

BY EMAIL ONLY

November 19, 2019

Mr. Michael J. P. O’Keefe

**SHELL CANADA LIMITED (SHELL) LICENSE TRANSFER TO CANLIN
ENERGY CORPORATION (CANLIN)**

APPLICATION NO. 1924288

STATEMENTS OF CONCERN NO. 31589

Dear Mr. O’Keefe:

You are receiving this letter because you filed a statement of concern about Application No. 1924288. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company’s 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 statement of concern.

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

- Any concerns regarding proper closure procedures are outside the scope of the transfer application, and would be addressed when a reclamation certificate application is filed with the AER.
- The transfer application is subject to conditions in accordance with *AER Bulletin 2016-21: Revision and Clarification on Alberta Energy Regulator’s Measures to Limit Environmental Impacts Pending Regulatory Changes to Address the Redwater Decision*.
- There will be no physical changes to the pipeline subject to this transfer application.
- Private contractual agreements are outside AER’s jurisdiction and should be addressed directly with the licensee.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application. As such, the AER has approved the Application subject to conditions and this is your notice of that decision. A copy of the transfer approval decision 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 transfer approval 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.

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

Sincerely,

<original signed by>

Trevor Gosselin
Director, Asset and Liability Transition Management, Closure & Liability

Enclosure (1): **Transfer Approval**

cc: Korin Lemay, Shell Canada Limited
AER SOC Assessor
AER Midnapore Field Centre
Amy Thistle, AER