

April 13, 2022

By Email Only

Julie & Jarred Winkel

**STATEMENT OF CONCERN NO. 32071
PERPETUAL OPERATING CORPORATION (PERPETUAL)
APPLICATION NO. 1935466**

Dear Julie & Jarred Winkel,

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 1935466. 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:

- You do not own the land on which the project is proposed.
- Regarding concerns related to flaring, incinerating and odours, Perpetual is required to meet and adhere to *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting* and plan to install a temporary high-pressure incinerator to combust excess casing gas. Once production rates are stabilized, Perpetual plans to install a more appropriately sized incinerator. In comparison to flaring, an incinerator is a higher, more complete combustion process resulting in no visible flame, smoke and odour. In addition, Perpetual is evaluating ways to reduce odours in the vicinity of the pad site to protect the surrounding community and environment. Operational concerns can be addressed by contacting the AER Energy and Environmental Emergency 24-Hour Response Line 1-800-222-6514 to file any complaints.
- The concerns around increased infrastructure and development in the area are out of scope for the proposed project. The AER acknowledges your concerns regarding potential health impacts;

however, the concerns expressed are vague, and there is insufficient information provided to demonstrate that you may be directly and adversely affected by the proposed project.

- Your concerns regarding traffic relate to matters outside of the AER's jurisdiction. These concerns should be addressed by Alberta Transportation or the municipality, as applicable. In addition, Perpetual has committed to working with the county to monitor and post proper truck haul routes.
- Your concerns regarding impacts to the environment and wildlife are general in nature, and there is insufficient information to determine that you would be negatively affected. The AER notes that this proposed project does not fall within an environmentally sensitive area and Perpetual must follow all applicable environmental requirements and regulations, including those regarding the protection and management of local wildlife. Additionally, a third-party wildlife sweep was conducted on October 26, 2021, as part of an AER Water Act Approval and a copy of the report was provided to you.
- The AER acknowledges your safety concerns. Perpetual has a Corporate Emergency Response Plan in place in case of an emergency. The plan is updated annually, with emergency simulations and a live major exercise being carried out every 3 years, which includes participation from the AER. Therefore, this concern has been addressed to the satisfaction of the AER.

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 & Gas Surface
Regulatory Applications
/gf

Attachment (1): Licence

cc: Matt Donegan, Perpetual Operations Corporation
Lonita Forbes, AER
Arjun Chowdhury, AER
SOC Inbox, AER
Field Operations Central, AER