

Canadian Petroleum Industry Flaring Regulators Meeting
Minutes of Meeting - Friday June 15th, 2007
07:30 – 16:30

Attendance:

Arden Berg
Colby Ruff
Simon Toogood
Dave Fox
Todd Han
Glynis Farr
Richard Slocomb
Tom Neufeld
Randy Dobko
Lynne Patenaude
Kevin Parsonage

Michael Brown
Gary Woo
Paul Molloy
Wayne Chipman
Fred Way
John Fox
Keith Lowdon
Jim Spangelo
James Vaughan
Janet Stewardson

1. Introductions

Round table introductions by all present.

2. World Bank Video Conference

World Bank Attendees: Bent Svensson, Martyn Howells, Francisco Sucre

Update: - added satellite imaging to acquire data'
 - carbon credit fund under Kyoto
 - work program in 2nd phase with GGFR

Question: What else can Canada do?

Answer: Canada used as best practice case, along with Norway. Algeria coming to EUB in July for 4-5 days of help to set up their agency.

Question: Can we access satellite data?

Answer: Pictures show country boundaries, but probably not provincial. Chris could look at individual places at request.

3. Updates from all members/jurisdictions

Alberta

- Alberta is changing to Energy Resources Conservation Board.
- Newly released Directive 60, completed by Michael Brown.
- The World Bank is working on a Global Voluntary Standard and proposing the Canadian model to other countries. They are also currently working with Brazil to have them participate.
- Video clip from CBC Newsworld.

Manitoba

- Powerpoint presentation shown.
- First conservation project taking place.

Newfoundland Offshore

- Powerpoint presentation shown?
- oil allowances go up, but gas allowances do not
- oil cut from 150 k BPD to 100 k BPD to keep gas down
- looking at background flaring – pursuing, flaring
- developing East Coast best practices

Newfoundland Onshore

- interested in carbon credit info

National Energy Board

- one project Norman Wells
- board very supportive of CIP
- 60 champions – Env. BM's
- some restrictions on publishing date
- look at new rules

British Columbia

- Powerpoint presentation shown.
- eliminate routine flaring by 2016
- reduce air emissions
- looking for sequestration
- small power project – standing offer <10 MW
- zero net carbon for new electric generator
- petroleum registry
- public perception – see flaring – reporting zero flaring

Saskatchewan

- Powerpoint presentation shown
- Energy and climate change plan released 1:30pm yesterday
- News release – ambitious plan
- Flaring and venting – key issue according to this plan
- New regulations released on Tuesday next week will put Sask on par with Guide 60 (Directive 60 – Alberta)

Northwest Territories

- Powerpoint presentation
- National Energy Board regulates, NWT gives comments
- Coal gasification – Norman Wells
- NWT Government developing own code of practice
- Following some aspects of Directive 60.

4. Formalize our relationship? How to do this? Funding? Open Discussion.

James – annual meeting, semi-annual meeting, revolving chairs, revolving forums at various places?

Paul – longer term approach. Possibly follow same structure as Interstate Oil & Gas Commission in the USA (small presentation on particular areas, rotates around country). Involve industry? Funding questions?

Randy – Industry often playing one regulator against another. Positive aspects, but don't want it to be too large. Need consistency!

James – agrees with Randy. BC & Sask trying to harmonize with EUB. Now come together as group to discuss mutual concerns especially the importance with industry – we can have a common front. Employers are supportive, but concerns with airfare, hotels, meal costs. Need terms of reference / charter to determine boundaries. Could loose focus if boundaries too large. Important issue – flaring and venting, but also other issues.

John – Manitoba would support. Drawn lots of info from Guide 60 and strengthened when other provinces do the same. Would need to keep meeting costs down.

Fred – Offshore Newfoundland Board would support. Pay close attention to our focus on environmental regulation. Demand for reaction among regulators to be coordinated, and not loose our focus of meetings.

Paul – specific topics of focus needed.

Fred – Groups need goals / focus to be successful. Globally and nationally, will gain importance over time. Definitely support this idea / effort. Minimum amount of money to fund activities. Agreed plan or charter needed.

Mike – Really worthwhile to have coordination. Great to share ideas, both what works and what doesn't work. Agreed to keep focussed, better quality will result then.

Lynne – Great idea, very supportive. Broaden to other issues? Every other meeting talk about additional issues? Oil and gas regulation unique compared to other regulators across country. Closer, regular contacts are excellent idea. Support broadening, but recognize that we don't want a loss of focus.

Randy – Consistent application of requirements. Not too broad, but other issues welcome.

Richard – BC supports. Flaring and venting are important focus.

Glynis – Harmonization is a great idea.

Todd – Sask in support. Very good ideas, good models to follow.

Dave – Good idea and potential opportunities.

Simon – Wants to formalize relations.

Colby – He is in.

Arden – Certainly support, learned a lot from others. Provided help to World Bank, Canada as leader provides leverage to other countries. Global and National contribution.

James – Flaring in fore-front of media and a formalized group sends strong message re: flaring, venting and other mutual concerns.

Arden – Next steps:

- Terms of reference. People in small group to look after.
- World Bank distributed document to steering committee and putting on website.
- At what point do we make items public?
- Work together for common understanding, especially when dealing with industry.
- Invite industry into our meetings in the future?
- EUB continue to support and work on issues.
- Question: Can GGFR implementation plan go on World Bank website?
- Question: Can we work together on media plan? Needs to be unanimous and communication people can work together.

Fred – No problem, coordinated communication plan would be good idea. Industry and stakeholders need to be aware.

Paul – Name on list as endorser? When will it be on WB website?

Arden – Probably several weeks – end of summer or into fall.

Todd – no problems, but media coordination is critical.

James – Positive spin for Sask with their new plan release right away.

Arden – Sask to lead communication plan?

ACTION: Todd Han - Will speak to communication employees from his area to see if they will lead a plan.

Richard – Would like BC communications employees to be involved in the communication and implementation plan.

John – Would like same for Manitoba.

Arden – agrees to tell World Bank that the posting on their website is okay, but that we would like a coordinated release.

- Next steps: Name for this committee?

ACTION: James Vaughan – Please email suggestions to him. Also, email any volunteers to work with him on the sub-committee re: Terms of Charter.

BC, SASK, AENV, NFLD Offshore are interested in Terms of Charter work.

Paul – inquiries re: Carbon Credits. How to get carbon credit for not quite feasible project?

Arden – WB working on it – funding demo projects because approval is difficult.

ACTION: Arden Berg - Will bring above question from Paul to World Bank.

Lynne – project in Canada may not be eligible for those credits, probably for non-Kyoto target countries. Special types of projects have received federal funding (ex. Fuel cells).

ACTION: Lynne Patenaude - Will also check for Paul.

Arden - Wants to bring attention to Billion Dollar Bonfire DVD. 25 minutes long and reflects well on Canada.

ACTION: Janet Stewardson - Will provide necessary info if your company / organization is interested in obtaining a copy of the DVD.

James – BC is prepared to host next meeting, then possibly Newfoundland. Any proposed dates?

Richard – October?

ALL – agreed. Question raised about possible tie-ins with other events at same time.

Lynne – No conference to cover issues such as discussed here. Thoughts to raise awareness and good news? Workshop could be open to others?

Randy – Industry not interested in flaring and venting because it has been dealt with. Also, environmental conference not focussed enough on flaring and venting.

Lynne – PTAC forum possible? Energy sector – regulator issues?

Lunch Break

5. Presentation: Gas Camera – Optical Fugitive Emission Pilot Study

Terence Trefiak, ConocoPhillips

6. Presentation: Environment Canada, Federal Framework for Air Emissions

Lynne Patenaude, Environment Canada

Q. Randy: Draft regulations by 2008 – does that include how to calculate baseline emissions?

A. Lynne: Sec. 71 – info on emissions, submissions to regulations, under CEPA. Draft going out next week for 2006 baseline. Sec. 71 is data to which facility has access, just provide info they have. Sec. 71 survey will get 2006 baseline.

Q. Randy: Hope it isn't too far off Alberta goals?

A. Lynne: Some facilities offered info and that was extrapolated. Want a good 2006 baseline. Proposal for facility – specific reporting and each different company. Trying to find out if what is proposed is workable. Trying to get comments re: Sec. 71 from industry.

Q. Jim: It takes a long time to build trust with multi-stakeholder groups. Enviro. Canada gave industry assurance that 1 ton is good, but now seeing 35% reduction. Tough to make committees work if work is not used as was discussed. Is there discussion planned with industry and others regarding this?

A. Lynne: Sector-wide target is being built up and making assumptions. The targets were allocated in different manner than proposed. Not implementing regulations, but sector targets each amount. Significant reduction off 2003 baseline and there are already facilities below that level.

Q. Jim: If they are 400 or 500 over a ton, they need to be under a ton by 2015?

A. Lynne: 1300 tons by 2015, but allocation across facilities not determined.

Q. Jim: What is enviro. Canada's role with B-Dat team?

A. Lynne: Government came to find with proposal is different than what they are working on. The government has worked for years with multi-stakeholders.

Q. Randy: How is verification being done?

A. Lynne: Requested to put together in a few months. Had to determine how to make target. Regulated codes of practice being looked at. Quantifying on company basis uncertain – resources from that haven't come forward.

Q. Todd: Some data obtained resulted in Sask being contacted late in process. Is it possible that data is inadequate? Are you asking for clarification before going forward?

A. Lynne: 68% used to come up with absolute targets. 2006 number need to be adjusted.

Q. Todd: Modelling used was a problem, not data.

A. Lynne: Intend to provide better data?

Todd: Process of consultation was poor – only had 2-3 weeks to provide data and data asked for was not clear.

Q. Arden: How were sector target numbers established?

A. Lynne: Somewhat different for each pollutant. Benchmark with technology and what was achievable in 2015. What was achievable in rest of country – not exactly same for each source / pollutant. Refining used methodology with CCME. Upstream had a different starting point, not multi-stakeholder.

Q. Arden: What is a particular company was an early mover re: targets, are they then expected to meet those still?

A. Lynne: No decision how sector targets are met. Facility specific applications with CAPP. Application back for each facility based on baseline. Early leaders – make everyone reach that. Facility specific applications of targets to air pollutant side. But Greenhouse gas consensus is that individual companies may not be as happy as company presidents. Enviro Can. Wants to recognize and reward early actors – need to talk to CAPP about this. CAPP needs to come forward with a consensus. Some industry doesn't want facility specific applications. With air quality it's difficult to have a different approach for different sector regulations. CAPP has capped the facility production numbers. Challenge moving from earlier baseline. Current government makes it hard to recognize baselines. Heard economic analysis done at national level, but not robust for individual level. More detailed economic analysis to come.

7. Presentation: Dealing with the public – Public Objections.

Presentation from our Appropriate Dispute Resolution (ADR) team.

Anna Rose, EUB

Meeting Adjourned