

Administrative Penalty Director’s Decision

Named Party: Pembina Pipeline Corporation **BA Code:** 0205

File No. 2023-019

Preliminary Penalty Assessment

Number of Contraventions Identified	Base Assessment Amount	Factor Variance(s)	
Contravention 1	\$1500	(a) + 3 000 (b) + 6 000 (e) + 3 000 (f) + 3 000	
Contravention 2	\$1500		
Contravention 3	\$1500		
Contravention 4	\$1500		
Contravention 5	\$1500		
Contravention 6	\$1500		
Total Contravention: 6	Total Base Assessment: \$9 000	Total Variance:	15 000
Total Preliminary Assessment:		\$24 000	

Director’s Decision Summary

On January 17, 2025, I, Erik Kuleba, Director, Field Operations & Emergency Management, Regulatory Compliance for the Alberta Energy Regulator (AER), spoke with Kevin Evans, Manager, Project Planning & Compliance for Pembina Pipeline Corporation (Pembina) to discuss the Preliminary Administrative Penalty Assessment (PA). Mr. Evans chose to review the PA and respond back in writing by February 3, 2025, if Pembina had any additional information to provide. The AER sent Pembina the PA on January 20, 2025.

The PA identified the following contraventions and penalty assessments.

CONTRAVENTION 1

On or about March 10, 2023, the AER became aware that, on January 23, 2023, in the Province of Alberta, Pembina Pipeline Corporation commenced an activity without completing a wildlife sweep, contrary to Condition 1600 of Regulator Temporary Field Authorization 2213131, thereby contravening section 56(1)(n) of the *Public Lands Act*.

Public Lands Administration Regulation				
BASE PENALTY TABLE				
Seriousness of Contravention				
Extent of actual or potential loss or damage		Major	Moderate	Minor
	Major	5000	3500	2500
	Moderate	3500	2500	1500
	Minor	2500	1500	1000
	None	1000	650	250

CONTRAVENTION 2

On or about March 10, 2023, the AER became aware that, on January 28, 2023, in the Province of Alberta, Pembina Pipeline Corporation commenced an activity without completing a wildlife sweep, contrary to Condition 1600 of Regulator Temporary Field Authorization 2213134, thereby contravening section 56(1)(n) of the *Public Lands Act*.

CONTRAVENTION 3

On or about March 10, 2023, the AER became aware that, on January 27, 2023, in the Province of Alberta, Pembina Pipeline Corporation commenced an activity without completing a wildlife sweep, contrary to Condition 1600 of Regulator Temporary Field Authorization 2213135, thereby contravening section 56(1)(n) of the *Public Lands Act*.

CONTRAVENTION 4

On or about March 10, 2023, the AER became aware that, on January 24, 2023, in the Province of Alberta, Pembina Pipeline Corporation commenced an activity without completing a wildlife sweep, contrary to Condition 1600 of Regulator Temporary Field Authorization 2213136, thereby contravening section 56(1)(n) of the *Public Lands Act*.

CONTRAVENTION 5

On or about March 10, 2023, the AER became aware that, on January 23, 2023, in the Province of Alberta, Pembina Pipeline Corporation commenced an activity without completing a wildlife sweep, contrary to Condition 1600 of Regulator Temporary Field Authorization 2213137, thereby contravening section 56(1)(n) of the *Public Lands Act*.

CONTRAVENTION 6

On or about March 10, 2023, the AER became aware that, on January 27, 2023, in the Province of Alberta, Pembina Pipeline Corporation commenced an activity without completing a wildlife sweep, contrary to Condition 1600 of Regulator Temporary Field Authorization 2213138, thereby contravening section 56(1)(n) of the *Public Lands Act*.

Seriousness of Contravention: Moderate

The requirement to conduct a wildlife sweep before conducting any land disturbance serves as a safeguard for wildlife, aiming to protect species and preserve critical habitats such as raptor nests and occupied dens. Similar to other AER rules, like identifying underground pipelines prior to excavation, this requirement emphasizes the importance of proactive planning and preventative measures. However, unlike these comparable rules, the scope of the wildlife sweep is comparatively limited. It is intended as a rapid, preliminary evaluation rather than an in-depth wildlife survey. Accordingly, the seriousness of the contravention is assessed as “Moderate”.

Extent of Actual or Potential Loss or Damage: Minor

Under the *Public Lands Act*, "loss or damage" encompasses "any unauthorized alteration of any property or resource." While no evidence was provided to demonstrate actual loss or damage to critical wildlife features (such as occupied raptor nests, active dens, or mineral licks), Pembina proceeded with the activity without conducting a wildlife sweep. Consequently, potential damage cannot be entirely ruled out. However, there is no indication of widespread, lasting, or significant impacts that would constitute a moderate or major level of loss or damage. Therefore, an assessment of minor, focused on potential loss or damage, is appropriate in this instance.

Base Assessment: \$1500 x 6 Contraventions (Contraventions 1 – 6)

Factors Applicable to this Case

Factor from above	Total Amount Varied	Description/Comments
(a)	+\$3000	\$500 is applied since not following requirements under the Public Lands Act increases the risk of negative impacts, such as loss or damage to public lands. This goes against the regulatory scheme to ensure environmentally responsible development of energy resources. \$500 is applied to each contravention.
(b)	+\$6000	\$500 is applied regarding Pembina's prior commitment to no longer conduct flyover wildlife sweep and failure to implement appropriate changes to prevent re-occurrence. \$500 is applied for ignoring AARES statement that a flyover is a variation from the required walkthrough and does not satisfy Condition 1600. \$1000 is applied to each contravention.
(c)	Neutral	Factor not applied in this case.
(d)	Neutral	Factor not applied in this case.
(e)	+3000	Pembina was issued a prior noncompliance on March 23, 2022, for not completing a wildlife sweep. +\$500 is applied for history of noncompliance. \$500 is applied to each contravention.
(f)	+\$3000	\$500 is applied as Pembina derived an economic benefit for not complying with the requirement to conduct a proper wildlife sweep. This is not an assessment of the economic benefit amount; it is a recognition that an economic benefit was derived from the contravention. \$500 is applied to each contravention.
(g)	Neutral	Factor not applied in this case.

Discussion

Pembina elected to submit a written response rather than an in-person meeting when contacted on January 17, 2025, regarding the preliminary assessment. The AER provided the preliminary assessment to Pembina on January 20, 2025 with a deadline of February 3, 2025, for the submission of a written response.

Pembina's written submission to the AER on January 31, 2025, contained no additional information for consideration. Pembina's submission acknowledged responsibility for the contraventions, accepted the assessed penalty, and committed to following the requirements of the Wildlife Sweep Protocol going forward. With the submission, there is no new relevant information to be considered prior to making a final decision and Pembina stated that it accepted the penalty as presented.

