

PRAMP Budget Reduction Options

June 24, 2021



pramp

PEACE RIVER AREA MONITORING PROGRAM

Background

- In July 2019, PRAMP executed a 4-year contract with AEP for oil sands monitoring; the contract expires in March 2023 and stipulates that the annual budget will be reviewed each year
- On June 16, PRAMP received notice that its budget for April 1, 2021 to March 31, 2022 was reduced by \$120K (12%)
- No direction was provided on how the contracted work plan would be changed or reduced



Future Direction Decided by Board

(May 26 Meeting Decision)

- Work with Mercer to assess the possibility of PRAMP incorporating the 2 Mercer monitoring stations into the PRAMP network
- Conduct a Network Assessment to optimize the number and locations of monitoring stations as well as the parameters monitored; the assessment would include:
 - the level of monitoring appropriate for heavy oil production in light of the current conditions (air quality data, conservation levels) and
 - changes appropriate for the network if the two Mercer stations, the PRC station and passive monitors are added to the PRAMP network
- Continued use of micro-sensors to address community concerns where costs can be recovered from OSM funding or other sources



Consideration #1

A Network Assessment is not in the current PRAMP OSM work plan

- AEP staff have indicated that using OSM contracted funds for a Network Assessment would be appropriate
- The AEP contract / OSM work plan should be updated to include the Network Assessment
- Based on discussions with other Airsheds, a Network Assessment would cost in the range of \$60K



Consideration #2

PRAMP is approximately 1 year ahead of schedule in its 4-year capital acquisition plan (replacing rented equipment with PRAMP-owned equipment and stations)

- \$125K capital budget in the initial 2021-22 work plan can be reduced substantially to help achieve a 12% budget reduction



Decision Requested

Staff have developed 2 options to align with the reduced budget:

Option 1 – Conduct Network Assessment and risk manage core program

Option 2 – Deliver core program and do not conduct Network Assessment



Option 1: Conduct Network Assessment and risk manage core program

- 3-month co-deployment for the existing and new Reno station
- Reduce triggered canister collection budget
- Reduced contingency for station operator, technical analysis, site preparation for AQHI and Reno stations
- Reduced budget for small sensors



Option 2: Deliver core program and do not conduct Network Assessment

- 6-month co-deployment for existing and new Reno stations
- Reduce triggered canister collection budget
- Technical analysis contingency
- “Flexible” site preparation for Reno and AQHI station

