



## GENERAL MEETING MINUTES

**NOVEMBER 27, 2009**

10:00 a.m. – 2:00 p.m., Main Conference Room

Penn West Building, 50th Avenue West, Drayton Valley, AB

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### IN ATTENDANCE

Cecil Andersen	WCAS Chairman, Pembina Agriculture Protection Association
Bob Kitching	Brazeau County
Audrey Kelto	Leduc County
David Brand	Sherritt International
JoAnne Volk	Talisman Energy
Laurie MacNeil	Blaze Energy
Brian Novak	TransAlta Generation Partnership
Bob Scotten	WCAS Executive Director
Greg Swain	WCAS Operations Manager
Patrick Andersen	WCAS QA/QC
Heather Plumb	WCAS Office Manager

Special Guest: Ms. Diana McQueen, MLA

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### ACTION ITEMS

Action Item 1: WCAS to meet with TransAlta, Capital Power and Alberta Environment in order to resolve backup power issue as well as the finalization of the new contract.

Action Item 2: WCAS to send letter to the head of the ERCB requesting further support.

Action Item 3: Bob and Cecil to follow up regarding Environmental NGO participation.

Action Item 4: Heather to collect quotes for local papers regarding 1/4 and 1/2 page ads for Annual Report.

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### 1. Welcome and Introductions

Cecil Andersen called the meeting to order at 10:15 a.m.. Introductions were made.

### 2. Approval of Agenda

Approved as presented.

### 3. Approval of September 25, 2009 Meeting Minutes

Approved as presented.

#### **4. Financial Update: Heather Plumb & Bob Scotten**

Heather presented the Statement of Revenue and Expenses as at Sept. 30, 2009 (**Appendix A**).

Highlights of the Statement of Revenue and Expenses included revenues collected at less than half what was budgeted, due to the economic climate. The following discussion was held regarding the viability of voluntary contributions.

One of the consequences of dwindling support could result in the failure of an Airshed. An example of this, is the near collapse of the Palliser Airshed, due to lack of funding and concluding in the reduction of operations. If that should be allowed to happen it would have resounding impacts on both Alberta Environment and the remaining Airsheds. Both industry and public support for our endeavor would be shaken. One solution may be the creation and enforcement of mandatory involvement, this would reduce the financial obligation of the few organizations that currently support the Airsheds and would create an "even playing field" across industry. Support of these changes has been growing particularly as Saskatchewan nears completion of mandatory participation. In recent conversations Bob was able to reconfirm this support through several major organizations of CAPP.

Ms.McQueen inquired as to specific problems the West Central Airshed is experiencing. WCAS's difficulties stem from two major issues. The first being the economy and securing financial support. Companies will contribute if their support is specified in their Requirements, but voluntary support has been extremely difficult to secure. The second major issue is out of date data used for invoicing. The data we use for invoicing is at least two years out of date. For example, in order to invoice for the beginning of 2010, the data for 2009 will not be available for many months requiring us to use the data from 2008. In the time lapse, between 2008 and 2010, the number of changes in ownership of facilities makes it extremely difficult to accurately invoice, which may contribute to the lack of payment. Ms.McQueen stated that she would be taking our concerns to Ministers Knight and Renner.

Brian offered that for large organizations, Compliance's are easy to fund, while voluntary contributions are often very difficult to secure.

In summation this may be the final year for WCAS to operate on a full scale without substantial increases in financial support. The question was raised as to the possibility of mandatory compliance via Alberta Environment. To which Ms.McQueen would meet with David Helmer to discuss.

In other financial updates, Taqa North has offer to pay a portion of their invoice, in fact slightly less than half of the total amount. While Bob has concerns regarding setting a precedent, it remains that all contributions are voluntary.

## **\* Discussion with Diana McQueen, MLA**

Bob presented an overview of the history of West Central Airshed Society and its current situation. Ms. McQueen thanked the Society for our hard work that is so valuable to Albertans and recognized the value of the Society not being based not in Industry nor the Government. Ms. McQueen also questioned the lack of ERCB participation. To which Bob highlighted that the ERCB's participation is: highly beneficial to both parties, helps resolve data issues as well as provides feedback to our Directors. It was made known that if the ERCB was invited they would attend specific meetings but would not be interested in full time participation. To which Cecil responded, no one would come to meetings, if they were to be called when needed, expressing that we can make it work but are not pleased with the situation. Brian reiterated how valuable it was to be at each meeting to hear issues and concerns. Ms. McQueen offered to follow up with our local ERCB as far as participation. Bob K. summarized the discussion by highlighting the "hole" that was currently in our board and the ERCB should be obligated to participate, willing or not.

## **5. PM and Ozone Management Plan Review: Bob Scotten**

The PM and Ozone Management Plan has submitted, accepted and the first part of the plan implemented. That includes the contracting of a California based company that will ascertain gaps in the data and suggest changes in monitoring. The study has just begun and the Committee will be updated weekly with a conference call. One of the concerns that will be addressed will be the monitoring in the Leduc area. Recommendations may be available in 3-4 months. Dr. Krupa would like to see a station in the South East of the WCAS region. A future study would be undertaken to determine the exact location.

Audrey also mentioned continued interest in participating in the Alberta Air Quality Health Index. The AQHI appears to be an excellent communication tool with the public. WCAS is limited in its ability to report due to our limited capability to report on the 5 components of the AQHI.

## **6. Review of Action Items: Bob Scotten**

**Action Item 1:** WCAS to meet with TransAlta, Capital Power and Alberta Environment in order to resolve backup power issue as well as the finalization of the new contract. **Action Ongoing.**

The primary location of concern is the Meadows location. Fortis is now considering a dedicated power line for April 2010. Another option being considered is the purchasing of a backup diesel generator, at a cost of approx. \$16,000 and the connectors at a cost of \$4,000. Once TGP obtains a quote for the dedicated line, a decision can be made.

**Action Item 2:** Board to send Heather any suggestions you would like to see on the WCAS website. **Action Complete.**

**Action Item 3:** WCAS to invite Diana McQueen, MLA to upcoming board meeting. **Action Complete.**

**Action Item 4:** WCAS to send letter to the head of the ERCB requesting further support. **Action Ongoing.**

**Action Item 5:** Greg and Patrick to research viability of upgrading wind power at Hightower Station. **Action Ongoing.**

**Action Item 6:** Bob to request budget for Agriculture Study for next meeting. **Action Complete.**

Dr.Krupa was able to request a budget of \$135,000 plus \$10,000 for a peer review as well as additional expenses for data analyst. Cecil and Bob are confident the Ag Study can still be completed for under \$200,000.

## **7. Zone Managers Report: Bob Scotten**

### **a. Network Status**

The network continues to operate extremely well. The next major development will be the installation of the seacan at Hightower.

### **b. Shop Development**

The new shop has been built and will be in use shortly.

### **c. Cumulative Environmental Management**

The CEM plan is a coordinated effort to bring land use, water and air management into alignment. Bob is participating in the very early stages of development.

### **d. Non-Government Organization Board Participation**

Bob spoke with Miles Kitogawa of the Toxic Watch and the Alberta Enviro-Network regarding the lack of participation of an Environmental NGO, specifically the lack of a member from the Pembina Institute. Miles will look into participation and Cecil will follow up with Rob McIntosh of the Pembina Institute.

Action Item #3: Bob and Cecil to follow up regarding Environmental NGO participation.

### **e. Annual Report**

Heather will have 100 copies printed and the report will be available online, as well will inquire as to the cost of local quarter or half page ads with Annual Report highlights.

Action Item #4: Heather to collect quotes for local papers regarding 1/4 and 1/2 page ads for Annual Report.

Motion: The board approved a budget of \$6,000 for Heather to complete the Annual Report.

## **9. 2010 Budget**

One of the items suggested was the addition of CO monitors at our stations. At a cost of \$15,000 for each monitor and \$5,000 per scrubber, a significant increase to the budget would have to be considered. In order to monitor for AQHI extensive additions would have to be made to each of our urban stations (Hinton, Edson and Drayton Valley) at a cost of approximately \$100,000 per station. While the AQHI would be an important communication tool for both the public and WCAS, the costs are not feasible at this time. The suggestion was made to add CO monitoring to the Edson station possible through the support of the Edson Synergy Group. The question of grants being available was raised, in response Bob informed us that Alberta Environment funding was extremely tight, although he would continue to search for further grants.

Further discussion was held regarding the Ag Study. One of the major concerns of not running the Ag Study in 2010, is Dr. Krupa's availability in the long term. The risks of not completing the study include investing significant funds in a program, specifically the 2005 study that may not be conclusive. The original study indicated that weather, rain, pests seem to be more significant than air quality. Another risk in not completing this study is the fact that there simply are very few scientists leading this field, as Dr. Krupa does. The question continues to be raised as to whether Dr. Krupa is the only scientist that will be able to complete and, in the long term, interpret the study. As we understand it the Study holds no value for the agriculture community at this time, as there have been no specific conclusions, for example, "x" has "y" effect on food sources.

Questions were also raised as to the value of ending the program. The first issue would be the cost and time involved if the plots were first returned to the landowners and then needed to be returned to a state suitable for study. The intention was to reassess keeping the plots after the study had conclusive results. A mathematician should be able to provide a statistical idea of whether the study fits the real world.

Motion: The Board approved a budget of \$200,000 USD to complete the Agriculture Study.

## **10. Air Monitoring Update: Patrick Andersen**

### **11. Other Business**

#### **a. Town of Drayton Valley: Bob Kitching**

The Town of Drayton Valley recently unveiled plans for a Bio-Ethanol Plant. Many questions have been raised in regards to Air Quality. This plant has received \$20 Million in funding from Alberta Environment and \$5 Million in funding from the Town of Drayton Valley. WCAS has been asked to make a presentation on Compliance Monitoring. There may also be an opportunity to move the Drayton Valley station.

#### **b. History of Airsheds and WCAS: Cecil Andersen**

Cecil would like to see the Board complete a written history of the West Central Airshed Society and the Airsheds of Alberta.

## **12. Next Meeting Date: February 26, 2010 (May 21 AGM, Sept. 24, Nov. 26)**

## Appendix A

<b>West Central Airshed Society</b>					
<i>Income Statement as at September 30, 2009</i>					
	Year-to-Date			Total Budget For Year	Balance in Budget
	Actual	Budget	Variance		
<b>REVENUES (Funding)</b>					
Budgeted Membership Fees	478,315.55			900,000.00	(421,684.45)
Network Cost Sharing	-			-	-
West Fraser Hinton Pulp	8,372.00			14,352.00	(5,980.00)
Grants	27,500.00			55,000.00	(27,500.00)
<b>2008 REVENUE (Net of GST)</b>	<b>514,187.55</b>			<b>969,352.00</b>	<b>(455,164.45)</b>
<b>EXPENSES</b>					
<b>OFFICE &amp; ADMINISTRATION</b>					
Bank Loan Interest	-	750.00	750.00	1,000.00	1,000.00
Bank & Credit Card Charges	975.85	825.00	(150.85)	1,100.00	124.15
Office Supplies (Stationary, Postage, Courier)	2,876.15	5,250.00	2,373.85	7,000.00	4,123.85
Office Equipment Rental (Printer)	1,140.62	450.00	(690.62)	600.00	(540.62)
Insurance	14,728.80	12,000.00	(2,728.80)	16,000.00	1,271.20
Computer Software & Accessories	234.10	825.00	590.90	1,100.00	865.90
Office Rental	4,980.00	3,750.00	(1,230.00)	5,000.00	20.00
Accounting & Legal	5,650.00	8,250.00	2,600.00	11,000.00	5,350.00
Telephone, Fax, Internet	7,958.19	11,250.00	3,291.81	15,000.00	7,041.81
Program Management	69,999.48	73,499.41	3,499.93	97,999.21	27,999.73
Office Manager / Admin. Assistant	24,219.00	25,429.95	1,210.95	33,906.60	9,687.60
Board Expenses (inc. meetings)	4,396.05	6,424.50	2,028.45	8,566.00	4,169.95
Grants, Donations, Contributions, Honorarium	310.00	3,000.00	2,690.00	4,000.00	3,690.00
Annual Report	12,360.00	15,000.00	2,640.00	20,000.00	7,640.00
Communications, Advertising, Promotions	-	-	-	-	-
Meeting & Travel Expense	768.70	7,500.00	6,731.30	10,000.00	9,231.30
Website	1,904.76	1,500.00	(404.76)	2,000.00	95.24
Contractor Training	1,981.61	750.00	(1,231.61)	1,000.00	(981.61)
Emissions Inventory	-	-	-	-	-
Research & Development	-	11,250.00	11,250.00	15,000.00	15,000.00
<b>TOTAL OFFICE &amp; ADMIN EXPENSES</b>	<b>154,483.31</b>	<b>187,703.86</b>	<b>33,220.55</b>	<b>250,271.81</b>	<b>95,788.50</b>
<b>AMBIENT AIR MONITORING</b>					
Station Communications (Modems)	1,666.10	-	(1,666.10)	-	(1,666.10)
Utilities Expense (Power, Telephone)	16,037.10	14,250.00	(1,787.10)	19,000.00	2,962.90
Hightower Reconstruction (Electrical, Propane)	57,659.40	32,250.00	(25,409.40)	43,000.00	(14,659.40)
Contractor Expense: Fuel (All)	30,811.62	47,250.00	16,438.38	63,000.00	32,188.38
Contractor Expense	147,502.76	156,730.95	9,228.19	208,974.60	61,471.84
Calibration Contractor (See TransAlta/Epcor)	-	-	-	-	-
QA/QC Expense	29,646.81	31,129.19	1,482.38	41,505.59	11,858.78
QA/QC Audit Expense	-	-	-	-	-
Site Maintenance & Development (Capital)	69,250.26	75,000.00	5,749.74	100,000.00	30,749.74
Technical Workshops	503.10	750.00	246.90	1,000.00	496.90
Station Trailer Rental	1,800.00	1,725.00	(75.00)	2,300.00	500.00
Field Supplies	18,911.67	37,500.00	18,588.33	50,000.00	31,088.33
Accommodations & Meals	3,256.37	5,250.00	1,993.63	7,000.00	3,743.63
Data Network Support & Software	5,640.78	8,250.00	2,609.22	11,000.00	5,359.22
Service Garage Construction	1,157.94	45,000.00	43,842.06	60,000.00	58,842.06
Operation & Maintenance for Acid Deposition	-	9,000.00	9,000.00	12,000.00	12,000.00
Boundry Expansion Study	-	-	-	-	-
Additional Air Monitoring Station in S.E.	-	-	-	-	-
<b>TOTAL AAM EXPENSES</b>	<b>383,843.91</b>	<b>464,085.14</b>	<b>80,241.23</b>	<b>618,780.19</b>	<b>234,936.28</b>
<b>AGRICULTURE EXPENSE</b>					
Operations Contractor	61,546.16	52,500.00	(9,046.16)	70,000.00	8,453.84
Soil Sampling & Analysis	3,532.65	2,100.00	(1,432.65)	2,800.00	(732.65)
Miscellaneous Expenses / Site Maintenance	522.00	1,500.00	978.00	2,000.00	1,478.00
Ag Study	-	-	-	200,000.00	-
<b>TOTAL AGRICULTURE EXPENSE</b>	<b>65,600.81</b>	<b>56,100.00</b>	<b>(9,500.81)</b>	<b>274,800.00</b>	<b>9,199.19</b>
<b>HONORARIUMS</b>					
Land & Co-op Honorariums	2,810.00	2,625.00	(185.00)	3,500.00	690.00
<b>TOTAL HONORARIUM EXPENSE</b>	<b>2,810.00</b>	<b>2,625.00</b>	<b>(185.00)</b>	<b>3,500.00</b>	<b>690.00</b>
<b>ASSET ACCOUNTS</b>					
Reclamation Trust Fund	2,000.00	1,500.00	(500.00)	2,000.00	-
WCAS Contingency Account	20,000.00	15,000.00	(5,000.00)	20,000.00	-
<b>TOTAL ASSET ACCOUNTS</b>	<b>22,000.00</b>	<b>16,500.00</b>	<b>(5,500.00)</b>	<b>22,000.00</b>	<b>-</b>
<b>TOTAL EXPENSE</b>	<b>628,738.03</b>	<b>727,014.00</b>	<b>98,275.97</b>	<b>1,169,352.00</b>	<b>340,613.97</b>
<b>SURPLUS (DEFICIT)</b>	<b>(114,550.48)</b>			<b>(200,000.00)</b>	

**West Central Airshed Society - EPCOR/TRANSALTA**

*Income Statement as at September 30, 2009*

	Year-to-Date			Total Budget For Year	Balance in Budget
	Actual to Date	Budget	Variance		
<b>REVENUES (Funding)</b>					
Epcor Operating Agreement	30,924.40			32,860.82	1,936.42
TransAlta Operating Agreement	138,614.07			154,346.54	15,732.47
<b>TOTAL 2008 REVENUES</b>	<b>\$ 169,538.47</b>			<b>\$ 187,207.36</b>	<b>\$ 17,668.89</b>
<b>EXPENSES</b>					
AAM Program					
QA/QC Data Reporting	19,764.68	20,752.79	988.11	27,670.39	(8,474.40)
Utilities Expense (Telephone)	8,592.26	9,600.00	1,007.74	12,800.00	4,612.94
Site Maintenance	29,416.00	18,750.00	(10,666.00)	25,000.00	2,645.00
Contractor Expense	67,749.94	54,534.79	(13,215.15)	72,713.05	4,967.09
Data Network Support & Software	3,627.22	5,175.00	1,547.78	6,900.00	2,000.00
Field Supplies	12,607.75	23,500.00	7,892.25	30,000.00	(10,252.96)
Land Owner Honorariums	1,000.00	750.00	(250.00)	1,000.00	690.00
Insurance	9,819.20	8,342.94	(1,476.26)	11,123.92	472.57
<b>TOTAL EXPENSE</b>	<b>\$ 152,577.05</b>	<b>\$ 140,405.52</b>	<b>\$ (12,171.53)</b>	<b>\$ 187,207.36</b>	<b>\$ (3,345.96)</b>
<b>SURPLUS (DEFICIT)</b>	<b>\$ 16,961.42</b>			<b>\$ -</b>	