaluate the pilots' successes and shortcomings after their completion through the input from the participants."

For more information on the Land Challenge Pilots, contact Tristan Goodman by telephone at (403) 297-6902 or by e-mail at [Tristan.Goodman@gov.ab.ca](mailto:Tristan.Goodman@gov.ab.ca).

## Solution gas flaring, venting drop sharply in recent years

According to a new EUB report, solution gas flaring in Alberta has been reduced by 72 per cent since 1996, and solution gas venting has been reduced by 59 per cent since 2000.

These reductions have kept 7.2 million tonnes of greenhouse gas emissions (CO<sub>2</sub> equivalent) from being released into the atmosphere since 1996. According to Climate Change Central, that is the equivalent of taking about 1.5 million cars off of Alberta's roads for one year.

The EUB's *ST60B-2006: Upstream Petroleum Industry Flaring and Venting Report* also indicates that in 2005, which was a year featuring unprecedented levels of oilpatch activity, the upstream oil and gas industry reduced venting of solution gas into the atmosphere by 22 per cent compared to 2004, while flaring held steady.

Overall, 96.3 per cent of all solution gas produced in Alberta last year was conserved for use or sale rather than flared and vented.

This success can be attributed to the cooperative efforts of the Clean Air Strategic Alliance (CASA) Flaring/Venting Project Team, the petroleum industry, and the EUB.

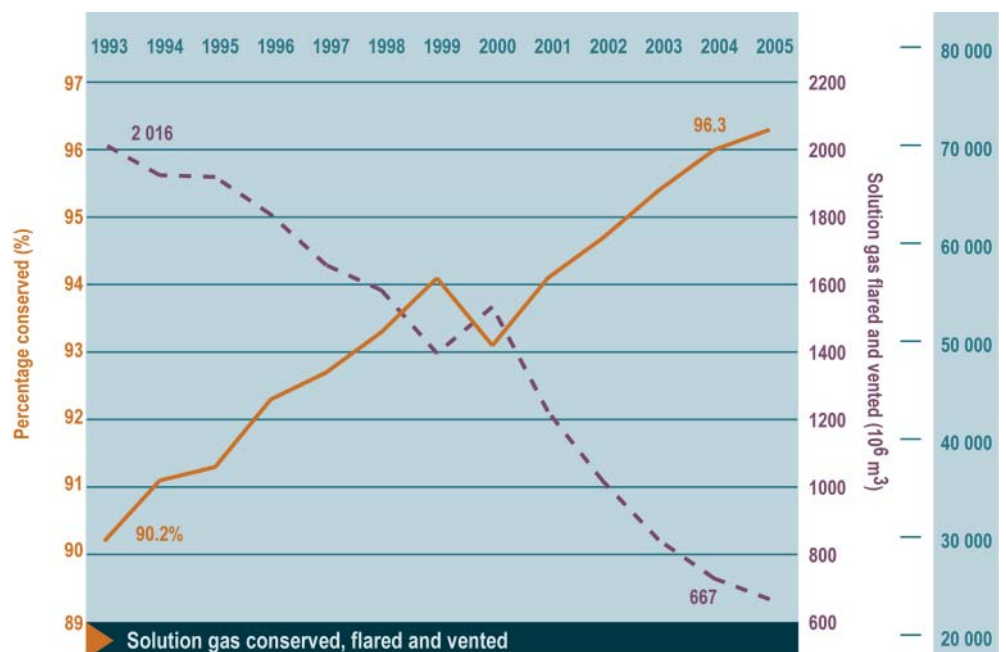
According to the World Bank, flaring gas adds about 350 million tonnes of CO<sub>2</sub> in

annual emissions worldwide. The World Bank's Global Gas Flaring Reduction Partnership supports governments and companies in their efforts to reduce the flaring and venting of gas associated with the extraction of crude oil.

The EUB's successful experience will be a topic of discussion among the international community at the upcoming World Bank

Global Forum on Flaring Reduction and Gas Utilization <[www.flaringreductionforum.org](http://www.flaringreductionforum.org)> to be held in France from December 13 to 15, 2006.

Flaring is the burning of natural gas that cannot be conserved. Venting is the release of natural gas into the atmosphere. Solution gas is natural gas that is produced in association with crude oil and bitumen production.



## ■ ■ ■ Upcoming Public Hearings

Application No.	Applicant	Hearing Purpose
1378280	Gas Alberta Inc.	Request for Review & Variance of Decisions 2004-079 & 2004-096
Start date: Oct 27		
1459453 1451106	West Energy Ltd.	Application for licences to drill two crude oil wells targeting Nisku Formation
Start date: Oct 30, Drayton Valley, AB		
1394112 1409180	EnCana Oil & Gas Partnership CNRL	Applications to shut in gas production and to produce gas
Start date: Oct 31, EUB Calgary Office, 640 5 Avenue SW, Calgary, AB		
1465142	ATCO Pipelines	Other Pipeline Receipt and Other Pipeline Delivery rates and services
Start date: Nov 1		
1478550 1479163	AltaLink Management Ltd. EPCOR Transmission Ltd.	500kV Transmission System Reinforcement Edmonton - Calgary Area
Pre-Hearing Start date: Nov 2, Capri Centre, Red Deer, AB		
1478550 1479163	Imperial Oil Resources Limited (Kearl Mine)	Application for a greenfield oil sands mine and bitumen processing facility - Fort McMurray, AB
Start date: Nov 6, Sawridge Inn and Conference Center, 530 Mackenzie Blvd, Fort McMurray, AB		
1460995	Enmax Power Corporation (EPC)	2006-2007 Distribution Tariff Phase II Application
Start date: Nov 16, EUB Calgary Office, 640 5 Avenue SW, Calgary, AB		
1448618 1448619	Compton Petroleum Corporation	Applications for licences to drill two single vertical wells, Belly River Group - Crossfield
Start date: Nov 22, Chestermere Recreation Center, 201 West Chestermere Drive, Chestermere AB (9:00 a.m.)		
1440206	Richmount Petroleum Ltd.	Application to construct and operate two pipelines just east of Calgary - Okotoks Field
Start date: Nov 23, Telus Convention Centre, 120 - 9 Avenue SE, Calgary, AB (9:00 am)		
1468565	Board Initiated Proceeding	Uniform System of Accounts / Minimum Filing Requirements for Alberta Electric Utilities
Start date: Nov 28, EUB Calgary Office, 640 5 Avenue SW, Calgary, AB		
1457276 (formerly 1439090) 1467817	Gladius Energy Inc.	Application for a well licence - Strachan Field
Start date: Nov 30, Lou Soppit Community Centre, 4733 - 54 Avenue, Rocky Mountain House, AB		

## ■ ■ ■ Pending Decisions

Application No.	Applicant	Hearing Purpose
1393397 1393401 1393405 1393407 1393412 1393415 1393442 1394246 1412764	1393399 EnCana Corporation	Applications for 15 vertical wells, a licence to amend an existing compressor station and 46 pipelines - Wimborne & Twining Fields
1391211 1391212	Suncor Energy Inc.	Application 1391211 (North Steepbank Mine Extension) to construct, operate and reclaim an oil sands mine; and
1448800 1460293	Burlington Resources Canada Ltd.	Application for a licence to drill a Level 3 critical well
1398411	Albian Sands Energy Inc.	Application for an expansion of current oil sands mining and bitumen processing facilities at the Muskeg River Mine
1400773	Nova Gas Transmission Ltd.	Review and Variance of Decision 2004-069 (NGTL 2004 GRA Phase 1)
1455154	Enmax Energy Corporation	2006 Regulated Rate Tariff Non-Energy
1439224 1443360 1431899 1445441 1441569 1439596 1457764	Cheryl Kalev Benlato and District Community Lochend to Langdon Power Grp Cottonwood-Spruce View Power Grp Lavesta Area Grp Warburg Powerpoint Enmax Energy Corporation	Review and Variance Request on Decision 2005-031 500-KV Transmission System Reinforcement Project Edmonton-Calgary Area
		Application for 2006 RRT

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### For Alberta Geological Survey (AGS) documents on geological research, contact

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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*
Fort McMurray	(780) 743-7214*
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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\*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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