



**Alberta
Energy
Regulator**

AER Regulatory Framework

**Presentation to Lethbridge City Council
Community Issues Committee Meeting**

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AER Mandate

- » *The Alberta Energy Regulator ensures the safe, efficient, orderly, and environmentally responsible development of hydrocarbon resources over their entire life cycle. This includes allocating and conserving water resources, managing public lands, and protecting the environment while providing economic benefits for all Albertans.*

Regulatory Framework

》 Full life cycle single regulator:

- 1) Information base to support decisions and stakeholder understanding
- 2) Comprehensive set of documented science based and risk based technical rules
- 3) Applications:
 - 》 Pre-application public disclosure,
 - 》 Routine and non-routine
- 4) Dispute resolution including ADR and public hearings

Regulatory Framework cont.

- 5) Compliance assurance, field inspections and audit, enforcement
- 6) Abandonment, reclamation and liability management
- 7) Performance measures and reporting
- 8) Documented regulatory change review process with appropriate stakeholder engagement

AER Baseline Requirement Examples

- › Dir 008: Surface Casing Depth Requirements
- › Dir 009: Casing Cementing Requirements
- › Dir 019: Compliance Assurance
- › Dir 020: Well Abandonment
- › Dir 029: Applications and Hearing Process
- › Dir 035: Baseline Water Well Testing
- › Dir 038: Noise Control
- › Dir 050: Drilling Waste Management
- › Dir 051: Injection and Disposal Wells
- › Dir 055: Storage Requirements
- › Dir 056: Energy Development Applications
- › Dir 058: Oilfield Waste Management
- › Dir 059: Drilling & Completion Data Filing
- › Dir 071: Emergency Preparedness and Response
- › Dir 083: Hydraulic Fracturing Subsurface Integrity

AER Application process

- › AER Directive 56 for wells, pipelines and facilities sets comprehensive engagement rules
- › Parties who are directly impacted or have an interest in land have rights; right to know about a proposed energy development and the right to ask questions

Pre-application public disclosure and engagement

› Baseline rules are defined:

A) minimum, risk based notification and consultation distances and information packages; includes notices to local authorities

B) companies directed to understand local issues and plan a communication plan that suits the area,

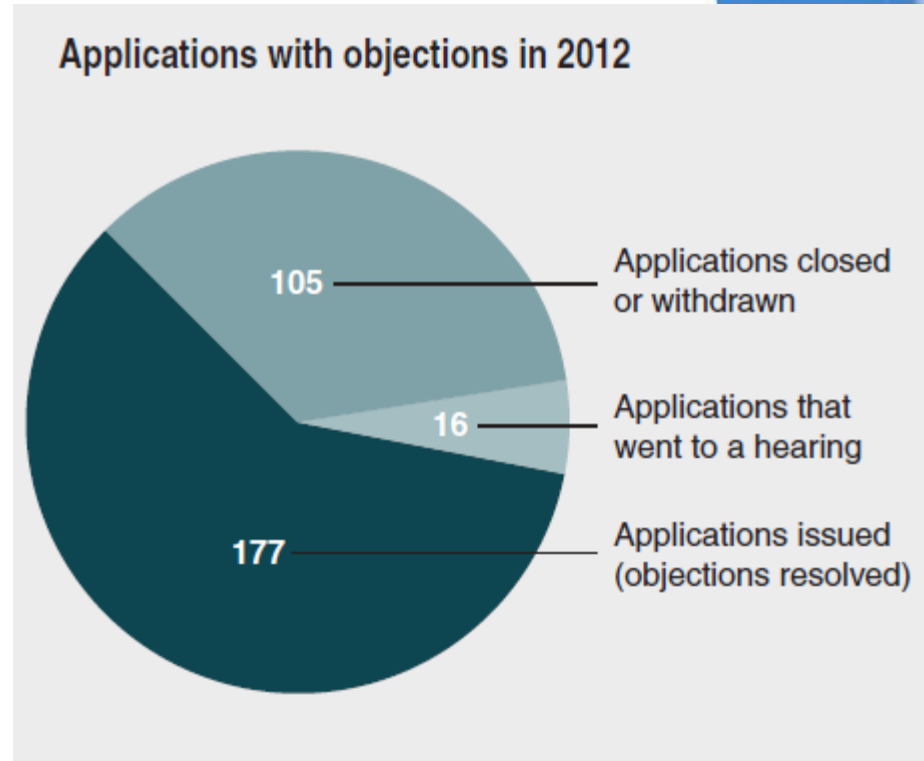
“ENGAGE EARLY, BE INCLUSIVE, BE FLEXIBLE AND OPEN TO CHANGE”

Dispute Resolution

- › Regulatory tools include ADR and formal hearings
- › ADR's collaborative review of concerns, options and alternatives is the preferred approach in many cases
- › Decision to call a hearing will reflect a review of statements of concern and the efforts made to address concerns

Application/Hearing Summary

- › 36,382 Applications Registered
- › 5261 Applications Closed
- › 300 Applications filed Non-Routine with Objections
- › EnerFAQs 02: Having Your Say at an AER Hearing

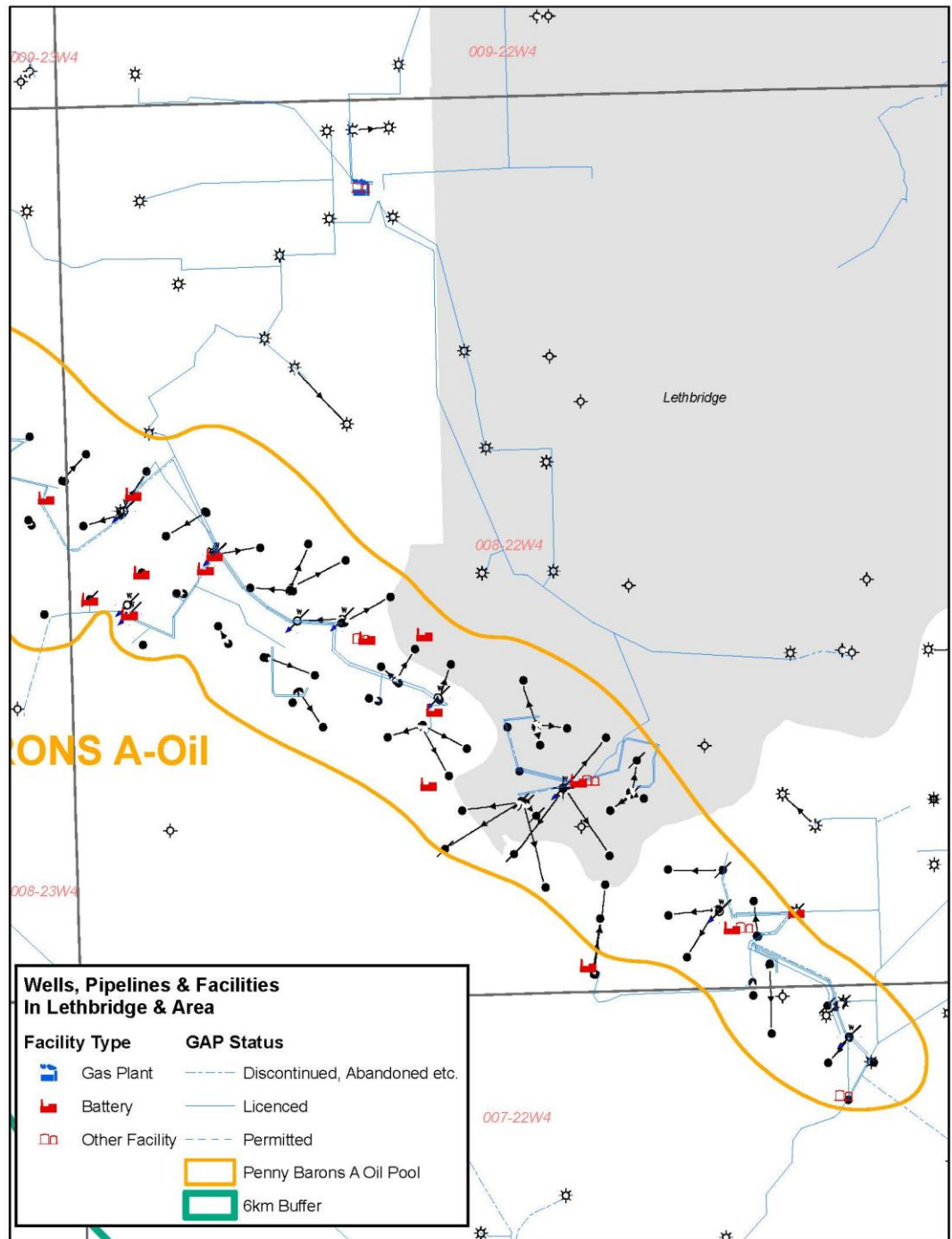


Safety Rules

- › Setbacks
- › Site and route selection
- › Integrity for wells, pipelines and production facilities
- › Emissions, Noise
- › Corporate or site specific ERPs

Energy Development in Lethbridge

- › 19 producing wells;
11 oil wells in SW area
- › 4 Suspended Wells
- › 1 injector
- › 2 facilities
- › 17 operating pipelines
- › 13 abandoned wells





Thank you

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