

April 12, 2023

[www.aer.ca](http://www.aer.ca)

By Email Only

Warren Foley  
Gowling WLG (Canada) LLP on behalf of Cleo Energy Ltd. (Cleo)**Statement of Concern No. 32154****Transferor: Battle River Energy Ltd. (Battle River) to AC Gas Company Ltd. (AC Gas)**  
**Applications No. 1940964, 1940966, 1940967, 1940968, 1940969, 1941935, 1941984, 1941034, 1941068, 1941069, 1941985, 1941071, 1941072, & 1941073**

Dear Warren Foley:

You are receiving this letter because you filed a statement of concern (SOC) about the aforementioned applications. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the 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 SOC.

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

- The AER has reviewed the applications and is satisfied that Battle River and AC Gas meet the requirements of Directive 088: Licensee Life-cycle Management (*Directive 088*).
- The AER finds that the concerns raised relating to the parties' financial dispute are purely contractual in nature. The AER does not have any jurisdiction to resolve or adjudicate these concerns, and the concerns do not relate to matters within the AER's mandate. The concerns may be addressed by the Alberta Courts, or another body with the requisite authority to resolve the dispute.
- Cleo raised concerns regarding a previous incident, which is out of scope for the proposed project and is operational in nature. The AER is satisfied that the incident was remediated and deemed complete as of December 2022. Should any further operational complaints arise, they may be

addressed by contacting the AER Energy and Environmental Emergency 24-Hour Response Line 1-800-222-6514 to file any complaints.

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 approvals, and this is your notice of those decisions. Copies of the approvals 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 approvals 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](mailto:SOC@aer.ca).

Sincerely,

<Original signed by>

Trevor Gosselin  
Director, Transfers, SOC & Support  
Regulator Applications  
/as

Attachment (1): Approvals

cc: Becky Verardi, Battle River Energy Ltd.  
Chris Suddaby, AC Gas Company Ltd.  
SOC Inbox, AER  
Field Operations West, AER