

By Email Only

February 24, 2016

Donna Dahm and Bob Plowman

Application No. 1849236

Penn West Petroleum Limited

Statement of Concern No. 30184

Dear Ms. Dahm and Mr. Plowman:

You are receiving this letter because you filed a statement of concern about the subject application. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the application, the applicable requirements, and other submissions or information about the application and has decided that a hearing is not required under an enactment or otherwise necessary to consider the concerns outlined in your statement of concern.

In its review of your concerns, the AER considered the following:

- This is an amendment to an existing facility located at LSD15-01-083-18W5M. The amendments Penn West Petroleum Limited (Penn West) has applied for include:
 - An increase to the inlet rates of raw gas and sulphur to the facility. Increased inlet rates would not result in any venting or increases in continuous sulphur emission rates.
 - An increase to the total maximum continuous daily NO_x emission rates for the facility, from 2.12 kg/h to 4.6 kg/h. These rates are well below the limits in the Alberta Ambient Air Quality Objectives (AAAQO), and it is an AER requirement that the facility must continue to meet the AAAQO for NO_x.
 - An increase in the maximum daily flaring volumes from 38.0 10³m³ to 57.2 10³m³.
 - A decrease in the maximum daily CO₂ emission rates from 75.04 tonnes to 22.0 tonnes.
 - An administrative change to capture that there is no venting from the facility.
- Ms. Dahm's lands are located about 21.4 km northwest from this facility.

- Mr. Plowman's lands are located about 22.3 km northwest from this facility.
- You have not provided information that demonstrates that you may use lands or other natural resources in the project area or other locations that may be affected by the project, or that the kinds of impacts you are concerned with may result from the application.
- Pursuant to *Directive 060 Upstream Petroleum Industry Flaring, Incinerating, and Venting* there is no venting permitted at the facility site, and operators must capture and flare, incinerate, or conserve all casing and tank -top gas. The subject facility is fully compliant with the requirements of Directive 060, including the requirements specific to the Peace River area in which the facility is located.
- The Compliance Sweep summary for the Peace River Area was published on the AER website showing the results of a series of inspections conducted on January 25 and 26, 2016. The report indicated 13 inspections in the Walrus area were found to be 100% compliant with *Directive 060* and the requirements of Decision 2014 ABAER 005.
- Regarding your concern about wetlands, the application is for an amendment to an existing facility and no new lands will be used or impacted as a result of the amendment application. The facility is located on Crown land, and the potential impacts on water bodies would have been assessed at the time of the original Public Land Use application process, prior to the approval and construction of the existing facility.
- The AER is satisfied that Penn West has met all consultation and notification requirements that apply to you in relation to the application. Regarding your concerns about Penn West not providing you with additional requested information about the application, Penn West did provide a response to some of your requests and the AER's notes that much of the information requested is outside of the scope of the application. Further, as indicated in the public notice of application, Penn West's application and supporting documents are publically available through the AER's Integrated Application registry.

inquiries 1-855-297-8311
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Based on the above, you have not demonstrated that you may be directly and adversely affected by the application for the amended facility licence. The AER has issued the applied-for licence and this is your notice of that decision. A copy of the licence is attached. Under the *Responsible Energy Development Act* an eligible person may file a request for a regulatory appeal on an appealable decision. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request in the form and manner and within the timeframe required by the AER. You can find filing requirements and forms on the AER website www.aer.ca under Applications & Notices: Appeals.

If you have any questions, contact _____ at e-mail _____

Sincerely,

<original signed by>

Sylvia Ulrich,
Acting Director, Infrastructure Authorizations (Oil and Gas)

Attachements (1): Licence Amendment

cc: Jay Farrell, Penn West
AER Slave Lake Field Centre

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