

Finding Solutions



Over 90 years of combined ERCB experience—ADR Team: Anna Rose, Jeff Strem, Michele Del Colle, Julia Fulford, Paul Blakeney, Fiona LeBlanc, and Ron Wagener (Regional Operations Manager, FSOB).

APPROPRIATE DISPUTE RESOLUTION (ADR) is a vital part of the Energy Resources Conservation Board's (ERCB) regulatory process. Through ADR, Albertans and oil and gas companies build relationships, gain a better understanding of others' concerns, and find unique solutions to balance their different interests.

Since 2001, the ERCB has offered the ADR program to affected parties when concerns and objections about an energy development persist, despite efforts to negotiate and reach a mutually agreed to solution. The program directly engages the two sides, allowing parties to

develop a clear understanding of each other's issues and interests, and encourages them to work together to achieve outcomes that both can support.

ADR fosters trust among participants that can endure the lifespan of an oil and gas project. It is a straightforward process that can save time and reduce costs for all involved parties. When a company's employees communicate effectively and work closely with landowners before submitting an application, they relate better with the community and encourage a smoother regulatory process.

ADR BACKGROUND

When is ADR used?

The ERCB's ADR program is used when concerns and objections remain outstanding following discussions between landowners and companies or between two companies. Most disputes resolved by ADR relate to energy applications for new wells, pipelines, and plants. To a lesser extent, ADR helps with disputes on oil sands applications and issues between two companies on equity applications, such as spacing, pooling, rateable take, and common carrier or processor.

ADR helps parties work collaboratively to develop a clear understanding of their issues and interests; ADR then helps find ways to resolve the issues.

The two main components of the ADR program are ERCB staff facilitation and third-party assistance from ADR professional service providers and mediators. ERCB staff are ADR Specialists and they speak with each of the parties, facilitate direct meetings between them, and help them understand regulatory requirements. Oil and gas companies and landowners may request an ERCB facilitation or a third-party mediation at any point in the application process. ERCB facilitation usually occurs before a company files an application but after the company has attempted to resolve stakeholder concerns. ADR is also available for operational disputes.

ERCB ADR Team

The ADR team is part of the ERCB's Field Surveillance and Operations Branch (FSOB), and has five team members located in field centres across Alberta as well as Team Leader Anna Rose based in the Calgary head office. Proximity is valuable for maintaining good relationships with other ERCB departments that are

relied upon for information and technical expertise. The goal is to provide a local presence and be within a day's drive of our clients.

The ADR team has received training in conflict management from various Alberta-based institutes, and many team members hold professional designations, including Chartered Mediator (C. Med.) and Qualified Mediator (Q. Med.). As members of the ADR Institute of Alberta, the provincial affiliate of the ADR Institute of Canada, Inc., all members adhere to a strict code of ethics.

Third-Party Assistance

Third-party professional service providers and mediators are often used for disputes between companies. They may also be used to settle concerns about deadlines, disputes that involve several parties, or when difficulties occur in engaging parties. In these situations, preliminary meetings between the parties, the third-party professionals, and ERCB staff are important and help to resolve many disputes; during these meetings, the parties can discuss procedures and agree on how to proceed.

ADR may deal with confidential matters. To maintain confidentiality and impartiality as well as supporting the open dialogue between the parties, ERCB staff and mediators involved in a dispute resolution process do not participate in any related hearings.

Visit www.ercb.ca to find more information about the ERCB's ADR program, including *EnerFAQ 11: All about Appropriate Dispute Resolution (ADR)* and *IL 2001-01: Appropriate Dispute Resolution (ADR) Program Guidelines for Energy Industry Disputes*.



DEVELOPMENTS IN 2011

Of the 38 647 facility applications the ERCB received in 2011, 466 had outstanding objections. Some of the parties with objections turned to ADR, and 96 ERCB facilitation files were completed. Most of the 2011 ADR files related to proposed well site applications.

The ADR team successfully resolved 89 per cent of the files completed in 2011. This figure is similar to recent years when resolution rates exceeded 80 per cent. In 13 instances where the ERCB ADR team was involved, the concerns were resolved and public hearings cancelled.

One of the emerging issues is hydraulic fracturing and the use of this established technology to develop previously inaccessible sources of oil and natural gas through horizontal drilling. Most concerns about the practice involve surface issues such as longer drilling times, noise, light, traffic, and potential for water contamination.

The ADR team has been involved with some oil sands applications; the ERCB has seen an increase in applications for the Fort McMurray, Bonnyville, and Peace River oil sands areas.

The ADR team continues to work on providing ADR services and building relationships with First Nations and Métis communities in Alberta.

The team continues to train ERCB staff through the “Conflict Resolution Level I and II” courses. These courses were developed internally for staff and are designed to improve communication skills, which help to maintain good relationships with the public and industry. The curriculum was rewritten in 2011 to ensure that content is up to date and practical for staff.

CALL US

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

2011 APPLICATION SUMMARY

Applications registered: 38 647

Objection letters received: 466

Hearings scheduled: 39

Hearings held in 2011: 10

Total ERCB hearings cancelled: 29

Cancelled due to ADR: 13

Total ADR files completed (ERCB facilitations and third party mediation): 100

ERCB facilitations completed: 96

ERCB facilitations resolved: 85

ERCB facilitations resolution rate: 89%

Third-party mediations completed: 4

Third-party mediations resolved: 1

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