

Meeting Minutes



Flaring and Venting Project Team Meeting #39

Date: Friday, November 16, 2007
Time: 10:00 – 2:00 pm
Place: CAPP Office, Calgary

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CANADA

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In attendance:

Name	Organization
Michael Brown	Alberta Energy and Utilities Board
Jeff Cormier	Alberta Energy
Randy Dobko	Alberta Environment
Brian Free	CASA Secretariat
Shannon Hiebert	CAPP/Husky
Andrew Higgins	CAPP/CNRL
Wayne Hillier	CAPP/Husky
Martha Kostuch	Prairie Acid Rain Coalition
Danielle Moffat	Alberta Energy
Ian Peace	Residents for Accountability in Power Industry Development
Krista Phillips	Cdn Association of Petroleum Producers
Chris Severson-Baker	Pembina Institute
Jim Spangelo	Alberta Energy and Utilities Board
John Squarek	Cdn Association of Petroleum Producers
Rudy Sundermann	CAPP/EnCana
Mike Zemanek	Alberta Health & Wellness

With regrets:

Name	Organization
Terri Carroll	Small Explorers and Producers Association of Canada
Barry Ranger	Small Explorers and Producers Association of Canada
Doreen Rempel	Cdn Society for Unconventional Gas/MGV Energy Inc.
Thom Sedun	Government of BC, Oil and Gas Commission
Ralph Smith	Wildrose Agricultural Producers
Len Vogelaar	Alberta Beef Producers

Action Items:

Task	Who	When
38.5 Forward the finalized BMP guides to CASA for distribution to the team. (Hard copies to Martha Kostuch.)	Krista Phillips	As soon as available
38.6 Advise the FVPT team on the status of work on all of the outstanding BMP's	Krista Phillips	By next meeting
38.8 John Squarek will consult with the EUB on the question of well testing and commingled pools.	John Squarek	By next meeting
39.1 Directive 040 will be sent to John Squarek for his review.	Michael Brown	By next meeting
39.2 A description of the methodology for tracking CBM wells will be sent to the Project Manager for distribution to the Team.	Michael Brown, Brian Free	By next meeting
39.3 Team representatives from SEPAC, the Wildrose Agricultural Producers and Alberta Beef Producers will be confirmed.	Brian Free	By next meeting
39.4 Another ENGO member and an Alternate will be recruited for this team.	Chris Severson-Baker	By next meeting
39.5 The Project Manager will investigate the recruitment of a municipal government representative for the Team.	Brian Free	By next meeting.
39.6 An up-to-date Team list will be provided, with members listed alphabetically by last name.	Brian Free	By next meeting.
39.7 Draft a recommendation to the Board that routine flaring and venting at sales gas pipelines, mainline straddle plants, and crude-oil terminals be addressed by a multi-stakeholder process	Michael Brown, Andrew Higgins, Chris Severson-Baker	By next meeting.
39.8 A revised, draft Terms of Reference will be prepared for the Team's consideration.	Michael Brown, Andrew Higgins, Chris Severson-Baker	By next meeting
39.9 A preliminary assessment of the Team's recommendations will be assembled.	Brian Free	By next meeting
39.10 "Advance" quarterly reports of the flaring and venting statistics will be provided to the Team.	Michael Brown	By next meeting
39.11 The Team will be polled for a meeting on January 8, 9 or 10.	Brian Free	ASAP

1. Administration

a. Introductions

- Meeting chaired by Michael Brown.

b. Approve Agenda and Meeting Objectives

- In the agenda, the meeting purpose was modified to add "and review the Framework"
- Review of the Framework was inserted as Item #2 of the agenda. This includes a review of the Team's terms of reference.

c. Review and approve minutes from Meeting 38

- The Minutes from Meeting #38 were approved as distributed.

d. Review action items from Meeting 38

Task	Who	Status
38.1 Resend the meeting minutes #37 to the team	Bettina Mueller	Done
38.2 Team members will review and advise the secretariat of any changes to the minutes	All	Done
38.3 Performance Measure # 3 completion	Co-chairs	Done
38.4 Mike to provide an electronic copy of the "Summary of EUB implementation of CASA recommendations" to the Secretariat.	Michael Brown	Done
38.5 Forward the finalized BMP guides to CASA for distribution to the team. (Hard copies to Martha Kostuch)	Krista Phillips	As they become available
38.6 Advise the FVPT team by the end of March, 31, 2007 on the status of work on all of the outstanding BMP's	Krista Phillips	Ongoing
38.7 Mike Brown will consult with EUB staff to clarify the requirements for well testing in a commingled pool. Mike will advise the team of the outcome.	Michael Brown	Done - Directive 40. Michael will send to John for review
New Action Item: Michael Brown will send Directive 40 to John Squarek for his review.		
38.8 John Squarek will consult with the EUB on the question of well testing and commingled pools.	John Squarek	Carry forward
38.9 Industry- will provide a slide on status of implementation for the CASA Board presentation to the Secretariat	John Squarek	Done
38.10 Alberta Energy will provide a slide on status of implementation to the Secretariat	Gur Dhaliwal, Jeff Cormier	Done
38.11 Bettina to work with Mike on the final Board presentation.	Michael Brown, Bettina Mueller	Done
38.12 The EUB will investigate whether CBM well flaring and venting can be tracked separately. The EUB will advise the team by e-mail by Jan 31, 2007 if tracking is feasible.	Michael Brown, Jim Spangelo	Done. Bigger challenge than expected. Can capture most CBM wells by searching in four different ways.
New Action Item: Michael will provide a description of the methodology for tracking CBM wells to Brian Free for distribution to the Team.		
38.13 Poll the FVPT members for a January 2008 meeting in October 2007	CASA Secretariat	Done

1c. Review of Team Membership

- Andrew Higgins will serve as the industry co-chair and John Squarek will continue as an Alternate member. Shannon Hiebert is replacing Wayne Hillier from Husky. Other industry members include Rudy Sundermann (EnCana) and Krista Phillips (CAPP).
- It was pointed out that these industry members represent CAPP and not their individual companies.

- Brian was asked to contact Gary Leitch of SEPAC to confirm who is their member. Currently, Barry Ranger and Terri Carroll are listed.
- Brian was also asked to confirm the representatives for the Wildrose Agricultural Producers and Alberta Beef Producers (currently, Ralph Smith and Len Vogelaar, respectively).

Action Item: The Project Manager will confirm the members to represent SEPAC, the Wildrose Agricultural Producers and Alberta Beef Producers.

- Chris Severson-Baker, Ian Peace and Martha Kostuch represent the NGO sector. It was agreed that another ENGO representative will be sought, resulting in four ENGO members on the team. As well, Martha suggested that an Alternate member for her should be assigned. Chris Severson-Baker remains the NGO co-chair.

Action Item: Chris Severson-Baker will seek AEN nominations for another member and alternate.

- Michael Brown and James Vaughan will represent the EUB on the Team. Jim Spangelo will be their Alternate. Michael is the Gov't co-chair.
- Mike Zemanek is replacing Karina Thomas as the member from AB Health & Wellness.
- Randy Dobko continues for Alberta Environment and Danielle Moffat and Jeff Cormier represent the Dept. of Energy.
- It was suggested that the Board be asked for a representative from the municipal sector. The Assoc. of Municipal Districts and Counties was a member of the original team.

Action Item: The Project Manager will investigate the recruitment of a municipal government representative for the Team.

- Team members were perplexed by the order of the names in the team list. The Project Manager was asked to have the team list produced alphabetically by last name.

Action Item: The Project Manager will provide a Team membership list with members listed alphabetically by last name.

- The Team expressed its gratitude for the past contributions of members leaving the team.

2. Review of the Framework

- The review of the Framework was to have happened in 2007, but was delayed, as the EUB Directive 060 that implements most of the recommendations has only recently taken effect.
- In preparation for this review, members felt that a reconsideration of the Team's Terms of Reference was in order.

Terms of Reference

Purpose

- The purpose of the Flaring and Venting Project Team was discussed and re-stated as;

To assess the performance of the upstream oil and gas industry and make recommendations regarding the Alberta Flaring & Venting Management Framework

Scope

- Extensive discussion about which facilities and activities to include within the scope of a new Terms of Reference for the team
 1. Upstream versus downstream, including retail
 2. Different kinds of facilities and resources.
- Discussed several issues that need attention, but are outside the mandate for this team. Decided not to expand the mandate significantly because it would require a broadening of the membership even further and would expand the nature of issues being addressed.
- The following list of facilities and activities was developed, indicating what is within the mandate of the team and what is outside.

Included:

- Oil & bitumen (in-situ) batteries
- Coal Bed Methane (CBM) wells and facilities
- Gas facilities – including gas plants, gas batteries, gas gathering systems, well operations
- Well Testing
- Fugitives from all above

Not included:

- Sales gas pipelines (transmission companies control)
- Main line straddle plants (not part of upstream O&G)
- Crude-oil terminals

- The Team agreed to recommend to the CASA Board that the facilities not included might have important flaring and venting issues, which should be addressed by a separate multi-stakeholder process.

Action Item: A recommendation to the Board will be drafted to see that routine flaring and venting at sales gas pipelines, mainline straddle plants and crude-oil terminals will be addressed by a multi-stakeholder process.

Team Goal

- It was proposed that the Team needs to take “the next big step” towards the complete elimination of routine solution gas flaring and venting by the upstream oil and gas industry.
 - This is the original goal of the Team.
 - We could set a target of 2009 or 2010, for example, to eliminate routine solution gas flaring and venting from new facilities. Existing facilities will not be required to meet this new target.
 - Some jurisdictions have already established targets and we should strive to continue to be world leaders in this issue.
- Members acknowledged that significant progress has been made over the last few years to reduce flaring and venting and we are closing in on that ultimate goal. However, the further reductions resulting from the new requirements under EUB Directive 060 have not yet been fully realized. Some members feel that we should wait to assess the full effect of these new provisions. Others did not see a need to wait.

Other discussion points:

- This could make some future projects uneconomic.
- As a parallel example, the prohibition of saltwater disposal on land may have made some marginal projects uneconomic, but industry has successfully adapted.
- The economics of the entire project should be considered. And there are many other factors that can affect the cost effectiveness of a project. Flaring and venting will not likely be the economic “driver”.
- To transport gas from remote sites, one needs a pipeline, which can have significant environmental impacts. Both economic and environment implications must be considered.
- The process to date has been to set targets, collect data, then set new targets, collect more data, and so on. We should collect more data to evaluate the effectiveness of the new EUB requirements.
- It was suggested that the team discuss the concept of the eliminating routine flaring and venting and what might be a target year, as part of the discussion about the revised Terms of Reference.

Action Item: The co-chairs will prepare revised, draft Terms of Reference for the Team’s consideration.

Agenda Items 3 to 7.

3. New flaring and venting initiatives
4. Other outstanding implementation items
5. November '06 presentation to the CASA Board
6. CASA Update
7. Flaring & Venting team work plan for 2008

Agenda Items 2 to 6 on the original agenda (now Items 3 to 7) were not specifically addressed as 2 o'clock was fast approaching.

8. Other business and next meeting

- Discussed the information needs for the next meeting and for the review of the Framework.

Action Item: Project Manager will assemble a preliminary assessment of the Team's recommendations. This includes all recommendations, not just those incorporated into the EUB directive.

Action Item: Michael Brown will look into getting "advance" quarterly reports of the flaring and venting statistics for the next meeting.

Regarding future meeting dates, a preference was expressed that we avoid meeting on Mondays or Fridays.

Action Item: Project Manager will poll for a meeting on January 8, 9 or 10.