



2011 Annual Report

GPA CANADA MISSION STATEMENT:

Provide added value to the Canadian gas processing and gas liquids industries from source to market by being a forum for:

- Expanding technical knowledge
- Sharing best practices
- Discussing, debating and providing input into legislative and regulatory issues
- Industry networking

GPA CANADA VISION:

- Be the premier technical association representing gas processing in Canada.

GAS PROCESSING ASSOCIATION CANADA

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TABLE OF CONTENTS

2012 Agenda	4
2011 Minutes.....	5-7
Presidents' Messages	8-10
2011 Financial Statements	11-13
Conference Reports.....	14
G.A.S. Alumni Report.....	15
Safety Report	16
Classic Golf Tournament	17
Northern Committee Report	18
GPAC 2012 Corporate Sponsors	20



GPAC ANNUAL GENERAL MEETING & Q1 LUNCHEON - AGENDA

Tuesday April 3, 2012

The Petroleum Club, Devonian Room

319 – 5 Avenue SW | Calgary, Alberta

11:30 am - 1:00 pm

1. Call to order
2. Reading and Dispensing of the Minutes from the Annual General Meeting of March 2, 2011
3. President's Report
4. Financial Report
 - Approval of the 2011 Financial Statement
5. 2011 Directors' Highlights
6. Ratification of the Actions of the Board of Directors
7. Board of Directors Elections

Adjournment of the Annual General Meeting

8. Outstanding Award Presentation
9. Luncheon Presentation

***Occupational Health & Safety & Criminal Negligence: Update on Bill C-45, Laura Mensch, Partner
Gowling Lafleur Henderson LLP***

An update on Criminal Code prosecutions relating to criminal negligence arising out of occupational health and safety violations by organizations and senior officers

GPAC ANNUAL GENERAL MEETING - MINUTES

Monday, April 3, 2011
The Chamber of Commerce
Calgary, Alberta



1. Call to Order

Josh Carter welcomed the members and indicated that there was a quorum of at least 20 members present, so the meeting was duly constituted. Materials for reference were on each table in the Annual Report:

- Agenda
- Minutes from the 2010 AGM
- Proposed revised Bylaws for approval

2. Approval of the March 2010 AGM Meeting minutes

The minutes of the March 31, 2010 Annual General Meeting were circulated.

Moved by Jeff McPhail that the minutes of the March 31, 2010 Annual General Meeting be approved as written

Seconded by Kelly Gerry

Carried.

3. President's Report

J. Carter noted that the 2010 and 2011 President's reports could be found in the Annual Reports on the tables. He then acknowledged the current and past Presidents, Executive and Board Directors of the association.

4. Financial Report

Last year's financial report was distributed as part of the Annual Report. The financial books of the Association were reviewed by the company of Schultz Leong, Chartered Accountants and found to be in good order.

Moved by Miriam Mitchell-Banks that the 2010 Financial Statement be approved as presented in the Annual Report

Seconded by Dayle Chadbourne

Carried.

5. Directors Highlights

The annual report highlights the events for 2010.

6. Ratification of Board Actions

J. Carter again referred to the Annual Report that summarized the actions of the Board in 2010 and asked for motion to ratify those decisions.

Moved by Jonathan Balint that the actions of the GPAC Board of Directors be ratified for the year 2010

Seconded by Steve Summers

Carried.

Continued on page 6...



7. Elections

J. Carter reminded the attendees that the Association is run by volunteers; both the individuals who sit on the committees and the companies that sponsor them do so because they are genuinely interested in the goals and activities of the GPA CANADA. Without them, the organization could not function. He thanked the members of the 2010 Board of Directors for their dedication and service.

Retiring directors this year include:

Troy Adams, Altagas, Past President
Joey Hayes, Concise Design, Treasurer
Raj Sing, formerly Exterran, Director
Wade Stinson, Kilowatts Design, Director
Paul Nelson, Altagas, Director
Jay Enright, Moody International, Director
Scott Frogatt, Equinox Engineering, Director

Returning Board for 2011 that require re-election include:

- Josh Carter, President
- Al Niven, Education
- Miriam Mitchell-Banks, Entertainment
- Rob Nadalutti, Academic
- Cam Nichols – appointed during the year as Wanda Hamilton recently retired from the Northern Committee and industry. Requires election.

Continuing onto the 2nd year of their term is:

- Dayle Chadbourne moves into Past President position automatically
- Jonathan Balint, Entertainment
- Jeff McPhail, Safety
- Steve Summers, Program
- Mark Guirguis, Program
- Brian Maksymetz, Program
- Art Kowalchuk remains our G.A.S. Alumni rep

The following positions are vacant:

- Treasurer
- Secretary – however we propose combining this position with the Treasurer in the bylaw revisions

The following is the nominee for one of the vacant positions on the Board:

- Pamela Jones, CNRL

A call for nominations from the floor was made. There being none, a call was made for a motion to approve the slate as presented for 2011.

Moved by Al Niven that the slate of Directors for 2011 be approved as presented
Seconded by Wade Stinson
Carried.



Your complete list of 2011 Directors is:

- Dayle Chadbourne – Past President
- Josh Carter – President
- Kelly Gerry – Vice President
- Treasurer – vacant
- Rob Nadalutti – Academic/Careers
- Brian Maksymetz – Programs
- Mark Guirguis – Programs
- Steve Summers – Programs
- Jonathan Balint – Entertainment
- Miriam Mitchell-Banks – Entertainment
- Jeff McPhail – Safety
- Al Niven – Education
- Art Kowalchuk – G.A.S. Alumni liaison
- Cam Nichols – Northern Committee

8. Special Resolution to Repeal and Replace the Bylaws

J. Carter provided an explanation for the reasoning for updating the bylaws. The floor was opened for questions. There being none, Josh Carter entertained a motion to repeal and replace the Bylaws with the revised version dated February 2011.

Moved by Josh Carter that it be Resolved that the Bylaws of GPAC Gas Processing Association Canada, in their entirety, be repealed and replaced by the Bylaws dated February 2011

Seconded by Graham Balzun

Carried.

9. Announcements

J. Carter announced:

- Membership renewal cutoff date is March 31
- May 6 – O&M Conference & Safety Awards Banquet

Adjournment

There being no new business raised from the floor, J. Carter asked for a motion to adjourn the meeting.

Moved by Erik Munck that the meeting be adjourned at 12:05 pm

Seconded by Mike Hansen

Carried.



LOOKING BACK

2011 PRESIDENT

As the celebrations for GPAC's 50th Anniversary pass into memory, we have started GPAC's 51st year with all the energy and focus of a young association! The new initiatives and projects in just the last 12 months remind me of what a vibrant association, industry, and group of members GPAC is a part of.

Our membership is growing, up 30% in 2011 alone! We're working hard to follow our vision, to "Be the premier technical association representing gas processing in Canada." Thanks to great work by our Vice President, Kelly Gerry, we have a new membership style that makes it even easier for larger companies to send their young engineers to our events; exposing them to training and networking opportunities. A "floating" membership style, open to companies buying 3 or more memberships, that are transferable to anyone in the company for any event. This allows the ultimate in flexibility so that the right person can attend the right event!

Following on the successful Fuel Gas Best Management Practices luncheon series, ConocoPhillips has implemented many of the practices and has already seen substantial reductions in emissions, reductions in fuel gas usage, and increases to their bottom line. Based on that success, GPAC is working with Enform and local collages to try to bring the training sessions out to the field based operators; where it's most needed and most effective. There are a lot of details to make this happen, and thanks to GPAC Education Director Al Niven for all the hard work, stay tuned to GPAC for the future details and dates.

One of the biggest new projects has been all the work to support our new relationship with Engineers Without Borders (EWB). Helping to spread the word about the projects this charity is doing across the world has been a pleasure. They are a great organization, and a generous group of people. I had the opportunity to sit down with their President, and we share common goals for both our associations; value, growth, quality. As GPAC's official Charity of Choice, we're proud to watch EWB grow in Calgary!

Strengthening ties has been a strong theme this year, and nowhere else is that as true as with our Academic Director, Rob Nadalutti. Together we've strengthened GPAC's relationship with the University of Calgary's Engineering department. Meeting with Dr. Guy Gendron, the new Dean of Engineering, and with the heads of Mechanical and Chemical Engineering, we're happy to report that GPAC will be bringing several new initiatives to our members. Starting with the 2012 academic year, GPAC will be sponsoring the 4th year Mechanical and Chemical design projects. Open to submission by all GPAC members and member companies, we will be working with the faculties to select the best project ideas, and will be providing the financial sponsorship for the projects. In addition, a separate bus just for University of Calgary Engineering students to participate in the Gas Plant Tours, and a GPAC sponsored student mixer, are all in the works.



Plant Tour? Yes, following in the footsteps of our Northern Chapter, we're putting together Calgary area plant tours. Great GPAC member and volunteer Michael Gordon has stepped forward to help organize the tours. As

2011 PRESIDENT'S MESSAGE CONTINUED

mentioned, special attention is being focused on providing this great opportunity to University of Calgary Engineering students, with a separate bus just for them! A special thanks to Michael, and a reminder to all our members that you can always give us a call and become more involved with any of our events.

As an additional service to the processing industry in Canada, GPAC provides a safety benchmarking study to the operators of processing facilities in Canada. The processing industry study provides industry with aggregate results that are presented at the annual Safety Awards banquet. There is no charge to participate in the study. The GPAC Safety Awards Program is another important part of an industry wide recognition for safe work at gas handling facilities across Canada. Some plants/facilities have been participating in the program since its inception over 30 years ago. Many companies throughout the gas processing industry choose to recognize the exceptional safety records of their staff alongside industry peers through the GPAC Awards.

All of this and more, in addition to all of the great events that GPAC already brings you, year after year, like the Joint GPAC/CHOA/SPE Stampede Breakfast, sold out almost every year since it began; the Golf Tournament, sold out for the last several years; the Operations and Maintenance Conference, and the joint GPAC/PJVA conference, both so successful we've outgrown our previous venue and have moved to the Telus Convention Center!

Of course now is the perfect time to register for the O&M Conference on May 11, followed by the Annual Safety Awards banquet. The banquet theme this year will follow in red carpet, Academy Awards style with once again, special co-host Gery Schubert to entertain you. You won't want to miss this event!

It's been a great 50 years, and with a Board of Directors, members, volunteers, and of course Corporate Sponsors like we currently have, it will be another great 50!

Josh Carter P.Eng
2011 President, GPAC





LOOKING FORWARD

INCOMING PRESIDENT

Firstly, I must say it is a great honor and privilege to be given the opportunity to be the President of GPAC for the 2012 year. I have been a Board member since the inception of the GPAC organization and prior to that a Board member of the CGPSA.

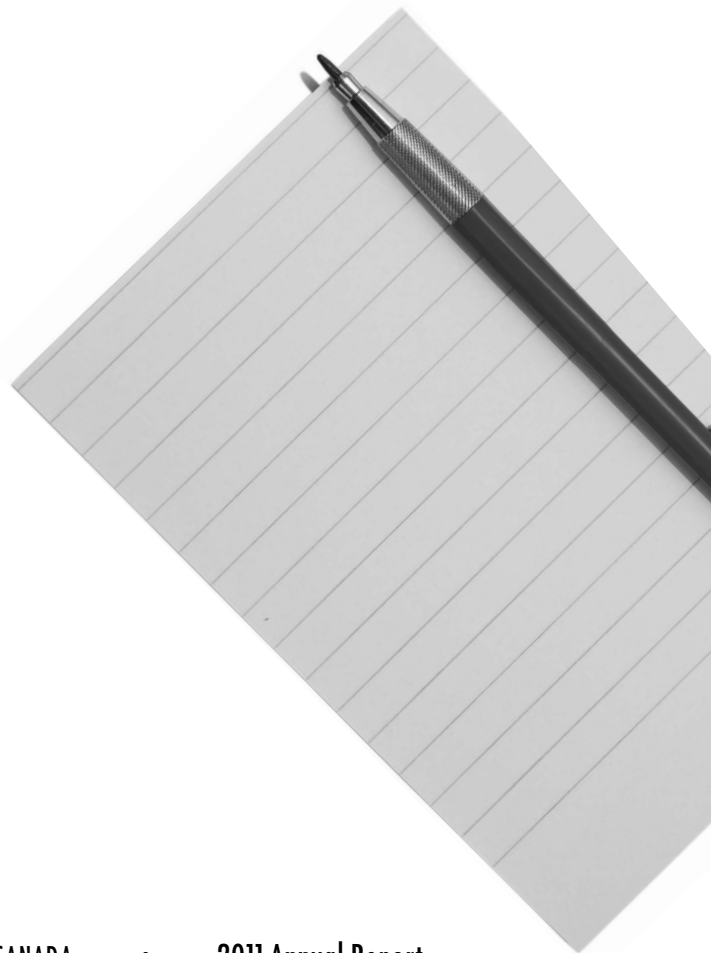
Our GPAC organization has undergone tremendous growth in the past 3 years and my mandate is to continue the momentum into the future. We as a volunteer organization have had a few of our best and brightest Board members leave us because of work commitments but we will continue on with the excellent ideas and drive they brought to us.

2012 should be a year where we take the prime areas we have been focussing on, like membership, academic affiliations, education programs, and flush out the goals we have set over the past couple of years. These programs are the key to our growth and long term success. This will be a year for participation, Association alliances and as well some introspection to ensure we continue to be a relevant and a leading edge organization. 2012 is bringing us some new faces both at the committee level and the Board level, so it will be a huge opportunity for GPAC to work with fresh ideas and directions to better serve our members for years to come.

I would encourage anyone in the Gas Processing Industry to check out our website and come join us for what will be a great year.

Al Niven

2012 Incoming President, GPAC





AUDITORS' REPORT

To the Directors of
Gas Processing Association Canada
P.O. Box 4091, Station C
Calgary, Alberta
T2T 5M9

As members of Gas Processing Association Canada and representing the membership at large, we have reviewed the Balance Sheet of the Gas Processing Association Canada as at December 31, 2011 and the Statement of Income & Expense for the twelve months then ended. These financial statements are the responsibility of the association's management company. Our responsibility was to express an opinion on these financial statements based on our review. A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

In common with many charitable organizations, a society derives revenue from members and the general public in the form of membership sales and donations which are not susceptible to complete verification. Accordingly, verification of such revenue was limited to review of the accounting for the amounts recorded in the records of the society and we were not able to determine whether any adjustments might be necessary to revenue and assets.

Except for the limitation, as described in the preceding paragraph, based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principles. They present fairly, in all material respects, the financial position of the association as at December 31, 2011.

Dated at the City of Calgary,
In the Province of Alberta,
This 07th day of March 2012



Paul Homik



Michael Gordon

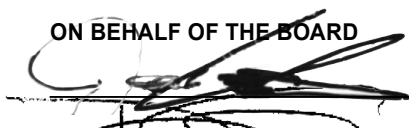



2011 FINANCIAL STATEMENTS

Gas Processing Association Canada
Balance Sheet
December 31, 2011
(unaudited)

	2011	2010
ASSETS		
CURRENT		
Cash	\$ 98,024	\$ 112,116
Marketable Investments	62,353	61,594
Accounts Receivable	12,813	18,933
Inventory	2,900	3,775
Prepaid Expenses	2,432	2,362
	<u>\$ 178,521</u>	<u>\$ 198,780</u>
LIABILITIES AND MEMEBERS EQUITY		
CURRENT		
Accounts Payable	\$ 10,610	\$ 23,360
Goods and Services tax	490	240
Deferred revenue	6,336	12,261
	\$ 17,436	\$ 35,861
RETAINED EARNINGS	161,085	159,919
	<u>\$ 178,521</u>	<u>\$ 195,780</u>

ON BEHALF OF THE BOARD

 Director
 Director

2011 FINANCIAL STATEMENTS



Gas Processing Association Canada
Statement of Income and Retained Earnings
Year Ended December 31, 2011
(unaudited)

	2011	2010
Revenues		
GPAC/PJVA conference	\$ 78,215	\$ 89,633
Membership	58,954	59,584
Golf Classic	56,308	44,225
Operations and Maintenance conference	40,230	39,350
Safety and awards	39,120	38,355
Social functions	16,535	25,245
Publication Sales	18,234	14,280
Fuel Workshops	-	10,182
AGM and Board meetings	1,675	5,125
Interest and others	3,622	541
	<u>\$ 312,893</u>	<u>\$ 326,520</u>
Expenses		
Gpac/PJVA conference	\$ 54,612.81	\$ 68,851.00
Administration	59,183	62,137
Golf Classic	57,829	40,866
Operations and Maintenance conference	37,923	30,518
Safety and awards	45,589	37,216
Social functions	17,854	33,647
Publication Sales	10,673	9,946
Fuel Workshops	-	11,516
AGM and Board meetings	15,580	16,427
Publicity and promotions	10,670	3,583
Education/Careers	1,813	-
	<u>311,727</u>	<u>314,707</u>
NET INCOME (loss)	1,166	11,813
RETAINED EARNINGS-BEGINNING OF YEAR	159,919	148,106
RETAINED EARNINGS-END OF YEAR	<u>\$ 161,085</u>	<u>\$ 159,919.00</u>



CONFERENCE REPORTS

OPERATIONS AND MAINTENANCE CONFERENCE

GPAC's Operations and Maintenance Conference, held in conjunction with the Safety Awards Banquet in May each year, gives delegates the opportunity to take in presentations on issues and opportunities that relate directly to the safe and cost-effective operation of gas and NGL production/processing and facilities. Some of the comments from delegates at the 2011 Conference show the value of this annual event:

"I liked the variety and quality of the speakers"

"Conference had good technical data and information"

"Great – able to meet potential clients and vendors"

The conference committee continually strives to improve the technical component of the conference, and as such is open to feedback and suggestions from members. A small tradeshow is held in conjunction with the conference.

This conference is designed to meet the needs of:

- Operations personnel
- Operations and maintenance supervisors
- Engineers
- Business development representatives
- Oil and gas executives and managers
- Service providers
- Safety personnel
- Upstream and midstream natural gas professionals
- Regulatory and environmental professionals



GPAC/PJVA JOINT CONFERENCE

In partnership with the Petroleum Joint Venture Association (PJVA), GPAC has been bringing together members from both associations for this conference, held annually in November, for 18 years. Interest in this conference has grown in recent years and as a result has been moved to the Telus Convention Centre. The 2011 conference was held Thursday, November 10th. This year, the committee offered two different streams in conjunction with the conference (business and processing). A post-conference networking reception and a panel discussion featuring four – five panelists fielding questions from the audience are a couple of the new features that have been added to the conference in recent years.

The committee strives to secure a good cross-section of relevant and engaging speakers who address current challenges facing the oil and gas industry. In recent years, the committee has been able to secure some very well-known, highly engaging speakers, including former Alberta Minister of Energy Murray Smith, and leader of the Wildrose Alliance, Danielle Smith. A small tradeshow is also held in conjunction with the conference, and exhibitors are given the opportunity to make a brief presentation to the assembly on their product or service.

CONFERENCE COMMITTEE MEMBERS

A big thank you goes out to our committee members! Without these volunteers, these events could not be offered.

2011 O&M Conference Committee

Brian Maksymetz (Co-Chair)

Steve Summers (Co-Chair)

Rob Nadalutti

Mark Guirguis

Dayle Chadbourne

Karsten Pedersen

Dawn Wambold

Adam Friesen

Rob Denholm

2011 PJVA/GPAC Joint Conference Committee

Brian Maksymetz (Co-Chair)

Steve Summers (Co-Chair)

Scott Arnold

Adam Friesen

Mark Guirguis

Rob Nadalutti

Genevieve Noel

Karsten Pedersen

Steve Roberts

Mark Young

G.A.S. ALUMNI

G.A.S. Alumni still has a base of six members who are connected using the internet to maintain contact.

It seems everyone now has access to a computer which is much easier to use than Canada Post. It is certainly much *faster* to send an email rather than wait for a Canada Post letter!

Just a reminder that to qualify for membership in G.A.S., former CGPA/CGPSA members need to be at least 50 years old, be retired or only working part time, have worked in the oil/gas industry for 20 years and pay a modest annual fee of \$9 (+GST).

Arthur Kowalchuk, P.Eng.

G.A.S. Rep





2011 GPAC SAFETY REPORT

For over 30 years, GPAC has continued to support the Gas Processing industry in Canada with the recognition of the outstanding dedication of the operating teams to safety. To qualify for a GPAC Safety Award, gas handling facilities and supplier companies must achieve zero Lost Time Incidents (LTI) at their specific gas handling facility or supplier company for 2010.

The Safety Awards banquet was held on May 6, 2011 at the Calgary Telus Convention Centre again hosted by CTV's Darrel Janz, as well as entertainer Gery Schubert aka "Austin Powers" who was a big hit with the crowd.

Qualifying facilities and companies increased slightly and attendance at the event increased by 6% over the previous year. Of special note, the following facilities have achieved outstanding safety performance without a Lost Time Incident:

ConocoPhillips Morrin Ghost Pine gas plant – 43 years

Imperial Oil Boundary Lake gas plant – 46 years

Imperial Oil Lone Pine gas plant – 39 years

Suncor Wilson Creek gas plant – 41 years

For the 2010 calendar year, the association continued the Safety Benchmarking Survey as a service to GPAC member companies at no cost. This is an opportunity to benchmark your company's safety performance and programs with your industry peers. Please contact GPAC at info@gpacanada.com or guirguis.mark@spartancontrols.com for further information.

For the 2012 event, Mark Guirguis of Spartan Controls will be handling the details as we say goodbye to Jeff McPhail. Jeff spearheaded the event the last two years, implementing some new and fun ideas to the program. Thank you Jeff, for your valued contributions to the gas processing industry!

Mark Guirguis

2012 GPAC Safety Director

CLASSIC GOLF TOURNAMENT

2011 was the 50th anniversary of the GPAC golf tournament!! In celebration of this significant milestone, the committee secured 'Angus McAngus, the Greatest Scottish Golfer of All Time'!!

Angus kicked off the tournament by explaining the traditional Scottish rules and regulations and displaying the coveted Plaid Coat (not to be confused with the Masters green jacket) which was presented at the end of the tournament to the golfer who showed the best tournament spirit.

The tournament was held at the Earl Grey Golf Club, with lunch and registration getting underway at 11:30 am, and shotgun start at 1:30 pm. The banquet and award presentation followed shortly after 6:00 pm. Hole, drink and activity sponsors were lined up for what turned out to be an excellent 30C+ degree day of ace golfing, prime networking and plenty of laughs.

Given the popularity of this tournament that is sold out every year, only GPAC members may register a team, although it is not necessary for team guests to all be members of GPAC. Tournament format is four person Texas scramble, low net competition established by team handicaps.



Angus McAngus displays the coveted Plaid coat at the 2011 GPAC Golf Tournament at Earl Grey Golf Club.



The pledge by tournament participants to adhere to the traditional Scottish rules & regulations of the game.

Sponsorship opportunities are always available if your organization is looking for a great way to increase its profile in the gas processing community next year. Please contact the GPAC office for further information and to book for September 6, 2012 tourney.

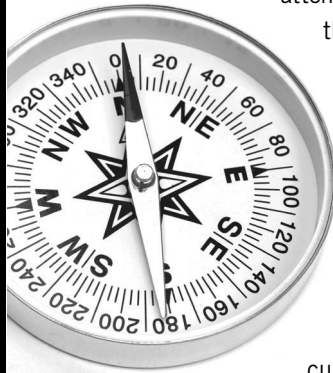
Thank you to entertainment co-chairs **Jonathan Balint** and **Miriam Mitchell-Banks**.



GPAC NORTHERN COMMITTEE

The GPAC Northern Committee had a busy and successful year in 2011. We started the year with a well attended Lunch and Learn discussing a New Generation of Promoter for Selective H₂S Removal.

The first GPAC Golf Tournament in Ponoka on June 1st, 2011 was a success. We saw a growth of attendees of 15% over the previous year when the tournament was in Beaumont. All who attended really enjoyed themselves and committed to coming back with more of their colleagues next year.



The Grande Prairie Golf Tournament on June 21st was another success. It was a full tournament with 144 Golfers attending. All enjoyed themselves and found it to be a great networking activity.

2011 was also a year of change for our Northern Committee Board. Gord Kelly had stepped down from the board due to relocation to Calgary. We did have Shaun Morrison return to the board after a 3 year hiatus.

2012 is looking to be another busy year with many events being planned currently. We plan to have more field based events to give our GPAC members more options to attend.

2012 Events:

- Lunch and Learn - April 12 in Edmonton
- Plant Tour (location TBA) Early May
- Ponoka Golf Tournament June 1st
- Grande Prairie Golf Tournament June 19th
- Beer and Wing Night:
Grande Prairie
Edmonton
Red Deer
- Lunch and Learn - Aug/Sept in Grande Prairie

We hope to have another successful year supporting our industry needs.

Thank you everyone for your support.

Cam Nichols

President, GPAC Northern Committee



Ponoka Golf Tournament



**We would like to recognize the corporate
sponsors that have already committed to
supporting GPAC in 2012**

