

July 9, 2024

By Email Only

Tim Tycholis

Statement of Concern No. 32481
TykeWest Limited
Application No. 32789391

Dear Tim Tycholis:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 32789391. 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:

- Regarding concerns around communication, the AER confirms that Keyera Energy Ltd. (Keyera) has met all notification requirements set out in *Directive 056: Energy Development Applications and Schedule*. Therefore, this concern has been addressed to the satisfaction of the AER.
- With regards to your concerns about potential impacts to production and contractual arrangements due to a change in the fuel gas supplier, these are outside the jurisdiction of the AER. Contractual agreements for fuel gas supply are private agreements signed between parties. Any disputes related to such an agreement should be discussed between the parties involved, or should those discussions fail, through the Alberta Courts.
- Regarding concerns about loss of revenue, the AER does not consider there to be a sufficient nexus between the subject pipeline and the Cabin Creek Facility to demonstrate that the loss of revenue you describe is or may be directly attributable to Application 32789391.

- With respect to your concerns regarding a potential violation of the *Oil and Gas Conservation Act (OGCA)* Part 9, Section 48(2), neither Keyera nor the subject pipeline are the subject of a common carrier designation and therefore the common carrier provisions in Part 9 of the OGCA are not applicable.

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
Regulator Applications
/ek

Attachment (1): Licence

cc: Somerlee Bennett, Keyera Energy Ltd.
Emily Laratta, AER
SOC Inbox, AER
Field Operations - Northwest, AER