

Finding Solutions



APPROPRIATE DISPUTE RESOLUTION (ADR) is a vital part of the regulatory process at the Energy Resources Conservation Board (ERCB). ADR provides Albertans and operators with the opportunity to build relationships, understand each other's concerns, and find solutions to balance their interests.

Since 2001, ADR has served as an effective negotiation program when affected parties raise concerns and objections to proposed energy development in Alberta. The

program engages the applicant and the parties and allows them to develop a clear understanding of each other's issues and interests. Through collaboration and engagement, ADR encourages both sides to work together to find solutions they can support.

Trust among participants is an important component of ADR, and can continue through the lifespan of an oil and gas project. ADR is a straightforward process that can save time and reduce costs for all involved.

ADR BACKGROUND

When is ADR used?

The ERCB uses the ADR program when concerns and objections still remain after discussions between landowners and companies or between companies. Most disputes resolved by ADR relate to facility applications (wells, pipelines, and facilities). To a lesser extent, ADR also helps with oil sand applications and company 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; it then helps find ways to resolve those issues.

The two main components of the ADR program are ERCB staff facilitation and assistance from third-party professional service providers and mediators. ADR staff members 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 ERCB facilitation or third-party mediation at any point in the application process. ERCB mediation usually occurs before a company files an application, and after the company has attempted to resolve stakeholder concerns. ADR is also available for operational disputes.

ERCB ADR Team

The ADR team has members located in field centres across Alberta and in the Calgary head office. Being near stakeholders allows the ADR team to maintain good working relationships with public and corporate clients and with ERCB technical experts.

The ADR team has been trained in conflict management from various Alberta-based institutes, and some team members hold professional designations, including chartered mediator (C.Med.), Canada's official designation for practicing mediators. 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 company-to-company disputes. They may also be used to settle concerns about deadlines or disputes that involve several parties, and when there are difficulties engaging other parties. In these situations, preliminary meetings between the parties, the third-party professionals, and ERCB staff are important as they help resolve many disputes, identify possible methods, and how to proceed.

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



DEVELOPMENTS IN 2012

The ERCB received 36 382 applications in 2012, which elicited 438 objection letters on 298 application files. The ADR team also deals with many concerns where an objection letter has not been submitted at the pre-application and operational stages, as well as resolving files that would potentially have proceeded to hearings.

Some of the parties with objections turned to ADR. The majority of objections that do not go to ADR or eventually result in a hearing are resolved on their own. Otherwise, companies either choose not to proceed with an application, or withdraw the application if already filed. For the remainder, the ERCB either dismisses or the ERCB closes the application.

The ADR team resolved 52 of the 59 files it managed in 2012; an 88 per cent success rate, which is similar to previous years. Of the 21 scheduled hearings in 2012, 14 were cancelled; ADR was involved in five of those 14 cancellations.

The use of new technologies, such as horizontal drilling and multi-stage hydraulic fracturing, to develop oil and natural gas remained a concern for some objecting parties last year. The major concerns were water use and protection, drilling times, noise, lighting, and traffic.

Providing ADR services to and building relationships with First Nations and Métis communities in Alberta continued in 2012.

The ADR team also worked with other stakeholder groups such as municipalities, non-governmental organizations (NGOs), industry players, and landowner groups in Alberta.

The ADR team also continued training the ERCB staff through the Conflict Resolution I and II courses. These courses are designed to improve communication skills and to help maintain good relationships with the public and the industry.

CALL US

We invite you to call 1-855-297-8311 if you have any questions or comments about this report.

2012 APPLICATION SUMMARY

Applications registered: 36 382

Objection letters received: 438¹

Total application files with objections: 298

Hearings scheduled: 21

Hearings held in 2012: 7

Total ERCB hearings cancelled: 14

Cancelled due to ADR: 5

ERCB facilitations completed: 59

ERCB facilitations resolved: 52

ERCB facilitations resolution rate: 88%

Third-party mediations completed: 8

Third-party mediations resolved: 3

Third-party mediations resolution rate: 38%

Total ADR files completed (ERCB facilitations and third party mediation): 67²

Total ADR files resolution rate: 82%

1. The majority of objections that do not go to ADR or eventually result in a hearing are resolved on their own. Otherwise, companies either choose not to proceed with an application, or withdraw the application if already filed. For the remainder, the ERCB either dismisses or closes the application.

2. The 67 total files completed often involved multiple applications and multiple objecting parties.

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