

Coalbed Methane/Natural Gas in Coal Multi-Stakeholder Advisory Committee (the Committee)
Meeting Minutes
Red Deer Room, Red Deer Lodge
December 6, 2004
9:30 to 3:30

In attendance:

Mike Ekelund (chair)	Department of Energy
John Hermans	Alberta Agriculture, Food and Rural Development
Phyllis Kobasiuk	Alberta Association of Municipal Districts & Counties
Mary Griffiths	The Pembina Institute
Sharil Baumgardner	Alberta Environmentally Sustainable Agriculture Committee
Bob Willard	Alberta Energy & Utilities Board
Tom Nahirniak	Alberta Surface Rights Federation
Don Bester	Butte Action Committee/Rimbey & District Clean Air People
Deryl Hurl	Canadian Association of Petroleum Landmen
Mike Gatens	Canadian Association of Petroleum Producers (CSUG)/ Canadian Society for Unconventional Gas / Small Explorers and Producers Association of Canada
Dave Kopperson	Canadian Association of Petroleum Producers (CSUG)/ Canadian Society for Unconventional Gas / Small Explorers and Producers Association of Canada
John Squarek	Canadian Association of Petroleum Producers / Canadian Society for Unconventional Gas / Small Explorers and Producers Association of Canada
Brad Murray	Freehold Petroleum & Natural Gas Owners Association
Karen Henderson (secretary)	Alberta Energy
Sharla Rauschnig (presenter)	Alberta Energy
Rhonda Wehrhahn (presenter)	Alberta Energy
Tom Byrnes	Energy & Utility Board
Hal Knox	Energy & Utility Board
Nga de la Cruz	Alberta Environment
Barry Cole (presenter)	Sustainable Resource Development
Bill Brown	
Kevin Heffernan	
Sari Shernofsky (presenter)	
Absent:	
Gene Rawe	Alberta Beef Producers
Robert Donick	The Coal Association of Canada
Gene Roach	Community Development
Peter Watson (co-chair)	Alberta Environment

Welcome and Introductions

The meeting started at 10:00.

Review/Ratification of Documents

ACTION

- *Minutes from November 1 were accepted with minor modifications.*

CASA Recommendations for Flaring/Venting

John Squarek advised that the CASA working group will be looking at their draft report January 20 and will forward recommendations to the CASA board in March 2005. They are suggesting categorizing wells as wet or dry with different rules for each. The EUB will forward proposed definitions of the two categories to CASA by December 15.

Parking Lot Issues

Mike provided a handout that summarized the issues previously identified as out of scope for the consultation. The MAC requested the issues be outlined in greater detail for clarity. The working groups may still identify additional issues.

ACTION

- *Karen Henderson will review all working group drafts to identify parking lot issues and ensure each is addressed in sufficient detail.*
- *Letters will be sent by the Chair of the MAC to the appropriate group/organization for their information.*

Surface/Air Issues Working Group (SAWG)

Barry Cole provided a handout updating SAWG issues. They have reached consensus on a number of their recommendations and continue preparation and review of their draft report. The MAC did not approve a request for a further deadline extension to the end of January 2005. Instead, the MAC discussed several alternatives.

DECISION

- *The SAWG will provide their written recommendations on NGC specific and strongly related issues to the MAC by January 5, for review at the January 10 meeting.*
- *Issues that are not NGC specific or strongly related to NGC - will be provided to MAC, including an assessment of consensus among SAWG members, by January 5.*
- *The submitted material will be reviewed by MAC who will provide direction as appropriate.*

ACTION

- *Karen Henderson will distribute SAWG draft recommendations to the MAC by January 5.*

Best Practices Manual

The MAC discussed what a best practices document should and should not include. The document is intended to help advise how to meet or exceed current standards and regulations. Generally, the manual is not legally binding, identifies acceptable practices and is not intended to replace existing legislation or regulations. The manual would focus on NGC development, rather than the oil and gas industry as a whole.

Industry representatives at the table agreed to take the lead on the development of this document.

ACTION

- *MAC industry representatives will take the lead in the development of a best practices manual, with support from the EUB.*
- *The MAC will consider development of an advisory committee to assist with the process.*
- *Work will start after the presentation of the SAWG recommendation report (January 10). A scoping document will be developed to address what the best practices manual should encompass.*
- *The scoping document will be included in the MAC preliminary findings at the end of March, with work on developing the actual manual to continue after that.*

Royalty Working Group

Sharla provided an update and handout on behalf of the Chair of the Royalty working group. The working group last met on November 24 and has reached some tentative conclusions. They requested an extension to January 5 for submission of their report to MAC. The working group advised they had reached “informal consensus” on a number of issues and the MAC asked for clarification as to what this means.

DECISION

- *The MAC approved extension of submission of the Royalty working group report until January 5, 2005.*

ACTION

- *The Royalty working group will provide their recommendations prior to the next MAC meeting.*

Background Information for Preliminary Findings

The MAC reviewed the draft background document prepared by the writer, Sari Shernofsky. The use of footnotes was suggested to help clarify unfamiliar terms for the reader. The MAC agreed that it was not necessary to keep issues in the same order as in the working group reports. As this will be a stand-alone document, it will be important that issues are explained in sufficient detail to ensure clarity. There also needs to be consistency between recommendations.

The MAC discussed the report format and recommended issues be listed by category and ranked from “NGC specific” to “general oil and gas”. Each section should include a short background, outline of the issue, discussion and recommendation. The MAC is responsible for what will be contained in the preliminary findings document and the final report.

DECISION

- *Technical terms and data will be included in an appendix or glossary.*
- *The report will be prepared by topic (i.e. water, surface/air, tenure and royalty) and under each topic, issues will be prioritized from “NGC specific to “general oil and gas”.*

Water Working Group

Dave Trew provided an overview of the Water working group draft report to the MAC. The recommendations were not listed in order of priority and some further technical data may be required. The working group would like any feedback or comments from the MAC prior to the next MAC meeting.

ACTION

- *The Water working group will prioritize their issues and forward the final report to the MAC by January 5.*
- *The MAC will review the report and will discuss its recommendations at the next MAC meeting.*

Future Agenda Items

- Review of Mineral Land Tenure working group recommendations.
- Review of Water working group recommendations.
- Presentation of SAWG recommendations.
- Presentation of Royalty working group recommendations.
- Update on out-of scope issues.
- Review of best practices scoping document.

Next Meeting (changed to 9:30 January 13, Red Deer Lodge)

Future Meetings

January 24
February 7
February 22
March 7