Alberta Energy Regulator

Frequently Asked Questions

Industry Session September 25, 29 (Calgary), and October 3, 2017 (Edmonton)

November 2017

Background

On September 25 and 29 and October 3, 2017, the Alberta Energy Regulator (AER) hosted information sessions on the Integrated Decision Approach (IDA). At these sessions the AER committed to posting the questions and answers that were raised during the sessions. The answers below reflect the AER's knowledge at the time of the sessions. Details are subject to change. You can also review the presentation from these sessions.

General

Q1.   Where can I find the latest information on IDA projects and training?

- The AER uses multiple channels to get word out on IDA projects and training.

- The place with the most up-to-date information is aer.ca.

- The AER conducts industry sessions.

- The AER will also publish bulletins and announcements on aer.ca to relay information about IDA implementation projects, OneStop, and training sessions.

- talk.aer.ca also has information on IDA.

Q2.   Does the AER plan to broaden the scope of IDA to outside the AER's jurisdiction (e.g., borrow pits, historical sites, indigenous consultation. etc.)?

- The AER is implementing IDA on regulatory aspects that fall within the AER's jurisdiction. We will explore opportunities to improve alignment with our government partners as we proceed with implementation.

Q3.   How will the AER make decisions through IDA?

- For applications processed through OneStop, there are two review levels: baseline (automated) and additional review (manual).

- The baseline review ensures that the application is complete and meets minimum technical requirements.

- At this point, the system determines whether more review is needed—all criteria is posted on the AER's website under Applications & Notices > Application Processes > Integrated Decision Approach > Using Risk to Make Decisions.

- Applications that are more complex will also be routed for additional manual review.

Q4. **When a decision is issued through OneStop, how can that decision be challenged—is there a process in place?**

- Yes, for a decision issued via OneStop, the appeal process outlined in the *Responsible Energy Development Act* (*REDA*) remains the same. Refer to the AER's website under Applications & Notices > Application Processes > Appeals > Regulatory Appeal Process

- OneStop outlines how each decision was made.

- For more information on how the AER considers risk in its decision making, visit aer.ca.

Q5. **Will the public notice of application requirements change with the introduction and use of OneStop?**

- No. All applications submitted to the AER will follow the public notice of application requirements outlined in *REDA* and the *AER Rules of Practice*.

Q6. **How will application timelines for applications that are currently being submitted separately be aligned under IDA when multiple authorizations may be combined into a single application?**

- As demonstrated in the integrated pilot applications, the decision timelines on applications that include multiple authorizations are expected to be shorter than the combined decision times of individual applications submitted separately. For example, if a decision time on one application type is normally three days and a decision time on another related application type is normally five days, the decision time on the integrated application is expected to be less than eight days, with less potential for delay in receiving both needed authorizations for the development than in a piecemeal approach.

- The AER will line up terms of approval and expiration dates based on regulatory requirements.

- As with current application types, new service level standards for applications that follow the IDA will be published once they are assessed and confirmed.

Q7. **What is the difference between the submission of a bundled application and an integrated application to the AER?**

- The key difference between bundled and integrated applications is in how the applications are submitted and how the decisions are issued.

- An application is bundled when the applicant advises the AER and files, at one time, individual applications that are related to one another and that are for an entire project. The applicant must contact the identified AER contact for the filed applications to clarify which related applications should be considered together as a bundle. The timing of the submission of the various related applications may result in the AER posting one or more public notices of application for the bundled application. Declining to submit bundled applications to AER may delay consideration and final determination of filed applications. With a bundled application, individual decisions are issued for the project using current AER electronic submission systems; however, all decisions may be issued at a similar time.

- An integrated application is one application made for all of a project's regulatory authorizations. One public notice of application is issued, one review is undertaken, and one decision is issued. At this time, OneStop is not capable of receiving an integrated application or issuing an integrated decision.

Q8. **Is submitting an integrated application voluntary?**

- Integration will not be mandatory at this time.

Q9. **Is the AER taking over responsibility for indigenous consultation? How is the AER coordinating with the ACO on applications that require indigenous consultation?**

- The AER does not have jurisdiction for indigenous consultation. This requirement continues to remain under the jurisdiction of the Government of Alberta Indigenous Relations, Aboriginal Consultation Office (ACO).

- The current indigenous consultation requirements remain in effect.

- The AER continues to work under the ministerial order and the *Joint Operating Procedures for First Nations and Metis Consultation on Energy Resource Activities*.

Q10. **Are there going to be packages / training sessions for industry staff outside of major centres?**

- The AER understands that not everyone can make it to Calgary and sit for training.

- The AER is developing video training (on YouTube).

- The AER can provide hands-on technology-based training to industry personnel at local field centre operator awareness sessions.

- As the IDA projects evolve, the AER will consider using various approaches to provide further training and education to a company's field staff.

Q11.   Will any directives be amended because of IDA and OneStop?

- The AER is reviewing the directives that are affected by IDA and OneStop. For example, *Directive 059* requires that hard-copy information be submitted to the regulator. With OneStop, submissions will be electronic, so the directive will be updated to reflect this administrative change.

- The changes to directives being considered will be focussed on processes or procedural aspects of how applications or information are provided to the AER. The AER is not reviewing technical requirements.

- The AER is aware that some technical requirement revisions might be needed over time and that this will be a long-term process.

Q12.   How is the AER adapting the current system/budget in order to develop and implement the IDA and OneStop?

- The AER is working within the AER budget approved by the Government of Alberta. The industry levy has not been affected.

OneStop

Q13.   Will the current IT systems (i.e., DDS, IAR) still be available as application requirements are shifted into OneStop?

- As each portion of OneStop goes live, the corresponding systems will be retired for their specific application types as they are transitioned into OneStop.

Q14.   How will an applicant know if they have included all required documents?

- The applicant will be prompted, as they work through the Onestop application process, when an attachment is required.

Q15.   What are the naming conventions for attachments?

- The naming conventions are in the OneStop quick reference guides.

Q16. **Will OneStop reduce the number of applications that are rejected for minor errors/issues?**

- OneStop is set up to validate applications for completeness.

- OneStop will indicate specific errors that need to be fixed before the application is accepted in the system for submission.

- Any application must meet the minimum requirements before it can be submitted. Minor errors that have resulted in applications being rejected or cancelled will not even make it into the system for consideration.

Q17. **Will the AER allow for amendments to applications to take place to fix an application instead of waiting for a rejection and then having to reapply?**

- To modify, add more information, or cancel an application, the applicant must withdraw the application, make any changes, and resubmit.

- An application that is withdrawn and resubmitted is considered a new application to which the public notice of application requirements will apply.

Q18. **Will OneStop consider changes on an application before it is submitted to the AER?**

- OneStop allows applicants to update an application and make changes until the application is formally submitted through OneStop.

Q19. **Will OneStop consider changes between companies? For instance, when a company takes over a portion of a right of way.**

- The AER is looking at what options and scenarios are required to link companies and licences. We will ensure the system is adaptive and flexible.

Q20. **When will the *Public Lands Act* applications become part of OneStop?**

- The AER is anticipating a mid-2018 release for public lands applications. We believe this will minimize the impact on industry during the winter drilling season.

- The planned release includes all public land applications except for assignments, oil sands, coal exploration, and applications for geophysical exploration under the *Mines and Minerals Act*, Part 8.

Pipelines

Q21. **When will the pipeline amendment project be launched, and what are the blackout periods for when current systems will not be available?**

- The last day to submit applications for pipeline amendments using IAR was October 27. At that time, all submitted applications will be either processed or moved into OneStop.

- On November 6, 2017, the new online process for all pipeline amendment applications under the *Pipeline Act* using the OneStop platform will go live.

Q22. **Are the pipeline application types within the green and white zones being streamlined?**

- The requirements for pipeline applications within the green and white zones are different. The AER will streamline and integrate similar requirements to make it as consistent as possible.

Q23. **Has the process for voluntary self-disclosures (VSD) changed?**

- No, the current process for reporting a VSD will not change. *Manual 013: Compliance and Enforcement Program* outlines the AER's VSD process. Please refer to the AER's website for more information on VSD:

  – Manual 013: http://www.aer.ca/documents/manuals/Manual013.pdf

  – VSD FAQ: http://www.aer.ca/documents/manuals/Manual013.pdf

  – VDS form instructions: http://www.aer.ca/documents/enforcement/VoluntarySelf-DisclosureFormInstructions.pdf

Q24. **What are the shapefile requirements for pipeline licence amendment applications?**

- Certain pipeline licence amendments will have shapefile requirements. These requirements will be outlined in the OneStop quick reference guides.

Q25. **How will the base map data be considered when you submit with a shapefile?**

- The AER is reviewing how historical data will be considered and how the system will process and analyze the data when there are differences between historical and new spatial data.

Q26. **If the base map and the shapefile don't align, will OneStop reject the application? How is the AER dealing with this scenario?**

- Shapefiles will only be required on amendment applications for the following activities:

  – Route changes

  – Line splits

  – Reinstatements (correction to AER records to add a previously deleted pipeline back onto the records)

  – Pipeline installations (only if location is being changed)

Q27. **What happens with pipelines and the unique segment ID that is assigned within the shapefile?**

- OneStop will display the unique segment ID that was provided in the shapefile.

- When the application is approved, the system defaults the unique segment ID to the next available line, which is then displayed on the licence documents.

- Applicants are encouraged to advise their surveyors of the segment ID that they are working on.

Inspections and Audits

Q28. **What is the approach for delivery of the inspections and audit project?**

- The inspections and audit project has been separated into multiple phases of IDA.

- Work is underway on the first phase, which includes pre-inspection data and detailed operation inspections requests.

Q29. **Will OneStop include the electronic submission of tour reports and completion tests?**

- Yes.

Q30. **When will the inactive well program and *Directive 013* inspections be incorporated into OneStop?**

- The inactive well program and *Directive 013* inspections are not being considered in the initial phases of the IDA inspection and audit project.

Q31. **When will we see more integration and having only one inspector come to site instead of two?**

- The AER has restructured and is cross-training inspection teams to integrate across energy developments.

- The AER will be reviewing and focussing inspections based on high-risk activities.

Q32. **If a company inherits assets with historical enforcement actions, will the current company's applications be flagged for additional reviews and audits?**

- The inspections and audits portion of the IDA approach within OneStop is still under development.

- The AER will look at how records related to a specific project will be managed through the life cycle and how enforcement actions will be considered.

Participant Involvement

Q33. **How will the new participant involvement requirements be released? Will it result in revisions to *Directive 056*?**

- At this time, it is too early to tell how participant involvement requirements will be announced or whether any changes will be made to *Directive 056* as a result of IDA, and what the changes might be.

- The AER is meeting with Albertans across the province over the next few months to get a deeper understanding of how and when they need operators to engage with them about energy development. All of this is in support of the Integrated Decision Approach. As we proceed with integrated applications, we want to be sure our engagement requirements are up-to-date.

- The feedback from these meetings will help us build new requirements that will shape conversations that operators, stakeholders, and indigenous communities have about energy development in Alberta.

- For more information on these sessions, please refer to talk.aer.ca.

Q34. **With the participant involvement project, will the AER work with ACO?**

- Yes, the AER is working with the ACO.

Q35. **Will the PI project result in changes to when a statement of concern can be filed.**

- No. The *AER Rules of Practice* are not within the scope of the participant involvement (PI) project.

Q36. **Will further details and information be provided through the PI project to define directly and adversely affected?**

- The intent of the PI project is to enhance preapplication engagement requirements and engagement across the life cycle of a project in order to support the Integrated Decision Approach. As a part of the PI engagement sessions, the AER will be seeking input from stakeholders, indigenous communities, and industry across the province, and the discussions and the information that will be collected will help guide the AER's decision process on new participant involvement requirements.

- The AER is gathering feedback on PI in communities across Alberta from October through December 2017. For more information on these sessions, please refer to talk.aer.ca.

- The AER is also engaging with the Government of Alberta partners on this initiative.

- The AER will consider the input provided as a result of all of the engagement.

Q37. **With having PI considered for the entire development, are we saving an effort with doing all this leg work up front?**

- Yes, engagement on the entire development will reduce duplication of engagement efforts compared with the current state where each aspect of the development is engaged on separately. Engaging over the entire development will also help inform stakeholders and indigenous communities. It will allow them to see the whole project through the entire life cycle from start to finish.

Q38. **How will the AER consider participant involvement changes when engagement is now being considered throughout the life cycle, specifically for when new stakeholders move into an area where a project has already been approved, but construction has not started?**

- Feedback from engagement sessions will help us build new requirements that will shape conversations that operators, stakeholders, and indigenous communities have about energy development in Alberta.

- If a new stakeholder moves into an area where a project has been approved, the purchaser of the property needs to consider the area they are moving into and the activities that are

occurring. The AER encourages companies to engage with stakeholders in the area throughout the life of the project.

Pilots

Q39. **Are you planning any other pilots at this time?**

- We are not planning any more pilots at this time.

Q40. **Within the pilot approval Suncor Meadow Creek East (SMCE), what did the requirement for ongoing engagement look like?**

- Based on the project, the location, and the stakeholders and indigenous communities that were engaged with, the requirements for ongoing engagement over the life cycle of the development were established for the SCME approval.

- The requirement for ongoing engagement over the life cycle of the pilot was a condition of the approval for SMCE. The condition includes the requirement for the submission to the regulator of an ongoing engagement plan, which is to be updated every five years, or upon the request of the regulator.

Q41. **How confident is the AER that the timelines for review and decision on an integrated application that were seen in the pilots will not be any longer, specifically for in situ integrated applications in which an environmental assessment may be required?**

- The AER is optimistic that the 15-month timeline for an integrated in situ application can be kept or shortened. However, the timelines will depend on the individual scope and scale of the project and whether a provincial or federal environmental assessment is required.

- As we receive more large-scale integrated applications, processing is expected to be more efficient as experience is gained.

- When a provincial or federal environmental assessment is required, the AER will continue to align reviews when appropriate.

- Any changes to the federal environmental assessment legislation or process will be considered by the AER as we proceed. Any implications to IDA timelines are not known at this time because the federal environmental assessment review is still underway.