

across

THE BOARD

September 2005

## Directive 019: EUB Compliance Assurance – Enforcement Information Session

The EUB is offering information rollout sessions for Directive 019: EUB Compliance Assurance - Enforcement. Directive 019 includes new processes designed to protect public safety, minimize environmental impacts, preserve equity, and ensure conservation of resources. It updates a series of EUB Enforcement Ladders, which were unveiled in 1999 and set out the rules for enforcement when a licensee was not complying with EUB requirements.

November 1 and 7, 2005  
Calgary Telus Convention Centre

November 22, 2005  
Edmonton Greenwood Inn

Contact Regan Smith to register:  
(403) 297-6460 or [Regan.Smith@gov.ab.ca](mailto:Regan.Smith@gov.ab.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.

## Trying to predict another Frank Slide

Led by the EUB's Alberta Geological Survey, a team of scientists has completed a two-year project to install monitoring equipment for detecting rock movement within the south peak of Turtle Mountain. The state-of-the-art monitoring system will act as an early warning system to help predict any possible rockslides.

Below, EUB geological engineer Corey Froese (right) and Andrew Bidwell, a geological engineer with AMEC Earth & Environmental, make adjustments to a surface wire extensometer, which measures changes in cracks on the mountain's surface. ■

The last Turtle Mountain slide (known as the Frank Slide) occurred on April 29, 1903, when 82 million tonnes (30 million cubic metres) of limestone fell from the summit of Turtle Mountain and buried a portion of the Town of Frank, resulting in about 70 deaths.



## Recent EUB publications

### News Releases

**July 27:** News Release (NR 2005-17) EUB Tightens Compliance for Oil and Gas Industry with New Directive

**July 28:** News Release 8 (NR2005-18) EUB issues decision on Petrofund application in West Edmonton area

**August 4:** News Release (NR 2005-19) Sulphur emissions down at Alberta sour gas plants, EUB report indicates

**August 10:** News Release (NR 2005-20) Celtic Exploration Well Near Brooks Secured

**August 11:** News Release (NR 2005-21) EUB Updates Celtic Exploration Oil Well Blowout Information

**August 15:** News Release (NR 2005-22) EUB Extends Time to Compton

**August 17:** News Release (NR 2005-23) EUB Releases findings and recommendations from Acclaim Acheson blowout investigation

**August 30:** News Release (NR 2005-24) EUB approves interim gas rate increase for ATCO Gas North

**September 3:** News Release (NR 2005-25) Province Responds to Hurricane Crisis - Alberta Oil Production to Increase by 18,000 to 30,000 Barrels Per Day

**September 15:** News Release (NR 2005-26) EUB Releases Alberta Energy Reserves and Supply/Demand Outlook Report shows Alberta bitumen production up 63% since 2000

**September 22:** News Release (NR 2005-27) EUB Protects Taxpayers from Oil and Gas Liabilities

### Bulletins

**July 20:** Safety Bulletin 2005-01 Sweet Well Blowout

**July 25:** Bulletin 2005-20 Digital Data Submission of the Annual Oilfield Waste Disposition Report

**July 27:** Bulletin 2005-21 Issuance of Directive 019: EUB Compliance Assurance—Enforcement

**August 5:** Bulletin 2005-22 Announcing the Issuance of Directive 022: Use of Bimodal High-Density Polyethylene Pipe in Oil and Gas Service

**September 7:** Bulletin 2005-23 Rescission of Maximum Rate Limitation (MRL) Order No. 192

**September 13:** Bulletin 2005-25 Directive 012: The Alberta Tariff Billing Code-Release of Version 1.2

**September 14:** Bulletin 2005-24 Electronic Application Submission (EAS) Phase II Update: Implementation of EAS Facility Applications and Directive 056: Energy Development Applications and Schedules (Revised Guide 56)

**September 14:** Bulletin 2005-20 Digital Data Submission of the Annual Oilfield Waste Disposition Report

**September 19:** Bulletin 2005-26 Changes to the Electronic Application Submission (EAS) System

**September 19:** Bulletin 2005-27 Suspension of Maximum Rate Limitations (MRL) Continues for October

**September 20:** Bulletin 2005-28 Announcing the Issuance of Directive 024; Directive 006; Directive 001

**September 22:** Bulletin 2005-29 Issuance of Directive 026: Setback Requirements for Oil Effluent Pipelines

### Publications

**July 27:** Directive 019 EUB Compliance Assurance-Enforcement

**August 5:** Directive 022 Use of Bimodal High-Density Polyethylene Pipe in Oil and Gas Service

**September 14:** Directive 056 Energy Development Applications and Schedules

**September 15:** Statistical Series (ST) 98: Alberta's Reserves and Supply/Demand Outlook (ST98)

**September 20:** Directive 001 Requirements for Site-Specific Liability Assessments in Support of the EUB's Liability Management Programs This updated directive replaces the version issued November 3, 2003

**September 20:** Directive 006 Licensee Liability Rating (LLR) Program and Licence Transfer Process This updated directive replaces the version issued June 1, 2004

**September 20:** Directive 024 Large Facility Liability Management Program

**September 21:** Publication Notice: ST 99 Statistical Series (ST) 99: Proactive Compliance Report 2004

**September 22:** Directive 026 Setback Requirements for Oil Effluent Pipelines

### Decisions

**August 9:** Decision 2005-087 Alberta Newsprint Company, Alta Steel Ltd. and Millar Western

Forest Products Limited (The Three DAT Customers) Review Request of Board Decision 2002-026

**August 16:** Decision 2005-092 FortisAlberta Inc. Code of Conduct Exemption

**August 16:** Decision 2005-091 PrimeWest Energy Inc., Application for an Oil Battery, Taber North Field

**August 23:** Decision 2005-090 Penn West Petroleum Ltd., Application for a Pipeline Licence, Wainwright Field

**August 23:** Decision 2005-095 APF Energy Inc., Applications for Well Licences, Provost Field

**August 23:** Decision 2005-093 ATCO Gas, A Division of ATCO Gas and Pipelines Ltd. Imbalance and Production Adjustments Deferred Gas Account Compliance Filing Pursuant to Decision 2005-036

**August 23:** Decision 2005-094 ATCO Gas, A Division of ATCO Gas and Pipelines Ltd. Overlea Metering Adjustments

**August 28:** Decision 2005-096 Alberta Electric System Operator (AESO) 2005/2006 General Tariff Application

**August 29:** Decision 2005-099 ATCO Gas 2005-2007 General Rate Application Interim Rate Application

**August 30:** Decision 2005-097 AltaGas Utilities Inc. Gas Code of Conduct Regulation Compliance Plan

**August 30:** Decision 2005-098 ECNG Limited Partnership PremStar Energy Canada Limited Partnership Gas Code of Conduct Regulation Compliance Plans

**September 7:** Decision 2005-102 ATCO Electric Ltd. 2005 Interim Transmission Facility Owner Tariff

**September 13:** Decision 2005-105 Direct Energy Regulated Services Benchmarking Study of Customer Care Services

**September 15:** Decision 2005-104 Talisman Energy Inc., Application for a Well Licence, Sinclair Field

**September 20:** Decision 2005-106 ARC Resources Ltd., Applications for a Well Licence and a Licence for a Multiwell Gas Battery, Pouce Coupe Field

## EUB releases findings and recommendations from Acclaim Acheson blowout investigation

On August 17, the EUB issued its report on the blowout that occurred at a well owned by Acclaim Energy Inc. in the Acheson Field in the County of Parkland, just west of Edmonton city limits, on December 12, 2004.

The blowout, which occurred as a result of a downhole explosion, lasted 30 days, until January 10, 2005.

Once the blowout was over, the EUB immediately began its investigation into the incident. The EUB's investigation team considered Acclaim's reports, the information provided by other parties, and EUB staff observations, knowledge, and experience. The EUB was also assisted by science and technical advisors Dr. David Wilson, P.Eng., University of Alberta engineering professor emeritus, Ray Woods, former energy executive, and Jim Dilay, P.Eng., EUB Board Member.

The investigation team's report made 16 recommendations on matters ranging from operations to emergency response to environmental impacts. The EUB's Board has accepted all recommendations made by the investigation team, and has

committed to implementing those that relate to the EUB directly.

Despite the high profile of the blowout and the impacts to nearby residents, the EUB found that public safety was never compromised during the incident and there have been no lasting environmental impacts from the blowout. The EUB also stated that Acclaim did an effective job of regaining well control.

The EUB also committed to review (and update if necessary) its emergency planning requirements for industry, internal notification protocols, and the process by which emergency response is coordinated among the EUB and municipal, provincial and federal agencies.

However, the EUB determined that Acclaim failed to calculate an emergency planning zone (EPZ) for the service operations on the well, and that there were communication problems on the first day between the company, the EUB, and other government agencies.

Based on the characteristics of the well, including gas composition and flow rate, available at the time of the blowout, the

EPZ had a radius of 220 metres and included no residences. Therefore, there was no need to evacuate any people. However, the absence of the necessary information about the size of the EPZ led to the evacuation of more than 500 residents of Parkland County, including the town of Enoch.

Accordingly, the EUB has issued a Major Level 2 Enforcement Action for Acclaim's failure to determine an initial EPZ. This requires a company to take immediate corrective action to address the noncompliance item, which Acclaim has done, and ensure compliance at all similar sites in the province. The company must submit a documented action plan to the EUB to ensure that the issue does not recur.

The full report is available on the EUB website through the Media Room at: <<http://www.eub.gov.ab.ca/bbs/documents/reports/acclaimblowout.pdf>> ■

## Sulphur emissions down at Alberta sour gas plants

On August 4, the EUB issued *ST 101-2005: Sulphur Recovery and Sulphur Emissions at Alberta Sour Gas Plants*, which summarizes sulphur recovery and emission results at sour gas plants across Alberta.

*ST 101-2005* provides a progress report on industry's compliance with *Interim Directive (ID) 2001-3: Sulphur Recovery Guidelines for the Province of Alberta (ID 2001-3)*, issued August 29, 2001. The guidelines established stringent new requirements for sulphur emissions, provided a schedule for existing plants to meet the same sulphur recovery requirements as new plants, and encouraged operators to take early action to improve performance.

The new report shows major improvements due to improved performance and decreased sulphur throughput in plants which did not meet *ID 2001-3* requirements for new plants in 2001, also known as grandfathered plants. According to the new report, sulphur emissions have decreased from 2000 through 2004 for both grandfathered acid gas flaring plants (down 39 per cent) and grandfathered sulphur recovery plants (down 28 per cent).

Overall, emissions from grandfathered plants have fallen by approximately 30 per cent from 2000 through 2004. This represents a decrease of approximately 60 tonnes of sulphur emissions (120

tonnes of sulphur dioxide emissions) per day in Alberta.

In the last five years, a number of plants have "degrandfathered" (these are plants which did not previously meet the requirements for new plants but have now been relicensed to meet new plant standards). Since 2000, eleven plants have made upgrades to meet the new requirements, four plants have been relicensed, and four plants are no longer operating. ■

## Upcoming Public Hearings

Application No.	Applicant	Hearing Purpose
1396409	Nova Gas Transmission Ltd.	2005 General Rate Application - Phase II
Start date: October 4		
1397909 1407749	Ketch Resources Ltd. (Formerly Bear Creek Energy Ltd.)	Review of Well Licence No. 0313083 UID 00/13-23-046-02 W5M/0 Surface Location LSD 1-27-46-2 W5M - Licence to construct and operate a pipeline and licence to construct and operate a single well gas battery -Pembina
Start date: October 5, Lakedell Agricultural Society, Lakedell Road, Westeros, Alberta		
1399997	ATCO Electric Ltd.	2005-2006 General Tariff Application
Start date: October 11, EUB Offices, 12th Floor, 10055 - 106 Street NW, Edmonton		
1368901 1372895 1372900	Advantage Oil and Gas	Application for Licences to Operate one existing sour multiwell oil battery and two existing sour multiwell oil satellites- Chip Lake Field
Start date: October 12, Wildwood and District Family, Recreation Complex, 5530 - 50 Street, Wildwood		
1388116	Canadian Natural Resources Limited	Application for a Pipeline Licence - Templeton Field
Start date: October 19, Heritage Hall, 213 Main Street, Milk River		
1395789	Access Pipelines Inc.	Application for approval to construct and operate three pipelines - Edmonton - Christina Lake
Start date: October 25, Festival Place, 100 Festival Way, Sherwood Park, Alberta		
1357130	ATCO Gas South	2005/2006 Carbon Storage Plan - Revised Part I Module Schedule
Start date: October 27		
1407502	ATCO Gas North	Review of Deferred Gas Account Limitation Period
Start date: November 8		
1378692 1400023 1400026 1400027 1400028 1400031 1400604 1400605 1400606 1400608 1400610 1400612 1400613 1400615 1403095 1403097 1460138	Canadian Natural Resources Limited	Application for Well Licences, Facilities and pipelines - Lindbergh Field
Start date: November 8, Neighborhood Inn, 5011 - 66th St., Bonnyville		

## Pending Decisions

Application No.	Applicant	Hearing Purpose
1347905	Board Initiated Proceeding	Phase 3 Proceedings under Bitumen Conservation Requirements
1380613	Enmax Power Corporation	2005/2006 Phase I Distribution Tariff Application
1380523	Enmax Energy Corporation	2005 Regulated Rate Tariff Non Energy Application

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](http://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.

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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](mailto: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*
Medicine Hat	(403) 527-3385*
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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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