

Petro-Canada Sullivan Application Lumbers On and On and On...

When it comes to describing the Petro-Canada Sullivan application, well, you just could not make this sort of stuff up if you tried! Casting our minds back, in November 2008, the ill-fated Energy Resource Conservation Board (ERCB) hearing began into proposals by Petro-Canada to drill 11 new sour gas wells and construct a 37-kilometre pipeline, all within the borders of Kananaskis Country.

An awful lot of gas of a different sort has filled the Alberta air since that

long drawn-out hearing came to an end in January 2009. The hearing process was briefly suspended in February, following news that Petro Canada and ERCB staff members had entered into an inappropriate personal relationship during the hearing. Having ruled that the relationship did not compromise the credibility of the process, the ERCB recommenced the hearing, although opposing lawyers tried to have it suspended again while they appealed the ERCB's decision.

The hearing process was put on hold again in November 2009 when the ERCB announced that it was suspending any issuing of new sour gas well licences while it pondered the implications of a rap on its knuckles by the Alberta Court of Appeal. The Court found that the ERCB had incorrectly interpreted its own rules in January 2009 when it denied three residents of the Rocky Rapids area the right to oppose two proposed sour gas wells close to their properties. The ERCB promptly changed its rules (see WLA, December 2009).

Since the official hearing ended in January 2009 there has been a more-or-less continual stream of correspondence between ERCB, Petro-Canada and lawyers for the numerous interveners in the case. This has concerned everything from constitutional questions concerning First Nations rights, to consideration of alternative pipeline routes, to motions to compel Fish and Wildlife staff to be made available for questioning.

If we throw into the brew the fact that Petro-Canada merged with Suncor in August 2009, and that natural gas prices have tanked since the golden days of Petro-Canada's original application, we may be left with a huge white elephant of an application that many parties dearly wish would just go away. Although final arguments were submitted to ERCB in June 2009 the hearing still shows no sign of coming to an end. In fact lawyers opposing the application have now officially applied to have the entire hearing reopened because current low gas prices have rendered the application uneconomic and therefore not in the "public interest." Who knows what further twists to this saga 2010 will bring!

- Nigel Douglas



Title: Winter Bear, watercolour, 3 1/2" by 6 1/4" © COLLEEN CAMPBELL