

2013 Alternative Dispute Resolution Summary

Alternative dispute resolution (ADR) is a process that helps Albertans and industry players resolve energy-related disputes in a positive way. The Alberta Energy Regulator's (AER's) team of professional mediators help parties work through contentious issues and promote collaborative solutions that meet the needs of all.

In June 2013, the Government of Alberta proclaimed the *Responsible Energy Development Act*, and as a result, the AER is now the single regulator for energy development in Alberta, from exploration through to reclamation. This meant that changes also needed to be made to the ADR program. *Manual 004: Alternative Dispute Resolution Program and Guidelines for Energy Industry Disputes* was created and released in June 2013 to outline these changes. Through the regulator, ADR is now available at all points of a project's lifespan.

One of the results of these changes is an increase in the size of the ADR team. The additional staff will allow for effective ADR in all areas of the province and will meet the dispute-resolution needs associated with the additional responsibilities of the regulator. The ADR team is excited about the expanded opportunities for mediation.

ADR is well known as a time- and cost-effective method of resolving issues. Through ADR, energy

companies are often able to resolve concerns early, simplifying the application process and avoiding formal hearings. Solutions arrived at in mediation are tailor-made for the unique situation and are achieved through consensus. There is greater acceptance and compliance when the solution is seen by all as the best course of action under the circumstances.

Through the process of mediation, parties are able to better understand and communicate, leading to positive relationships. This is particularly important as projects, such as those involving multiwell pads, require companies and landowners to work together over long periods of time. ADR can assist in developing a plan to deal with future concerns as they arise.

The ADR team has noted that issues coming to mediation have become more complex, often involving multiple stakeholders. Whether the mediation involves a substantial number of issues or includes a large number of people, the ADR team works hard to ensure that the mediation is effective and constructive.

In looking to the coming year, the ADR team anticipates working more often with large groups of people, including aboriginal communities. The ADR team expects the demand for mediation to increase given the new responsibilities of the AER. ADR will continue to collaborate with the

hearing commissioners to offer a continuum of dispute-resolution options, including directed ADR (defined in the *Responsible Energy Development Act*).

The AER's ADR program has demonstrated a high success rate again this year, with a resolution rate of 95%. The team also considers the positive

responses of those who participate in the program when measuring success. Client surveys show that most would participate in mediation again and would recommend it to others. Comments include:

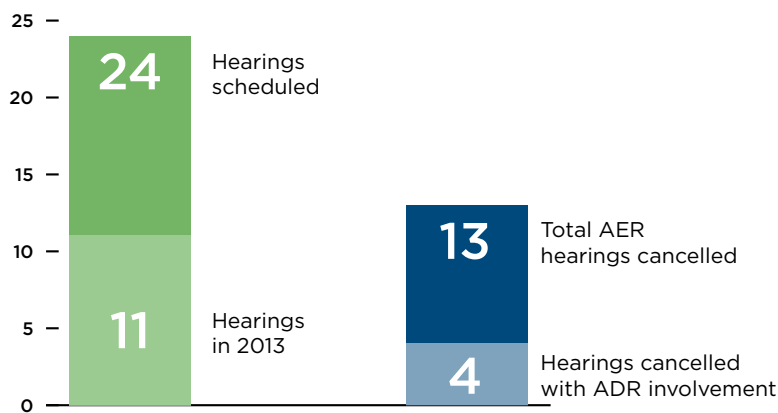
“Great process! Appreciate the opportunity to be part of it.”

“Thank you for your efforts!”

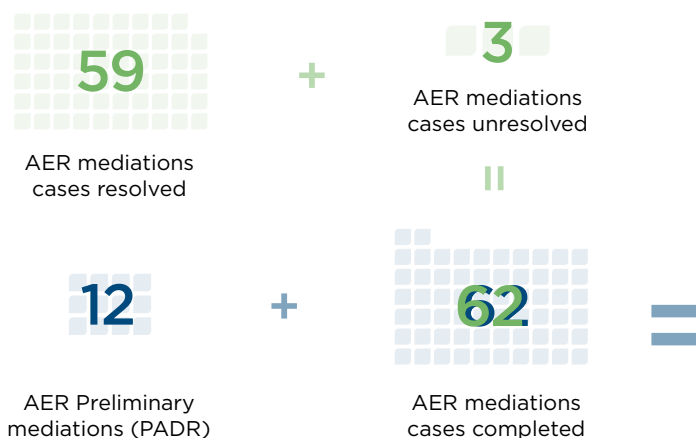
Applications



Hearings



Mediations



*The completed 74 cases often involved multiple applications and multiple objecting parties and issues. PADR cases did not proceed to full mediation.