

September 11, 2023

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

By Email Only

Dean Smith

**Statement of Concern No. 32245  
Caltex Trilogy Inc. (Caltex)  
Applications No. 1943585 and 32415584**

Dear Dean Smith:

You are receiving this letter because you filed a statement of concern (SOC) about Applications No. 1943585 and 32415584. 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:

- Your concerns around previous agreements with mineral rights holders are contractual in nature and outside the jurisdiction of the AER.
- The AER acknowledges your concerns around traffic however they are outside the jurisdiction of the AER and should be addressed with the municipality or county, as applicable.
- In response to the concerns around noise, Caltex has proposed several noise reduction measures, such as installing noise reduction shacks. Caltex will also be required to address operation noise complaints if any arise as per *Directive 038: Noise Control*. Please contact the AER at 1-800-222-6514 to report any operational noise concerns.
- The concerns around air quality are general in nature and there is insufficient evidence to show a direct and adverse effect. Additionally, Caltex will need to comply with AER *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting*.
- The concerns about the effects of the project on your water well are addressed by AER requirements set out within AER *Directive 009* which states that surface casing be set and cemented to a depth that

is intended to protect the deepest aquifer. Additionally, Caltex has offered to test the water well prior to project commencement.

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 those decisions. A copy 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 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>

Lane Peterson  
Director, Oil & Gas Surface  
Regulatory Applications  
/ml

Attachments (3): Licences

cc: Christa Giles, Caltex Trilogy Inc.

Kiran Devi, AER  
Chantelle Warriner, AER  
SOC Inbox, AER  
ADR Inbox, AER  
Field Operations East, AER