

By e-mail only

December 12, 2024

Topanga Resources Ltd.

Alberta Energy Regulator – Regulatory
Compliance Branch

Attention: John Zang

**Attention: Candice Ross, Counsel
George Wong, Counsel**

Dear Sir and Madam:

**RE: Request for Regulatory Appeal by Topanga Resources Ltd. (Topanga) of the Alberta Energy Regulator –Regulatory Compliance Branch (Regulatory Compliance) decision to issue an order to Topanga, pursuant to section 26.2 and 104 of the *Oil and Gas Conservation Act* (OGCA) and section 22.1 of the *Pipeline Act* on June 6, 2024 (the RCAM Order)
Location: 06-18-074-12W6
Request for Regulatory Appeal No.: 1952282**

The Alberta Energy Regulator (AER) has considered Topanga’s request under section 38 of the *Responsible Energy Development Act* (REDA) for a regulatory appeal of the AER’s decision to issue the order to Topanga, pursuant to section 26.2 and 104 of the *Oil and Gas Conservation Act* (OGCA) and section 22.1 of the *Pipeline Act* (**the Order**).

The AER has reviewed the submissions from both Topanga and Regulatory Compliance on the matter to date. For the reasons that follow, the AER has decided Topanga’s request for Regulatory Appeal of the RCAM Order is approved.

Reasons for Decision

Legislative provisions:

The applicable provision of REDA in regard to regulatory appeals, section 38, states:

38(1) An eligible person may request a regulatory appeal of an appealable decision by filing a request for regulatory appeal with the Regulator in accordance with the rules.

[emphasis added]

An appealable decision means, *inter alia*, a decision of the AER in respect of which a person would otherwise be entitled to submit a notice of appeal under section 91(1) of EPEA, or a decision of the AER that was made under an energy resource enactment, if that decision was made without a hearing (section 36(a) of REDA).

The term “eligible person” is defined in section 36(b) of REDA to include a person entitled to submit a notice of appeal under section 91(1) of EPEA or a person who is directly and adversely affected by a decision made under an energy resource enactment.

Section 39(4) of REDA provides:

39(4) The Regulator may dismiss all or part of a request for regulatory appeal

- (a) if the Regulator considers the request to be frivolous, vexatious or without merit,
- (b) if the request is in respect of a decision on an application and the eligible person did not file a statement of concern in respect of the application in accordance with the rules, or
- (c) if for any other reason the Regulator considers that the request for regulatory appeal is not properly before it.

Appealable Decision

Topanga asserts that the decision to issue the RCAM Order is an appealable decision. Regulatory Compliance concedes this is the case. The AER similarly finds that the decision to issue the RCAM Order is an appealable decision, as it was issued under the OGCA and Pipeline Act, energy resource enactments, without a hearing.

Eligible Person

To be eligible for a regulatory appeal, Topanga must demonstrate, under section 36(b)(ii) of REDA, that it may be directly and adversely affected by the AER’s decision to issue the RCAM Order. Following review of both Topanga and Regulatory Compliance’s submissions, it appears the conditions set out in the RCAM Order are sufficient to determine Topanga may be directly and adversely affected.

In Accordance with the Rules

Topanga’s request for regulatory appeal was filed in accordance with the time limits under the Rules.

Section 39(4)

Having read the submissions of both Regulatory Compliance and Topanga the AER has determined there is insufficient justification to dismiss the regulatory appeal request at this stage under section 39(4) of the

REDA. Consequently, the AER has determined that Topanga is entitled to a regulatory appeal of the decision to issue the RCAM Order.

Sincerely,

<Original signed by>

Jeff Moore
Senior Advisor, Legal/Regulatory
Regulatory Enhancement

<Original signed by>

Kevin Ball
Senior Advisor, Production Business Delivery,
Regulatory Enhancement

<Original signed by>

Phil Hendy
Senior Advisor, Risk & Governance
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