

# Backgrounder

## Backgrounder: Apache pipeline spill and AER investigation process

inquiries 1-855-297-8311  
24-hour  
emergency 1-800-222-6514

### January 2014 Apache Pipeline Spill

- On January 21, 2014, the Alberta Energy Regulator (AER) was notified of a pipeline spill releasing approximately 1,900 m<sup>3</sup> of produced water into the environment from an Apache Canada Ltd. (Apache) pipeline located 40 kilometres (km) northwest of Whitecourt. The produced water affected a nearby creek.
- The produced water within the pipeline contained up to 100 parts per million (ppm) H<sub>2</sub>S and 20,000 to 30,000 ppm chlorides.
- Following a number of pipeline incidents between June 2013 and October 2014, the AER conducted a comprehensive investigation into Apache's operations and identified numerous instances of noncompliance.
- On June 30, 2015, the AER forwarded its investigation findings to the Alberta Crown Prosecution Service for a recommendation to prosecute. Based on the recommendation, the following charges have been laid against Apache:
  - One count under section 109(2) of the *Environmental Protection and Enhancement Act* for releasing a substance to the environment that caused or may have caused an adverse effect.
  - One count under section 110(1) of the *Environmental Protection and Enhancement Act* for failing to report the release of the substance as soon as possible.
  - Two counts under section 112(1)(a) of the *Environmental Protection and Enhancement Act* for failing to take all reasonable measures to remediate.
  - One count of section 9(4) of the *Pipeline Rules* for failing to ensure that the support staff and pipeline controllers were competent in understanding the leak detection methodology, critical equipment and processes, the software application, and the influence of each on the performance of the leak detection system.

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## AER Investigation Process

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- The AER conducts investigations to determine the root cause of energy industry incidents, whether an energy company followed the rules, and opportunities to improve AER requirements or industry practices.
- The goal of an investigation is to systematically collect information and evidence to determine the facts relevant to a noncompliance. Companies that are allowed to develop Alberta's oil and gas resources must follow all AER requirements. If they do not, they face strong consequences.
- When a company does not follow AER requirements, the AER takes steps to stop the noncompliant activity, restore the environment, and, if necessary, apply enforcement action against the responsible party.
- Enforcement tools include more frequent AER inspections, more stringent planning requirements, enforcement orders, shutting down operations, levying of administrative penalties, and prosecution.
- To ensure fairness and integrity with the enforcement process, investigation summary reports are not posted to the AER's [Compliance Dashboard](#) until the enforcement action has been carried out.

For more information, please contact:

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