

Consultation & Notification

Presentation for WASP
March 14, 2023



Agenda

- Introduction
- What is Consultation & Notification?
- Why do Companies Consult?
- Regulations: *AER Directive 056, AER Directive 060, AER Directive 071, AUC Rule 007*
- Steps in a Participant Involvement Program
- Project Specific Information Letters
- Participant Involvement Summary
- Confirmation of Non-Objection – what does it mean?
- What information do I need to provide?

BRITT RADIUS is a Land & Engagement consulting services firm, helping organizations achieve acceptance for projects that impact people and land. We have worked in Western Canada since 1986, and have offices in Calgary, Stony Plain, Grande Prairie and Fort St John.

ENERGY

- Upstream Oil & Gas
- Midstream Oil & Gas
- Renewable Energy
- Thermal
- Helium
- Hydro
- Power
- Hydrogen
- Carbon, Capture, Utilization & Storage

INFRASTRUCTURE

- Roadways
- Rail
- Telecommunications
- Transmission & Distribution
- Water

NATURAL RESOURCES

- Mining
- Forestry

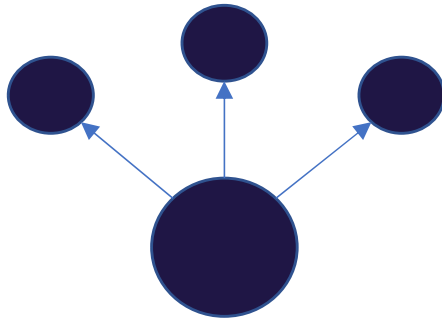
MUNICIPAL LAND USE

- Zoning Applications
- Permitting
- Development

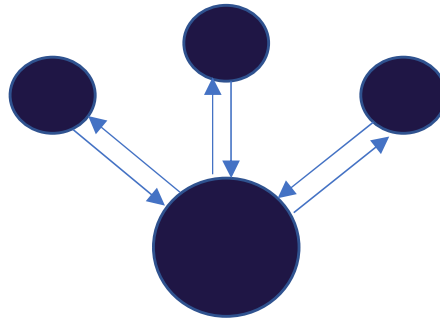


NOTIFICATION | CONSULTATION | ENGAGEMENT

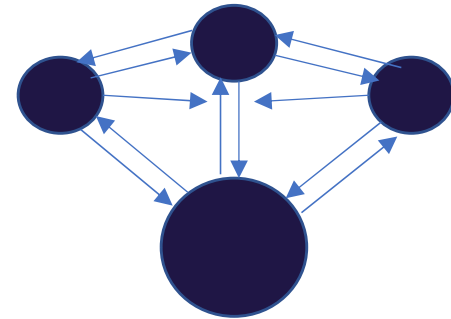
One-way exchange of
information



Two-Way Exchange of
information verbally over
the phone or in person



Relationship building,
beyond regulatory
requirements

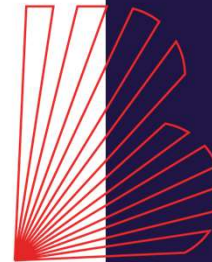


AER Directive 056 Definitions

Personal Consultation = Consultation through face-to-face visits or telephone conversations with identified parties and providing the required information packages.

Confirmation of Non-Objection = A statement made by a person that confirms there is no objection to the AER granting a license for the proposed energy development.

Notification = The distribution of project-specific information to participants.



Definitions

Why Do Companies Notify or Consult with me?

1. Regulatory requirement
2. Community engagement efforts



Regulations in Alberta with Consultation & Notification Requirements

AER Directive 056 – requirements for applications to construct or operate facilities, pipelines or wells. The Alberta Energy Regulator regulates all aspects of energy resource development in Alberta, for every stage of development.

AER Directive 060 – requirements for flaring, incinerating and venting at upstream petroleum industry wells and facilities.

AER Directive 071 – requirements for emergency response plans (ERP) applicable to resource developments.

AUC Rule 007 – requirements for applications for power plants, substations, transmission lines, industrial system designations, hydro developments and gas utility pipelines.



Typical Steps in a “Participant Involvement Program”

Conducting Consultation & Notification is typically part of what is known as a “Participant Involvement Program”.

1. Company identifies need for an application for their development, and the type of application.
2. Review of regulation (D056 / D060 / Rule 007 etc.) to confirm who needs to be consulted with / notified.
3. A project specific information package is prepared.
4. Mapping or a Survey Plan may be created.
5. Impacted parties are contacted, and/or notification is sent to parties.
6. Dialogue between the company and parties to address questions and concerns.
7. Confirmation of non-objection is obtained from parties, if required.
8. All consultation and notification efforts are recorded in a participant involvement summary or report.
9. Application is submitted, once all application requirements including participant involvement are complete.



AER Directive 056

Table 3. Consultation and notification requirements by pipeline type

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
B	Pipelines, gas (non-sour service ¹)	100	Natural gas ≤323.9 mm OD	• Landowners and occupants of the right-of-way	<ul style="list-style-type: none"> • Crown disposition holders • Local authorities along the right-of-way • Urban authorities within 1.5 km • For category type B101, B111, and B121, landowners and occupants within 0.2 km
		101	Natural gas >323.9 mm OD		
	Pipelines, oil effluent ² non-sour service ¹	110	Oil effluent ≤323.9 mm OD	<ul style="list-style-type: none"> • Landowner and occupants • Residents within 0.5 km 	<ul style="list-style-type: none"> • Crown disposition holders • Local authorities • Landowners, occupants, and urban authorities within 1.5 km
		111	Oil effluent >323.9 mm OD		
	Pipelines, other	120	Other ≤323.9 mm OD		
		121	Other >323.9 mm OD		
	Pipeline downstream facilities	130	Pipeline tank farm		
		131	Pipeline oil loading or unloading terminal		
		132	Compressor station		
		133	Pump station		
	Pipelines, gas (sour service but	380	Sour service natural gas ≤323.9 mm OD	• Landowners and occupants of the right-of-way	<ul style="list-style-type: none"> • Crown disposition holders

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- Category / Type dictates personal consultation and confirmation of non-objection, and notification requirements.
- D056 Tables 1-5 provide minimum radii.
- Indigenous consultation may also be required



D056 Project Specific Information Letters

Regulations not only provide requirements for who needs to be consulted or notified, they also prescribe what minimum information needs to be provided.

AER Directive 056:

“Industry is required to develop an effective participant involvement program that includes parties who may be directly and adversely affected by the nature and extent of a proposed application.”

“Information packages must be developed and distributed to all parties included in the participant involvement program”

“The applicant’s project-specific information package must provide the specific details of the proposed energy development.” (17 requirements)



Example D056 Letter

EYZ ENERGY

TO: INTERESTED PARTIES

RE: PROPOSED WELLSITE PROJECT INFORMATION LETTER
XYZ HZ Bezanson Multiwell Padsite location 05-16-69-3W6

13 Jul 2021
Project ID: 265

XYZ Energy Ltd. (XYZ) is proposing to drill up to 16 wells from a multiwell padsite, as shown on the attached radius map. The wells will be constructed, drilled and operated in accordance with good oilfield practices as well as the Alberta Energy Regulator (AER) regulations. As part of XYZ's commitment in working with the public to keep them informed of their activities, please find enclosed the following information regarding the proposed well:

General Inquiries and Contact Persons	Land Company: BRITT RADIUS Agent: Dani MacDonalds	Telephone No.: (780) 988-9776
	Company Representative: ABC Resource Management Tyson James, Drilling Consultant	Telephone No.: (403) 555-5555
	Field Consulting Representative: John Thompson	Telephone No.: (780) 555-5555
Emergency Number	1-877-504-4253	
Facility / Location	05-16-69-3W6	
General Description of Project	<input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Re-Entry Drill and complete horizontal wells targeting the Montney formation for oil. Once drilling is complete, a service rig will be moved onto location to complete and test the wells. The wells will be stimulated in the zone of interest and flow tested through production test equipment to determine the wells' capabilities.	
AER Table 7.1 Category / Type	Category: C Type: 370 Description: Multiwell Pad	
AER Setback for Surface Improvements	Minimum Distance: 100m from well center	
Need for Proposed Development, Existing and Future Plans	Wells required to enable production of recoverable oil reserves.	
Substance Type	<input checked="" type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> CBM	
Potential H ₂ S Release Rate and Concentration	0.0109 m ³ /sec 0.5 % H ₂ S EPZ Radius: 0.15 km	
Discussion of the Presence of H ₂ S and Associated Setbacks and Potential Land Development Restrictions (as detailed in Interim Directive (ID) 97-06: Sour Well Licensing and Drilling Requirements – Now Covered by Directives 036, 056, 071 and ID 90-01 as of February 13, 2013)	Setback requirements for wells containing H ₂ S (As per Table 7.5 of AER Directive 56 – September 2011) <input checked="" type="checkbox"/> Not Required <input type="checkbox"/> Level 1 <input type="checkbox"/> Level 2 <input type="checkbox"/> Level 3 <input type="checkbox"/> Level 4 Minimum Distance: N/A	

EYZ ENERGY

On-Site Equipment Required	A drilling rig and a service rig and all associated drilling and completion equipment will be required. If the wells are equipped for production, a pumping unit, separator and storage tanks may be required to collect liquids the gas will be pipelined once tied in.
Derrick Height	45 meters (above ground level)
Potential Flaring Operations	Any flaring that does occur at this padsite will be in compliance with all AER flaring regulations (AER Directive 060). During completion operations with a service rig, a flow test will be required to determine the reservoir capability.
Potential Emissions & Odours	The only planned emissions are during the flaring operations as required to evaluate the wells.
Proposed Project Scheduling	This project is anticipated to commence on or about Q3, 2022 – Q1, 2023 subject to rig availability and access due to weather or other surface access restrictions.
Duration of Drilling	30 days
Anticipated Noise	The noise associated with the completion operation will be in compliance with the AER Noise Control Directive 038, Revised Edition February 16, 2007. This directive defines a permissible sound level for temporary facilities such as drilling and service rigs.
Traffic Impacts	There will be an increase in traffic in the area during construction, drilling and completion operations. If the wells are completed for oil, the only traffic will be routine visits by the production foreman to check the wells and occasional visits by a tank truck to haul out any associated liquids. A service rig will be required occasionally to perform workovers on the wells.
Emergency Response Plan	XYZ Energy Ltd. Emergency Response Plan shall apply in compliance with AER Directive 071: Emergency Preparedness and Response Requirements for the Upstream Petroleum Industry. The plan is located onsite during drilling and in the Calgary office. A site specific Emergency Response Plan is not required for this project.
Emergency Planning Radius	0.15 km
Safety	XYZ Energy Ltd. on the location shall ensure that the appropriate AER safety requirements and safety guidelines are met at all times. XYZ Energy Ltd. shall conduct formal safety meetings with crews and service personnel.

It is the intention of XYZ Energy Ltd. to make application to the Alberta Energy Regulator (AER) for approval of the above multiwell padsite upon confirmation of all regulatory requirements.

Should further information be required regarding the construction or operation of this project, please contact one of the representatives listed in the table above.

Sincerely,

XYZ ENERGY LTD.



AER Public Documents

EYZ ENERGY

AER INFORMATION

Further to the foregoing information please find enclosed an information package as issued by the Alberta Energy Regulator containing:

- A Letter from the Chief Executive Officer of the Alberta Energy Regulator
- AER Brochure *Understanding Oil and Gas Development in Alberta*
- AER EnerFAQ *Proposed Oil and Gas Development: A Landowner's Guide*
- AER EnerFAQ *Expressing Your Concerns – How to File a Statement of Concern About an Energy Resource Project*

The following EnerFAQ documents have been issued by the AER and are available on their website at www.aer.ca, or may be requested from the company representative personally delivering this notice to you:

- EnerFAQ *What is the Alberta Energy Regulator?*
- EnerFAQ *Having Your Say at an AER Hearing*
- EnerFAQ *Inspections and Enforcement of Energy Developments in Alberta*
- EnerFAQ *All About Critical Sour Wells*
- EnerFAQ *Explaining AER Setbacks*
- EnerFAQ *Flaring and Incineration*
- EnerFAQ *The AER and You: Agreements, Commitments, and Conditions*
- EnerFAQ *All About Alternative Dispute Resolution (ADR)*
- EnerFAQ *Oilsands*
- EnerFAQ *How to Register a Private Surface Agreement*

This notice is being provided to you pursuant to AER Directive 056 requirements. Should you require further information or clarification regarding this or any other proposed development by **XYZ ENERGY LTD.** please contact BRITT RADIUS (403) 266-5746 or the contact numbers listed above.



Example D056 Participant Involvement Summary

XYZ ENERGY CANADA INC.
PARTICIPANT INVOLVEMENT SUMMARY
 ROGCI WILLESSEN GREEN 12-2-38-6
 ROGCI 102 HZ WILLGR 16-9-38-6
 ROGCI 102 HZ WILLGR 4-15-38-6
 HORIZONTALLY DRILLED FROM A PADSITE LOCATION IN 12-2-38-6 W5M
 Category C Type 370

Client File: 748931
 Britt Land File: S11062

LAND INTEREST (STAKEHOLDER TYPE)	STAKEHOLDER NAME	DATE OF CONSULT. / NOTIF.	DATE OF NON- OBJECTION (Written unless noted otherwise)	COMMENTS	Personal Consultation Type		Type of Distribution for Project-Specific Information Package					Documents Distributed		
					In Person	By Phone	Hand Delivered	Registered Mail	Regular Mail / Counter	Fax / Email / EDS	Survey Plan / Map	Project- Specific Information Ltr	*AER Public Documents X=Disputed	
PERSONAL CONSULTATION & CONFIRMATION OF NON-OBJECTION														
Landowner(s) with regard to wellsite location Lands: NW 2-38-6 W5M	JASON SMITH	29 Jun 2022	29 Jun 2022	Acquired Surface Lease and Confirmation of Non-Objection			X				X	X		
Occupant(s) with regard to wellsite location Lands: NW 2-38-6 W5M	GARTH ROBBINS	28 Jun 2022	28 Jun 2022	Confirmation of Non-Objection			X				X	X	X	
Landowner(s) with regard to access road location Lands: NW 2-38-6 W5M	XYZ ENERGY INC.	29 Jun 2022	29 Jun 2022	Acquired Surface Lease and Confirmation of Non-Objection			X				X	X		
Occupant(s) with regard to access road location Lands: NW 2-38-6 W6M	GARTH ROBBINS	28 Jun 2022	28 Jun 2022	Confirmation of Non-Objection			X				X	X	X	
Landowners within 0.1km with regards to setbacks	NOT APPLICABLE	N/A	N/A											
Residents within 0.2km or calculated EPZ radius, whichever is greater	NONE	N/A	N/A	Note: The nearest residence is ± 1.8km from well centre and is outside 0.2km and the calculated EPZ radius of ± 0.08km										

*Unless otherwise documented, the AER Public Information Documents noted above under Documents Distributed consists of:
 - A Letter from the Chief Executive Officer of the Alberta Energy Regulator
 - AER Brochure: Understanding Oil and Gas Development in Alberta
 - AER Easements: Proposed Oil and Gas Wells, Pipelines and Facilities: A Landowner's Guide
 - AER Easements: Expressing Your Concerns – How to File a Statement of Concern About an Energy Resource Project, and the Statement of Concern About an Energy Resource Project form



AER Directive 060 – Flaring

“The licensee, operator, or approval holder must notify all residents and schools of flaring, incineration, and venting in accordance with table 2. The notification distances in table 2 are minimum requirements.”

Table 2. Temporary flaring, venting, and incineration notification requirements¹

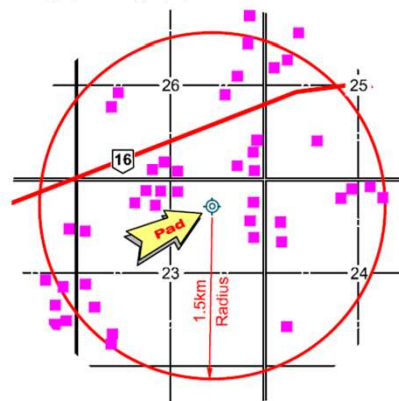
Type of operation (applies to sweet and sour streams)	Duration of event (hrs in 24-hr period)	Gas volume ² (10 ³ m ³ in a 24-hr period)	Notification ^{3,4}
Temporary (i.e., for well cleanup, testing, or maintenance)	<4	and <30	No notification ⁵
Temporary (i.e., for well cleanup, testing, or maintenance) if gas contains ≤10 mol/kmol H ₂ S	>4	or >30	Residents, schools, 1.5 km radius; AER field centre
Temporary (i.e., for well cleanup, testing, or maintenance) if gas contains >10 mol/kmol H ₂ S	>4	or >30	Residents, schools, 3 km radius; AER field centre
Temporary (i.e., for well cleanup, testing, or maintenance) through permanent battery or plant flare or incinerator	<4	--	No public notification; ⁵ Notify the AER if flaring >30 10 ³ m ³
Temporary (i.e., for well cleanup, testing, or maintenance) through permanent battery or plant flare or incinerator	>4	--	Residents, schools, 0.5 km radius; AER field centre

TIMBER CREEK AREA COMPLETIONS ACTIVITY

XYZ Energy is committed to open and transparent communication with our stakeholders and the communities where we operate. We are constantly working towards reducing our impacts from our operations while improving our health, safety and environment.

XYZ will begin completions operations at the 15-23-53-14 W5M pad site on approximately March 7th, 2021. The well will be completed on site and the operation will last approximately 10 days. During this time you will experience increased traffic and noise. Flaring will commence on approximately the 7th for 2-3 days while the well is tested. The majority of trucking will occur during the first four days of operations as the equipment and products are trucked in. During this time, equipment, sand and water will be hauled into location around the clock. XYZ will cease trucking operations along the Tower Road during school bus pick up and drop off.

After completions has finished the above work, facilities will be working on equipping the well for tie in to the pipeline. Prior to putting the well on production, the well needs to be flared for a duration. This normally happens 10 to 14 days after the initial flaring and the duration is normally approximately 1 day. XYZ adheres to meeting all regulatory requirements and has taken steps to reduce the impact of flaring by utilizing equipment that will reduce noise significantly.



AER Directive 071 – Emergency Preparedness and Response

Table 2. Who to notify or notify and consult within the EPZ

Notify only	Notify and consult
Nonresident landowners and farmers renting land who do not reside on the property but whose lands are within the setback distance as outlined in Directive 056: Energy Development Applications and Schedules . These persons must be considered in the development of the ERP and advised that their property lies within an EPZ through an information package sent by a trackable method (e.g., registered mail).	Permanent and part-time residents, including those residing on dead-end roads outside the EPZ but that egress through the EPZ.
Registered trappers, guides, outfitters, and registered grazing lease and allotment users.	Business owners and operators, including oil and gas operators with manned facilities.
Oil and gas operators with unmanned facilities (e.g., wells).	Private and public recreational property owners, operators, and occupants.
Nonresident owners of rented residences whose properties are within the EPZ. Notice is provided in the information package sent by a trackable method (e.g., registered mail).	Rural public facilities and publicly used developments , such as schools, community centres, registered campgrounds, and picnic areas.



Providing Confirmation of Non-Objection

What does it mean if I provide my confirmation of non-objection?

- Providing 'consent' to the company to apply for an application for the development.
- Does not waive any future responsibilities and obligations for the company to meet operational, regulatory, safety requirements.
- Does not provide consent or agreement to compensation. Compensation is handled separately through negotiation of a Lease, Right-of-Way Agreement, Right-of-Entry, or other applicable agreement.

What if I have concerns with the development?

- The AER encourages energy companies and concerned parties to work together to address concerns.
- If concerns cannot be resolved or mitigated, a preapplication concern can be filed with the AER, if an application hasn't been filed. A Statement of Concern can be filed if an application has been filed and is in review by the AER.



What information do I need to provide?

- Occupant or residence information – to confirm all parties are included in the participant involvement program
- Contact information
- Personal and family information, residence location, special needs or requirements – for Directive 071 emergency response planning
- Questions, concerns, requests



Questions ?



BRITT RADIUS™

**When people, land
& compliance matter**



Dayna Morgan

COO

BRITT RADIUS Ltd.

403.266.5746 ext 223

dayna.morgan@brittradius.com

www.brittradius.com