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EUB leads the way in high-tech field surveillance

The EUB now leads the way among regulators in North America with the completion of Phase 3 of the Field Information System (FIS).

With PC tablets riding shotgun in their trucks, field inspectors are now able to access and input near real-time information into EUB databases, navigate in remote locations using the latest global positioning technology, provide companies with on-the-spot-inspection results, and even provide landowners with an instant mapping function to illustrate development in their area.

Staff at the EUB's eight field centres and one suboffice conduct thousands of inspections each year. Prior to the FIS system being in place, the inspections were supported by a number of individual mainframe computer systems implemented a decade or more ago.

Geoff Mussell, field inspector with the High Level office, has embraced the new technology and is convinced that the public, industry, and EUB field inspectors are reaping the rewards of instant access to information and as a safety tool.

“The tablets are an amazing piece of equipment that I use continuously. Field inspectors are continually on the move. Prior to the new system, remaining connected to ensure you had the latest information updates and data to do your job was a challenge given that we are always on the move in rural Alberta—and in High Level we don't have cell phone coverage in many areas,” says Geoff.

Using the FIS system and the PC tablets, field inspectors not only have access to a map depicting all industry activity in their respective areas but they are also able to have immediate access to data from each site, such as past inspections, releases and notifications, and all related data.

“The ability to bring up data on each site and even provide an electronic inspection report card to the site operator as the inspection is completed means there is less lag time between when the inspection occurs and when a company receives its formal inspection report,” says Geoff.

With the new FIS system and PC tablets fully implemented, industry can expect inspections to be registered into the FIS system and to be informed by e-mail within 24 hours. For a company found to be in noncompliance with EUB regulations, the streamlined process allows those responsible to work quickly to bring the operation up to EUB regulatory standards.

Benefits to Albertans

As industry and landowner interaction increases in Alberta, conflicts are bound to arise. Due to their on-the-spot, remote access to the latest energy development visual information through FIS, Albertans can now understand the potential impact of industry development on or near their property. Coupled with the EUB's appropriate dispute resolution (ADR) and field mediations dispute resolution has made significant advances.

Where It All Started

The FIS project stems back to 2000, when heightened industry activity led to a proposal and presentation to the EUB Board by the Field Surveillance Branch for the development of a more sophisticated pipeline inspection system. Another proposal was made for a comprehensive inspection system that would integrate all of the inspection areas (facilities, pipelines, wells, and drilling rigs).

Initial planning and scoping of the project involved extensive consultation with Field Surveillance staff and management. Then the project was divided into three phases,

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Synergy in Motion Conference 2005

Date: February 6, 7, and 8, 2005

Location: Ramada Hotel and Conference Centre
11834 Kingsway
Edmonton, AB

A synergy group is a community-based group of people, usually comprising representatives of the public, local industry, and government, who meet to identify and address issues related to oil and gas development. The next step in the evolution of synergy groups is the development of a framework for a centralized information centre and synergy support system. Learn where this exciting initiative is at and where it's going at the *Synergy in Motion Conference 2005*. Register at <www.synergyalberta.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, 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 two core functions: adjudication and regulation, information and knowledge.

For Your Information...**Recent EUB publications****News Releases**

October 27: NR2004-30: EUB receives evaluation report from the provincial advisory committee on public safety and sour gas

October 19: NR2004-29: EUB approves refunds riders and reduced EPCOR and ENMAX distribution rates for Edmonton and Calgary customers

October 14: NR2004-28: Calgary, Alberta -EUB issues Decision 2004-088, which establishes the scope of the EUB's Phase 3 final hearing on Bitumen Conservation in the Athabasca Oil Sands Area

Decisions

November 23: Decision 2004-100: Atco Gas Code of Conduct Exemption

November 17: Decision 2004-102: NOVA Gas Transmission Ltd. 2004 General Rate Application Compliance Filing

November 16: Decision 2004-101: Review and Variance Application by Mitch Bronaugh of Energy Cost Order 2004-04

November 2: Decision 2004-099: FortisAlberta Inc. 2003 Transmission Deferral Account and Other Deferred Costs

October 29: Decision 2004-096 :ATCO Pipelines 2004 General Rate Application Phase II Compliance Filing

October 26: Decision 2004-098: ENMAX Power Corporation 2005-2006 Regulated Rate Tariff Part C: Energy Price Setting Plan Negotiated Settlement

October 26: Decision 2004-097: NOVA Gas Transmission Ltd. 2004 General Rate Application, Phase II

October 20: Decision 2004-095: 3057246 Nova Scotia Company and TE-TAU, Inc. Amendment to Decision 2004-025 Request for Relief Under Section 101(2) of the PUB Act

October 20: Decision 2004-094: AltaLink Investment Management Ltd. Amendment to Decision 2004-024 Request for Relief Under Section 101(2) of the PUB Act

October 19: Decision 2004-091: EPCOR Distribution Inc. 2004 Distribution Tariff Part D: Final DT Riders

October 19: Decision 2004-089: BlackRock Ventures Inc. Application for a Steam-Assisted Gravity Drainage Project for the Recovery of Bitumen Cold Lake Oil Sands Area

October 19: Decision 2004-092: ENMAX Energy Corporation 2004 Regulated Rate Tariff Part E: Final RRT Rider

October 19: Decision 2004-093: ENMAX Power Corporation 2004 Distribution Tariff Part D: Final DT Riders

October 19: Decision 2004-090: EOG Resources Canada Inc. Application for a Licence for a Natural Gas Well Jumping Pound West

October 14: Decision 2004-087: Alberta Electric System Operator Needs Identification Document Application Southwest Alberta 240-kV Transmission System Development Pincher Creek – Lethbridge Area Addendum to Decision 2004-075

October 14: Decision 2004-088: Phase 3 Final Proceeding Under Bitumen Conservation Requirements Athabasca Wabiskaw-McMurray – Prehearing Meeting Decision

October 1: Decision 2004-083: TransAlta Utilities Corporation Deferral Account Reconciliation/STS Charge Reimbursement

EUB leads the way in high-tech field surveillance*(continued from page 1)*

which would be implemented as each was completed.

Phase 1: Company Notifications

In 2002, Phase 1 of the FIS was implemented, which allowed industry to notify the EUB of their activities electronically, thereby reducing duplicate work effort and significantly increasing data accuracy.

Each year, the EUB receives up to 55 000 notifications from industry that drilling, pipelines, facilities, and regulated energy activities such as flaring and venting and plant maintenance are taking place. Prior to the FIS notification process, operators submitted these notifications to Field Centres by phone, fax, or e-mail and manually entered them into multiple tracking systems.

Phase 2: Incidents

In April 2003, the incidents phase of the FIS was implemented. It ushered in the ability of EUB field staff to electronically file and register incidents and public complaints and to coordinate facilitations.

Phase 3: Inspections

In January 2004, the third and final phase of the FIS project was implemented. All inspection groups are now able to track enforcement action, access an integrated inspection system, view enforcement action, and use the global positioning system (GPS).

The GPS interface allows field inspectors to determine their position when in remote areas. "Working in and around High Level means going into the bush, where cell phone coverage isn't often available. Many of the roads are winter access only and can change location from year to year. There is little to no signage so knowing where you are is vital for your own safety," says Geoff Mussell.

"The tablets are an excellent tool, as is the information at our fingertips. They work together seamlessly to provide field inspectors, the public, and industry with the information they need when they need it. The system works great," he says.

The FIS system and the field inspector PC tablet are examples of how the EUB is evolving and adapting to meet the needs of a growing industry. ❖

Part 2: EUB processes series - *Energy Applications*

Always be prepared. That's the advice Stephen Smith, Facilities Applications assistant manager, has for those who plan to submit an application for regulatory approval, small or large, to the EUB.

Before filing an application to the Facilities group, interested parties must refer to the EUB's *Guide 56: Energy Development Applications and Schedules* and be sure to follow the requirements, Smith says.

The proper preparation of an application can sometimes make the difference between the application taking days or months to process, he adds.

Smith refers to *Guide 56* as the regulatory framework of the application process and says it is essential for anyone submitting an application to the Facilities group.

The guide explains the consultation and notification requirements an applicant must go through to inform the landowners and occupants about a proposed project in their area.

Depending on the level of the project's potential impact on the residents in the area, and prior to filing an application, *Guide 56* requires an applicant to either meet with or send a project description to the owners and occupants of the land where the proposed development is located.

When EUB Facilities Applications staff receive an application, they review it for deficiencies. If any are found, the application is returned to the applicant to be corrected and resubmitted. If the application is complete and EUB staff believe that all parties potentially directly and adversely impacted by the proposed project have been properly notified and consulted, if necessary, and if no objections have been received, an application may be approved.

Before filing, an applicant also has to determine whether the project will be filed as routine or nonroutine. "A routine application is when an applicant has

fulfilled all the regulatory requirements the EUB has set forward for them and there are no outstanding objectives," Smith says.

If an application does not meet all of the requirements in *Guide 56*, whether because of unresolved public concerns, incomplete participant involvement, or unusual technical aspects, it has to be filed as nonroutine. Technical reasons may be due to the scope or type of project. For example, all critical sour wells and sulphur recovery facilities are deemed nonroutine.

More than 5000 of the 40 000 applications received last year were considered nonroutine, 1500 because the public involvement requirements were not met.

If the public or another industry participant makes an objection to an application, the applicant must work with the objector to try to resolve the issue or concern before the application can be processed.

When an objection cannot be resolved without the EUB intervening, parties may be encouraged to participate in the Appropriate Dispute Resolution (ADR) program. If, after completing the ADR process, a resolution is not found, a formal hearing may be held and a decision issued.

Before a hearing takes place, objectors must demonstrate to the EUB that they may be potentially directly and adversely affected by the EUB's decision on the proposed project. Of all the facility applications the EUB processed last year, only about 20 went to hearing, largely because of unresolved public issues.

Approval time for routine applications is fairly timely, Smith says, usually two-and-a-half to three days, while nonroutine applications may take longer, depending on the issue. A technical nonroutine application can take about five to seven days to process, but when a nonroutine application is the result of an outstanding objection, the entire review and decision

process can sometimes take months. For applications with outstanding public or industry objections, the EUB will usually give the parties involved sufficient time to work out their differences. "So long as progress is being made, we'll let the application stay in house for up to six months," Smith says. "But the application will usually be in front of the Board before the six-month mark." After that time, if the parties are at a stalemate, the EUB will often step in to schedule a hearing.

Applicants often try their best to resolve conflicts before moving toward a hearing. If a hearing is held, an applicant may be directed to pay for the costs of the interveners, including costs to hire any their legal counsel and/or expert witnesses.

"Many disputes are resolved before the parties involved go to a hearing," Smith says. "Going to hearing is an expensive process."

Smith says that about three facility applications were denied last year, but about 2800 of the applications received were withdrawn or closed after the applicant felt it could not proceed. Many of the applications that are withdrawn or closed are done so in the early stages of processing because of deficiencies in the application or other outstanding issues.

Another reason some applicants withdraw before a hearing is to save further expense.

If an application does go to hearing, it can be approved entirely, approved with conditions determined by the Board, or denied. ❖

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
1342216 1361555	Provident Energy Limited	Applications for a well licence and single well crude oil battery- Lloydminster Field
Start date: December 2, Tropical Inn, 5621 - 44 Street, Lloydminster, AB		
1346298	Alberta Electric System Operator	Need identification document approval application - Edmonton-Calgary 500 kV Electric Transmission
Start date: December 6, Govier Hall, 640 - 5 Avenue S.W., Calgary, AB		
1352216	Westridge Utilities Inc.	General rate application
Start date: December 7, Govier Hall, 640 - 5 Avenue S.W., Calgary, AB		
1348357 1348360	Vaquero Energy Ltd	Applications for licences to drill two wells to produce oil from the Nisku Formation - Pembina Field
Start date: December 9, Westwind Motor Inn, 4225 - 50 Street, Drayton Valley, AB		
1363097 1363100	Penn West Petroleum Ltd. 1363101, 1363104, 1363107, 1363111, 1363114, 1363118, 1363121, 1363123, 1363124, 1363126, 1363128, 1363132	Application for licences to drill 14 natural gas wells - Esther Field
Start date: December 14, Legion Hall, 311 - Mehl Place, Oyen, AB		
1345690	Bearspaw Petroleum Ltd.	Application for a natural gas pipeline - Fenn-Big Valley/Stettler Fields
Start date: December 16, Multipurpose Room at the Stettler Recreation Center, 2nd Fl 6202 - 44 Ave, Stettler		
1339435 1341408	Omers Energy Inc.	Application for a well and associated pipeline- Warwick Field
Start date: December 20, Brunswick Motor Inn, 4807 - 51 Street Vermillion, AB		
1359952	AltaGas Utilities Inc.	2003/2004 General rate application - Phase II
Start date: January 11, Edmonton Hearing Room of the Ebb - 12th Fl, 10055 - 106 St, Edmonton, AB		
1276857 1276858 1276859 1276860 1307759 1307760 1278265 1310351	Compton Petroleum Corporation	Applications for well licences to drill six critical sour natural gas wells, application for special well spacing and an application for production facilities, Okotoks Field, Southeast Calgary Area
Start date: January 11, Safari Lodge at the Calgary Zoo, 1300 Zoo Road NE, Calgary, AB		

Pending decisions

Application No.	Applicant	Hearing Purpose
1356209	Talisman Energy Inc.	Application for expansion of the Turner Valley Unit No. 5 - Turner Valley Field
1325847	Suncor Energy Inc.	South Tailings Pond Project
1343002	Alberta Electric System Operator	2004 Phase I Revenue Requirement
1282554	ATCO Electric Ltd.	Review and Variance of Decision 2002-079
1367212	ATCO Gas North/South	Deferral Account
1351926	ATCO Electric Ltd.	2003 Deferral Account
1355435	ATCO Electric Ltd.	2003/2004 General tariff application impact of the retail transfer and its volume forecast
1348830	EPCOR Energy Alberta Inc.	Recovery of Retail Adjustment to Market Charges (RAM Charges)
1316793	AltaLink Management Ltd.	Request to review and Vary Decision 2003-061 (AltaLink and TransAlta Transmission Tariff, for May 1, 2002 - April 30, 2004, TransAlta Transmission Tariff for January 1, 2002 to April 30, 2002)
1347852	ATCO Gas (A Division of ATCO Gas and Pipeline Ltd)	Imbalances and production adjustments
1347869	ATCO Gas North and ATCO Pipelines North	Unaccounted for gas and fuel gas rates
1336421	AltaLink Management Ltd. and TransAlta Utilities Corporation	Transmission Tariff for May 1, 2004 to December 31, 2007
1349514	ATCO Electric Ltd.	2004 Phase II Distribution Tariff Application

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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*
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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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