



SPOG

SUNDRE PETROLEUM OPERATORS GROUP

Happy New Year

Greetings to everyone and I personally want to convey how sorry we are to have missed the opportunities to connect, learn and share with our neighbours, friends, members and the synergy community through this pandemic and we are anxiously awaiting the time when we can get back to in person meetings, gatherings and overall relationship building. We hope that 2022 brings renewed relationship building and growing!!

We have been very busy at SPOG over the last year in spite of the fact that we have had very limited engagement and here are some of the highlights:

SPOG PILOT METHANE EMISSIONS MANAGEMENT PROGRAM (MEMP) WHAT IS THE METHANE EMISSIONS MANAGEMENT PROGRAM?

- The Government of Alberta has recently introduced regulations to reduce methane emissions in the Oil & Gas industry by 45% by 2025. The regulations prescribe detection and quantification of fugitive methane releases and prescribe control measures for methane vents.
- Both the Government of Alberta and the Oil & Gas industry are committed to reducing methane emissions in the most cost-effective way. New technologies are now available to detect and quantify methane releases in a quick, accurate, and innovative approach that will lead to cost-effective control
- The Methane Emission Management Program, or MEMP, is the systematic evaluation of alternative methane detection and quantification technologies, relative to the conventional technologies currently prescribed in regulation. A successful program will lead to wide-spread deployment of these new technologies across the province. This will reduce costs to the oil and gas sector by >\$30M/year, while creating sustained job growth, and a more competitive industry.

KEY OBJECTIVES OF THE SPOG MEMP PILOT

1. Evaluate selected alternative detection and quantification technologies and confirm technical and economic viability at scale.
2. Develop an area-based 'altFEMP program' for SPOG area, gain AER approval, deploy the programs, and monitor its performance thru 2021. Strive for 100% producer participation in SPOG.
3. Export the knowledge and systems to other producers and producing areas of the province, to inform further altFEMP developments
4. Develop a comprehensive inventory of methane releases and equipment using ground surveys with OGI for release detection, and high flow sampler and QOGI for quantification, with outliers validated by follow-up surveys.
5. Establish SPOG as the preferred pilot area for new methane detection and quantification technologies. Incorporate new technologies into the altFEMP programs as appropriate
6. Develop the data tools and systems to collect all pertinent methane information for analysis and reporting

WHAT WILL THE PUBLIC SEE

While methane is an invisible and odorless gas, the technologies used to detect methane are indeed visible. Residents, landowners, and municipalities should expect to see an increase in service providers. The pilot will incorporate trucks, planes, and drones in close proximity to oil and gas facilities and wells.

Examples of service crews anticipated in the SPOG area are shown below:

The Alberta Methane Emissions Program (AMEP)

Key Objectives of the SPOG MEMP Pilot

The Alberta Methane Emissions Program (AMEP) is a three-year \$17.6 million funding program to support Alberta's methane emissions reduction efforts.

Funding will support three key components: 1) Alternative Fugitive Emissions Management Program proposals (Alt-FEMPs), 2) Data Management and Analytics, and 3) New Technology Trials.

Our Mission

The program is intended to enable methane emissions reductions in Alberta's oil and gas industry, while supporting government regulatory revisions, reducing costs to industry, and assuring best practices regarding methane detection and management. AMEP is funded by Alberta's Technology Innovation and Emissions Reduction (TIER) Fund and administered by the Delivery Agent Partnership (DAP) established by Carbon Management Canada (CMC) and the Sundre Petroleum Operators Group (SPOG). Under the sponsorship of Alberta Environment and Parks (AEP) and in collaboration with the Alberta Energy Regulator (AER), the AMEP will provide an international showcase for environmental and economic improvements that can be generated by private sector innovation, academic research and development and proactive policy and regulation.

Delivery Agent Partnership

Carbon Management Canada (CMC) is an independent, science-based non-profit organization focused on the development and implementation of industrial emission solutions to enhance the competitiveness of industries. One of CMC's core mandates is to support the Albertan and Canadian economy and job growth by supporting technology development and commercialization locally to meet global demand for emissions management. CMC completes methane monitoring and CCUS solution consultation, and operates a one-of-a-kind, world-class field research facility.

Sundre Petroleum Operators' Group (SPOG) is a grassroots non-profit society that responds to the interests and concerns of the residents, landowners, and industry operators in the Sundre/Olds region. SPOG demonstrates synergistic solutions to problems and opportunities created by the interface of the oil and gas industry within communities that includes all sectors: industry, community, and government. SPOG continues to provide avenues to demonstrate Alberta's commitment and leadership in methane management.



REGIONAL EMERGENCY MANAGEMENT PILOT (REMP)

WHAT IS THE REGIONAL EMERGENCY MANAGEMENT PILOT

- The Government of Alberta has recently introduced regulations to the municipal requirements for emergency management. Regulations covering the Oil & Gas Industry emergency preparedness and response are evolving across multiple jurisdictions. Industry has been proactively involved with the Canadian Standards Association in developing and producing a standard for Emergency Management (CSA Z246.2-18) on the oil & gas industry.
- Both the Government of Alberta and the Oil & Gas industry are committed to being prepared for and responding to emergency events. Directionally, within the Alberta Emergency Management Agency, Local and Municipal Authorities there is a movement to regional incident management teams that allows for concentrated training, skill development, capable incident management teams while being economically efficient.
- A regional Emergency Management Pilot is an evaluation and demonstration that the same approach, used within the Oil & Gas industry will produce the same benefits. A highly trained team capable of managing an incident and coordinating with government and local authority teams using the same incident management system
- A regional Emergency Management Pilot will show the economic benefit to participating members by allowing for removal of duplicated materials, combining training efforts to IMT members, coordinated training with municipal and industry teams, joint exercises while increasing response effectiveness, regional hazard assessments, and other cost reducing models. Within the pilot area a model for reducing resident information costs and Industry joint exercises already exists.

What's New at the AER

Please go to www.aer.ca to see the following links to what's new at the AER

Dec 16

Directive 010 - Minimum Casing Design Requirements

Dec 15

Announcement - December 15, 2021 - Update to Alberta Energy Industry Water Use Performance Report

Dec 13

Bulletin 2021-46 - Geothermal Resource Development Act (GRDA) Proclamation

Dec 01

Bulletin 2021-45 - New Requirements and Guidance Related to Liability Management





Regulating Coal Development

Our new spotlight feature shows how we make decisions about coal development and how we ensure its environmentally responsible and in the best interest of Albertans.



Putting a Microscope on Industry Water Use

Our Water Performance Report shows how water is allocated and used by companies in Alberta to recover oil, gas, and oil sands resources.



Methane Reduction in Alberta

We're collaborating with the Government of Alberta to reduce methane emissions from Alberta's upstream oil and gas industry by 45 per cent by 2025.

MEMBERSHIP CHANGES AND ADDITIONS.

We have had some changes within our membership over 2021 and are sorry to see some familiar faces leaving but we are hoping it be “see you soon” instead of goodbye:

Sitka Exploration has now sold to **Certus Oil** and we are happy to welcome Certus to SPOG. We wish all the best to staff at Sitka who have supported us over the years and look forward to working with Certus.

We are excited to announce that **Whitecap Resources** has joined SPOG as well in 2021.

TimberRock Exploration have announced the sale of their assets in SPOG to Whitecap effective January, 2022. The staff at Timberrock will be missed and we wish them all the best.

We would like to say congratulations to **Patricia Poulton** on her retirement from **TC Energy** and say thank you from the bottom of our heart for the many years of support Patricia has provided. We will miss you and please stay in touch.

We also say good bye to **Bruce Beattie**. Bruce has been a member of SPOG's board of directors for many years as Reeve of Mountain View County and has supported SPOG throughout his tenure. Good luck in the future Bruce and please stay in touch!

As we say goodbye to 2021, on behalf of the Board of Directors and staff, I hope you all had a peace, joy and a restful holiday. May we continue to spread collaboration, synergy, hope and laughter in the new year. A very special thanks to staff at SPOG for their continued efforts and hardwork.

See you in 2022!!

Sincerely
Tracey McCrimmon
Executive Director

