



<http://synergyalberta.ca/group/battle-lake-watershed-synergy-group>

---

A meeting of the Battle Lake Watershed Synergy Group was held on Thursday November 5, 2020 at the Lakedell Ag. Centre (Main Hall) with Paul McLauchlin acting as Facilitator.

### **CALLED TO ORDER:**

Paul called the meeting to order at 7:00 pm.

### **AGENDA:**

- Presentation: Polluters Pay Federation
- Introductions
- Review of Minutes
- Follow-up Action Items
- Presenter
- AER Updates
- Industry Updates
- Community Updates
- Next Meeting

### **ATTENDANCE:**

In attendance were { 4 } residents, { 4 } industry representatives and government officials. (See the attached list.)

### **Review of Minutes:**

### **Follow-up Action Items:**

BMP - Identification on Industry workers vehicles (Rural Crime watch purposes)	Industry Members
Invitation to MLA Rick Wilson to discuss unpaid taxes at next meeting. (possibly virtual)	Paul McLauchlin

### **Presenter: Polluters Pay Federation**

<https://polluterpayfederation.ca/>

Topic: Reclamation

Regan Boychuk and Mark Dorin (Presenters)

See attachments.

Presentation video provided to group.

Discussion:

Q: What does your organization propose to convince the voting public, in light of the majority of voters being urban, therefore not subject to the issues you have presented on.

A: Represent mostly urban landowners. Concentrated focus on urban oil and gas issues. Viewed as a rule of law issue rather than a political issue. Reforming governing bodies through court action.

Taxes will ultimately go up to pay for default oil and gas.

Q: How does the transaction work? Unpaid surface lease being the biggest issue right now, with course of action being SRB with 18-month delay to get a registered number and so on under Sec. 36. Is there a portal set up for membership?

A: Once incorporated, admin staff will be implemented, then landowners can pay a membership fee decided by the board based on a per activity per year fee.

Landowner can assign rights to the federation to address the landowners outstanding surface rights issues with industry. Industry will be billed for landowner representation.

Fundamental principle of democracy is there is separation of the administrative branch of law (Hearing Commissioners at AER) and the judicial branch of law. Media can help educate the public. Actions are based on existing case law.

Q: Courts seem to be on the side of industry?

A: Courts are the only recourse we have. The rule of law applies, the judges cannot rule against the law.

The Society is about helping/directing the landowner to use the correct avenues to remedy the issues they are facing.

## **AER Update: Zoriana Wood**

Via Email Nov. 5, 2020

### **Announcements:**

#### **[AER updates Remediation Regulation information](#)**

The AER [updated information](#) regarding how it will administer the [Remediation Regulation](#). The information includes explanations on the applicability of the Remediation Regulation, as well as the AER's expectations for remedial action plan content including how the AER's record of site condition can function as a remedial action plan.

#### **[Training Session: Wells Functionality Moving into OneStop](#)**

Starting on November 26, 2020, there will be updates to well applications within OneStop. To support OneStop users, we will be hosting virtual training sessions. These sessions will prepare industry for submissions related to well amendments, re-entries, deepenings and cancellations, and provide general OneStop updates. Participants can choose from four sessions. To register, visit our [events page](#).

### **Bulletins:**

#### **[2020/21 Orphan Fund Levy](#)**

In accordance with Part 11 of the *Oil and Gas Conservation Act*, the Alberta Energy Regulator (AER) is prescribing an orphan fund levy in the amount of \$65 million. The Orphan Well Association (OWA), Canadian Association of Petroleum Producers (CAPP), and Explorers and Producers Association of Canada (EPAC) have approved a \$65 million orphan fund levy to fund the OWA's budget for fiscal year 2020/21. This total levy is to be collected through one levy of \$65 million in September 2020. The AER will allocate the year's orphan fund levy among licensees and approval holders included within the Licensee Liability Rating (LLR) and

Oilfield Waste Liability (OWL) programs based on the September 2020 monthly assessment. Information on these programs is contained in *Directive 006: Licensee Liability Rating (LLR) Program and Licence Transfer Process*, *Directive 011: Licensee Liability Rating (LLR) Program – Updated Industry Parameters and Liability Costs*, and *Directive 075: Oilfield Waste Liability (OWL) Program*.

### **Nonroutine Commingled Abandonment**

Any abandonment activity that varies from the requirements given in [Directive 020: Well Abandonment](#), is considered "nonroutine" and must be approved by the AER before work can be started (section 1.4). Variances are most commonly needed due to wellbore design, operational issues (such as equipment stuck in the hole), and new technology. Requests for nonroutine abandonment of [commingled wells](#) have not generally been approved, primarily because the risks were not understood well enough. In 2019 we undertook a study of those risks, which resulted in our publishing [Open File Report 2019-06: A Risk-Based Methodology for Commingled Well Abandonment – Southeastern Alberta Gas Field Case Study](#). Of particular note in the study is figure 1, a preliminary assessment tool that assigns levels of risk to geological intervals. In April 2019 we initiated [a pilot under the Area-Based Closure program](#) that began approving nonroutine abandonment of commingled wells meeting certain criteria. We have ended the pilot and will now review requests for nonroutine abandonment of commingled wells from all regulated parties. Currently, we will only consider pools that

- are located below the base of groundwater protection and
- include intervals classified as low risk (green) in [Open File Report 2019-06](#).

We continue to accept nonroutine requests and evaluate the potential for the abandonment of commingled pools that fall within the higher-risk zones. Further information will be provided as the evaluation is completed. To apply, we encourage you to use the new form *Commingled Well Abandonment Variance Request* now available on our website, Regulating Development > Rules and Directives > AER Forms > Directive Forms > [Directive 020 Forms](#). If you have any questions, please contact [WellOperations@aer.ca](mailto:WellOperations@aer.ca).

### **Invitation for Feedback on AER Review of Industry Levy Methodology**

As announced in [Bulletin 2019-31](#), we are undertaking a detailed review of the methodology used to calculate our industry levy. We are currently 100 per cent funded by industry and are authorized to collect funds through administrative fees levied on energy development projects and activities. We have worked with key industry associations during a first round of engagement on the levy methodology and are now seeking input from all stakeholders through a survey. We have developed a PowerPoint [presentation](#) that provides an overview of the current methodology, guiding principles for the review, and areas for potential changes. We recommend viewing the presentation before completing [the survey](#). The survey and presentation are available on the bottom of this bulletin's webpage. Feedback will be accepted until **November 16, 2020**. Personal information provided with comments will be collected, used, and disclosed in accordance with the *Freedom of Information and Protection of Privacy Act*. We may use the personal contact information you provide for follow-up communication related to your feedback. For any questions, contact [AdminLevyReview@aer.ca](mailto:AdminLevyReview@aer.ca).

### **Methodology Links**

- AER Administration Fees – [Methodology Review](#)
- AER Administration Fees – [Methodology Survey](#)

### **Wells Functionality Moving to OneStop**

On November 26, 2020, we will release new functionality for well licences to the OneStop platform:

- Amendments: All amendments to well licences
- Re-entries: Applications to re-enter an abandoned wellbore by a company other than the original licence holder
- Deepenings: Applications to deepen a well while the rig is on a hole
- Cancellations: Internal and external cancellation processes for well licences

- Information Updates: Updates by licensees to certain well licence information post-rig release, including bottomhole updates as the result of a directional survey. Bottomhole updates will now be initiated by industry.

Details on other enhancements and fixes will be made available at the time of release in the “What’s New” document, found on the OneStop landing page under “Enhancements and Fixes”. We will schedule a system outage to implement these new changes. The outage notice will be posted on our Systems and Tools portal on our website, [www.aer.ca](http://www.aer.ca) and the OneStop landing page.

#### **Training and support materials**

Following the software release, we will hold training sessions on the new functionality. More information can be found on the [Event](#) page. New and amended quick reference guides (QRGs) will also be posted on the OneStop landing page. These support well amendments and cancellations. *Directive 056: Energy Development Applications and Schedules* and *Manual: 012 Energy Development Applications Procedures and Schedules*, will be updated to reflect the latest software release.

## **INDUSTRY UPDATES:**

### **Baytex: Shane Koss**

Via email: November 4, 2020

Activity: Baytex has completed its operations on the 07-28-045-02W5 pad with wells now on flowback. Wells will be on test and clean up phase over the next few weeks and then into normal operations.

Other: Currently given lower commodity price BTE has no current plans for activity in the area. However, to be ready for when the commodity price changes BTE is working on survey and acquisition of potential sites.

### **Resourceful Petroleum: Bill Dolan**

No update.

Activity: Baytex has completed its operations on the 07-28-045-02W5 pad with wells now on flowback. Wells will be on test and clean up phase over the next few weeks and then into normal operations.

Other: Currently given lower commodity price BTE has no current plans for activity in the area. However, to be ready for when the commodity price changes BTE is working on survey and acquisition of potential sites.

### **Journey Energy: Dale Guidi**

No update.

### **Sifton Petroleum Inc: Davin Chandler**

Via email: November 3, 2020

We have no planned operations in the area for the next 6 – 12 months.

### **Cenovus: Craig Cann**

Via email: November 5, 2020

No drilling or maintenance activity in the area. Status Quo in the area.

**County of Wetaskiwin: Dale Woitt**

No Update

**Land Consultant: Graham Gilchrist**

No Update

**COMMUNITY UPDATES:**

No updates.

**2021 Meeting Dates:**

TBD

Tentative:

February 4, 2021

May 6, 2021

September 2, 2021

November 4, 2021

\*Options for zoom or call in will be explored as necessary for next meeting to accommodate COVID restrictions of that time.

**ATTENDANCE LIST**

<b>INDIVIDUAL</b>	<b>REPRESENTING</b>
Paul McLaughlin	Facilitator
Regan Boychuck	Polluter Pay Federation
Mark Dorin	Polluter Pay Federation
Sarah Skinner	Battle River Watershed Alliance
Ken Jenny	Resident
Rose Marie Sackela	Warburg/Pembina Surface Rights Group
Michael Black	Resident
Dave Doze	Resident

# Warburg Pembina Surface Rights Group

## SPECIAL PRESENTATION

ADMISSION IS FREE TO EVERYONE

**Tuesday Evening, November 10, 2020, 7:00 PM**  
**at the Pioneer Agriculture Center (Warburg Community Hall)**  
**5335-50A Ave, Warburg, AB**



*Special Presentation by*

**Regan Boychuk**

*Author and Political Scientist*



### **Upstream Oil and Gas Liability Management**

*How all Four Efforts to Manage Liabilities  
Have Been Defeated Through Fraud and  
Corruption*

<b>Agenda:</b>	<b>6:30 PM</b>	<b>Registration (come early, seating is limited)</b>
	<b>6:45 PM</b>	<b>Overview &amp; Introduction</b>
	<b>7:00 PM</b>	<b>PRESENTATION AND GROUP DISCUSSION</b>
		<b>? Question and Answer Session to Follow</b>
	<b>8:15 PM</b>	<b>Coffee Break</b>
	<b>8:30 PM</b>	<b>Meeting continues with questions and answers, surface</b>

---

Everyone is welcome, plan to attend and bring a friend  
For information call Karl Zajec, President (780) 848-2508, Lawrence Nonay, Vice President (780) 914-5133

**Last Meeting of the Season**  
**Next Meeting March 9, 2021**  
Plan to attend and get informed now



Property Rights Advocacy and Lobby Group  
Non-Profit Corporation Built on a Polluter Pay Funding Model

## End Abuse of our Fundamental Rights

Our fundamental rights in fee simple estate ownership of land are regularly and systemically abused to facilitate energy development. Abused rights include the following:

- ⇒ The **right** to be properly notified of planned energy developments on our lands
- ⇒ The **right** to participate in the administrative decision making process, including the terms and conditions of entry, by energy on our lands.
- ⇒ The **right** to apply for review (reconsideration) of flawed administrative decisions.
- ⇒ The **right** to apply for and obtain a review proceeding, in a timely manner, when circumstances materially change. Examples:
  - When the operator files for bankruptcy
  - When payments are no longer being made to a landowner
  - When operations are unsafe or otherwise regulatory non-compliant (the **right to be safe** on land not leased for energy purposes).
- ⇒ **The right of reversion:**
  - All surface owners have the guaranteed right to have all portions of their land used for an energy activity conserved, reclaimed, and certified (guaranteed by the province) as reclaimed.
  - Upon reclamation certification, all rights to use the land are to revert (from the operator) back to the registered owner.
  - During the period of occupation, the operator **must compensate** the landowner for all associated actual losses (as opposed to estimated losses).
- ⇒ The **right** to be properly compensated until rights revert to the registered owner.

The reality on the ground is that the Alberta Energy Regulator rarely conducts participatory proceedings. Legitimate concerns of landowners are largely ignored, which leads to losses for which landowners are not being compensated. Notices are poor or non-existent. Undeniable participatory rights to a fair and transparent proceeding are almost always abused.

As 50 legal professors recently noted the Alberta government, the official opposition, and Alberta senators would further erode participatory rights and destroy confidence in the rule of

## The Polluter Pays Principle

The principle that the polluter (and only the polluter) pays is entrenched in federal energy and environmental laws, and reflected in numerous Alberta provincial statutes.

The **right of reversion** explained above is the basis for the polluter pays principle. Safe food production is also at stake.

The foregoing is explained by the Supreme Court of Canada at para. 17 of the decision in the matter commonly referred to as "**Redwater**", cited as *Orphan Well Association v. Grant Thornton Ltd.*, 2019 SCC 5 (CanLII).

### Mitigate or Compensate

The polluter pays principle is based on other well-established principles related to compensation for losses or damages.

1. Landowners losses are to be mitigated (by the operator or regulatory bodies such as the Alberta Energy Regulator).
2. Landowners are to be compensated for any losses that cannot be mitigated, that they can prove.
3. Landowner may not profit from hosting energy on their land (losses only are recoverable).
4. EXPROPRIATION PRINCIPLES APPLY.

### Loss Mitigation Options and the New Economy

Surface owners have options they are not exercising. For example, if the Alberta Energy Regulator chooses not to cause a well licensee to post security to cover "end of life" obligations, the surface owner has the following **rights**:

- To refuse to sign any agreement proposed by the well licensee.
- To seek compensation for potential damage to the land pursuant to the provisions of Subsection 25(1)(e) of the *Surface Rights Act*.

Other options are to seek forced abandonment of a well, as confirmed in the *Redwater* matter. Forced abandonment and adherence to the polluter pays principle have the potential to rejuvenate and maintain Alberta's economy.

The founding members of the Polluter Pay Federation believe that there is no likely avenue for change through industry-captured government and regulators.

We are not willing to further waste our time and valuable resources begging regulators to change their stripes or asking government ministers for favours.

## Cooperative Self-Help and Empowerment

***The problems property owners face are urgent.***

***The time to act is now.***

Rural Alberta in particular was built on self-help and collective action. Alberta can be rebuilt using these methods.

Creation of Polluter Pay Federation offices across the province will create employment.

Forced abandonment of wells, triggered by landowner applications, will create new business opportunities and many Alberta jobs for decades.

## Education

The proposed Federation shall educate Albertans on proper application of the polluter pays principle.

### Dispute Financing

Landowners are often out of pocket when it becomes necessary to make multiple applications to several administrative boards and/or the courts to ensure their rights are not abused.

The Federation, using funds to be recovered from industry, will financially assist landowners who engage in worthy litigation efforts with respect to matters that require adjudication.

## Lobby Efforts

The proposed Federation shall lobby government in two regards:

- For observance and enforcement of existing laws on the books (enforcement currently badly lacking).
- For new laws to improve the statutory scheme and to thwart circumvention of the polluter pays principle.

Industry effectively spends over \$50 million per year lobbying government. There must be a counterbalance to ensure the fundamental rights of landowners are no longer abused and shall never again be abused in future.

## Organizational Structure and Membership

### Members and Fees

#### Real Property Owners

Those who lease their minerals, or who host energy on their land, will be entitled to **membership at the cost of the mineral lessee or operator.**

#### Taxpayers

By virtue of being at risk to pay for sins of polluters, taxpayers shall be entitled to membership at a low, nominal fee (or perhaps free of charge).

#### Municipalities (Including Towns and Cities)

The polluter pays principle extends to the obligation for energy operator to pay property and industrial taxes. Municipalities can benefit from membership.

### Invoicing and Collection of Fees

The Federation will invoice operators, and collect fees, on behalf of property ownership members (with the member's written permission)

### Steering Committee

An steering committee has been struck to consult with the potential membership. The Committee sought and considered input as to organizational structure.

The Federation is being incorporated as at November 2020.

#### Contacts:

#### Regan Boychuk

(403) 479-8637  
reganboychuk@gmail.com

#### Mark Dorin

(780) 966-0840  
MDorin@coscoesp.com

***Please Participate***

For more information follow the Polluter Pay Federation Website

[polluterpayfederation.ca](http://polluterpayfederation.ca)