Permit to Practice Seminar

Information for a Responsible Member

Rev 9.1

The Association of Professional Engineers and Geoscientists of Alberta
APEGA Permit to Practice

Housekeeping
1. Fire alarm & evacuation
2. Sign-in sheet
3. Washroom location & codes
4. Reminders
   - Cell phones on vibrate
   - E-survey and certificates
   - On-line materials
     https://www.apega.ca/members/permit-seminars/

Understanding the Audience
- Engineers? Geoscientists?
- Large company (>100 people)?
- Small company (<5 people)?
- First time writing a PPMP?
- Revising and improving your PPMP?
- Taken the seminar before?
- First time taking the seminar?
Overview

1. Purpose of APEGA
2. Company Permits & Legal Requirements of Permit Holders
3. Chief Operating Officer (COO) & Responsible Member (RM) Responsibilities
4. How to prepare and implement a Professional Practice Management Plan (PPMP) including Authentication
5. Consequences of disciplinary action

Seminar Outline

1. Purpose of APEGA
   - Company Permits & Legal Requirements of Permit Holders
   - Chief Operating Officer (COO) & Responsible Member (RM) Responsibilities
   - How to prepare and implement a Professional Practice Management Plan (PPMP) including Authentication
   - Consequences of disciplinary action

APEGA Mission & Vision

Mission
Regulate the practices of engineering and geoscience to serve the public interest in Alberta.

Vision
APEGA will earn the confidence of the public and instill pride in its Members.
APEGA Strategic Plan

Professional Practice
- Permit Holders have meaningful PPMPs
- Responsible Members feel empowered to fulfill obligations
- Professional Practice Standards are updated and enforced
- Permit Holder Practice reviews are increased

Continuing Professional Development
- Sustainable CPD program with key processes
- Competency matrix
- CPD audit program and compliance enhanced
- Processes to manage CPD non-compliant members

APEGA Objectives and Values

Objectives
- Uphold the public interest
- Ensure competence, professional conduct and integrity
- Govern its members
- Ensure each professional is engaged and accountable
- Establish, monitor and enforce standards
- Establish, monitor and enforce codes of conduct and practice standards

Values
- Integrity
- Accountability
- Innovation
- Service

APEGA’s Legislated Mandate

- Self-regulation mandate comes from the EGP Act
- Entrance standards to the profession (setting/enforcing)
- Standards for competent and ethical behavior
  - Practice reviews, standards & guidelines
- Publicly available Member and Permit Holder Directories
- Discipline process based on peer review
  - Investigations, Discipline, Appeals
- Ensuring proper title usage and practice compliance
The Privilege of Self-Regulation

Self-Regulation & The Importance

- Social license can be revoked – Self Regulation Lost
- Examples of this:
  - Quebec construction industry (corruption/collusion/fraud)
  - Charbonneau Commission inquiry and findings
  - Quebec Engineers Association (Ordre des Ingenieurs du Quebec or CIQ), put under trusteeship by Quebec government in 2016
  - BC Realtors Association
  - APEGAs needs to be a better Regulator for the practice of engineering/geoscience

Seminar Outline

1. Purpose of APEGAs
2. Company Permits & Legal Requirements of Permit Holders
   a. Chief Operating Officer (COO) & Responsible Member (RM) Responsibilities
   b. How to prepare and implement a Professional Practice Management Plan (PPMP) including authentication
   c. Consequences of disciplinary actions
APEGA's Permit to Practice

- Required by any partnership, corporation, or other entity that practices engineering or geoscience in Alberta (internally or externally)
- Gives the right to practice and use title
- A legally binding contract between APEGA and the company
- Permit must be renewed annually and information updated
- Completed & signed declarations by the COO and the RM(s)

Permits to Practice Rationale

- Companies are separate legal entities from their professional employees
- Permits allow APEGA to help regulate group practice – not all provinces regulate companies
- Company is Accountable and responsible to ensure:
  - Quality engineering and geoscience work by qualified Professionals
  - Atmosphere for Professional Practice of engineering and/or geoscience
  - Adherence to all relevant regulations, standards and codes

What is the Practice of Engineering?

Reporting on, advising on, evaluating, designing, preparing plans and specifications for or directing the construction, technical inspection, maintenance or operation of any structure, work or process:

(A) that is aimed at the discovery, development or utilization of matter, materials or energy or in any other way designed for the use and convenience of humans, and

(B) that requires in that reporting, advising, evaluating, designing, preparation or direction the professional application of the principles of mathematics, chemistry, physics or any related applied subject
What is the Practice of Engineering?

- Aerospace
- Agricultural
- Automotive
- Biomass
- Biomedical
- Building
- Chemical
- Coal
- Communications
- Computer
- Computer Systems
- Electrical
- Electronic Systems
- Engineering Chemistry
- Engineering Physics
- Environmental
- Forest
- Geological
- Geomatics
- Industrial
- Industrial Systems
- Integrated Manufacturing
- Materials
- Mechanical
- Mechanical Systems
- Mechanics
- Mining
- Nanotechnology
- Ocean and Naval Architecture
- Oil and Gas
- Petroleum
- Petroleum Systems
- Software
- Software Systems
- Space
- Systems Design
- Water Resources

What is the Practice of Geoscience?

Reporting, advising, evaluating, interpreting, processing, geoscientific surveying, exploring, classifying reserves or examining related to any activity:

(A) that relates to the earth sciences or the environment,

(B) that is aimed at the discovery or development of oil, natural gas, coal, metallic or non-metallic minerals, precious stones, other natural resources or water or that is aimed at the investigation of surface or subsurface conditions of the earth, and

(C) that requires, in that reporting, advising, evaluating, interpreting, processing, geoscientific surveying, exploring, classifying reserves or examining, the professional application of the principles of mathematics, chemistry, physics or biology through the application of the principles of geoscience.

What is the Practice of Geoscience?

- Geology
- Geophysics
- Geochemistry
- Hydrogeology
Permit Holder Obligations

Legal Obligations
- Annual renewal of permit
- A PPMP that is current, active, and accessible
- Designated and informed responsible members (RM)
- Signed COO & RM declarations
- Abide by all regulations, standards, codes & APEGA requirements
- APEGA has all current contact information including members
- Onus to respond

Recommendations
- Reporting compliance or discipline concerns
- Display permit certificate

Seminar Outline

1. History of APEGA
2. Company Permit & Legal Requirements - Prerequisite
3. Chief Operating Officer (COO) & Responsible Member (RM) Responsibilities
   - How to prepare and implement a Professional Practice Management Plan (PPMP) including Authenticity
   - Conduct and manage all disciplinary matters

COO Declaration Statement

- Permit Holder is regulated by the EGP Act (the "Act")
- Has the authority to legally bind the company to the requirements of the APEGA Permit to Practice contract
- Assigns the RM(s) based on technical knowledge, qualifications and experience
- Ensures that the designated RM(s) has the written authority to execute and validate all engineering & geoscience professional work products to comply with APEGA’s requirements (i.e. standards, guidelines etc.)
- Ensures that the designated RM(s) develop the PPMP and that all professionals comply with the company’s Permit to Practice
COO Declaration Statement

- Must have at least one designated professional member to act as RM for each professional designation
- Must develop, implement and enforce a quality control, assurance or management system(s) to manage their practice of engineering and/or geoscience
- APEGA may, at any time, conduct a review of the company's practice

RM Declaration Statement

Dealing with Acknowledging....... 

- A registered APEGA Professional Member in good standing
- Has suitable written authority to act as an RM within the company
- Attend Permit to Practice seminar – Within the first 6 months and thereafter at least once every 5 years
- Will notify APEGA of disciplinary action in other jurisdictions
- Update contact information with APEGA for self and company
- Will contact APEGA if no longer RM for the company

RM Declaration Statement

Dealing with understanding....... 

- APEGA is a regulator
- APEGA has the right to conduct practice reviews & investigations
- Professional work needs to abide by appropriate regulations
- Onus to respond to APEGA on regulatory matters
**RM Declaration Statement**

Dealing with things you need to action......

- Development and enforcement of a PPMP
- Quality system/controls in place & documented in the PPMP
- PPMP in place within 1 year of receiving initial permit
- Ensure only qualified people practice engineering & geoscience
- Ensure work is properly reviewed and authenticated
- Apply Permit Holder Number or Permit to Practice Stamp (Signature & date) on professional work products as a demonstration of assurance

**Key Functions for the RM**

The Responsible Member(s) is:

- The regulatory expert on the EGP Act for the Permit Holder and all professional members
- Provides responsible direction to professional members and the company
- The "PPMP" expert
- Ensures quality control systems or framework are in place to be compliant with the practice of engineering and/or geoscience

**Professional Member Expectations**

Legal Obligations
- Maintain technical and ethical competence
- Engage in professional development as per APEGA's guidelines
- Submit CPD hours and pay dues annually
- Abide by all regulations, standards & codes
- Contact information is current
- Onus to respond

Recommendations
- Involvement in the Professions
  - Election and AGM
  - Volunteering
  - Mentoring
- Enhancing the reputation of the Professions
- Reporting compliance or discipline concerns
Seminar Outline

1. Purpose of APEGGA
2. Consent Forms & Legal Requirements of P and M Holders
3. Chief Operating Officer (COO): A Responsible Member / PMP Responsibilities
4. How to prepare and implement a Professional Practice Management Plan (PPMP) including Authentication
5. Management of disciplinary action

Why a Professional Practice Management Plan

Section 48(1) (d) of the Engineering and Geoscience Professions General Regulations states that

"...the partnership, corporation or other entity has in place and will follow a professional management plan that is appropriate to its professional practice."

Question

You are the Responsible Member for a Manufacturing company that has offices in Edmonton and Calgary. You are asked to review the PPMP to ensure it contains all the right “stuff”. What do you look for?
Professional Practice Management Plan

- A written description or framework through which engineering and geoscience practice is completed
- Must fit your company

A robust and functional PPMP will ensure:
- Quality engineering and/or geoscience work by qualified professionals
- A professional practice atmosphere that exists throughout the organization
- Adherence to all relevant regulations, standards and codes

Abide by Regulations, Standards & Codes

Determine what other legislation is relevant to your company:
- Occupancy Permits
- Fire Alarm Verification Certificates
- Alberta Building Code — Municipality permits
- Safety Codes Act
- Occupational Health and Safety Act
- Pressure Equipment Safety Regulation — ABSA permits
- AER, NEB permits

APEGA can advise solely on the EGP Act

PPMP Requirements for Permit Holder

- PPMP is Mandatory!!!
- PPMP must be "in place, followed & enforced":
  - PPMP must be in place by first anniversary of the permit
  - Must be active, current and accessible
  - Must be updated annually with revision history
  - Must be signed off by COO and at least one RM from each professional designation
- PPMP must be submitted to APEGA when requested
- Have yearly training and documented sign-off by members
- Submit your PPMP to APEGA (optional) but recommended
1. General information
2. Ethical standards
3. Management - reporting/technical organization structure
4. Professional and technical resource management
5. Quality Control Systems
   a) Business practices
   b) Project Management
   c) Management of technical work
   d) Relying on work by others & outsourcing
6. Authentication of professional products
7. Professional document management

1.0 General Information

- General
  - Title Page – Permit Holder Name & Practice Number
  - Table of Contents
  - Declaration – signed by COO & RM/designation
  - Revision History
- Purpose of PPMP
- Objectives of PPMP
- Permit Holder background information
- Definitions /abbreviations etc. used in PPMP
- Reference documents – internal & external

PPMP Statement illustrating importance

ABC Company recognizes that the practice of engineering and geoscience is regulated within Alberta and that as an APEGGA Permit Holder, we ensure that these practices will be appropriately managed to meet a high standard and all legislated regulations.

SIGNED BY: Chief Operating Officer, Director of ABC Company
DATED: August 21, 2018

SIGNED BY: Responsible Member #1 – P.Eng., Engineering Manager
DATED: August 10, 2018

SIGNED BY: Responsible Member #2 – P.Geo, Geologist
DATED: August 21, 2018
2.0 Ethical Standards

- An environment where Professional Members can maintain their ethical competency
  - At minimum, the APEGA Code of Ethics
  - Reporting unprofessional conduct to APEGA

APEGA Code of Ethics

...founded upon integrity, competence, dignity and devotion to service through 5 rules of conduct

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Importance?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fiscal paramount the health, safety and welfare of the public and have regard for the environment.</td>
<td>Serving the public interest</td>
</tr>
<tr>
<td>2</td>
<td>Work that they are competent to perform by virtue of their training and experience.</td>
<td>Staying within your scope of practice; skilful practice</td>
</tr>
<tr>
<td>3</td>
<td>Conduct themselves with integrity, honesty, fairness and objectivity in their professional activities.</td>
<td>Ethical behavior; Professional conduct</td>
</tr>
</tbody>
</table>

APEGA Code of Ethics

...founded upon integrity, competence, dignity and devotion to service through 5 rules of conduct

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<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Importance?</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Comply with applicable statutes, regulations and bylaws in their professional practices.</td>
<td>Legal practice; compliance with regulation</td>
</tr>
<tr>
<td>5</td>
<td>Uphold and enhance the honor, dignity and reputation of their professions.</td>
<td>Holding public confidence</td>
</tr>
</tbody>
</table>
2.0 Ethical Standards

- Reference APEGA’s Code of Ethics at a minimum
- Implement APEGA’s Code of Ethics or follow company policy
- Ensure members have annual training and a documented signoff - commitment
- Support for ethical professional development
- Company values and vision that encompass APEGA’s Code of Ethics - create atmosphere

2.0 Ethical Standards - Examples

- Professional business behavior
  - Gifts and entertainment from vendors
  - Transparent bidding process - fair dealing
  - Confidential and private information
  - Use of company assets
  - Outside business activities
- Process for reporting of illegal or unethical behavior
- Process for corrective action for ethical misconduct

Unprofessional Conduct Case Studies

1. An individual and his company providing engineering services to two competing clients on the same project. Reprimand, ethics training, volunteer work, $3000 fine, publication

2. Sharing of confidential information gained through employment with a competitor of his client. Reprimand, publication
3.0 Management, Organization & Responsibilities

- Scope of practice for Permit Holder
- Professional responsibilities – awareness & compliance with PPMP (Annual review and sign-off)
- Identification of COO & all RM’s including their title and roles
- Roles and responsibilities identified for the COO, RM, Professional members & Members in training regarding development, implementation and enforcement of PPMP
- Organization Structure for Permit Holder showing (if different)
  - Technical line of authority
  - Reporting line of authority

3.0 Management, Organization & Responsibilities

- Inventory or list of professional members under the Permit Holder that contains all relevant information
- System for tracking who is practicing engineering and/or geoscience within the company including:
  - Method to confirm active and good standing with APEGA (CPD reporting, due payment, discipline)
  - Proper supervision of members in training
- System for tracking who can authenticate

3.0 Management, Organization & Responsibilities

Organization Chart – Engineering and Geoscience specific

- [Diagram of organization chart with roles and responsibilities]

* Denotes Responsible Member  ** Denotes COO or designate
### 3.0 Management, Organization & Responsibilities

Dedicated and comprehensive system for tracking who is practicing engineering and geoscience within the company (APEGA template available)

<table>
<thead>
<tr>
<th>Name</th>
<th>Last Name</th>
<th>First Name</th>
<th>Job Title</th>
<th>Supervisor</th>
<th>Reporting to</th>
<th>Notes</th>
<th>Other Information</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Company Self-Service Centre

- Visit aepga.ca
- Go to "Login"
- Choose the "Company Self-Service Centre"
- Login to the CSSC with the Permit Number and Password supplied to the COO

For IT concerns and password resets, email permits@aepga.ca

### How Many RMs are Enough?

- **Recommendation:**
  - One for each profession (engineering, geoscience) at minimum
  - One per geographical region
  - One per each office location, division or group
  - 1:10 for RMs, APEGA members, where APEGA members include Professional Members and MITs
- Permit Holders need to ensure there are enough RMs to ensure regulatory obligations are met
4.0 Professional & Technical Resources

Professional Resources

- Recruitment process – hiring licensed & qualified professionals
- Job description requirements and management of process
- Inventory of expertise – competency management
- Performance management reviews
- Training and development of professionals (technical and ethical)
- Managing special expertise requirements

4.0 Professional & Technical Resources

Professional Resources

- Continuing professional development (CPD)
- Tracking member CPD reporting
- Part of the annual performance review
- Ensuring member compliance with APEGA
- Process for mentoring and supervising professionals especially Members-in-training (checking/sign-off of work)
- Review of work by others (how and who)
- Checking of contractors and other permit holders for proper licenses & PPMP
- Management of title usage: Issuing, training & checking compliance (HR, RM)

Correct Title Use

1. "engineer", "geoscientist", "geologist", or "geophysicist" in combination with any other name, title, description, letter, symbol or abbreviation;

2. Professional Engineer (P.Eng.) or other title abbreviation;

3. Professional Geoscientist (P.Geo.);
   Professional Geologist, (P.Geo.);
   Professional Geophysicist (P.Geophys.);
   or other title abbreviation;

...THAT implies APEGA permit holder or license status
Correct Title Use

<table>
<thead>
<tr>
<th>APEGAA License Type</th>
<th>Right to Practice</th>
<th>Right to Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Member, Licensee</td>
<td>Independent, full scope of practice within a discipline</td>
<td>Full rights to title</td>
</tr>
<tr>
<td>Professional Licensee</td>
<td>Independent, LIMITED scope of practice within a discipline</td>
<td>Full rights to title</td>
</tr>
<tr>
<td>Member in Training, Provisional Licensee</td>
<td>Supervised, full scope of practice within a discipline</td>
<td>Full rights to title, as long as clarified</td>
</tr>
<tr>
<td>Anyone else</td>
<td>No right to independent practice</td>
<td>No right to title</td>
</tr>
</tbody>
</table>

Review Quiz

<table>
<thead>
<tr>
<th>Job Activities and qualifications</th>
<th>Job Title</th>
<th>Correct or not?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology that does lab work, does not hold APEGAA license</td>
<td>Jane Doe, Chemical Engineer</td>
<td>NOT</td>
</tr>
<tr>
<td>Geology graduate student that is doing sampling work that holds G.I.T. APEGAA membership</td>
<td>Joe Smith, G.I.T. Geologist</td>
<td>NOT - Many will not know what G.I.T. stands for</td>
</tr>
<tr>
<td>Environmental Engineer that oversees engineering department, holds engineering license</td>
<td>Jane Doe, P.Eng. Engineering Manager</td>
<td>CORRECT</td>
</tr>
<tr>
<td>Engineering student that does field inspections</td>
<td>Joe Smith, Field Engineer</td>
<td>NOT</td>
</tr>
</tbody>
</table>

Correct Title Use

No partnership, corporation or other entity incorporated (registered) with a name that includes "engineering", "geology", "geophysics", or "geoscience", or variations of those words, unless it holds and continues to hold a valid permit.

Clarity, reporting, and questions on Professional Practice to professionalpractice@apega.ca

Complaints against non-permit holders, unlicensed engineers or geoscientist to compliance@apega.ca
4.0 Professional & Technical Resources

Technical Resources
- Corporate library of external reference materials and resources (Acts, regulations, standards, guidelines, handbooks, technical subscriptions, codes etc.)
- List of internal resources, programs, calculations or models used
- Information technology policy
- Management of all technical hardware and software (third party programs and licenses) including subscriptions & maintenance
- Development and management of standard service contracts
- Management & certification of laboratory and/or testing equipment
- Management of specialty or customized equipment

5.0 Quality Control

- All engineering and geoscience work done on behalf of the company is of adequate quality
- Systems in place to:
  - Ensure accuracy and protection of work
  - Ensure public, environment and stakeholders are considered
  - Ensure risk assessment and change management in place
- Quality control should address:
  - Professional business practices
  - Project management process
  - Technical work management
  - Outsourcing professional work & relying on work by others

5.0 Quality Control – Business Practices

- Statement of corporate strategy, mission, purpose & objectives
- Corporate values
- Policies or procedures for handling:
  - Confidential material: dispute/conflict resolution
  - Conflict of interest
  - Non-disclosure
  - Advertising/promotion
  - Multi-disciplinary teams
  - Errors & omissions
  - Substance abuse
  - Health, safety & environment
5.0 Quality Control – Project Management

- Description of project management system or gating process for conducting and implementing projects
- Procedures or process for completing cost estimates and cost control management
- Procedures for handling change management
- Process for ensuring adequate & qualified field supervision
- Procedures or process for conducting field reviews
- Communications plan for clients and others

5.0 Quality Control – Technical Work

- Listing of regulations, codes and standards and how they are managed, checked and validated
- Method for documenting assumptions
- Procedures for internal safety, risk management & loss control
- Process of managing independent checks or peer reviews – validation of work

5.0 Quality Control – Outsourcing/Work of Others

- Policy or procedures for handling external professional work products outside Alberta
- Policy or procedures for handling internal professional work products outside of Alberta
- Policy or procedures for sending professional work products outside Alberta
- **ALL professional work products** must be signed by an APEGA Professional Member with the Permit to Practice Stamp or number nearby
Unskilled Practice Case Studies

1. Design, manufacture and supply of safety ladders in which
   P. Member did not meet industry standards or OH&S.
   Member: reprimand, take National Practice Exam, OH&S course
   Permit Holder: $1000 fine, library of codes/standards, correction of title, publication

2. Construction of a tall wall in a residential home did not meet
   the Building code as well as thorough review was not
   adequate.
   Member: reprimand, technical exam, take National Practice Exam, publication

6.0 Authentication of Professional Documents

1. Definition of Authentication?
2. Why authenticate?
3. Who authenticates?
4. What to authenticate?
5. How to authenticate, stamps, seals and digital
   signatures?

Standards, Guidelines & Bulletins
6.0 Definition of Authentication

Authentication includes:
1. A stamp of a Professional Member
2. Professional Member's signature
3. Date of signature
4. A permit holder number or permit holder stamp to indicate the work complied with the company's PPMP

6.0 Why Authenticate

Authentication is a legal requirement
- To prove the right person for the job – accountability and responsibility
  - technically and ethically competent
- Show when work was transferred out of the Professional Member responsibility
- The work complied with the company's quality management system outlined in the PPMP

Question Time

Why do engineers and geoscientists need to authenticate documents?
6.0 Why Authenticate

LIABILITY
- The absence of authentication does not relieve a professional member from any liability that may arise from the practice contained in a professional work product.
- Authentication is an indication that practice has occurred and is completed, but not the SOLE INDICATION that practice occurred.
- Even if a piece of work is not authenticated, as a Professional, you still are responsible and accountable.

6.0 Who Authenticates?

The Professional Member that is taking responsibility for the work done along with their Permit Holder company.
- A fully licensed Professional Member, Foreign Licensee or Professional Licensee.

Note: Professional Technologists can authenticate, their regulation and stamps are administered by ASET.

What to Authenticate?

1. Work the individual prepared directly
2. Work by another person that:
   a) Was completed under direct supervision OR
   b) Was thoroughly reviewed
What is a "Thorough Review"?

- Ensures validity and reliability of the work and risk to the public has been addressed
- Reviewer agrees it is complete for its intended purpose
- Review depth depends on competency of the source
- Document your review
- By authenticating, you accept professional responsibility for the document notwithstanding its source

Determining What to Authenticate?

3 PART TEST

1. Does the document contain technical information resulting from the practice of engineering or geoscience?
2. Is the document complete for its intended purpose?
3. Will the document be relied upon by others?
### Review Quiz

<table>
<thead>
<tr>
<th>Document</th>
<th>Stamp</th>
<th>Why?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploration report on expected geological conditions for wells site</td>
<td>YES</td>
<td>Contains analysis and recommendations to be used by others</td>
</tr>
<tr>
<td>Output of simulation program that is used for production changes</td>
<td>YES</td>
<td>Contains analysis and recommendations to be used by others</td>
</tr>
<tr>
<td>As-built drawing for construction project</td>
<td>MAYBE</td>
<td>If member involved in field inspection, then YES</td>
</tr>
<tr>
<td>E-mail to geology manager</td>
<td>NO</td>
<td>Does not contain technical information</td>
</tr>
<tr>
<td>PECO</td>
<td>YES</td>
<td>All disciplines to sign</td>
</tr>
<tr>
<td>Draft drawing going to team member for comment</td>
<td>NO</td>
<td>It is not final for its intended purpose</td>
</tr>
<tr>
<td>Member in training prepared project report with recommendations</td>
<td>YES</td>
<td>If you are supervising, after a thorough review, you are to take responsibility</td>
</tr>
<tr>
<td>Engineering contract to do design work on newly approved operations facility</td>
<td>NO</td>
<td>Stamping a document does not make it a legal document</td>
</tr>
</tbody>
</table>

### Question Time

What about engineering or geoscience work that was not prepared here, but will be used here? Or vice versa?

### Outsourced Work – Case 1

Produced in Alberta, destined for anywhere else.

Authenticated by APEGA member or not?

YES

practice occurred within Alberta
Outsourced Work – Case 2

Produced somewhere else to be consumed within Alberta
Authenticated by APEGA member or not?

YES
- Relying on work by others
- Needs to meet Alberta’s codes, regulations, standards

Summary of Outsourced Work

<table>
<thead>
<tr>
<th>Case</th>
<th>Location of Practice</th>
<th>Final destination for product</th>
<th>Authentication by APEGA member required?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Alberta</td>
<td>Alberta</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>Alberta</td>
<td>Anywhere else</td>
<td>Yes – unless registered in other jurisdiction</td>
</tr>
<tr>
<td>3</td>
<td>Anywhere else</td>
<td>Alberta</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Ref. APEGA, "Determining the Need for Professional Involvement in Outsourced Engineering", V.1.1 March 2013
APEGA, "Guidelines for Relying on Work Performed by Others", V.1.1 March 2013
APEGA, "Guidelines for Relying on Work Performed by Others", V.1.1 March 2013

How to Authenticate Documents

- Authentication is the application of stamp, signature, date, permit holder number all in close proximity
- RM applies the permit holder number (permit stamp optional)
- Permit number indicates work compiled with the PPMP
- Even if not authenticated, as a Professional you are responsible and accountable

Ref. APEGA, "Practice Standards for Authenticating Professional Documents", V.1.1 January 2011
How to Authenticate Documents

• Multiple authentications on same document OK
  • Same discipline
  • Multiple disciplines
  • Multiple permit holders

• Must be clear who is responsible for what part of the document

• Permit Holder number applied by the RM after all member stamps applied

Stamps, Certificates and Digital Signatures

• Stamps and certificates are issued by APEGA and remain the property of APEGA

• Must be under the control of the member and returned upon cancellation

• Need to be aware of potential for:
  • Identity theft
  • Misuse of stamp
  • Stamp forgery

...ensure that your stamp is secure! Policy or process must be in place.

Stamps, Certificates and Digital Signatures

• Use of digital signatures is optional

• Only APEGA approved digital signature providers are acceptable

• Based on robust cryptographic processes

• Allows an airtight, secure and non-dismissible link between professional member and the document

Visit notarius.com
7.0 Professional Document Management

- Policy, process or procedures for document management of professional work products:
  - Numbering of documents and revision numbers
  - Storage (where / how / who / electronic / hard copy)
  - Retention (how long)
  - Transmission
  - Disposal
  - Access to files (paper or electronic)

7.0 Professional Document Management

- Roles and responsibilities for document management:
  - Who is responsible for managing the storage of professional work products?
  - What files is the professional allowed to retain?
- Document management practices:
  - Encrypted password protection for native files
  - Locked storage and additional security for intellectual property and confidential information
  - Controlled access to file storage or online locations

Summary of Authentication

- PPMP must address the professional member(s) and permit holder responsibilities for "authentication".
- PPMP must clearly address the authentication process for:
  - Professional and permit holder stamps.
  - Work products requiring authentication.
  - Changes to professional work products.
  - Outsourcing and internal work products.
- PPMP must address authentication procedures for multiple members of same discipline, multiple disciplines & multiple permit holders.
- PPMP must address digital or electronic authentication if applicable.
- PPMP must address the control and security of all stamps.
- PPMP must address document storage, retention, transmission and disposal of records and who is responsible for this.
Review Quiz

<table>
<thead>
<tr>
<th>Document</th>
<th>Why?</th>
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</thead>
<tbody>
<tr>
<td>What is the purpose of permits?</td>
<td>To ensure that the Permit Holder regulated their professional with a quality control process to meet APEGA standards etc.</td>
</tr>
<tr>
<td>What are the “seven” components to the PPMP?</td>
<td>General/Innovative, ethic, organization, professional and technical responsibilities, quality control, authorization, document management</td>
</tr>
<tr>
<td>Who should prepare and communicate changes to the PPMP?</td>
<td>The RM(PS) is responsible for preparing and communicating changes to the professional.</td>
</tr>
<tr>
<td>If the Permit Holder is a calling employee, an Eng./Geo. who are not licensee, who is accountable?</td>
<td>The Permit Holder is accountable. However, the RM(PS) as part of implementing the PPMP should ensure that proper thing is used to right people to right job</td>
</tr>
<tr>
<td>Who should know who is capable of preparing Eng./Geo. within the company?</td>
<td>The RM(PS) should ensure that a proper organization chart is in place with lines of (technical) responsibility</td>
</tr>
<tr>
<td>How often should the PPMP be reviewed and professional trained?</td>
<td>PPMP should be reviewed yearly by the RM(PS) and updated. Members (need annually with signoff)</td>
</tr>
</tbody>
</table>

Now What Do I With the PPMP?

- Ensure it is active, accessible, and current especially to Professional Members
- Have regular training, annual signoff and enforce against it
- Optional to submit PPMP to APEGA but recommended

Seminar Outline

1. Purposes of APEGA
2. Company Policies & Legal Requirements of Permit Holders
3. Chief Convener Officer (CCO) & Independent Member (IM) Responsibilities
4. How to prepare and implement a Professional Practice Management Plan (PMP) including authorisation
5. Consequences of disciplinary action
APEGA Discipline & Enforcement

- Ensures only qualified, competent, and ethical individuals practice engineering and geoscience and that there are consequences to unskilled practice and unprofessional conduct.
- Processes are APEGA volunteer-based to ensure peer to peer judgement for:
  - Investigations, Discipline, Appeals, and Professional Practice Reviews

APEGA Discipline & Enforcement

Two types of Complaints
1. Member and Permit Holders
2. Non-Members and Non-Permit Holders

Compliance Process

Deals with complaints regarding non-members and non-permit holders:
1. Practice without a license
2. Title and designation use
3. Holding out to have the ability to do engineering or geoscience work

Submit to compliance@apega.ca
Investigation & Discipline Process

1. Written Complaint
   - Evidence gathering
   - IC decision
   - Evidence supporting allegation
   - Return to Discipline

2. Party admits to conduct
   - Recommended Discipline Order (RDO)
   - DC on RDO

3. Party does not admit to conduct
   - Formal Hearing

4. IC = Investigative Committee
   DC = Discipline Committee

Member and Permit Holder Complaints

- All written complaints are investigated
- Allegations of unskilled practice or unprofessional conduct if the conduct is:
  - Detrimental to public interest;
  - Contravenes the code of ethics;
  - Harms the standing of the profession;
  - Displays a lack of knowledge or skill or judgement;
  - Displays a lack of knowledge or skill or judgement in the carrying out of any duty or obligation.

APEGA Case Study: P. Geo & Penn West

Both called to Court to give evidence regarding the calculation of the drainage area of a natural gas well (factor in determining natural gas royalties)

- P Geo not experienced in this area, yet acted as expert witness
- Penn West gave a joint statement with P Geo
APEGA Case Study: P. Geo & Penn West

- **P. Geo** charged with unskilled practice and unprofessional conduct
  - $2,500 fine; write NPPE, $14,689.92 for 50% of legal costs, and decision published
- **Penn West** charged with unprofessional conduct and unable to produce the PPMP upon request
  - $10,000 fine; $14,689.92 for 50% of legal costs, and decision published

Right to Appeal

There is a right to appeal for:
- Registration applications that are rejected
- Investigation cases that are dismissed
- Discipline decisions that have been rendered

Key Messages

- You are **RESPONSIBLE** for helping your company regulate the practice of engineering/geoscience
- You are key in having an up to date, accessible, and enforced Professional Practice Management Plan (PPMP) and the related systems/policies in place
- APEGA is here to support you and to regulate against the **EGP Act**
Professional Practice Reviews

Regular Professional practice reviews of Members and Permit Holders are being conducted:

- To ensure compliance with the EGP Act
- To ensure understanding of legal requirements and APEGA expectations
- To ensure that the required technical standard of professional practice is maintained
- To ensure that ethical practice is maintained

NEXT STEPS

- Find and review your company’s PPMP
- Ensure correct titles are being used in the company
- Ensure all members are informed about the Code of Ethics
- Ensure all RM’s in company understand and abide by APEGA’s expectations
- Share the information you learned today
- Ensure authentication is done correctly
- Ensure that you meet with the COO and share your learnings from today

APEGA Contact Information

Dale Ozdoba, P.Eng.,
Professional Practice Advisor
1500 Scotia One, 10060 Jasper Avenue NW
Edmonton, Alberta, T5J 4A2
Office # 587-489-1648 Email: dale.ozdoba@apega.ca

Permits Coordinator
Permits@apega.ca

Edmonton Head Office
1-800-661-7020 780-426-3900
email@apega.ca or visit www.apega.ca
References

- CBC News, "Quebec doesn't trust engineers to regulate themselves," July 8, 2015
- Engineers Canada, "Accredited engineering programs by institution," 2014
- APEGA September 2011 PEG Magazine, "APEGA Discipline Committee Order Case No.: 11-068-SD," May 27, 2011

References

- APEGA, "Continuing Professional Development Program," April 2014
- APEGA September 2010 PEG Magazine, "APEGA Discipline Committee Order," Case No. 10-002-SD, June 30, 2010
- APEGA December 2012 PEG Magazine, "APEGA Discipline Committee Order, Case No.: 12-065-SD," October 4, 2012
- APEGA, "Determining the Need for Professional Involvement in Outsourced Engineering," V1.0, May 2009

References

- APEGA, "Determining the Need for Professional Involvement in Outsourced Geoscience," V1.0, May 2009
- APEGA, "Guideline for Relying on Work Prepared by Others," V1.1, March 2013
- Engineering and Geoscience Professions Act
- General Regulation and the Code of Ethics
- APEGA Legislative Review
Permit to Practice Seminar
APPENDIX
Quebec doesn't trust engineers to regulate themselves

Provincial government places Quebec's order of engineers under trusteeship

CBC News Posted: Jul 06, 2016 4:52 PM ET Last Updated: Jul 08, 2016 11:00 AM ET

The Quebec government has decided the province's engineers are unable to regulate themselves.

Justice Minister Stéphanie Vallée announced Wednesday that Quebec's order of engineers is being placed under the trusteeship of the provincial government.

The move was approved by cabinet and follows a recommendation by the province's Office des Professions, the body which oversees the Quebec's professional bodies.

"The Office determines that the effective execution of its activities of control of the profession and the financial stability of the OIQ are seriously affected, to the point of putting in doubt the capacity of the OIQ of carrying out its primary mission of protecting the public," the Office said Wednesday in a news release.

In 2014, two experts were named by the Office to help the Ordre des ingénieurs straighten out a number of internal crises.

Those experts presented a list of recommendations in January of 2015. The Ordre submitted a report last month about how it intended to implement the recommendations.

'Insufficient' response

Vallée described the Ordre's report as "insufficient." She said much work needs to be done to ensure the Ordre can continue to "play its main role of protecting the public."

* Engineers' strike suspends work at 6 Montreal construction sites

Vallée added that the trusteeship will help the Ordre's new president, Kathy Baig, put the organization back on its feet.

The Ordre said it will work with the government, but that it was let down by the announcement.

"The Ordre is disappointed by this decision, which comes after a year of efforts and results linked to its mission to protect the public," the Ordre said in a statement.

"Nevertheless, the Ordre will respect the decision."

The Ordre des ingénieurs du Québec has more than 60,000 members. It is a self-governing body responsible for establishing the criteria required to qualify as an engineer and to monitor how the profession is practiced in the province.

As part of its trusteeship plan, the government will appoint three administrators to oversee how the organization is run.
Industry Classifications/Sectors
The following are the industry classifications provided to participating companies. As mentioned earlier, these were revised this past year to be more reflective of Alberta industry.

- **Engineering, Geological, Geophysical Consulting Service**
  Companies that provide engineering, geological or geophysical consulting service (including design, evaluations, monitoring, inspections, mapping, surveying and/or provide recommendations and advice) to other companies. This service may require data gathering, experimentation, monitoring as an adjunct in the form of research, laboratory work, photographic work, data processing, surveying, material testing, equipment testing, economic study, financial study, and more.

- **Engineering, Procurement, and Construction (EPC)**
  Companies that build residential, commercial, and/or industrial facilities, works or processes (including gas plants, pipelines, roads, treatment plants, refineries, sewage systems, etc.). Major EPC business activity includes engineering in the form of designing, procuring/purchasing, fabricating, managing, and constructing and scope may range from a minor to significant activity in this classification.

- **Resource Exploitation (except oil and gas)**
  Companies that work with resources other than oil and gas, such as water, coal, minerals, pulp & paper, petrochemicals, cement, metals, lumber, etc. with major business activity including exploration, mining, extraction, production, upgrading, refining, marketing, operating, maintaining, and reclamation. Engineering, geology, and geophysics work will be done to support any of these business activities.

- **Resource Exploitation (only oil and gas)**
  Companies that work with oil and gas with major business activity including exploration, mining, extraction, production, upgrading, refining, marketing, operating, maintaining, and reclamation. Engineering, geology, and geophysics work will be done to support any of these business activities.

- **Manufacturing (durables)**
  Companies that manufacture durable products, such as machinery, equipment, tools, furniture, wood products, concrete products, steel products, and plastic products with major business activity including production/fabrication, marketing, operating, maintaining, and transporting. Engineering, geology, and geophysics work will be done to support any of these business activities.

- **Manufacturing (non-durables)**
  Companies that manufacture non-durable products, such as food products, beverages, rubber, leather, textiles, pharmaceutical, chemicals, and paints with major business activity including production/fabrication, marketing, operating, maintaining, and transporting. Engineering, geology, and geophysics work will be done to support any of these business activities.

- **Not-For-Profit Service, Control and Utilities**
  Companies that employ engineers and geoscientists that are classified as non-for-profit, government, or academic (including educational institutions, municipalities, regulatory agencies, crown corporations, health care companies) with major business activity including research and development, regulation, quality control, teaching, and project management of non-professionals.
• **For-Profit Service, Control and Utilities**
  Companies that provide support services, control, or utilities to other companies with major business activity including transportation of materials (rail, air, roadway, ship), storage, profitable research and development, distribution of electricity/water/chemicals, pipelines, instrumentation, environmental disposal, etc. The primary business activity is non-engineering/geoscience in nature and any engineering, geology, and geophysics work will be done to support any of these business activities.

• **Information and Other Advanced Technologies**
  Companies involved in the information technology (IT) sector, including IT services and consulting, computer hardware and software development and consulting, systems and network analysis, robotics, and other advanced technologies such as emerging areas such as microelectronics, biotechnology, nanotechnology and advanced manufacturing technologies. Primary business activities include research and development, manufacturing, distribution, and installation. Engineering, geology, and geophysics work will be done to support any of these business activities.

• **Other**
  Companies that do not meet the requirements of one of the 9 categories outlined should be matched here.
### SECTION 5: Chief Operating Officer (or designated senior officer) Contact Information

<table>
<thead>
<tr>
<th>COO Contact</th>
<th>☐ APEGA Member, with APEGA Member Number:</th>
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<table>
<thead>
<tr>
<th>Chief Operating Officer Name</th>
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<tbody>
<tr>
<td>Job Title (if not COO)</td>
<td></td>
</tr>
<tr>
<td>Office Telephone</td>
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<tr>
<td>Cell Phone</td>
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<tr>
<td>Corporate Email Address</td>
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</table>

<table>
<thead>
<tr>
<th>Executive Assistant Contact</th>
<th>☐ No Executive Assistant</th>
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</table>

<table>
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<tr>
<th>Assistant Contact Name</th>
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<tbody>
<tr>
<td>Assistant Job Title</td>
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<tr>
<td>Assistant Telephone</td>
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<tr>
<td>Assistant Email Address</td>
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</table>

### SECTION 6: Chief Operating Officer (or designated senior officer) Declaration

The following declaration is to be read, initialed and signed by the Chief Operating Officer.

**INITIAL**

<table>
<thead>
<tr>
<th>Agreed-To Statements</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1. I have read and understand that all APEGA Permit Holder companies are regulated by the <em>Engineering and Geoscience Professions Act (EGP Act)</em>, <em>General Regulation and Bylaws</em>, policies, standards, and bulletins by APEGA.</td>
<td></td>
</tr>
<tr>
<td>2. As Chief Operating Officer, I have the authority to bind this company to the Permit to Practice contract with APEGA.</td>
<td></td>
</tr>
<tr>
<td>3. I acknowledge that if the company is practising engineering or geoscience in Alberta, an APEGA Permit to Practice must be renewed annually.</td>
<td></td>
</tr>
<tr>
<td>4. I acknowledge that the company and its Responsible Member (RM) must ensure that all engineering and geoscience work performed on behalf of this company, whether the company is based inside or outside Alberta, is appropriately reviewed and authenticated in accordance with the <em>EGP Act</em>, <em>General Regulation and Bylaws</em>, policies, standards, and bulletins by APEGA.</td>
<td></td>
</tr>
<tr>
<td>5. I acknowledge that the company and its Responsible Member remain fully accountable to ensure that all engineering and geoscience work associated with this company abides by all applicable statutes, regulations, bylaws, and standards, which include those that APEGA enforces.</td>
<td></td>
</tr>
<tr>
<td>6. I acknowledge that this company must develop and enforce a Professional Practice Management Plan (PPMP) that is appropriate to all engineering and geoscience practice and that this must be in place within one year of receiving an APEGA Permit to Practice (Ref: <em>EGP Act</em>, s 48(1)(d)).</td>
<td></td>
</tr>
<tr>
<td>7. I acknowledge that the company must develop a quality management system for all engineering and geoscience work that conforms to all applicable statutes and is implemented and adhered to by all APEGA Members associated with this company. The details of the quality management system will be documented in the PPMP.</td>
<td></td>
</tr>
<tr>
<td>8. I acknowledge that APEGA may, at any time, conduct a review of all engineering and geoscience practice done on behalf of the company, in accordance with the <em>EGP Act</em>, s 16(1)(b).</td>
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</tbody>
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<thead>
<tr>
<th>INITIAL</th>
<th>Agreed-To Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.</td>
<td>I acknowledge that to engage in the practice of engineering and geoscience in Alberta, the company must have at least one designated APEGA Professional Member to act as Responsible Member on behalf of the company. The company must ensure that this individual has the necessary authority to oversee the practice of engineering or geoscience within the company and that this person and his or her contact information is associated with this Permit.</td>
</tr>
<tr>
<td>10.</td>
<td>I will ensure that should APEGA contact the company with regards to regulatory matters, a response will be given promptly and appropriately, as per EGP Act Bylaw 32.1.</td>
</tr>
<tr>
<td>11.</td>
<td>I will ensure that APEGA has up-to-date and accurate company and contact information and that all APEGA members associated with the company are identified.</td>
</tr>
<tr>
<td>12.</td>
<td>I will contact APEGA immediately should I no longer be acting as the company’s Chief Operating Officer (or designated senior officer) in association with this company’s APEGA Permit.</td>
</tr>
<tr>
<td>13.</td>
<td>I will notify APEGA should the company have a discipline decision or investigation underway in another province or territory in Canada.</td>
</tr>
<tr>
<td>14.</td>
<td>I acknowledge that if the company is no longer practising engineering or geoscience in Alberta, but the registered company name contains any of the words engineering, geology, geophysics, geoscience, or variations of these words, an APEGA Permit to Practice must be renewed annually.</td>
</tr>
<tr>
<td>15.</td>
<td>I will contact APEGA should the company wish to cancel its Permit.</td>
</tr>
</tbody>
</table>

**Name of COO**

**Company Name (or Permit Holder Number)**

**Signature**

**Date**
SECTION 9: Responsible Member Declaration

The following declaration is to be read, initialed and signed by each Responsible Member.

<table>
<thead>
<tr>
<th>INITIAL</th>
<th>Agreed-To Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>I have read and understand that all APEGA permit holding companies are regulated by the Engineering and Geoscience Professions Act (EGP Act), General Regulation and Bylaws, policies, standards, and bulletins by APEGA.</td>
</tr>
<tr>
<td>2.</td>
<td>I have accepted the delegated authority from the Chief Operating Officer and agree to act as Responsible Member for the below-mentioned company.</td>
</tr>
<tr>
<td>3.</td>
<td>I am a registered Professional Member with APEGA of practising status and in good standing.</td>
</tr>
<tr>
<td>4.</td>
<td>I will notify APEGA if I should have a discipline decision or investigation underway in another province or territory in Canada.</td>
</tr>
</tbody>
</table>
| 5.      | **IF A CONTRACTOR OR CONTRACT EMPLOYEE ONLY**  
I have express authority and access granted through a written contract to satisfy Number 2 above and can provide a copy upon request from APEGA. |
| 6.      | I will ensure that all engineering and geoscience work performed on behalf of this company, whether the individual or company is based inside or outside Alberta, is appropriately reviewed and authenticated in accordance with the EGP Act, General Regulation and Bylaws, policies, standards, and bulletins by APEGA. |
| 7.      | I acknowledge that I remain fully accountable on behalf of the company to ensure that all engineering and geoscience work associated with this company abides by all applicable statutes, regulations, bylaws, and standards, which include those that APEGA enforces. |
| 8.      | I acknowledge that this company must develop and enforce a Professional Practice Management Plan (PPMP) that is appropriate to all engineering and geoscience practices and that this must be in place within one year of receiving an APEGA Permit to Practice (Ref: EGP General Regulation, s 48(1)(d)). I will ensure that the PPMP is developed, implemented, and adhered to by all APEGA Members associated with this company. |
| 9.      | I have the authority to ensure that the quality management system for all engineering and geoscience work conforms to all applicable statutes and is implemented and adhered to by all APEGA Members associated with this company. I will ensure that the details of the quality management system will be documented in the PPMP. |
| 10.     | I acknowledge that APEGA may, at any time, conduct a review of all engineering and geoscience practice done on behalf of the company, in accordance with the EGP Act, s 16(1)(b). |
| 11.     | I will ensure that should APEGA contact the company with regards to regulatory matters, that a response will be given promptly and appropriately, as per EGP Act Bylaw 32.1. |
| 12.     | I will ensure that APEGA has up-to-date and accurate contact information for me and the company, including all APEGA members associated with the company. |
| 13.     | I will participate in the mandatory APEGA Permit to Practice seminar within six months of becoming a Responsible Member and at minimum every five years thereafter, in accordance with the EGP Gen Reg, s 48.1. |
| 14.     | I will contact APEGA immediately should I no longer be acting as a Responsible Member in association with this company’s APEGA Permit. |
| 15.     | I understand that I am responsible for applying the Permit Number on professional documents, authenticating on behalf of the company and will abide by the APEGA Practice Standard for Authenticating Professional Documents. |

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<th>Name of Responsible Member</th>
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<table>
<thead>
<tr>
<th>Company Name (or Permit Holder Number)</th>
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Schedule

CODE OF ETHICS

(established pursuant to section 20(1)(k)
of the Engineering and Geoscience Professions Act)

Preamble

Professional engineers and geoscientists shall recognize that professional ethics is founded upon integrity, competence, dignity and devotion to service. This concept shall guide their conduct at all times.

Rules of Conduct

1 Professional engineers and geoscientists shall, in their areas of practice, hold paramount the health, safety and welfare of the public and have regard for the environment.

2 Professional engineers and geoscientists shall undertake only work that they are competent to perform by virtue of their training and experience.

3 Professional engineers and geoscientists shall conduct themselves with integrity, honesty, fairness and objectivity in their professional activities.

4 Professional engineers and geoscientists shall comply with applicable statutes, regulations and bylaws in their professional practices.

5 Professional engineers and geoscientists shall uphold and enhance the honour, dignity and reputation of their professions and thus the ability of the professions to serve the public interest.

APEGA Discipline Committee Order

Date: February 28, 2013  Case No.: 12-013-50

IN THE MATTER OF THE ENGINEERING AND GEOSCIENCE PROFESSIONS ACT
AND IN THE MATTER OF THE CONDUCT OF BRIAN BUTE, P.ENG. AND BCB ENGINEERING LTD.

Editor's Note: This report is published verbatim and is not subject to usual editing. When there are findings against a member, the PEG is required to publish decisions with names unless the committee instructs otherwise. In this case, the committee makes no such instruction.

BACKGROUND
The Investigative Committee of the Association of Professional Engineers and Geoscientists of Alberta (APEGA) conducted an investigation into the conduct of Brian Bute, P.Eng. and BCB Engineering Ltd. in relation to providing engineering services to two competing clients on the same project.

AGREED STATEMENT OF FACTS
The Investigative Committee and Brian Bute and BCB Engineering Ltd. submitted an agreed statement of facts, which is reproduced verbatim, below.

1. Mr. BRIAN BUTE, P.Eng. was a professional member of APEGA, and was thus bound by the APEGA Code of Ethics, at all relevant times;
2. BCB ENGINEERING LTD. held a valid Permit to Practice at all relevant times;
3. The members are a structural engineering company and one of its director/shareholders. At all material times, and currently, the members provide engineering consulting services to construction contractors.
4. The complainant was the president of a construction contractor (the "Contractor"). The Contractor had a written contract with one or both of the members, entered in approximately mid-2006, the terms of which included the provision of engineering consulting services by the members in exchange for a monthly service fee. The Contractor was a client of the members.
5. In or about the Fall of 2006, the members provided engineering consulting services to the Contractor with respect to the pile design for a project on which the Contractor intended to bid (the "Project").
6. Subsequently, the members provided engineering consulting services to a second contractor (the "Second Contractor") with respect to the pile design on the same project. The Second Contractor intended to, and did, bid upon the Project.
7. At no time during the bidding process did the members advise the Contractor that the members were providing consulting services to a competitor of the Contractor on the Project. The Contractor subsequently discovered this and thereafter lodged a complaint with APEGA.

CONDUCT
Brian Bute and BCB Engineering Ltd. have freely and voluntarily admitted that their conduct constitutes unprofessional conduct and violated Rules 3 and 5 of the APEGA Code of Ethics in the following respects:
1. They provided services to two competing customers on the same project;
2. They did not advise the Contractor with whom the members had a pre-existing contractual relationship that they would be providing services to a competitor on the same project; and
3. They put their own interests ahead of the Contractor's interests.

ORDERS
The Investigative Committee has recommended orders that it considers appropriate. As the case manager designated by the Discipline Committee to review the matter, I agree with the recommended orders.

During my discussion of the orders with Mr. Bute, he confirmed that he and BCB Engineering Ltd. agree with the recommended orders.

Therefore, in accordance with Section 52 of the Engineering and Geoscience Professions Act, this Order has the same force and effect as if it had been made by the Discipline Committee following a formal hearing.
CASE NO. 12-013-SO CONTINUED

1. Mr. Bute shall be issued a letter of reprimand.

2. Mr. Bute shall successfully complete, at his own expense, a university course in professional ethics by June 30, 2014. The course is to have the prior approval of the Discipline Committee and the results are to be submitted to the Discipline Committee.

3. Mr. Bute shall participate as a volunteer at the Iron Ring workshop in Calgary on at least three occasions in 2013, 2014 or 2015, at his own expense, and notify the Discipline Committee in writing after each workshop.

4. Should Mr. Bute fail to comply with the orders #2 and #3 in the specified times, his registration with APEGA shall be suspended until such time as he does comply with the orders.

5. BCB Engineering Ltd. shall pay, to APEGA, a fine in the amount of $3000.00 within three months of the date of this Order.

6. Should BCB Engineering Ltd. fail to comply with order #5 in the specified time, its permit to practice engineering shall be suspended until such time as it does comply with the order.

7. This Order shall be published in the PEG magazine, with names.

Dated this 28th day of February, 2013

RICHARD RODGERS, P.ENG.
Case Manager, Discipline Committee
APEGGA Discipline Committee Order

Date: May 27, 2011  Case No.: 11-006-SO

IN THE MATTER OF THE ENGINEERING, GEOLOGICAL AND GEOPHYSICAL PROFESSIONS ACT AND IN THE MATTER OF THE CONDUCT OF A PROFESSIONAL ENGINEER (THE MEMBER)

BACKGROUND

APEGGA’s Investigative Committee concluded an investigation into the conduct of the Member with respect to revealing confidential information. The Member has freely and voluntarily admitted to unprofessional conduct and has agreed with certain facts and findings. Under those circumstances, the Engineering, Geological and Geophysical Professions Act permits the Investigative Committee to recommend an order that the committee considers appropriate instead of referring the matter for a formal hearing.

A recommended order must be provided to a member of the Discipline Committee who has been designated to act as a case manager to review the order. If the case manager or the investigated person rejects the order, the matter must be referred to the Discipline Committee for a formal hearing.

AGREED STATEMENT OF FACTS

The Investigative Committee and the Member have agreed to a statement of facts, which is reproduced verbatim:

1. The Member was a professional member of APEGGA, and was thus bound by the APEGGA Code of Ethics, at all relevant times;

2. In October of 2008, the Member began working on an engineering analysis of a free-standing structure for use on oil service rig masts on behalf of Mr. BA;

3. Concurrently, the Member was providing contract engineering services to XYZ, a firm founded by Mr. BA, but a competitor to Mr. BA at the time in question;

4. When the Member learned of a non-compete agreement between Mr. BA and XYZ, he discussed details of the free-standing structure with Mr. DL and other representatives of XYZ Industries, providing an assembly representation of the system via a screen and projector.

5. The Member did not seek nor obtain permission to share any details of the free-standing structure system from Mr. BA.

CONDUCT

The Member has freely and voluntarily admitted that his conduct constitutes unprofessional conduct in the following respects:

He shared confidential information, gained through his employment as a professional engineer, with a competitor of his client, thereby violating Rule #3 of the APEGGA Code of Ethics.

Rule 3 states: “Professional engineers, geologists and geophysicists shall conduct themselves with integrity, honesty, fairness and objectivity in their professional activities.”

ORDERS

The Investigative Committee has recommended orders that it considers appropriate. As the case manager designated by the Discipline Committee to review the matter, I agree with the recommended orders.

During my discussion of the orders with the Member, he confirmed that he agrees with the recommended orders.

Therefore, in accordance with Section 52 of the Engineering, Geological and Geophysical Professions Act, this Order has the same force and effect as if it had been made by the Discipline Committee following a formal hearing.

1. The Member shall be issued a letter of reprimand for unprofessional conduct.

2. This Order is to be published in the PEG magazine, without names.

Dated this 27th day of May, 2011

DIANA PURDY, P.GEOL.
Case Manager, Discipline Committee
APEGGA Discipline Committee Order

IN THE MATTER OF THE ENGINEERING, GEOLOGICAL AND GEOPHYSICAL PROFESSIONS ACT
AND IN THE MATTER OF THE CONDUCT OF A MEMBER (A PROFESSIONAL ENGINEER) AND A PERMIT HOLDER

BACKGROUND

APEGGA’s Investigative Committee concluded an investigation into the conduct of the Member and the Permit Holder with respect to the design, manufacture and supply of safety ladders. The Member and the Permit Holder have freely and voluntarily admitted to unprofessional conduct and unskilled practice and have agreed with certain facts and findings. Under those circumstances, the Engineering, Geological and Geophysical Professions Act permits the Investigative Committee to recommend an order that the committee considers appropriate instead of referring the matter for a formal hearing.

A recommended order must be provided to a member of the Discipline Committee who has been designated to act as a case manager to review the order. If the case manager or the investigated person rejects the order, the matter must be referred to the Discipline Committee for a formal hearing.

AGREED STATEMENT OF FACTS

The Investigative Committee and the Member, acting on behalf of himself and the Permit Holder, have agreed to a statement of facts, which is reproduced verbatim:

1. At all relevant times, the Member was registered as a Professional Engineer with APEGGA, and thus subject to the Engineering, Geological and Geophysical Professions Act and Regulations and the APEGGA Code of Ethics;

2. At all relevant times, the Permit Holder held a valid APEGGA Permit to Practice and thus was subject to the Engineering, Geological and Geophysical Professions Act and Regulations and the APEGGA Code of Ethics;

3. The Member, through his company, the Permit Holder, undertook to design and manufacture a number of industrial ladders, suitable for use with fall arrest devices, for the client;

4. The Member, as the sole Professional Engineer for the Permit Holder, was professionally responsible for the engineering of the ladders;

5. The ladders, as supplied, failed to meet the requirements of industry standards including PIP STF05501, CSA Z259.16-04, and any others that may have been required by Alberta Occupational Health & Safety codes.

6. The Member failed to provide adequate details for the connections of the ladder to the structure it was intended for.

7. The Member displayed a lack of skill or knowledge in the design of industrial ladders suitable for use with fall arrest devices;

8. The Member undertook the design of the industrial ladders suitable for use will fall arrest devices despite his lack of training and experience with respect to such ladders;

9. The drawings for the ladders were issued without the required professional authentication;

10. The Member and the Permit Holder regularly referred to an unlicensed person as an engineer in communications with their client.
CONDUCT (FINDINGS)

The Member has freely and voluntarily admitted that his conduct and the conduct of the Permit Holder constitute unskilled engineering practice in the following respects:

1. They provided designs for industrial ladders for use with fall arrest devices that did not comply with the requirements of the Occupational Health & Safety Code.

2. They failed to provide adequate details of the connections between the ladders and the structure for which the ladders were intended.

In doing so, they violated Rule 1 of the APEGGA Code of Ethics which states that professionals shall “hold paramount the health, safety and welfare of the public” where “public”, in this instance, includes the ultimate users of the ladders. They also violated Rule 4 of the Code of Ethics which requires them to comply with applicable statutes and regulations in their professional practices.

The Member, on behalf of himself and the Permit Holder, has freely and voluntarily admitted that his conduct and the conduct of the Permit Holder constitute unprofessional conduct in the following respects:

3. They undertook the design of industrial ladders for use with fall arrest devices without having the necessary competence to do so, violating Rule 2 of the APEGGA Code of Ethics.

4. In their discussions with their client, they referred to an unlicensed contractor as an engineer.

5. The Member did not apply his professional engineer’s stamp to the ladder system design drawings as required by the regulations under the Engineering, Geological and Geophysical Professions Act.

ORDERS

The Investigative Committee has recommended orders that it considers appropriate. As the case manager designated by the Discipline Committee to review the matter, I agree with the recommended orders.

During my discussion of the orders with the Member, acting on behalf of himself and the Permit Holder, he confirmed that he and the Permit Holder agree with the recommended orders.

Therefore, in accordance with Section 52 of the Engineering, Geological and Geophysical Professions Act, this Order has the same force and effect as if it had been made by the Discipline Committee following a formal hearing.

The Member

1. The Member shall be reprimanded for unskilled practice and unprofessional conduct.

2. The Member shall pass the National Professional Practice Exam within one year of the date of this Order.

3. The Member shall successfully complete a training course on occupational health and safety codes and standards that is acceptable to the Investigative Committee. Evidence of completion of the course must be provided to the APEGGA Discipline Committee within one year of the date of this order.

4. Should the Member fail to pass the exam or provide evidence of completing the training course within the specified times, his registration shall be suspended until he passes the exam and provides evidence of successfully completing the training course.

Permit Holder

5. The Permit Holder shall pay a fine of $1,000 to APEGGA within 60 days of the date of this Order.

6. The Permit Holder shall maintain a library of codes and standards applicable to the work it undertakes and it shall provide an inventory of the library to the Investigative Committee on July 31 of each of the following years: 2010, 2011, 2012 and 2013.

7. The Permit Holder shall refrain from referring to unlicensed persons as engineers and shall provide a list of its employees and their job titles to the Investigative Committee on July 31 of each of the following years: 2010, 2011, 2012 and 2013.

8. If the Permit Holder fails to comply with these orders, its permit to practice shall be suspended until it does comply with the orders.

9. This Order shall be published in The PEG magazine, without names.
APEGA Discipline Committee Order

Date: October 4, 2012  Case No.: 12-005-SO

IN THE MATTER OF THE ENGINEERING AND GEOSCIENCE PROFESSIONS ACT
AND IN THE MATTER OF THE CONDUCT OF SAO HOANG, P.ENG. AND BRAVURA HOLDINGS INC.

Editor's Note: This report is published verbatim and is not subject to usual PEG editing. When there are findings against a member, APEGA Council policy requires that the PEG publish decisions with names unless the committee instructs otherwise. In this case, the committee makes no such instruction.

BACKGROUND

APEGA’s Investigative Committee concluded an investigation into the conduct of Sao Hoang, P.Eng. and Bravura Holdings Inc. with respect to the construction of a tall wall in a residential home at 92 Heritage Isle in DeWinton, Alberta. Another professional engineer, passing the residence while under construction, observed that the tall wall appeared to him to be inadequate. He requested and obtained the plans from the supplier of the wall, Al Span Building Systems, and again felt that the structure was inadequate. The engineer subsequently brought his concerns to APEGA, prompting an investigation.

Mr. Hoang has freely and voluntarily admitted to unskilled practice and has agreed with certain facts and findings. Under those circumstances, the Engineering and Geoscience Professions Act permits the Investigative Committee to recommend an order that the committee considers appropriate instead of referring the matter for a formal hearing.

A recommended order must be provided to a member of the Discipline Committee who has been designated to act as a case manager to review the order. If the case manager or the investigated person rejects the order, the matter must be referred to the Discipline Committee for a formal hearing.

AGREED STATEMENT OF FACTS

The Investigative Committee and Mr. Hoang have agreed to a statement of facts, which is reproduced verbatim:

1. Mr. SAO HOANG, P.Eng. was a professional member of APEGA, and was thus bound by the APEGA Code of Ethics, at all relevant times;

2. BRAVURA HOLDINGS INC. held a valid Permit to Practice at all relevant times;

3. Bravura Holdings was engaged to provide design services for a tall wall in a residential construction project at 92 Heritage Isle in DeWinton, Alberta;

4. The dimensions of the wall were such that they fell outside of Part 9 of the Alberta Building Code and were instead subject to Part 4 of the Alberta Building Code;

5. Part 4 of the Alberta Building Code requires that both internal and external pressures due to wind be considered in the design of tall walls;

6. Mr. Hoang assigned the design calculations for the wall to a junior engineer within his firm, who prepared the initial calculations. Mr. Hoang subsequently reviewed the calculations. Mr. Hoang and Bravura Holdings Inc. issued the wall design for construction in accordance with the design calculations prepared by the junior engineer, without any amendments.

7. Section 4.1.7.1(3) of Alberta Building Code 2006 states: “The net specified pressure due to wind on part or all of a surface of a building shall be the algebraic difference of the external pressure or suction as provided in Sentence (1) and the specified internal pressure or suction due to wind calculated using the following formula:

   \[ p = q \times C_p \times C_r \]

8. The AHTIC “Guidelines for the Construction of Residential Tall Walls” contains the following items in the section describing the scope of the guideline:

   - This manual contains guidelines certified by a structural engineer registered in the province of Alberta for the design and construction of wood framed residential tall walls. For the purpose of this document, residential tall walls are considered to be walls in residential buildings that are constructed under Part 9 of the ABC 2006 and are greater in height than currently permitted under Part 9 of the Code (Table 9.23.10.1) which is 3.6m (11.9 feet). The walls may be load-bearing and/or wind bearing.

   - Specified \( q_{\text{max}} \) wind pressures are as noted in the tables in the guideline applied in accordance with Part 4 of the ABC 2006; Exposure factor \( C_e \) is as noted in the guideline. Importance factor \( I_p = 1.0 \) for Ultimate Limit State (ULS) calculations and 0.75 for Serviceability Limit State (SLS) calculations. Combined external pressure coefficient \( C_p \times C_r = 1.6 \).
and combined internal pressure coefficient $C_{P,x}$ equal to -0.90. These coefficients were used since they are applicable to typical enclosed residential dwellings but not to open sheds or warehouses with large openings.

9. When items fall outside the scope of Part 9 of ABC 2006 (tall walls are greater height than allowed in Part 9), structural design must be completed in accordance with Part 4 of ABC 2006. The AHITC guidelines recognize that tall walls must be designed in accordance with Part 4 of ABC 2006 and base design guidelines on wall pressures calculated accordingly. Both Part 4 of ABC 2006 and AHITC guidelines are clear that wind load for a tall wall design must consider the difference of external pressure/suction and internal pressure/suction.

10. Mr. Hoang used a wind load of 12 psf for the tall wall design. This wind load considered only the pressure on the external surface of the wall due to wind without taking into account the internal pressures as is required. This resulted in an error, since if the design wind load was calculated in accordance with ABC 2006 and AHITC guidelines, as described above, the wind load should have been 17 psf (approximately 40% greater than used for design).

CONDUCT

Mr. Hoang has freely and voluntarily admitted that his conduct constitutes unskilled practice in the following respect:

In failing to account for the internal pressure developed by wind loads in the design calculations for the tall wall in question, Mr. Sao Hoang, P.Eng., displayed a lack of skill in the practice of the profession of engineering, contrary to Section 44(1)(d) of the Engineering and Geoscience Professions Act.

In failing to properly apply the Alberta Building Code to the design of a tall wall structure, and in accepting the design of a structure not compliant with the Alberta Building Code, Mr. Sø Hoang, P.Eng., contravened Rule of Conduct #4 of the APEGA Code of Ethics, thus engaging in unprofessional conduct contrary to Section 44(1)(b) of the Engineering and Geoscience Professions Act.

ORDERS

The Investigative Committee has recommended orders that it considers appropriate. As the case manager designated by the Discipline Committee to review the matter, I agree with the recommended orders.

During my discussion of the orders with Mr. Hoang, he confirmed that he agrees with the recommended orders.

Therefore, in accordance with Section 52 of the Engineering and Geoscience Professions Act, this Order has the same force and effect as if it had been made by the Discipline Committee following a formal hearing.

1. Mr. Hoang shall receive a letter of reprimand;
2. Mr. Hoang must successfully complete APEGA Technical Exam 9B-Civ-A2 “Elementary Structural Design” within one year of the date of this Order;
3. Mr. Hoang must successfully complete the National Professional Practice Examination within one year of the date of this Order;
4. Should Mr. Hoang fail to successfully complete Orders #2 and #3 above in the period specified, his membership in the Association shall be suspended until such time as he does;
5. The details of this case shall be published in the PEG magazine, with names.

Dated this 4th day of October, 2012

GERALD CARSON, P.ENG.
Case Manager, Discipline Committee
APEGa Discipline Committee Decision

Date: May 15, 2014   Case No.: 13-001-FH

IN THE MATTER OF THE ENGINEERING AND GEOSCIENCE PROFESSIONS ACT
AND IN THE MATTER OF THE CONDUCT OF [PROFESSIONAL GEOLOGIST A] AND PENN WEST PETROLEUM LTD.

These matters came up for hearing before a panel of the Discipline Committee (the Panel) on February 25, 2014 at the offices of the Association of Professional Engineers and Geoscientists of Alberta (APEGA) in Calgary, Alberta. Both the Investigative Committee and [PROFESSIONAL GEOLOGIST A] /Penn West Petroleum Ltd. ("Penn West") were represented by counsel.

CHARGES

The charges that have been brought by the Investigative Committee against [PROFESSIONAL GEOLOGIST A] and Penn West, as contained in the formal notice of hearing, are as follows:

1. That on or about September 7, 2010 to November 16, 2011 [PROFESSIONAL GEOLOGIST A] gave sworn evidence before the Court regarding the calculation of the drainage area of a natural gas well as a factor in determining natural gas royalties when he knew or ought to have known that his evidence was erroneous or misleading in one or more of the following respects:
   a. It ignored available wellhead data;
   b. It ignored the dynamic reservoir conditions;
   c. It ignored the permeability of the surrounding media;
   d. It ignored pressure gradients throughout the drainage area;
   e. It ignored drainage area boundary conditions;
   f. It ignored variability in the spatial distribution of fugacious substances including natural gas throughout the drainage area;
   g. It ignored variability in the gas recovery factor with the distance from the well bore; and
   h. It ignored variability in the gas recovery factor between early stages of production with radial gas flow to the well bore and later stages of production without radial gas flow to the well bore.

2. That on or about September 7, 2010 to November 16, 2011 [PROFESSIONAL GEOLOGIST A] gave sworn testimony before the Court regarding the calculation of the drainage area of a natural gas well as a factor in determining natural gas royalties notwithstanding that he lacked expertise in that field of practice, contrary to Code of Ethics Rule of Conduct #2.

3. That on or about September 7, 2010 to November 16, 2011 Penn West Petroleum Ltd. called sworn evidence before the Court regarding the calculation of the drainage area of a natural gas well as a factor in determining natural gas royalties when it knew or ought to have known that this evidence was erroneous or misleading in one or more of the following respects:
   a. It ignored available wellhead data;
   b. It ignored the dynamic reservoir conditions;
   c. It ignored the permeability of the surrounding media;
   d. It ignored pressure gradients throughout the drainage area;
   e. It ignored drainage area boundary conditions;
   f. It ignored variability in the spatial distribution of fugacious substances including natural gas throughout the drainage area;
   g. It ignored variability in the gas recovery factor with the distance from the well bore; and
   h. It ignored variability in the gas recovery factor between early stages of production with radial gas flow to the well bore and later stages of production without radial gas flow to the well bore.

4. That on or about 2004 to 2012 Penn West Petroleum Ltd.:
   a. submitted Permit to Practice Reports to APEGa in which Penn West Petroleum Ltd. undertook to ensure that the Practice of the Professions within the organization was managed by a written Professional Practice Management Plan, and then failed to comply with the undertakings provided; and
   b. failed to have in place and/or to follow a Professional Practice Management Plan appropriate to its professional practice, contrary to s. 48 of the Engineering, Geological and Geophysical Professions Act and/or the Guideline for Professional Practice Management Plans.

IT IS FURTHER ALLEGED that the conduct described above constitutes unprofessional conduct and/or unskilled practice as defined in s. 44 of the Engineering, Geological and Geophysical Professions Act.
AGREED STATEMENT OF FACTS AND ADMISSION OF UNPROFESSIONAL CONDUCT OR UNSKILLED PRACTICE

At the outset of the hearing, the Investigative Committee and [PROFESSIONAL GEOLOGIST A]/Penn West jointly submitted an Agreed Statement of Facts and Admission of Unprofessional Conduct or Unskilled Practice, attached to this decision as Schedule A.

FINDINGS AND REASONS

Having heard from counsel for the parties, and having had the opportunity to further consider the agreed statement and admission, the Panel finds that [PROFESSIONAL GEOLOGIST A]’s conduct constituted unskilled practice and unprofessional conduct with respect to charges 1 and 2. The Panel also finds that Penn West’s conduct constituted unprofessional conduct with respect to charge 3 and charge 4a. Herein are the Panel’s reasons for the findings.

Charges 1 and 2

Charge #1 states: “That on or about September 7, 2010 to November 16, 2011 [PROFESSIONAL GEOLOGIST A] gave sworn evidence before the Court regarding the calculation of the drainage area of a natural gas well as a factor in determining natural gas royalties when he knew or ought to have known that his evidence was erroneous or misleading in one or more respects”. (see Charges above)

Charge #2 states: “That on or about September 7, 2010 to November 16, 2011, [PROFESSIONAL GEOLOGIST A] gave sworn testimony before the Court regarding the calculation drainage area of a natural gas well as a factor in determining natural gas royalties notwithstanding that he lacked expertise in the field of practice, contrary to Code of Ethics Rule of Conduct #2

[PROFESSIONAL GEOLOGIST A] utilized a simplified volumetric method for estimating drainage radius that failed to account for the physics of radial flow through permeable media under dynamic conditions. The volumetric method used is less accurate and not commonly used in the industry to determine drainage radius for operating wells. The result was an erroneous calculation of drainage radius. It was also noted that [PROFESSIONAL GEOLOGIST A] is not a Professional Engineer and from his curriculum vitae. . .there is no mention of expertise in determining well drainage areas. Failure to utilize the appropriate calculation method for determining well drainage area in a case involving offset compensation, combined with [PROFESSIONAL GEOLOGIST A]’s technical background and admission of unskilled practice are the key factors that support the charge of unskilled practice.

As outlined above [PROFESSIONAL GEOLOGIST A] was not experienced in the determination of well drainage area under radial flow conditions. Notwithstanding his lack of expertise [PROFESSIONAL GEOLOGIST A] agreed to act as an expert witness and gave sworn evidence in Court that his simplified method for determining drainage area was appropriate and that his results would be similar to what others would conclude, within a few percent. Further, in his Court testimony, while [PROFESSIONAL GEOLOGIST A] advised that his method of calculation was very basic, he failed to explain that his assumptions disregarded the physics of radial fluid flow and that a more accurate method was available. These factors when combined with [PROFESSIONAL GEOLOGIST A]’s admission of unprofessional conduct supports the charge of unprofessional conduct.

Taken together, these actions contravene s. 44 of the Engineering and Geoscience Professions Act.

Charge 3

Charge 3 states: “That on our about September 7, 2010 to November 16, 2011 Penn West Petroleum Ltd., called sworn evidence before the Court regarding the calculation of the drainage area of a natural gas well as a factor in determining natural gas royalties when it knew or ought to have known that the evidence was erroneous or misleading in one or more respects”. (see Charges above)

According to the agreed joint statement of facts, Penn West requested and reviewed [PROFESSIONAL GEOLOGIST A]’s expert witness statement and called him as a witness to give testimony explaining his expert witness statement and his determination of well drainage area. As an APEGA Permit Holder, Penn West should have known the limitations of [PROFESSIONAL GEOLOGIST A]’s expertise in reservoir engineering calculations and limited his testimony to that of a petroleum geologist, which was the basis on which [PROFESSIONAL GEOLOGIST A] was qualified as an expert witness. Additionally, Penn West failed to advise the Court, through [PROFESSIONAL GEOLOGIST A]’s testimony or elsewhere, that more accurate methods of determining drainage radius were available. For these reasons and Penn West’s acknowledgement that its actions constituted unprofessional conduct and/ or unskilled practice the Panel agrees with the charge of unprofessional conduct within the meaning of s. 44 of the Engineering and Geoscience Professions Act.

Charge 4a

Charge 4a states: “That on or about 2004 to 2012 Penn West Petroleum Ltd. submitted Permit to Practice Reports to APEGA in which Penn West Petroleum Ltd. undertook to ensure that the Practice of the Professions within the organization was managed by a written Professional Practice Management Plan, and then failed to comply with the undertakings provided.”

Since Penn West was unable to produce a Professional Practice Management Plan (PPMP) for the period in question the Panel agrees with charge 4a as stated above and that these actions constituted unprofessional conduct within the meaning of s. 44 of the Engineering and Geoscience Professions Act.

It was noted in the agreed statement of facts that Penn West has since prepared a PPMP.

Charge 4b

The Investigative Committee in the course of the hearing withdrew charge 4b. This action is consistent with a similar decision by the Discipline Committee Panel in Case 11-008-FH and thus this Panel concurs with the action of the Investigative Committee.

Although the Investigative Committee withdrew charge 4b against Penn West, the Panel has decided to provide more generic
comment on the topic of a Professional Practice Management Plan (PPMP). The PPMP is one part of an APEGA Permit Holder’s management system designed to ensure that appropriate standards of professional practice are maintained. If such management systems are missing or not followed, not only is the risk of regulatory non-compliance increased, but also the risk of lower quality technical work products. This increased risk could have an impact on the public’s safety, business performance and the individual conducting the work. And while the charges against [PROFESSIONAL GEOLOGIST A] were not attributed to the absence of a PPMP, this component of Penn West’s management systems might have proven beneficial.

ORDERS

After receiving the Panel’s oral findings regarding the charges, counsel for the parties submitted a Joint Submission on Penalty (Sanctions), attached as Schedule B. Sanction (c), against [PROFESSIONAL GEOLOGIST A], was withdrawn by the parties after the Panel requested additional information to support the sanction, as worded. In particular, the Panel was concerned that the sanction implied that [PROFESSIONAL GEOLOGIST A] would be permitted to practice in the field of reservoir engineering despite not being qualified to do so. The Panel referenced s. 2 of the Engineering and Geoscience Professions Act which states in part “Except as otherwise provided in this Act, no individual … except a professional engineer … shall engage in the practice of engineering.” The parties did not offer any exceptions, permitted under the Act, which might apply to [PROFESSIONAL GEOLOGIST A].

Having carefully considered the joint submission and associated changes made by the parties during the course of the Hearing, the Panel provides the following orders:

As against [PROFESSIONAL GEOLOGIST A]:

1. [PROFESSIONAL GEOLOGIST A] shall pay a fine in the amount of $2,500.00 within 60 days of the date of this decision;
2. Within 12 months of the date of this decision, [PROFESSIONAL GEOLOGIST A] shall successfully complete an APEGA Professional Practice Examination;
3. [PROFESSIONAL GEOLOGIST A] shall pay $14,689.92, which represents 50% of the costs of the Discipline Committee hearing in accordance with APEGA bylaw 36. This amount shall be paid within 60 days of the date of this decision;
4. Details of this matter will be published in The PEG magazine without identifying [PROFESSIONAL GEOLOGIST A].

As against Penn West Petroleum Ltd.:
1. Penn West Petroleum Ltd. shall pay a fine in the amount of $10,000.00 within 60 days of the date of this decision;
2. Penn West Petroleum Ltd. shall pay $14,689.92, which represents 50% of the costs of the Discipline Committee hearing in accordance with APEGA bylaw 36. This amount shall be paid within 60 days of the date of this decision;
3. Details of this matter will be published in The PEG magazine with Penn West Petroleum Ltd. identified by name.

Dated this 15th day of May 2014

RICHARD RODGERS, P.ENG.
Discipline Committee Panel Chair