

May 27, 2020

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

By Email Only

Leo and Denise Touchette

**Statement of Concern No. 31714  
Enhance Energy Inc.  
Application No. A1010263****Dear Mr. and Mrs. Touchette:**

You are receiving this letter because you filed a statement of concern (SOC) about Application No. A1010263. 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 lands on which the Enhance 10-15-038-24W4M (10-15) facility is located.
- Your residence is located approximately 1.8 km from the 10-15 facility.
- Your stated concern in respect to cumulative effects are related to a larger issue with the suspension of operations at the Keyera Nevis Gas Plant. The suspension of operations at this plant has affected a number of operators in the Nevis area, including Enhance. The operators in the area have committed to developing a strategy to manage their produced gas volumes and reduce flaring in the area. However, Enhance has demonstrated that at the present time, there are no viable alternatives to conserve the solution gas at the subject location.
- In relation to your stated concern with respect to H<sub>2</sub>S and SO<sub>2</sub> impacts on health and the environment, Enhance has demonstrated, using dispersion modelling methods outlined in Alberta Environment and Park's *Air Quality Model Guideline (AAAQO)*, as well as section 7.12 in *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting (Directive 060)* that SO<sub>2</sub> and H<sub>2</sub>S emissions from burning the gas at the 10-15 facility will not exceed the guidelines of the AAAQO. In addition,

the AER staff have completed an area-based dispersion model which takes into consideration all of the flaring sources in the Nevis area in order to determine the cumulative SO<sub>2</sub> and H<sub>2</sub>S effects in the area. The results of this model also confirmed that there would be no exceedances of the AAAQO at the 10-15 facility.

- Your concern in relation to property value is general in nature, and there is insufficient information to determine that property value would be negatively affected.
- As per section 2.9 (2) in Directive 060, Enhance must continue to assess opportunities for solution gas conservation and update their conservation economics every twelve months. If conservation is determined to be economic, then the gas must be conserved, and the Approval issued to discontinue conservation would expire.

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 approval and this is your notice of that decision. A copy of the approval 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 approval 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  
/mc

Attachment (1): Approval

cc: Chris Kupchenko, Enhance Energy Inc.  
Elise Hirschfeld, AER  
SOC Inbox, AER  
Red Deer Field Centre, AER