

BY EMAIL ONLY

September 19, 2019

Mr. Patrice Brideau
Stringham LLP

VERESEN MIDSTREAM GENERAL PARTNER INC. (VERESEN)

APPLICATION NO. 1212381

STATEMENT OF CONCERN NO. 31537

Dear Mr. Brideau:

You are receiving this letter because you filed a statement of concern, on behalf of Mr. Arthur Pierrard and Mrs. Vilja Pierrard, about Application No. 1212381. The Alberta Energy Regulator (AER) has reviewed your statement of concern, along with the company's application, and all applicable requirements and other submissions or information about the application. The AER has decided that a hearing is not required to consider the concerns outlined in your statement of concern.

In our review of your concerns, we considered the following:

- Your concern around topography is general in nature, and there is insufficient information to determine that Mr. and Mrs. Pierrard may be directly and adversely affected.
- Your concern with respect to further emergency shut down devices (ESDs) has been addressed through Veresen's required compliance with *Directive 071: Emergency Preparedness and Response Requirements for the Petroleum Industry* throughout the lifecycle of the project. As well, Veresen meets the setback requirements outlined in *Directive 056: Energy Development Application and Schedules*.
- Your concern with respect to reclamation is outside the scope of the current application and may be addressed when Veresen submits their Reclamation Certificate application, which must to comply with the *2010 Reclamation Criteria for Wellsites and Associated Facilities for Cultivated Lands*.

- With respect to your concern regarding terms of inspection during the life of the proposed pipeline, the AER conducts inspections and audits in accordance with the *Integrated Compliance Assurance Framework* (see below). Details are found in *Manual 013 – Compliance and Enforcement Program* on the AER website here: <https://www.aer.ca/documents/manuals/Manual013.pdf>.

The AER has not yet made a decision on the Application and you will be notified when that decision is made. If a hearing on the applications is to be held for another reason, a notice of hearing will be published.

All AER- regulated parties must comply not only with the conditions of their authorizations, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: <https://aer.ca/regulating-development/compliance/compliance-assurance-program>.

If you have any questions, contact Silken Leach at Silken.Leach@aer.ca.

Sincerely,

<Original Signed By>

Rob Cruickshank
Director, Business Process

cc: Brett Dawson, Veresen Midstream General Partner Inc.
AER SOC Assessor
AER Grade Prairie Field Centre