

By Email Only

April 18, 2016

Donna Dahm and Bob Plowman

Application No. 1854271
Penn West Petroleum Ltd.
Statement of Concern No. 30227

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 16-27-82-18W5M, licence F48797. Approval of the amendment will not result in any additional equipment at the site.
- The gas inlet will increase from 25 10³m³/d to 60 10³m³/d. The sulphur inlet will increase from 0 to 0.13 t/d. Increased inlet rates will not result in any venting or increases in continuous sulphur emission rates.
- The NO_x emissions will decrease from 4.11 kg/h to 1.3 kg/h. This rate is 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.
- CO₂ emissions will decrease from 48.14 t/d to 9.39 t/d., and flaring will increase from 25.0 10³m³/d to 60.0 10³m³/d.
- Ms. Dahm's lands are located about 24 km northwest from this facility.
- Mr. Plowman's lands are located about 25 km northwest from this facility.

- Pursuant to *Directive 060 Upstream Petroleum Industry Flaring, Incinerating, and Venting* there is no venting permitted at the facility site, and all gas is captured via vapour recovery units. The 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.
- Regarding the concern about wetlands, this is an existing facility and no new lands outside of the lease will be used or impacted as a result of the amendment application. The facility is located on Crown land, and the potential impact on water bodies would have been assessed at the time of the original Land Use application process, prior to the approval and construction of the existing facility. As well, Penn West has committed to appropriate mitigation measures to protect the low area bordering the southeast edge of the lease.
- You have not provided information that demonstrates that you may actually 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.
- The AER is satisfied that Penn West has met all consultation and notification requirements that apply to you in relation to the application.
- Based on the above, you have not demonstrated that you may be directly and adversely affected by the application for the amended facility licence.

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The AER has issued the applied-for licence amendment and this is your notice of that decision. A copy of the licence amendment 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 Lonny Olsen at 403-297-3513 or e-mail Lonny.Olsen@aer.ca.

Sincerely,

<original signed by>

Shelley Youens
Director, Infrastructure Authorizations (Oil and Gas)

Enclosures (1): Licence amendment

cc: Jay Farrell, Penn West
AER Grande Prairie Field Centre

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