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February 24, 2014

Margaret Ariss, President  
Canadian Association of Petroleum Landmen  
350, 500-5th Avenue S.W.  
Calgary, AB, T2P 3L5

Dear Ms. Ariss,

As a valued stakeholder, who has contributed feedback to the Policy Management Office (PMO), I would like to thank you for your feedback and provide you with an update about Alberta's oil and gas, oil sands and coal regulatory system.

The *Responsible Energy Development Act* (REDA) consultation sessions in 2013 gathered input for analysis of feedback related to the REDA regulations and rules. In response to the input received, the Government of Alberta (GoA) made rules and regulations that address the following categories:

- **Public Notice:**
  - All applications under REDA are subject to public notice as set out in the REDA regulations (REDA, s. 31).
  - Under the REDA regulations, the only applications not requiring public notice are applications for geophysical approvals under Part 8 of the *Mines and Minerals Act*, which protects confidential information (Specified Enactments (Jurisdiction) Regulation, ss. 6(1)).
- **Statements of Concern:**
  - Any person who believes they may be directly and adversely affected by an application may file a statement of concern (REDA, s. 32).
  - In many cases, the Alberta Energy Regulator (AER) must wait a minimum of 30 days after public notice is given before making a decision (AER Rules of Practice, ss. 5.2 and 5.3).
  - If a decision is made on an application under an energy statute without a hearing and the person is directly and adversely affected by the decision, the person may request a regulatory appeal (REDA, s. 36 and 38).
- **Integrated Approach to Development/Factors to Consider in Decision-Making:**
  - The AER must act in accordance with applicable regional plans and consider integrated factors of environmental, social, and economic effects of a proposed energy resource activity (REDA s. 15 and 20; REDA General Regulation, ss. 30).
- **Procedural Fairness:**
  - The AER must provide fair decision-making processes in all cases; hearings and alternative dispute resolution are among many processes under REDA that support fair decision-making.
  - The AER must consider the factors in all of its decisions (REDA, s. 15; REDA General Regulation, ss. 3).
  - Alternative Dispute Resolution (REDA, s. 46; AER Rules of Practice, ss. 7.6-7.9).
  - Regulatory Appeals (REDA, s. 36-38; REDA General Regulation, ss. 4; AER Rules of Practice, ss. 30, 33).
  - Formal hearings (REDA, s. 34; REDA General Regulation, ss. 4; AER Rules of Practice, ss. 7, 7.1).
  - Standing at a hearing (REDA, s. 34; AER Rules of Practice, s. 9).

- **Registration and Enforcement of Private Surface Agreements:**
  - Landowners or occupants of land can voluntarily register private surface agreements made with industry (REDA, s. 63; REDA Enforcement of Private Surface Agreement Rules, ss. 3, 4).
  - There are now tools for the AER to ensure compliance with private surface agreements when issues are brought forward (REDA, s. 64; REDA Enforcement of Private Surface Agreement Rules, ss. 7).
- **Aboriginal Consultation:**
  - The AER will hear from persons, including First Nations and other aboriginal communities, who believe they may be directly and adversely affected by an application (REDA, s. 32).
  - The GoA, through the Aboriginal Consultation Office (ACO), will manage proponent led consultation on specific projects to advise on required consultation and to assess the adequacy of aboriginal consultation for all projects and initiatives (Government of Alberta's Policy on Consultation with First Nations on Land and Natural Resource Management, 2013).
  - The AER and ACO have the responsibility to work together to ensure that Alberta will be able to meet consultation obligations that may arise, and the AER and ACO will share information throughout the process as necessary as set out in Ministerial Order 14-2013 (*Constitution Act, 1982* (Canada), s. 35; REDA, s. 21, Ministerial Order 14-2013). Please see the enclosure for access to the Ministerial Order.
- **Public Interest Decisions:**
  - Based on stakeholder feedback in the Regulatory Enhancement Project, REDA requires the AER to consider the environmental, social and economic impacts and the interests of landowners when considering an application, conducting a regulatory appeal, reconsideration or inquiry under an energy resource enactment. When making decisions under the specified enactments, the AER must consider any factors required by the specified enactments (REDA, s. 15; REDA General Regulation, s. 3).
  - Public interest decision-making provisions remain in some of the energy legislation (*Oil and Gas Conservation Act*, s.4; *Oil Sands Conservation Act*, s. 3; *Coal Conservation Act*, s. 4; *Pipeline Act*, s. 33(1); *Gas Resources Preservation Act*, s. 8).

The GoA continues to build an integrated AER to regulate the full lifecycle for upstream oil, gas, oil sands, and coal development. On June 17, 2013, the AER assumed the former Energy Resources Conservation Board's functions under a new governance and decision-making structure. On November 30, 2013, the AER assumed regulatory functions for upstream oil, gas, oil sands, and coal under the *Public Lands Act* and Part 8 of the *Mines and Minerals Act*. In spring 2014, the AER assumes regulatory functions for upstream activities regulated under the *Water Act* and *Environmental Protection and Enhancement Act*. Implementing the AER's regulatory responsibilities over time ensures they have enough time to properly develop processes and procedures needed to meet the Regulatory Enhancement Project's goals.

The PMO is the link between the AER and GoA. We are committed to facilitating open communication about upstream oil, gas, oil sands and coal development whether between the AER and GoA, between government departments or by speaking with interested stakeholders and Aboriginal communities. The PMO is working to ensure the integration of natural resource policies across government, as well as assessing the systems that create and review those policies.

Overall, the GoA expects to continue discussions related to decision making with opportunities for your continued input. Enclosed is material relating to a variety of initiatives within the GoA plus relevant contacts for more information.

The PMO looks forward to continuing the conversation and we will continue to provide information and follow up on the next steps. If you would like to meet to discuss this information or have any other questions, please contact Wade Clark at 780 427-7426.

Sincerely,



Cynthia Farmer  
Assistant Deputy Minister  
Policy Management Office

Enclosure



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## **INTEGRATED RESOURCE MANAGEMENT: CONTACT INFORMATION**

Engagement at the policy level will enable participants to focus their efforts on the issues and decisions that matter to them at the right time. Core initiatives to include engagement may be regional plans, the First Nations consultation policy, start-up of the Aboriginal Consultation Office and the Alberta Environmental Monitoring, Evaluation and Reporting Agency.

### **Resource Management & Planning - Government of Alberta**

For more information on the resource management and regional planning processes currently underway within the GoA please contact Bev Yee, Assistant Deputy Minister, Integrated Resource Management Planning Division, Alberta Environment & Sustainable Resource Development, at 780-422-0672.

### **Aboriginal Consultation Office - Government of Alberta**

The ACO will manage all aspects of the consultation process with First Nations and will be administered by Aboriginal Relations. For more information regarding Alberta's new Aboriginal Consultation Office, please contact Stan Rutwind, Assistant Deputy Minister, Consultation & Land Claims Division, Alberta Aboriginal Relations, 780-643-1731.

### **Alberta Environmental Monitoring, Evaluation & Reporting Agency**

Monitoring of Alberta's environmental conditions is moving to the AEMERA. For specific information about the new monitoring agency, please contact Cynthia Farmer, Assistant Deputy Minister, Policy Management Office, at 780-644-1750.

### **Alberta Energy Regulator**

The Alberta Energy Regulator is expected to deliver the policy developed by GoA at the level of specific project decisions. For more specific information on the AER and its project level application requirements please contact Jennifer Steber, Executive Vice President, Stakeholder and Government Relations, Alberta Energy Regulator, at 403-297-3490 or 780-427-6370.

### **Information Links**

- Alberta Environment & Sustainable Resource Development
  - <http://esrd.alberta.ca>
- Alberta Energy
  - <http://energy.alberta.ca/>
- Alberta Energy Regulator
  - <http://www.aer.ca/>
- Regulatory Enhancement Task Force Consultation Summaries & Reports
  - <http://www.energy.alberta.ca/Initiatives/3365.asp>
- Alberta Responsible Energy Policy System (AREPS)
  - <http://areps.energy.gov.ab.ca/>
- Legislation, regulations & rules
  - [http://www.qp.alberta.ca/Laws\\_Online.cfm](http://www.qp.alberta.ca/Laws_Online.cfm)
  - <http://www.aer.ca/rules-and-regulations/acts-and-rules>
- Aboriginal Consultation Direction - Ministerial Order 141/2013
  - [www.energy.alberta.ca/Org/pdfs/MO141\\_2013woSignature.pdf](http://www.energy.alberta.ca/Org/pdfs/MO141_2013woSignature.pdf)