

'Personal' relationship derails hearing for southern Alberta sour gas project

By Kelly Cryderman and Deborah Tetley, Calgary Herald
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A budding personal relationship has derailed an already contentious hearing into a sour gas project in southern Alberta.

In an unprecedented move, the province's energy regulator announced Thursday it has suspended an ongoing energy application hearing due to a "personal" relationship between a Petro-Canada representative and an agency employee.

"We've never had to take steps of this nature," said Bob Curran, a spokesman for the Energy Resources Conservation Board.

"We just want to ensure that the integrity of the process hasn't been compromised in any way."

The reasons for the delay shocked and infuriated stakeholders in the Longview area.

"My clients and I are simply surprised," said lawyer Stan Carscallen, who represents a group of ranchers and landowners who are opposed to the drilling.

"We had no inkling any such thing was going on."

Similarly, the lawyer who represents the Stony Nakoda Nations said his clients were stunned and disappointed, given the time, money and energy that has gone into the month-long process.

"We vigorously object to any semblance of (bias)," Oliver MacLaren said. "This is all a bit of a shock."

The board has been holding public hearings since Nov. 12 on Petro-Canada's controversial proposal to drill 11 sour gas wells and build a pipeline in the Eastern Slopes west of Longview.

"This has been an involved process so these shenanigans must have been pretty shady or swamy to call things to a halt," said 72-year-old rancher Harvey Gardner, who is opposed to the Sullivan Field project.

Curran would only disclose that the relationship began in this calendar year and that the board employee told panel officials about the relationship this week.

"The panel and other staff were unaware of (the relationship) prior to this point."

A spokesman for Petro-Canada said the company will co-operate with the probe.

"Obviously this is disappointing news," Kyle Happy said.

"We respect the ERCB's decision and their hearing process. We are therefore taking this matter very seriously and will co-operate fully with the ERCB in its investigation."

The board said it will hire an outside investigator to look into the relationship to make sure that the "integrity" of the process is upheld.

The board took pains to point out the agency employee is not a "decision maker" at the hearing, but both people have been involved in the hearing. The employee has been placed on an administrative leave, pending the results of the investigation.

Curran said in his nine years at the agency this is the only time he can recall a board hearing being suspended due to a personal relationship.

"We want to avoid any perceived conflicts," he said. "We're very sensitive about those sorts of things."

Curran said it is not unheard of to see relationships between board staff members and companies with applications before the board.

"But what we do in those situations is those staff don't participate in any files that involve any company where there's a conflict or perceived conflict of interest," he said.

"For example, if someone here had a spouse who worked at EnCana, then they wouldn't work on any files that pertain to EnCana."

Curran said the board hasn't yet found an outside investigator, but he hopes the process will be completed as quickly as possible.

"This proceeding has taken a long time as it is."

It remains to be seen whether the investigation into the relationship will lead to a new hearings, or what actions will be taken.

The ERCB panel hearing Petro-Canada's application will make the final decision on what will be done.

All parties opposing the drilling said they eagerly anticipate the results of the investigation to know whether the process picks up where it left off, or starts over again.

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