

September 20, 2024

www.aer.ca

By Email Only

Heather and Dale Sorenson

**Statement of Concern Nos. 32526 & 32540
AltaGas Pipestone Infrastructure Corp. (AltaGas)
Application Nos. 1952011 & 1952233**

Dear Heather and Dale Sorenson:

You are receiving this letter because you filed statements of concern (SOCs) about Application Nos. 1952011 and 1952233. 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:

- Regarding your concerns related to the administrative filing of the applications, the AER confirms that technical staff reviewed the applications as non-routine.
- With regards to your concerns about reservoir integrity, the AER notes that AltaGas has applied in accordance with and is required to comply with *Directive 065: Resources Applications for Oil and Gas Reservoirs* which sets a Maximum Wellhead Injection Pressure (MWHIP) to minimize the risk of unintentional fracturing of the reservoir. Additionally, a total net allowable volume of gas stored, and a maximum reservoir pressure are established to ensure that the gas storage scheme does not exceed the capacity of the reservoir.
- Regarding concerns with well integrity, the AER notes that the 100/11-35-071-07W6 well was drilled in April 2006 and has surface casing set at 481 mKB in accordance with *Directive 008: Surface Casing Depth Requirements*. The AER confirms that the base of groundwater has been cemented. Additionally, AER technical staff confirm that the production casing has been cemented, and cement

returns were observed at surface, which has met the requirements in accordance with *Directive 009: Casing Cementing Minimum Requirements*.

- Regarding your concern related to contamination of the aquifer supplying your well, AltaGas provided a tracer log and a temperature log to show hydraulic isolation of the injection interval which is a requirement of *Directive 051: Injection and Disposal Wells – Well Classifications, Completions, Logging, and Testing Requirements*. Additionally, AltaGas is required to comply with *Directive 087: Well Integrity Management* which requires annual packer testing and reporting to continue to verify well integrity.
- AltaGas 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 AER considers your concerns related to noise and air pollution operational in nature. Operational complaints may be reported by contacting the AER Northwest Field Center or the Energy and Environmental Emergency 24-Hour Response Line 1-800-222-6514.
- The AER acknowledges the concern related to your request for a copy of an Emergency Response Plan (ERP) for the facility. In correspondence dated June 14, 2024, AltaGas included details of its Corporate Plan within its response to your concerns. AltaGas will be operating this site with a corporate level ERP as per requirements set out in *Directive 071: Emergency Preparedness and Response (D071)* therefore, this concern has been addressed to the AER's satisfaction.
- The AER notes that your concerns regarding property value, health, safety, and well spacing are general in nature and a causal link between the subject applications and the concerns raised was not demonstrated.

Based on the above, the AER has concluded you have not shown that you may be directly and adversely affected by the subject applications and 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 that decision. A copy 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@acr.ca.

Sincerely,

<Original Signed By>

Steve Thomas
Director, Oil & Gas Subsurface, Waste & Storage
Regulatory Applications
/lm
Attachment (2): Approvals

cc: Scott Aycock, AltaGas Pipestone Infrastructure Corp.
Byron Lee, AER
Dan Carson, AER
SOC Inbox, AER
Field Operations - Northwest, AER