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NATIONAL ENERGY BOARD ORDERS PIPELINE FIRMS TO POST EMERGENCY MANUALS ONLINE

Canada's energy watchdog ordering pipeline companies to post their emergency response plans online as part of a broader effort to build public trust. The National Energy Board believes it's the first regulator in North America to have that requirement. Companies must have their emergency procedures manuals available on their websites by the end of September, according to the order issued Tuesday.

Some information may be excluded, such as personal information and details that may jeopardize security or harm traditional indigenous sites or at-risk species. Board chairman Peter Watson has been travelling the country discussing the role of a regulator that at one time flew under the radar of most Canadians.

Based on the feedback he got, Watson said there is a growing public appetite for transparency as the debate intensifies over pipelines and the development of the oil and gas they carry. "We've always reviewed manuals, we've always reviewed companies' emergency management systems to make sure they're robust, but Canadians are now saying they want more information and we're just acting on what Canadians are telling us," Watson said in an interview in the NEB's downtown Calgary office. "This is an example where I felt quite strongly that we could put more information out about companies' emergency response plans and help people understand what's at play and how these things work. And that will, I think, give them more confidence that we know what we're doing around these systems for emergency response."

The order applies to Kinder Morgan's existing Trans Mountain pipeline, which ships 300,000 barrels a day of various petroleum products from Alberta to the B.C. Lower Mainland. Kinder Morgan is aiming to triple the capacity of the line. The NEB has wrapped up hearings into that contentious project and Ottawa's final decision is expected in December."If the expansion is approved, and the project goes ahead, they will then need to update their (emergency response) plan for the expansion project," said Watson. The NEB completed public consultations last summer about how emergency response information should be handled. It received 35 submissions, hearing from industry, first responder groups, municipal governments and others.

advocates Environmental welcomed the move, but said there are lingering concerns.

Sven Biggs, with ForestEthics, called the order a "step in the right direction," but said "there are much bigger problems at the NEB."Biggs referred to a scathing audit by the federal environment commissioner in January that found the board had failed to properly track pipeline approval conditions and follow up problems.Adam compliance Scott, with Environmental Defence said: "I don't think it's going to solve all of their problems, but I think it's a really positive step.""I think it will be very interesting to see what the companies post."In particular, Scott said he's not optimistic companies will have adequate emergency response plans to clean up tarry oilsands bitumen that's been diluted with less viscous petroleum products.

KEYSTONE PIPELINE SHUT DOWN AFTER **CRUDE LEAK IN SOUTH DAKOTA**

The the leak source of under investigation remains

TransCanada Corp. has shut down its Keystone crude oil pipeline indefinitely after a leak was detected Saturday afternoon in South Dakota.

company is investigating the incident near its Freeman pump station, in a remote Hutchinson area County.

It is not clear how much oil was spilled but cleanup is underway.

"We've been given an early estimate, but until they actually dig down to the pipeline, I don't think they're going to have a firm number on the exact number of gallons that were involved," said Chris Nelson, chairman of the South Dakota Public Utilities Commission.

TransCanada is in the process removing the oil and investigating the source of the leak, reported at 4 p.m. Saturday.

"No significant impact to the environment has been observed and our investigation continues," Calgary-based TransCanada officials said in a statement.

The pipeline remains shut down from Hardisty, Alta., to Wood River, Ill., and from Steele City, Neb., to Cushing, Okla. However, the Gulf Coast line, from Cushing to Nederland, Texas, remains operational.

advised TransCanada has affected shippers the line will remain closed until at least Friday.

BRITISH ACQUIRER VOWS TO SUCCEED WITH IVANHOE ENERGY'S OIL **UPGRADING TECH**

Vancouver-based Ivanhoe Energy Inc. is gone but the British company that snapped up its heavy oil upgrading technology for \$25,000 in a bankruptcy sale is vowing it will make real Ivanhoe's dream of "revolutionizing" the Alberta oilsands industry. Privately owned FluidOil

Ltd. of London announced Monday it has completed the acquisition of Ivanhoe's HTL (heavy-to-light) upgrading technology and plans to finalize the engineering plan for a 300-barrel-per-day pilot project by year-end.It said it has already been testing bitumen feedstock at its facility in the U.K. and plans more demonstration testing at the Ivanhoe facility it just purchased at San Antonio, Texas. "The technology has the ability to turn bitumen into WTI (West Texas Intermediate) at very low cost," said Charlie Parker, chief executive of FluidOil, reached Monday in the U.K. as he was about to board a flight to Calgary for meetings. "For Alberta, we've got the ability to completely revolutionize the way oil is got to market because it will change the way pipelines work. It's got the ability to change the balance of power in the oil industry in Alberta." Upgrading oil before it is shipped to distant refineries to be turned into consumer products saves money because it uses less pipeline space. Heavy, sticky raw bitumen must be diluted with costly lighter petroleum such as condensate to flow.According to online documents from Ivanhoe's bankruptcy receiver,



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KPMG, the failed company's two Tamarack oilsands leases were sold to giant Suncor Energy Inc. for an undisclosed price in October after a formal marketing process. The leases cover nearly 3,000 net hectares in northern Alberta and contain proved plus probable reserves of 172 million barrels of bitumen. Suncor spokeswoman Sneh Seetal confirmed the purchase Monday but wouldn't give a purchase price. She said there are no immediate plans for the leases which are located near Suncor's oilsands mining operations. According to KPMG, FluidOil was the only bidder for the HTL intellectual property and patents. Its initial bid was rejected but it followed up with a revised bid and negotiations resulted in the agreement to sell for \$25,000 and the assumption of any liabilities

from Ivanhoe's U.S. operations. FluidOil's operational partner is Calgary-based Red Giant Energy Services Ltd., a private five-man oilfield services company founded in 2014 that specializes in renting out 1,000-barrel storage tanks for oil and other liquids, mainly from its Grand Prairie field offices.Red Giant CEO Jason Clemett, a former chief operating officer at Trinidad Drilling Ltd., said his company will look after hiring experts to build and operate the pilot project equipment once the joint venture has chosen a producer partner. "After that, we'll have to hire some engineers and put our team together," he said. "We're going to build this asset in Alberta ... we're hoping to commission in early Q3 2017."Parker said the venture is in serious negotiations

with four "mid-tier" thermal oilsands producers interested in hosting the pilot project. The company's "kit" combines Ivanhoe's HTL mechanical discoveries with FluidOil's chemical knowledge, dubbed Viscositor HTL, he said, adding the 300-bpd oil refinery will be mounted on skids and easily transportable with three trucks. A 2,000-bpd model would require five trucks. Parker said the aggressive timeline is made possible by the slump in the Alberta oilpatch, which has freed up the resources needed to engineer and build the product. Financing is in place for the pilot project, Parker said, but he wouldn't say how much it's going to cost. Ivanhoe was petitioned into bankruptcy by its cofounder, financier Robert Friedland, who had put \$6.4 million US into the company.It had proposed building a \$1.37-billion, 20,000-barrel-perday thermal project on its Tamarack leases, which were purchased for \$75 million in 2008 from Talisman Energy Inc.Its now-concluded bankruptcy process resulted in a \$700,000 settlement payment to Talisman (now Repsol S.A.) on a claimed \$15-million debt and about \$4 million to Friedland, documents say.

OILSANDS PRODUCER SIGNS ON TO TEST ENERGY EFFICIENT STEAM GENERATOR TECHNOLOGY

ClearSign Combustion technology said to improve emissions, fuel efficiency

Emissions control firm ClearSign Combustion Corp. has announced an unnamed Canadian oilsands producer has signed on to test, and potentially broadly install, the company's emissionscutting combustion technology.

The Tukwila, Wash.-based company

said it will deliver a fully-engineered unit based on its Duplex technology to an Alberta oil firm within the next six months. The oil company will then field test the design and potentially deploy the technology across its fleet of approximately 40 once-through steam generators.

"This agreement is similar to previously announced projects where the operator is seeking to validate ClearSign's technology," Stephen Pirnat, ClearSign's chairman and CEO, said. "We look forward to completing a successful design and showcasing Duplex's unique capabilities for the first time in the Western Canadian oil sands, which is an addressable market of several hundred OTSGs."

The company says its Duplex technology reduces nitrogen oxide emissions to "unprecedented levels" while increasing fuel efficiency. As climate change and clean economy initiatives take hold across Canada, oil and gas producers are under increasing pressure to reduce emissions at all stages of production.



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