Alberta Energy Regulator

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By email only

November 12, 2026

CT Power Inc.

Attention: Austin Bank

Alberta Energy Regulator – Regulatory Applications Branch
Attention: Directive 088 Transfers

Dear Parties:

RE: Request for Regulatory Appeal by CT Power Inc. (CT Power)
Axiom Oil and Gas Inc. (Axiom)
Alberta Energy Regulator – Regulatory Applications Branch (Regulatory Applications)
Conditional Approval of Licence Transfer Application No.: 1961349 dated August 27, 2026
Request for Regulatory Appeal No.: 1963228 (Request)

The Alberta Energy Regulator (AER) has considered CT Power's request under section 38 of the *Responsible Energy Development Act* (*REDA*) for a regulatory appeal of the Conditional Approval of Licence Transfer Application No.: 1961349 (the Transfer Application) dated August 27, 2026. The AER has reviewed CT Power's submissions.

Decision

For the reasons that follow, the AER has decided to dismiss the Request. First, after the Transfer Application was withdrawn, there was no appealable decision. Second, and in any event, the withdrawal of the Transfer Application made the Request moot, so it is no longer properly before the AER.

Security Classification: Public

Regulatory Framework

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]

In addition, section 39(4)(c) of REDA permits the AER to dismiss all or part of a request for regulatory appeal if "for any other reason the Regulator considers that the request for regulatory appeal is not properly before it."

The applicable provisions in the *Alberta Energy Regulator Rules of Practice* (the Rules) are:

> **Withdrawal of application**
>
> 4(1) If an applicant wishes to withdraw an application, the applicant shall do the following:
>
> **(a) file a notice of withdrawal of application in writing;**
>
> (b) in the case of a hearing on an application, serve a copy of the notice on the other parties, if any.
>
> (2) If an applicant files a notice of withdrawal of application in accordance with subsection (1), **the Regulator shall** authorize the withdrawal of the application on any terms that it considers appropriate…
>
> [emphasis added]

Background

On August 27, 2026, the AER issued a decision (Conditional Approval) that conditionally approved the transfer of assets from Axiom to CT Power (Transfer Application).

On September 20, 2026, CT Power submitted the Request to the AER, under section 38 of *REDA* in relation to the Conditional Approval. In the Request, CT Power states that the primary outcome sought is that the AER vary the Conditional Approval to re-determine the amount of security that CT Power must pay.

On September 24, 2026, the AER notified CT Power that Axiom had filed a withdrawal of the Transfer Application.

On October 2, 2026, the AER Regulatory Appeals Coordinator issued correspondence to the parties advising that the Transfer Application had been withdrawn by Axiom, and that confirmation had been issued to the parties that the Transfer Application was now closed.

Regulatory Appeals asked CT Power to confirm if it wished to withdraw the Request given that the Transfer Application was closed.

Later, on October 2, 2026, CT Power responded that it did not wish to withdraw the Request on the basis that, "If the appeal is successful axiom will come back to the table as they don't have a choice as they are in breach of contract and they are required to do everything in their power to prevent these wells from going to orphan well once the shut in order is finalized."

Reasons for Decision

The panel has reviewed CT Power's submissions for the Request. Axiom complied with the requirements for withdrawal in Rule 4(1), and Rule 4(2) therefore required the AER to authorize the withdrawal of the Transfer Application. The AER did so, and the Transfer Application is now closed. As such, there is no appealable decision properly before the AER, so CT Power does not meet the test in section 38 of REDA. In addition, the circumstances underlying the Conditional Approval and CT Power's Request have materially changed. The issue before the panel is therefore whether the Request should also be dismissed under section 39(4) of REDA because it has become moot and is no longer properly before the AER.

The test for addressing mootness is two-part.[1] The first part of the test requires determining whether the dispute between the parties has disappeared such that the issues have become academic. The second part of the test asks whether, even if the appeal is moot, the circumstances still warrant hearing the appeal.

Axiom's withdrawal of the Transfer Application has removed the basis for the Conditional Approval. Axiom no longer seeks the transfer of the subject licences and, consequently, the requirement that CT Power provide security as a condition of that transfer has no continuing practical effect.

There is therefore no longer a live controversy for the panel to determine. The AER is a statutory body whose authority is limited to the powers conferred on it by REDA. Under section 41(2), the Regulator may confirm, vary, suspend or revoke an appealable decision. Given the withdrawal of the Transfer Application, none of those remedies would have any practical effect, nor does section 41(2) authorize the panel to grant any other form of relief. In these circumstances, the panel is therefore satisfied that the dispute underlying the Request has disappeared and the issues raised by the appeal are now academic.

The panel has also considered whether it should nevertheless exercise its discretion to continue with the appeal. The panel finds no circumstances warranting the exercise of that discretion. No practical relief can be granted in respect of the Conditional Approval, and

[1] *Borowski v. Canada* (Attorney General) [1989] 1 SCR 342

continuing the appeal would serve no practical purpose. The efficient use of the Regulator's resources further weighs against continuing the appeal.

Conclusion

For the above reasons, the panel therefore concludes that the Request is moot and, as a result, is no longer properly before the AER within the meaning of section 39(4)(c) of REDA. CT Power's request for regulatory appeal of the Conditional Approval is dismissed.

Sincerely,

< original signed by >

Carmalee FarnBaker
Senior Advisor, Closure Policy

< original signed by >

Tamsin Henry
Director, Law, Strategy and Operations

< original signed by >

Elizabeth Grilo
Senior Advisor, Regulatory

cc: Brian Alford, Axiom Oil and Gas Inc.