

2022 ABAER 003

Proceeding 409

Canadian Pacific Railway Corporation

Regulatory Appeal of Environmental Protection Order

Decision

[1] The Alberta Energy Regulator (AER) hearing panel presiding over this proceeding accepts Canadian Pacific Railway Corporation's (CPRC's) request to withdraw its regulatory appeal of the environmental protection order issued December 14, 2020, and discontinues the regulatory appeal.

Proceeding

[2] CPRC submitted a request for a regulatory appeal of the AER's decision to issue an environmental protection order on December 14, 2020, naming CPRC as the "person responsible" to undertake remedial measures regarding the presence of methane gas in proximity to the well with licence WX0000225 located at Legal Subdivision 2, Section 31, Township 12, Range 5, West of the 4th Meridian within the city boundaries of Medicine Hat.

[3] A description of the regulatory appeal is available in the [Notice of Hearing](#).

[4] The AER approved the request for the regulatory appeal on April 14, 2021, and set the matter down for a hearing. The hearing's purpose was to determine whether the hearing panel should confirm, vary, suspend, or revoke the decision to issue the environmental protection order.

[5] On May 19, 2021, CPRC and the AER's Oil and Gas Subsurface, Waste and Storage Group (OGS) confirmed their intention to participate in the hearing. On June 15, 2021, the hearing panel granted participation status to the City of Medicine Hat, Cenovus Energy Ltd., and Ovintiv Canada ULC.

[6] A written hearing process took place before hearing commissioners C. Chiasson (presiding), C. Low, and C. McKinnon (the hearing panel). Written final arguments started on March 14, 2022, and the hearing closed on April 28, 2022.

Discussion

[7] After the hearing closed, on three instances (May 19, June 3, and June 17, 2022) CPRC, the City of Medicine Hat, Cenovus Energy Ltd., and Ovintiv Canada ULC jointly requested the panel to defer release of the hearing decision while those parties worked on a settlement agreement that would enable CPRC to withdraw its request for regulatory appeal.

[8] On June 27, 2022, CPRC notified the AER that it had entered a settlement agreement with the City of Medicine Hat, Cenovus Energy Ltd., and Ovintiv Canada ULC and as a result, CPRC withdrew its regulatory appeal. OGS provided no comment in response.

[9] Accordingly, the AER has discontinued the regulatory appeal, as required by section 32.4 of the *Alberta Energy Regulator Rules of Practice*. The environmental protection order issued by the AER on December 14, 2020, remains in force.

Dated in Calgary, Alberta, on July 5, 2022.

Alberta Energy Regulator

C. L. F. Chiasson
Presiding Hearing Commissioner