

BY EMAIL ONLY

May 02, 2019

**Debbie Kerluke**

**TIDEWATER MIDSTREAM AND INFRASTRUCTURE LTD  
APPLICATIONS NO. 1918651 and 1918652  
STATEMENT OF CONCERN NO. 31456**

You are receiving this letter because you filed a statement of concern about Applications No. 1918651 and 1918652. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's applications, and all applicable requirements and other submissions or information about the applications. The AER has decided that a hearing is not required to consider the concerns outlined in your statement of concern.

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

- These applications are amendments to previously approved facilities as part of Dimsdale Paddy A Gas Storage Scheme which was approved in January 2014. The decision to approve an energy activity, including injection and storage of gas into an underground formation, assumes operational compliance with all AER requirements and approval conditions. Tidewater must operate in accordance with the terms and conditions of its approvals as well as all AER operating requirements. Any such contravention would be subject to AER enforcement action, which may include suspension of operations and other remedial action.
- The amendment applications are compliant with AER directives and regulations to ensure that the project is operated with minimal risk to residents. The AER has regulations and control conditions in place regarding gas storage scheme; such as *Directive 65: Resources Applications for Oil and Gas Reservoirs*. Tidewater must comply with the regulations in place and carry out its engineering and operational design of its infrastructure in accordance with the existing gas storage scheme approval and in accordance with existing rules and good engineering practices.

- With regards to your concerns with noise and emissions due to an addition of the compressors Tidewater did clarify that the amendment Application No. 1918651 shows an existing compressor added as a records correction. Application No. 1918652 is adding one new compressor and one other existing compressor was added as a records correction and complies with the AER requirements. AER staff has confirmed that there are no open-top tanks at either site and both sites and Tidewater must comply with the requirements for venting and emissions as outlined in *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting*.
- Tidewater must comply with *Directive 038: Noise Control*, and has committed to implementing the recommendations outlined within its Noise Impact Assessment (NIA) which go beyond the requirements of the directive. The AER has reviewed the NIA and determined that based on the 1.5km distance from your residence to the facilities, the noise will not be audible at your residence.
- Your concerns with water well contamination in 2016 have been previously raised by you and addressed by the AER in other proceedings. This concern, in addition to the concern about a possible earthquake due to drilling and fracturing are outside the scope of the subject applications, as the subject applications do not involve drilling or fracturing activities.
- Your lands and residence are approximately 1.5 km away from the lands on which the amendment is proposed and you have not established sufficient connection between the subject matter of the applications and the impacts you are concerned with so as to demonstrate that you may be directly and adversely impacted by the subject amendment applications.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the applications. The AER has issued the applied-for licences and this is your notice of that decision. Copies of the licences are 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 licences if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are on our website under Regulatory Appeal Process.

Sincerely,

<Original Signed By>

Rob Cruickshank

Director Business Process, Authorizations

Attachment: 2 licences

cc: Ryan Connery  
AER SOC Assessor  
AER Grande Prairie Field Centre