

**EMISSIONS MANAGEMENT AND CLIMATE RESILIENCE ACT**

**BEING SA 2003 CHAPTER E-7.8 (the "Act")**

**COMPLIANCE ORDER NO. CO-EMCRA-41079**

Acquisition Oil Corp.  
850, 333 7 Ave SW  
Calgary, Alberta  
T2P 2Z1

WHEREAS on January 31<sup>st</sup>, 2020, the director designated a group of conventional oil and gas facilities as an aggregate facility ("AG1A: NW ALBERTA") under section 5(3) of the *Technology Innovation and Emissions Reduction Regulation* (the "Regulation");

WHEREAS AG1A: NW ALBERTA is an "aggregate facility" under section 1(1)(b) of the Regulation;

WHEREAS 2020 was the first year for which AG1A: NW ALBERTA was designated as an aggregate facility under section 5(3) of the Regulation;

WHEREAS Acquisition Oil Corp. ("Acquisition") is the "person responsible" for AG1A: NW ALBERTA Aggregate Facility under section 1(2)(c)(i) of the Regulation;

WHEREAS Acquisition submitted a compliance report ("Compliance Report") to Alberta Environment and Protected Areas ("EPA") for AG1A: NW ALBERTA Aggregate Facility for the 2022 compliance year on July 4<sup>th</sup>, 2023, under section 15(2) of the Regulation;

WHEREAS AG1A: NW ALBERTA's allowable emissions for 2022 was 6,050 tonnes, expressed on a CO<sub>2</sub>e basis, under section 10(1) of the Regulation;

WHEREAS the Compliance Report indicated AG1A: NW ALBERTA's net emissions for 2022 was 7,952 tonnes, expressed on a CO<sub>2</sub>e basis, which **exceeded** AG1A's: NW ALBERTA's allowable emissions for 2022 by 1,902 tonnes of CO<sub>2</sub>e;

WHEREAS under section 12(2) of the Regulation, the person responsible for an aggregate facility shall comply with the requirement that the net emissions for the aggregate facility for a year shall not exceed the allowable emissions for the aggregate facility for the year;

WHEREAS in an email sent to Acquisition Oil Corp's reporter and certifying official on file, on July 17, 2023, the EPA notified there was an outstanding 2022 compliance payment due June 30<sup>th</sup>, 2023;

WHEREAS in a meeting with Alberta EPA on August 23, 2023, the Vice President and reporter on file for NW ALBERTA, stated a payment schedule will be required to meet the 2022 compliance obligation;

WHEREAS section 10(1) of the Act establishes the Technology Innovation and Emissions Reduction Fund (“Fund”);

WHEREAS the Minister may, by order, establish the amount of money that a person responsible must contribute to the Fund to obtain one fund credit;

WHEREAS under Ministerial Order 62/2022 – Technology Innovation and Emissions Reduction Fund Credit Amount Order, a person responsible must contribute \$50.00 to the Fund to obtain one fund credit for the year 2022;

WHEREAS one fund credit represents one CO<sub>2</sub>e tonne, under section 21(3) of the Regulation;

WHEREAS the total cost for Acquisition to purchase 1,902 fund credits prior to June 30, 2023, at a rate of \$50.00 per fund credit for 2022 would have been \$95,100.00;

WHEREAS Christina Winarski, Director, Climate Regulation and Carbon Markets Branch (the “Director”) has been designated as director for the purposes of issuing compliance orders under the Act;

AND WHEREAS the Director is of the opinion that Acquisition has contravened section 12(2) of the Regulation;

THEREFORE, I, Christina Winarski, Director, pursuant to sections 29 and 30 of the *Emissions Management and Climate Resilience Act*, DO HEREBY ORDER THAT:

Acquisition Oil Corp. shall pay the Government of Alberta:

- a. \$31,700 on August 31, 2023; and
- b. \$31,700 on September 30, 2023; and
- c. \$31,700 on October 31st, 2023,

to be paid into the Technology Innovation and Emissions Reduction Fund.

DATED at the City of Calgary, in the Province of Alberta, this August 28<sup>th</sup> day of August 2023.

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Christina Winarski  
Director, Conventional Oil and Gas  
Climate Regulation and Carbon Markets

**Section 42 of the *Emissions Management and Climate Resilience Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 42 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011- 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.**

**Take notice that this compliance order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this or any other provincial or federal legislation.**