

BY EMAIL ONLY

September 19, 2019

Mr. and Mrs. Ken and Shannon Peterson

VERESEN MIDSTREAM GENERAL PARTNER INC. (VERESEN)

APPLICATION NO. 1212381

STATEMENT OF CONCERN NO. 31544

Dear Mr. and Mrs. Peterson:

You are receiving this letter because you filed a statement of concern 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:

- The pipeline will not be located on your lands.
- Veresen followed and met the requirements for consultation and notification as per *Directive 056: Energy Development Applications and Schedule* (Directive 056.)
- Veresen has stated that the route of the pipeline was specifically chosen based on varying factors; including construction access, cost, reduction of timber clearing, residence density, safety concerns, watercourse crossing and topographical concerns. The route chosen adheres to the requirements of Emergency Planning Zones (EPZs) in *Directive 071: Emergency Preparedness and Response Requirements for the Petroleum Industry* (Directive 071) and setbacks in Directive 056.
- Veresen is obligated to construct the pipeline and operate in accordance with all engineering industry standards and requirements, and must comply with CSA Z662 to ensure that the pipeline is technically compliant with Canadian safety standards.
- Your concern with respect to potential emergency incidents and safety has been addressed through Veresen's required compliance with Directive 071 throughout the lifecycle of the project.

- Your concern with respect to cumulative effects is general in nature, and there is insufficient information to demonstrate that you will be directly and adversely affected by the proposed pipeline.
- Compensation claims are outside the jurisdiction of the AER, and, if applicable, should be directed to the *Surface Rights Board*.

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 Grande Prairie Field Centre