

March 30, 2020

By Email Only

Brian and Lorraine Clark

Statement of Concern No. 31703
Sinopec Daylight Energy Ltd.
Application No. 1781958

Dear Mr. and Mrs. Clark:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 1781958. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the application, and all applicable requirements and other submissions or information about the application. The AER has decided that a hearing is not required to consider the concerns outlined in your SOC.

In our review of your concerns, we considered the following:

- With regard to your concerns around pipeline integrity, AER staff conducted a site inspection on March 11, 2020, and determined that the pipeline was abandoned in accordance with the *Pipeline Act*. As a result, water pooling is not expected to occur in the future, due to the pipeline in question.
- Sinopec will have to comply with section 25 of the *Pipeline Act* which states the following:

Abandonment of a pipeline does not relieve the licensee from the responsibility for further abandonment or other work with respect to the same pipeline or part of a pipeline that may become necessary, or from the responsibility for the costs of the further abandonment or other work.

As such, should concerns arise in the future, you may notify the 24-hour emergency line at 1-800-222-6514.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application. The AER has issued the applied-for licence and this is your notice of that decision. A copy of the licence is attached.

All AER-regulated parties must comply not only with the conditions of their authorizations, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: <https://aer.ca/regulating-development/compliance/compliance-assurance-program>.

You may file a regulatory appeal on the AER's decision to issue the licence if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are located here: <https://www.aer.ca/regulating-development/project-application/regulatory-appeal-process>.

If you have any questions please contact SOC@aer.ca.

Sincerely,

<Original Signed By>

Lane Peterson
Director
Oil and Gas Surface
/ mc

Enclosure (1): Licence

cc: Hai Zhang, Sinopec Daylight Energy Ltd.
Jaskaran Parmar, AER
Drayton Valley Field Centre, AER
SOC Assessor, AER