



Finding solutions.



APPROPRIATE DISPUTE RESOLUTION (ADR) is an important factor in how the ERCB fulfills its commitment to regulate Alberta's energy resources in the public interest. Through ADR, Albertans and energy companies find unique solutions to balance different interests.

In operation since 2001, the ADR program is used primarily by affected parties when concerns and objections persist following negotiations between landowners and companies. Occasionally ADR is used to resolve issues between the companies themselves. ADR directly engages the two sides, allowing them to work collaboratively to reach outcomes that both can support. ADR allows the parties to develop a clear understanding of each others' issues and interests and helps them find solutions that are acceptable to everyone involved.

Through the ADR process, industry and landowners are able to successfully negotiate concerns about most

proposed energy activities. Of the 34,619 applications submitted to the ERCB in 2009, 1071 objection letters were received, which had 2452 objection associations.

Some of the parties that had objections turned to ADR; of the 102 facilitations and eight third-party mediations completed last year, 86 per cent were resolved. ADR is a straightforward process that carries with it few costs. In fact, the money and time that can be saved by avoiding the hearing process is substantial: 16 scheduled hearings were cancelled following ADR involvement. The benefits of ADR go far beyond merely resolving issues. ADR discussions often foster trust among participants that can endure for the lifespan of an energy development. In addition, companies that train their staff to negotiate effectively and work closely with landowners before submitting an application enjoy better relationships with the broader community and a smoother regulatory process.

ADR BACKGROUND

When is ADR used?

The ERCB's ADR program is used when concerns and objections remain outstanding following negotiations between landowners and companies or between two companies (C2C). Most disputes resolved by ADR relate to proposed facility applications (wells, pipelines, and plants). To a lesser extent, ADR also assists in C2C equity applications, such as spacing, pooling, rateable take, and common carrier or processor.

ADR directly involves the parties, who work collaboratively to reach mutually agreeable solutions. ADR helps the sides develop a clear understanding of their issues and interests and then facilitates ways to resolve the issues.

The two main components of the ADR program are ERCB staff facilitation (formerly known as field facilitation) and third-party assistance from ADR professional service providers and mediators. ERCB staff assist parties to understand regulatory requirements and facilitate meetings to reach mutually agreeable options. Staff facilitation usually occurs before a company files an application but after the company has attempted to resolve stakeholder concerns. Staff normally assist through direct meetings and by speaking with each of the involved parties.

Third-party assistance

Third-party professional service providers and mediators are used in more complex and/or multiparty disputes to develop mutually beneficial outcomes. They may be used when there are concerns about deadlines, disputes that involve multiple parties, or difficulties engaging other parties exist. The first step in involving third-party professionals is a preliminary meeting when the parties, assisted by the third-party professional and ERCB staff, discuss procedures and agree on how to move forward. This often involves mediation. In these situations, preliminary meetings are increasingly important and result in many successfully resolved disputes.

ADR options sometimes deal with confidential matters. It should be noted that ERCB staff involved in these matters do not participate in any related hearings.



DEVELOPMENTS DURING THE PAST YEAR

The ADR team experienced a number of changes in 2009.

Early in the year, the team moved from the Applications Branch to the Field Surveillance and Operations Branch (FSOB). This move made sense as ADR team members are situated in ERCB field centres across Alberta, and these field centres form part of FSOB. The team continues to work closely with the Applications Branch.

The ADR team recently introduced a new Team Leader, Anna Rose. Anna has been with the ERCB for more than 30 years and brings diverse knowledge and experience to the position. Most recently, Anna was a mediator with the ADR team.

The team is currently comprised of five facilitation advisors who are trained in mediation, including the Team Leader.

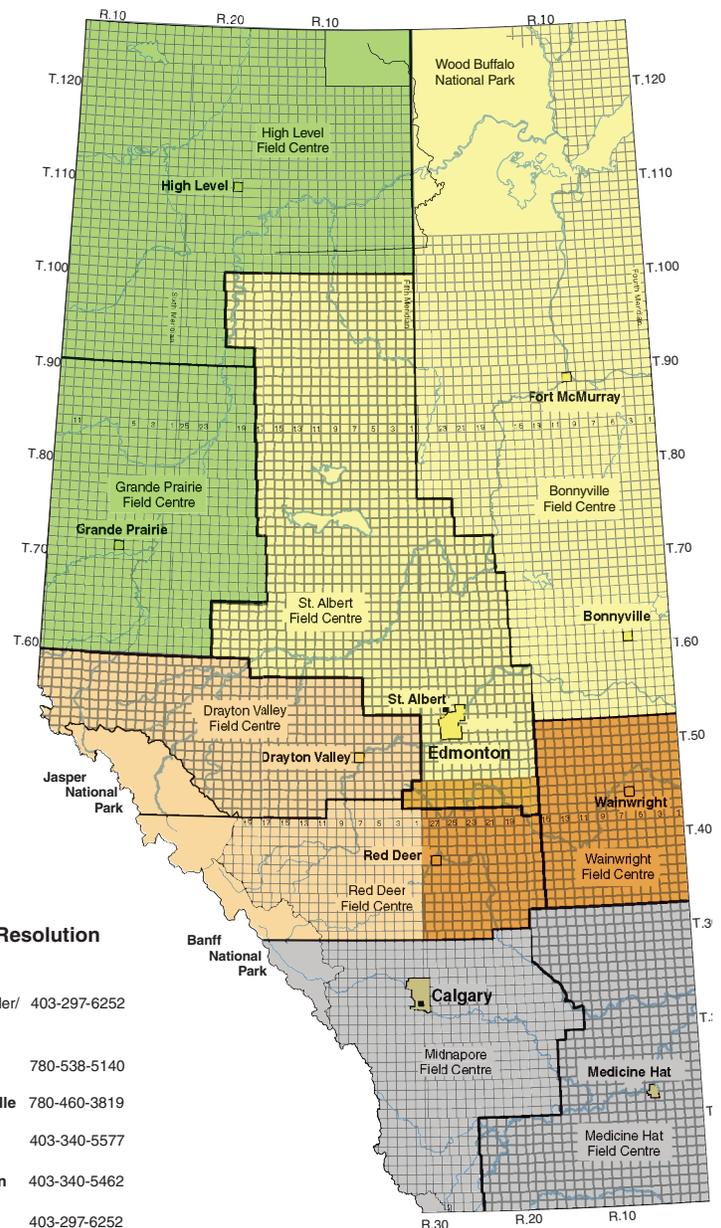
Also in 2009, the ADR team applied its diverse facilitation skills in a number of areas. ADR courses continue to be offered to interested ERCB staff, while the team also facilitates internal and external workshops on changes to legislation. Open houses and synergy group meetings are other venues where the ADR team offers assistance. The ERCB continues to be an active supporter of Synergy Alberta.

CALL US

We invite you to call 403-297-6252 if you have any questions or comments about this report.

Appropriate Dispute Resolution (ADR) Contacts

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2009 APPLICATION SUMMARY

Applications 34,619

Objections received 2,452*

Hearings scheduled 55

Total Hearings cancelled; 41

cancelled due to ADR 16

Hearings held 14

ERCB facilitations completed 102

ERCB facilitations initiated (ongoing) 135

Total resolved 88

Resolution rate 86 per cent

Third-party mediation 8

Total third-party mediation resolved 6

C2C meetings 3

Total resolved 0

* 1071 objections letters were received in 2009, which had 2452 objection associations. Of those 1071 objections letters, 224 were dismissed, 347 were resolved through ADR, a hearing, on their own, or the application was withdrawn. Also, 180 objections were ongoing, 320 objections did not have an application associated with the objection and/or the objection expired after a year timeframe as it was not linked to an application.