

Minutes



Performance Measures Committee meeting #62

Date: 26 January 2012 and 1 February 2012

Time: 10:00 am – 12:00 pm and 10:00 am – 10:45 am

Place: Teleconference

In attendance:

Name	Stakeholder group
Peter Darbyshire	Graymont Inc.
Bob Myrick	Alberta Environment and Water
Crystal Parrell (1 February)	Alberta Environment and Water
Ruth Yanor	Mewassin Community Council
Celeste Dempster	CASA

Bob Myrick chaired the meeting on 26 January and Ruth Yanor chaired the continuation of the meeting on 1 February. Quorum was achieved.

Action Items:

Action items	Who	Due
61.4: The Committee will present the Low-Rated Recommendation Matrix to the board at the March 2011 meeting.	Peter Darbyshire, Ruth Yanor	29 March 2012
61.6: Once Action Item 61.5 is complete, Celeste will follow-up with the relevant parties, who were identified at the meeting, for a status update (on low-rated recommendations).	Celeste Dempster	Ongoing.
62.1: Celeste will investigate the current system that is in place to track recommendations and ensure follow-up.	Celeste Dempster	Report at the next meeting.
62.2: Celeste will follow-up with the HAHT on recommendation 30 and 36 from the 1998 Flaring and Venting Team.	Celeste Dempster	Report at the next meeting.
62.3: Celeste will contact HAHT to obtain an update on their review of recommendations 2 and 4 from the 2003 HAHT report.	Celeste Dempster	Report at the next meeting.
62.4: Celeste will contact the Co-Chairs to follow-up on recommendation 3 from the 2002 Acidifying Emissions Team.	Celeste Dempster	Report at the next meeting.
62.5: Celeste will contact the Co-Chairs to follow-up on recommendation 8-1 from the 2003 Data Issues Group.	Celeste Dempster	Report at the next meeting.
62.6: Bob will follow-up on recommendation 5-10 from the 2003 Data Issues Group.	Bob Myrick	Report at the next meeting.

62.7: Celeste will prepare a first draft of the 2011 annual report and send it to the Committee for review.	Celeste Dempster	8 February 2012
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1) Administrative Items

The Agenda and Meeting Objectives were approved by consensus.

The minutes from meeting #61 were approved by consensus.

Action items from meeting #61 were reviewed as follows:

Action items	Who	Status
53.3: Contact Health and Wellness to inquire if the SSN would be a more suitable indicator for performance measure 2c.	Ruth Yanor	Other indicators may be becoming available from AHW. Carry forward to Performance Measures Review Working Group (PMRWG).
54.4: Celeste to investigate which CASA recommendations related to net-metering and if there is data readily available.	Celeste Dempster	Done. Carry information forward to PMRWG.
55.1: Celeste will follow-up with the implementers of R&A recommendation 12(b) for more information.	Celeste Dempster	Done.
58.9: Celeste to review the Vehicle Emission, Acidifying Emissions and Flaring and Venting reports and see if there are any H ₂ S and Benzene recommendations.	Celeste Dempster	Done. Carry information forward to PMRWG.
61.1: The Committee will review the objectives from the new Strategic Plan after it has been approved by the board to determine how they relate to performance measures.	All	Done. Undertaken by PMRWG.
61.2: Celeste will follow up with the responsible government agency to obtain a status update on Recommendation #1 (R&A project team, 2007).	Celeste Dempster	Done.
61.3: Once Action Item 60.2 is complete, the Committee will test Recommendation #1 (R&A project team, 2007) against the seven selection criteria to determine if it should be assessed.	All	Done.
61.4: The Committee will present the Low-Rated Recommendation Matrix to the board at the March 2011 meeting.	TBD	March 2012
61.5: Celeste will reframe the follow-up questions as open-ended and present them to the Committee for review.	Celeste Dempster	Done.

61.6: Once Action Item 60.5 is complete, Celeste will follow-up with the relevant parties, who were identified at the meeting, for a status update.	Celeste Dempster	Ongoing.
61.7: Celeste will draft a 1-2 page document that gives an introduction to developing new/revised performance measures and the questions for discussion which will be presented to the Committee for review.	Celeste Dempster	Done.
61.8: Celeste will discuss the plan to present a 1-2 page discussion document for input at the December 2011 board meeting with the CASA secretariat.	Celeste Dempster	Done.
61.9: Celeste will confer with the Communications Committee to give them a status update and to determine if a meeting is required to discuss performance measures.	Celeste Dempster	Done.

Additional Information on Action Items:

Action Item 53.3: Ruth Yanor spoke with AHW and found out that there are some other initiatives in the works that may be more appropriate measures. Ruth was advised to wait and see how these initiatives develop. This information will be carried forward to the PMRWG.

Action Item 54.4: Celeste Dempster found that there was one CASA recommendation related to micro-generation (or net-metering) from the Electricity Framework Review team which states “Recommendation 62: Alberta Energy undertake a study to identify the technical, legal and financial issues associated with net metering and net billing, including a policy direction for industry”. Celeste checked and information on micro-generation is available on the Alberta Utilities Commission website (2009-2011). This information will be passed to the PMRWG.

Action Item 58.9: Celeste reviewed the Vehicle Emission, Acidifying Emissions and Flaring & Venting reports and found that there were no recommendations to benzene. There were no H2S recommendations in the Vehicle Emissions or Acidifying Emissions reports. There were two H2S recommendations in the 2004 Flaring & Venting report (#33 and #37) and two H2s recommendation in the 2002 Flaring & Venting Report (#33 and #38). This information will be passed to the PMRWG.

2) Performance Measure #3

At the last meeting, the Committee reviewed recommendations submitted in 2007 and categorized them as operational, administrative or substantive. The Committee found that there was one substantive recommendation from the Renewable and Alternative Energy Project Team in 2007: Recommendation 1: The Renewable and Alternative Energy Project Team recommends that the Government of Alberta develop and implement a policy framework to increase the supply of and demand for renewable and alternative electrical energy in Alberta. This policy framework should be

developed and implemented in a timely manner, and the Government should consider including in the policy framework the elements and policy options described in this report.

Celeste provided an update on the status of this recommendation so that the Committee could determine if the recommendation met all seven criteria for assessment under Performance Measure 3. The Alternative Energy section of Alberta Energy has been tasked with this recommendation. The 1st stage of work was completed by September 15th where Alternative Energy had internal discussions and consulted with external experts. The comments from the experts were compiled verbatim into a report by an external facilitator. This information was distilled into a white paper which was expected to be completed and reviewed internally by the end of November 2011. The white paper was then to be used as the basis for another round of consultation which was expected to be completed by February 2012. The framework is expected to be completed by the end of March 2012.

The Committee used the update provided to compare the recommendation against the seven criteria for assessment. The Committee found that the recommendation did not meet criteria 3, which states that a recommendation must have come into force at least two years prior in order to be assessed. Given that the recommendation does not meet the seven criteria, it cannot be assessed. The Committee will report to the Board that there was one substantive recommendation in 2007 but it did not meet the criteria for assessment. The Committee will recommend that the recommendation be assessed in two years time when criteria 3 will be satisfied.

The Committee was concerned that in two years time there will need to be a reminder to revisit this recommendation. The Committee asked that Celeste look into the tracking system that is currently used and report back to the Committee.

Action Item 62.1: Celeste will investigate the current system that is in place to track recommendations and ensure follow-up.

3) Low-rated Recommendations

The Committee reviewed the status updates available for the items in the low-rated recommendations matrix. The Committee made recommendations to the Board on the low-rated recommendations in the table below. These recommendations will be included in the 2011 annual report and presented at the March Board meeting.

Recommendation	Original Rating	Recommendation from PMC
1997		
<i>Acidifying Emissions Management Implementation Team</i>		
16. AEUB and AEP establish an SO2 emission forecasting system that provides emission forecasts on an ongoing basis.	0	<u>Recommendation:</u> Close <u>Reason:</u> Complete. Given the other systems that are currently in place (airsheds, CCME-AMC led Emissions Working Group,

		work done using contractors, etc.), SO2 emission forecasting is sufficiently covered by these means.
1998		
<i>Flaring and Venting Team</i>		
15. The Alberta Department of Energy pursue with Alberta Treasury and the federal government adjustments to the federal tax act that would allow for the broader availability of flow-through shares of development capital expenditures for those technologies qualifying for Class 43.1 inclusion.	0	<u>Recommendation:</u> Close <u>Reason:</u> No longer relevant. No work has been done on this matter. Inclusion into Class 43.1 comes under Federal Authority and policy and the Income Tax Act. Currently there are capital cost provisions in the Act for cogeneration and distribution systems which lead to energy conservation. There are other systems in play to support innovation in Alberta.
16. Industry and government work together to facilitate development of an open market for solution gas.	0	<u>Recommendation:</u> Close <u>Reason:</u> Complete. This recommendation is supported by Directive 60. While the economic test set out may not be considered as open market by all, industry and government have worked together to facilitate development.
18. Alberta Department of Energy develop a government/industry cost sharing program to reduce the amount of solution gas being flared in areas where environmental concerns have been identified.	0	<u>Recommendation:</u> Close <u>Reason:</u> Complete. This recommendation is supported by Directive 60. Flaring has been reduced since 1998.
31. Alberta Health improve collection of human health data respecting the impacts of solution gas flaring.	3	<u>Recommendation:</u> Close <u>Reason:</u> Complete. Collecting information about human health and the oil and gas industry is now part of an ongoing process within Alberta Health & Wellness. It is part of day to day business.
32. Alberta Agriculture, Food and Rural Development improve the collection of animal	0	<u>Recommendation:</u> Close

health data respecting the impacts of solution gas flaring.		<p><u>Reason:</u> Complete.</p> <p>In 2006, WISSA completed a large study looking at the animal health effects associated with exposure to emissions from oil and natural gas field facilities.</p> <p>The Alberta Veterinary Surveillance Network (AVSN) provides active surveillance which follows syndromic reports on cattle (similar to ARTSSN). It is currently being extended to include small ruminants, poultry and swine. Veterinaries report data directly to the AVSN and can be related to air quality. More work could be done to help vets make these connections as the AVSN continues to develop.</p>
2002		
<i>Flaring and Venting Project Team</i>		
4. The Alberta Department of Energy should extend the OFSG program to bitumen wells.	2	<p><u>Recommendation:</u> Close</p> <p><u>Reason:</u> Complete.</p> <p>This recommendation is supported by Directive 60. The OFSG royalty program was extended to bitumen wells.</p>
13. The Alberta Department of Energy should extend the OFSG royalty waiver program to crude oil and bitumen solution gas vent sources.	2	<p><u>Recommendation:</u> Close</p> <p><u>Reason:</u> No longer relevant.</p> <p>This recommendation was reviewed and it was found that, according to the threshold for economic analysis under Directive 60, these vent sources were too small to meet the screening criteria.</p>
<i>Acidifying Emissions Project Team</i>		
2 (ii): Number of SO ₂ and NO _x continuous monitoring stations removed from approval requirements based on long term records of low readings or because of participation in zonal management;	2	<p><u>Recommendation:</u> Close</p> <p><u>Reason:</u> Complete.</p> <p>This recommendation is covered through the monitoring efforts of the Airshed Zones. Approximately half of the air monitoring compliance stations</p>

		are part of airshed organizations. Compliance monitoring will continue to be rolled into air monitoring in the future.
2 (v): A SO ₂ and NO _x emissions forecasting system	2	<u>Recommendation:</u> Close <u>Reason:</u> Complete. While forecasting is not done systematically due to resource restrictions, it is completed as needed through different initiatives.
2003		
<i>Electricity Project Team</i>		
67 b. Encouraging Electrical Energy Efficiency & Conservation by Governments The EPT recommends that Climate Change Central <ul style="list-style-type: none"> • examine the issue of “take or pay” contracts. This work would include: • gathering information on the extent of the issue; • providing information for consumers to assist them in making informed decisions about their electricity purchases; and • developing and piloting alternatives that would meet the retailer’s needs while allowing for consumers to benefit fully from energy efficiency and conservation practices. 	0	<u>Recommendation:</u> Reassess <u>Reason:</u> Lack of resources. A cursory review of the nature of the contracts was undertaken but it was determined that the contracts already in place were long term (5-10 years) and that there was little room for amending them. A review of alternative contracts was to be undertaken however there was insufficient staff or funding resources to continue the research for alternatives. Any further review of this should be undertaken by a lawyer with a strong understanding of contract law regarding the electrical and resource sector.
2005		
<i>Renewable and Alternative Project Team</i>		
Recommendation 12(b): Reporting progress toward meeting the target Starting in 2006, on a voluntary basis, Retailers and large consumers disclose directly to the public on an annual basis, the share of their retail portfolio that is based on renewable and alternative energy.	0	<u>Recommendation:</u> Close <u>Reason:</u> Complete. Compliance with this recommendation is voluntary. Some competitive retailers do report this information.

The Committee found that they required more information on some items in order to make a recommendation to the Board. Celeste followed up with the Human and Animal Health Team

(HAHT) to get an update on recommendation 32 from the 1998 Flaring and Venting team. Celeste will also follow-up with the HAHT on two other recommendations from the 1998 Flaring and Venting team (30 and 36). The HAHT will also be reviewing the implementation of their past recommendations which includes recommendation 2 and 4 from their 2003 report that are listed as low-rated. Celeste will keep in contact with the HAHT to follow-up on the outcomes of this review.

The Committee also needed more information on recommendation 3 from the 2002 Acidifying Emissions Project Team and recommendations 8-1 and 5-10 from the 2003 Data Issues Group. Celeste will follow-up with the Co-Chairs of these teams to address recommendation 3 and 8-1. Bob Myrick will follow-up on the implementation of recommendation 5-10.

Action Item 62.2: Celeste will follow-up with the HAHT on recommendation 30 and 36 from the 1998 Flaring and Venting Team.

Action Item 62.3: Celeste will contact HAHT to obtain an update on their review of recommendations 2 and 4 from the 2003 HAHT report.

Action Item 62.4: Celeste will contact the Co-Chairs to follow-up on recommendation 3 from the 2002 Acidifying Emissions Team.

Action Item 62.5: Celeste will contact the Co-Chairs to follow-up on recommendation 8-1 from the 2003 Data Issues Group.

Action Item 62.6: Bob will follow-up on recommendation 5-10 from the 2003 Data Issues Group.

4) Update on Performance Measure #5

The Committee reviewed the Performance Measure 5 information that was prepared by the Communication Committee. There were no questions and this information will be included in the 2011 annual report and accompanying presentation at the March Board meeting.

5) Debrief on Performance Measure Review

As decided by the Performance Measures Review Working Group, it is too early to give a presentation to the Board. Instead, an update on the review process will be provided in a Status Report at the March Board meeting.

6) Preparations for March Board Meeting

Peter Darbyshire and Ruth Yanor volunteered to give the presentation at the March Board meeting.

The Committee reviewed the material for the annual report and the presentation:

- The results of Performance Measure 3 and 5, and
- The low-rated recommendation matrix with the Committee's recommendations.

Celeste will prepare a first draft of the 2011 annual report and send it to the Committee for review by 8 February 2012. The Committee will have one week to review the document and then Celeste will put together a second draft for final approval by the Committee before 29 February 2012.

Action Item 62.7: Celeste will prepare a first draft of the 2011 annual report and send it to the Committee for review by 8 February 2012.