



MUNICIPAL DISTRICT OF GREENVIEW No. 16

REGULAR COUNCIL MEETING AGENDA

Monday July 22, 2019

9:00 AM

Council Chambers
Administration Building

#1	CALL TO ORDER		
#2	ADOPTION OF AGENDA		
#3	MINUTES	3.1 Regular Council Meeting minutes held Monday, July 8, 2019 to be adopted.	3
		3.2 Business Arising from the Minutes	
#4	PUBLIC HEARING		
#5	DELEGATION	Mr. Todd Loewen, MLA for Central Peace-Notley	
#6	BYLAWS	6.1 Bylaw 19-824 MD of Smoky River/MD of Greenview IDP	12
		6.2 Bylaw 19-825 ICF Big lakes County	33
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#7	BUSINESS	7.1 Grande Cache Facility Maintenance Operation Budget	124
		7.2 Tender Results for Pinto Gravel Crushing	126
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	Division 9 Councillor Duane Didow	508
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#9	CORRESPONDENCE	
	• RMA Correspondence • FCM Correspondence • Grande Prairie Chambers Correspondence • Municipal World Daily • Art Gallery of Grande Prairie • Asset Management • NOVA Gas Project Update • TransCanada Safety Information • Violence Threat Risk Assessment • Monthly Peace Officer Report	
#10	CLOSED SESSION	
	10.1 Disclosure Harmful to Business Interests of a Third Party (FOIPP; Section 16)	
#11	ADJOURNMENT	

Minutes of a
REGULAR COUNCIL MEETING
MUNICIPAL DISTRICT OF GREENVIEW NO. 16
Greenview Administration Building,
Valleyview, Alberta, on Monday, July 8, 2019

1: Reeve Dale Smith called the meeting to order at 9:03 a.m.
CALL TO ORDER

PRESENT	Ward 5 Ward 1 Ward 2 Ward 3 Ward 4 Ward 6 Ward 7 Ward 8 Division 9 Division 9	Reeve Dale Smith Deputy Reeve Winston Delorme Councillor Dale Gervais Councillor Les Urness Councillor Shawn Acton Councillor Tom Burton Councillor Roxie Rutt Councillor Bill Smith Councillor Duane Didow Councillor Tyler Olsen

ATTENDING	Chief Administrative Officer General Manager, Corporate Services General Manager, Community Services General Manager, Infrastructure & Planning Recording Secretary	Denise Thompson Rosemary Offrey Stacey Wabick Roger Autio Lianne Kruger

ABSENT

#2: MOTION: 19.07.519. Moved by: COUNCILLOR TOM BURTON
AGENDA That Council adopt the July 8, 2019 Regular Council Meeting Agenda as amended:

- Remove Agenda Item 7.15 Grande Prairie Public Library Agreement

CARRIED

#3.1 REGULAR COUNCIL MEETING MINUTES MOTION: 19.07.520. Moved by: COUNCILLOR SHAWN ACTON
That Council adopt the minutes of the Regular Council Meeting held on Tuesday June 24, 2019 as amended:

- Motion 19.06.495 Councillor Duane Didow excused himself claiming pecuniary interest.
- Agenda Item 7.7 – move to after the Closed Session

CARRIED

#3.2 BUSINESS ARISING FROM MINUTES **3.2 BUSINESS ARISING FROM MINUTES:**

**#4.0
PUBLIC HEARING**

4.0 PUBLIC HEARING

There were no Public Hearings presented.

**#5
DELEGATIONS**

5.0 DELEGATIONS

There were no Delegation Presentations.

6.0 BYLAWS

6.1 BYLAW 19-816 SCHEDULES OF FEES

**BYLAW 19-816
THIRD READING**

MOTION: 19.07.521. Moved by: COUNCILLOR ROXIE RUTT
That Council give Third Reading to Bylaw 19-816 "Schedules of Fees Bylaw."

Councillor Tom Burton abstained from voting on Third Reading of Bylaw 19-816 Schedules of Fees.

CARRIED

**#7
BUSINESS**

7.0 BUSINESS

7.1 DISPOSAL OF SURPLUS DIGITAL COMMUNICATION TOOLS

**DISPOSAL OF
SURPLUS
EQUIPMENT**

MOTION: 19.07.522. Moved by: COUNCILLOR DALE GERVAIS
That Council approve the donation of the used digital communications tools to non-profit organizations until August 26, 2019; followed by an opportunity for Council Members and Greenview staff to purchase any remaining digital communications tools until September 23rd, 2019; after which any remaining items may be disposed of by Administration.

CARRIED

7.2 HIDE A WAY CAMP APPRAISAL

HIDE A WAY CAMP

MOTION: 19.07.523. Moved by: COUNCILLOR TYLER OLSEN
That Council approve \$3,200 + G.S.T. to complete an appraisal on Camp Hide A Way, with funds to come from Economic Development.

CARRIED

MOTION: 19.07.524. Moved by: COUNCILLOR TOM BURTON
That Council authorize Administration to transfer \$3,200 + G.S.T. from Contingency Reserve to Economic Development Budget.

CARRIED

7.3 VALLEYVIEW RURAL WATERLINE WEST EXTENSION, 700 ROAD

**VALLEYVIEW
RURAL WATERLINE**

MOTION: 19.07.525. Moved by: COUNCILLOR SHAWN ACTON

That Council approve Administration to increase the HDPE water pipe line from 100 mm to 150 mm on the Valleyview Rural Waterline extension down Twp. 700 road to ensure adequate supply for future connections, \$41,000.00 for the Valleyview Rural Waterline Extension.

CARRIED

MOTION: 19.07.526. Moved by: COUNCILLOR DUANE DIDOW

That Council approve Administration to transfer an additional \$41,000.00 from water reserves to the 2019 Capital Budget for Valleyview Rural Waterline Extension.

CARRIED

7.4 WESTERN CANADIAN STOCK DOG CHAMPIONSHIP – GRANT REQUEST

**WESTERN
CANADIAN STOCK
DOG
CHAMPIONSHIP**

MOTION: 19.07.527. Moved by: REEVE DALE SMITH

That Council approve an operating grant in the amount of \$4,000.00 to the Alberta Stock Dog Association, to be used to host the 2019 Western Canadian Stock Dog Championship in Valleyview Alberta, with funds to come from the 2019 Community Services Miscellaneous Grant.

CARRIED

7.5 3RD ANNUAL MEMORIAL ROUND DANCE – SPONSORSHIP REQUEST

**3RD ANNUAL
MEMORIAL ROUND
DANCE**

MOTION: 19.07.528. Moved by: COUNCILLOR ROXIE RUTT

That Council accept the request for sponsorship from the Aseniwuche Winewak Nation for the 3rd Annual Memorial Round Dance to be held in Grande Cache Alberta, for information, as presented.

CARRIED

MOTION: 19.07.529. Moved by: COUNCILLOR DALE GERVAIS

That Council sponsor the Aseniwuche Winewak Nation for the 3rd Annual Memorial Round Dance to be held in Grande Cache Alberta for \$5,225.00 and \$125.00 of Greenview Merchandise with funds to come from Community Services Miscellaneous Grants.

CARRIED

Reeve Smith recessed the meeting at 10:05 a.m.

Reeve Smith reconvened the meeting at 10:16 a.m.

7.6 REQUEST TO HAVE FINANCE CHARGES REMOVED FROM A/R ACCOUNT #186203

FINANCE CHARGES
REMOVED –
A/R ACCOUNT
186203

MOTION: 19.07.530. Moved by: Choose an item.

That Council take no action on the request from Total Oilfield Ltd. to reverse finance charges on AR Account# 186203 in the amount of \$1,167.84

CARRIED

7.7 REQUEST TO HAVE FINANCE CHARGES ROMOVED FORM A/R ACCOUNT #180530

FINANCE CHARGES
REMOVED –
A/R ACCOUNT

MOTION: 19.07.531. Moved by: COUNCILLOR SHAWN ACTON

That Council take no action on the request from Seven Generations Energy Ltd to reverse finance charges on their A/R Account #180530 for \$120,178.27.

CARRIED

7.8 POLICY 1014 REQUEST FOR DECISION

POLICY 1014

MOTION: 19.07.532. Moved by: COUNCILLOR DALE GERVAIS

That Council approve revised Policy 1014 "Request for Decision".

CARRIED

7.9 POLICY 1003 VEHICLE USAGE

POLICY 1003

MOTION: 19.07.533. Moved by: COUNCILLOR ROXIE RUTT

That Council approve Policy 1003 "Vehicle Usage" as amended;

- 4.2.10 – remove "Except under the following circumstances:
 - a. in situations where the vehicle will be stopped for less than 1 minute.In these cases, it is the drivers responsibility to ensure that the vehicle is placed in park."

CARRIED

7.10 POLICY 4002 COMMERCIAL WASTE BINS

POLICY 4002

MOTION: 19.07.534. Moved by: DEPUTY REEVE WINSTON DELORME

That Council approve Policy 4022 "Commercial Waste Bins" as presented.

MOTION: 19.07.525. Moved by: COUNCILLOR TOM BURTON

That Council refer motion 19.07.534. Commercial Waste Bins until a future Regular Council Meeting.

CARRIED

7.11 POLICY 1030 FLAG PROTOCOL

POLICY 1030

MOTION: 19.07.536. Moved by: COUNCILLOR DUANE DIDOW
That Council approve Policy 1030 "Flag Protocol" as presented.

CARRIED

7.12 POLICY 1001 POLICY DEVELOPMENT

POLICY 1001

MOTION: 19.07.537. Moved by: COUNCILLOR ROXIE RUTT
That Council for approve Policy 1001 "Policy Development" as presented.

CARRIED

7.13 POLICY 1504 ACCOUNTS RECEIVABLE CANCELLATION OR ADJUSTMENT POLICY

POLICY 1504

MOTION: 19.07.538. Moved by: COUNCILLOR TOM BURTON
That Council approve Policy 1504 "Accounts Receivable Cancellation or Adjustments" as presented.

CARRIED

POLICY AD34

MOTION: 19.07.539. Moved by: COUNCILLOR DUANE DIDOW
That Council repeal Policy AD 34 "Accounts Receivable Cancellation or Adjustments".

CARRIED

7.14 FLEET AND PROCUREMENT COORDINATOR POSITION

FLEET &
PROCUREMENT
COORDINATOR
POSITION

MOTION: 19.07.540. Moved by: COUNCILLOR DALE GERVAIS
That Council approve a new position in the Infrastructure and Planning Department for a Fleet and Procurement Coordinator.

CARRIED

7.15 GRANDE PRAIRIE PUBLIC LIBRARY AGREEMENT

GRANDE PRAIRIE
PUBLIC LIBRARY
AGREEMENT

Removed.

7.16 2019 SCHOLARSHIP REQUESTS

2019 SCHOLARSHIP REQUESTS

MOTION: 19.07.541. Moved by: DEPUTY REEVE WINSTON DELORME
That Council authorize funding to the scholarship recipients in the amounts indicated on the 2019 Scholarship Recommendation Listing, with funds to come from the Community Service Budget.

CARRIED

7.17 SUNSET HOUSE CEMETERY COMMITTEE APPOINTMENT

SUNSET HOUSE CEMETERY COMMITTEE APPOINTMENT

MOTION: 19.07.542. Moved by: COUNCILLOR DALE GERVAIS
That Council appoint Judy Rieu to the Sunset House Cemetery Committee.

CARRIED

Councillor Duane Didow vacated the meeting at 12:00 p.m.

Reeve Dale Smith recessed the meeting at 12:00 p.m.

Reeve Dale Smith reconvened the meeting at 1:00 p.m.

7.18 CAO/MANAGERS' REPORT

CAO/MANAGERS' REPORT

MOTION: 19.07.543. Moved by: COUNCILLOR DALE GERVAIS
That Council accept the CAO/Managers' Report for information, as presented.

CARRIED

#8 COUNCILLORS BUSINESS & REPORTS

8.1 COUNCILLORS' BUSINESS & REPORTS

8.1 MEMBERS' REPORT: Council provided reports on activities and events attended, additions and amendments include the following:

WARD 1

DEPUTY REEVE WINSTON DELORME updated Council on his recent activities, which include;

June 24, 2019 Regular Council Meeting

Grande Cache 50th Anniversary Celebration

Meeting with West Yellowhead MLA Martin Long

WARD 2

COUNCILLOR DALE GERVAIS submitted his update to Council on his recent activities, which include;

June 24, 2019 Regular Council Meeting

Meeting with Town of Valleyview Mayor

Hillside High School Graduation Address

Councillor Dale Gervais declared a Notice of Motion.

That Council direct Administration to add Councillors Expense Claims to future Council Meeting agendas.

WARD 3 **COUNCILLOR LES URNESS** updated Council on his recent activities, which include;
June 24, 2019 Regular Council Meeting

WARD 4 **COUNCILLOR SHAWN ACTON** submitted his update to Council on his recent activities, which include;
June 24, 2019 Regular Council Meeting
South Peace Regional Archives Meeting

WARD 5 **REEVE DALE SMITH** updated Council on his recent activities, which Include;
June 24, 2019 Regular Council Meeting
Joint Reeve/CAO Meeting with Town of Valleyview
Grande Cache 50th Anniversary Celebration

WARD 6 **COUNCILLOR TOM BURTON** submitted his update to Council on his recent activities, which include;
Grande Prairie Regional Tourism Association Meeting
Weyerhaeuser International Paper Meeting
MD of Greenview Library Board Meeting

WARD 7 **COUNCILLOR ROXIE RUTT** submitted her update to Council on her recent activities, which include;
June 24, 2019 Regular Council Meeting
P.A.C.E AGM and Board of Directors Meeting
Grande Spirit Foundation Meeting

WARD 8 **COUNCILLOR BILL SMITH** updated Council on his recent activities, which include;
Tri-Municipal Industrial Partnership Meeting
Nitehawk Meeting
June 17, 2019 Committee of the Whole Meeting

DIVISION 9 **COUNCILLOR TYLER OLSEN** submitted his update to Council on his recent activities, which include;
June 24, 2019 Regular Council Meeting
Grande Cache 50th Anniversary Celebration
MD of Greenview Library Board Meeting

DIVISION 9

COUNCILLOR DUANE DIDOW submitted his update to Council on his recent activities, which include;
June 24, 2019 Regular Council Meeting
Weyerhaeuser Public Advisory Group
Grande Cache 50th Anniversary Celebration
Community Futures West Yellowhead Meeting

**MEMBERS
BUSINESS**

MOTION: 19.07.544. Moved by: COUNCILLOR DALE GERVAIS
That Council accept the Members Business for information.

CARRIED

#9 CORRESPONDENCE

9.0 CORRESPONDENCE

**COUNCIL
CORRESPONDENCE**

MOTION: 19.07.545. Moved by: COUNCILLOR ROXIE RUTT
That Council accept the correspondence for information, as presented.

CARRIED

**#10 CLOSED
MEETING**

10.0 CLOSED SESSION

CLOSED SESSION

MOTION: 19.07.546. Moved by: COUNCILLOR DALE GERVAIS
That the meeting go to Closed Session, at 1:36 p.m., pursuant to Section 197 of the Municipal Government Act, 2000, Chapter M-26 and amendments thereto, and Division 2 of Part 1 of the Freedom of Information and Protection of Privacy Act, Revised Statutes of Alberta 2000, Chapter F-25 and amendments thereto, to discuss Privileged Information with regards to the Closed Session.

CARRIED

10.1 PRIVILEGED INFORMATION

(FOIPP; Section 27)

10.2 DISCLOSURE HARMFUL TO PERSONAL PRIVACY

(FOIPP; Section 17)

OPEN SESSION

MOTION: 19.07.547. Moved by: COUNCILLOR SHAWN ACTON
That, in compliance with Section 197(2) of the Municipal Government Act, this meeting come into Open Session at 2:45 p.m.

CARRIED

Councillors Tom Burton and Bill Smith abstain from voting on Bylaw 19-815

MOTION: 19.07.548. Moved by: COUNCILLOR SHAWN ACTON
That Council repeal motion 19.06.490, Second Reading of Bylaw 19-815.

CARRIED

MOTION: 19.07.549. Moved by: COUNCILLOR DALE GERVAIS
That a public hearing for Bylaw 19-815, the Tri-Municipal Industrial Partnership
ASP, be scheduled for August 26, 2019 at 10:00 am.

CARRIED

11.0 ADJOURNMENT

#11
ADJOURNMENT

MOTION: 19.07.550. Moved by: COUNCILLOR BILL SMITH
That this Regular Council meeting adjourn at 2:50 p.m.

CARRIED

CHIEF ADMINISTRATIVE OFFICER

REEVE



REQUEST FOR DECISION

SUBJECT: **MD of Smoky River/MD of Greenview IDP Bylaw First Reading**
SUBMISSION TO: REGULAR COUNCIL MEETING REVIEWED AND APPROVED FOR SUBMISSION
MEETING DATE: July 22, 2019 CAO: DT MANAGER:
DEPARTMENT: CAO SERVICES GM: PRESENTER:
STRATEGIC PLAN: Regional Cooperation

RELEVANT LEGISLATION:

Provincial (cite) – Municipal Government Act, R.S.A 2000, Chapter M-26, Section 631

Council Bylaw/Policy (cite) –N/A

RECOMMENDED ACTION:

MOTION: That Council give First Reading to Bylaw 19-824 “M.D of Smoky River/M.D of Greenview Intermunicipal Development Plan.”

MOTION: That a Public Hearing for Bylaw 19-824 “M.D of Smoky River/M.D of Greenview Intermunicipal Development Plan” for September 9, 2019 at 10:00 a.m.

BACKGROUND/PROPOSAL:

Both the IDP and the ICF drafts are nearing completion. The IDP was drafted with the input of an Intermunicipal negotiating committee of two Councillors and the CAOs from each municipality.

Greenview and Smoky River hosted a public open house to review the draft IDP. The open house was attended by 3 individuals that were interested in what the IDP was. No attendees shared any concerns with the draft plan.

The IDP area is predominantly agricultural land and crown land. The draft plan aims to ensure that prime agriculture land is maintained and protected. The plan also indicates notification requirements to the neighbouring municipality for discretionary development in the plan area. The plan also has a dispute resolution framework.

The contractors plan to speak to the IDP at the Public Hearing in September and will be available for any Council questions at that time. It is anticipated that the ICF will be brought forward for first reading September 9, 2019.

BENEFITS OF THE RECOMMENDED ACTION:

1. Greenview and Smoky River will have completed an IDP governing development along the shared boundary.

DISADVANTAGES OF THE RECOMMENDED ACTION:

There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council may alter the proposed land or suggest additional areas that need to be addressed.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will make any amendments to the draft plan to be brought back for second reading, and schedule the public hearing.

ATTACHMENT(S):

- IDP Bylaw
- IDP draft plan



BYLAW NO. 19-824 of the Municipal District of Greenview No. 16

A Bylaw of the Municipal District of Greenview No. 16, in the Province of Alberta,

Whereas, A Bylaw of the Municipal District of Greenview No. 16, in the Province of Alberta, for the purpose of adopting the Intermunicipal Development Plan of the Municipal District of Greenview No. 16 and the Municipal District of Smoky River No. 130, pursuant to the Municipal Government Act, being Chapter M-26 of the Statutes of Alberta 2000, and amendments thereto.

Whereas, The Councils of the Municipal District of Greenview No. 16 and the Municipal District of Smoky River No. 130 have recognized the need to cooperate in the planning of future land use and development along the shared common municipal boundary;

Whereas, Section 631 of the Municipal Government Act provides for two or more municipalities to jointly prepare an intermunicipal development plan for an area of common interest or concern.

Therefore, the Council of the Municipal District of Greenview No. 16, duly assembled, enacts as follows:

1. This Bylaw may be cited as the "IDP Bylaw".
2. The Intermunicipal Development Plan of the Municipal District of Greenview No. 16 and the Municipal District of Smoky River No. 130, attached to this bylaw as Schedule "A", is hereby adopted.
3. This Bylaw may be amended by Bylaw in accordance with the Municipal Government Act, as amended.
4. This Bylaw shall come into effect on the date of the third and final reading.
5. This Bylaw shall come into force and effect upon the day of final passing

Read a first time this ____ day of ____, 2019.

Read a second time this ____ day of ____, 2019.

Read a third time and passed this ____ day of ____, 2019.



BYLAW NO. 19-824
of the Municipal District of Greenview No. 16

REEVE

CHIEF ADMINISTRATIVE OFFICER

Intermunicipal Development Plan

Municipal District of Greenview No. 16 / Municipal District of Smoky River No. 130



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A. INTRODUCTION

- 1) The Municipal District of Greenview No. 16 (Greenview) and Municipal District of Smoky River No. 130 (Smoky River) have agreed to undertake the process for preparing and adopting an Intermunicipal Development Plan (IDP).
- 2) The Municipal Districts recognize that all municipalities are equals and have the right to growth and development.
- 3) The purpose of the IDP is to accomplish the following within the Plan Area:
 - a) Ensure orderly development.
 - b) Establish a framework for attracting economic opportunities;
 - c) Improve opportunities to secure a long-term economic base for the region;
 - d) Ensure that the municipalities are development ready and future oriented in their efforts to attract economic activity;
 - e) Ensure that the municipalities are developed in a manner that is equitable and fair to the residents of the municipalities; and
 - f) To identify areas for Municipal District growth and development.

B. MUNICIPAL PROFILES

Municipal District of Greenview No. 16

The Municipal District of Greenview No. 16 covers an area of approximately 3,356,792 hectares (8,294,813 acres), with a population of 9,154. The Municipal District surrounds two urban municipalities – the towns of Fox Creek and Valleyview. The Municipal District also contains six hamlets, including the hamlets of DeBolt, Grande Cache, Grovedale, Landry Heights, Little Smoky and Ridgevalley, and is bordered by four rural municipalities. The economy of Municipal District of Greenview has traditionally centered on agriculture, oil and gas developments, and recreation developments.



Municipal District of Smoky River No. 130

Municipal District of Smoky River No. 130 covers an area of approximately 288,279 hectares (712,353 acres), with a population of 2,023 (Federal Census, 2016). The Municipal District surrounds four urban municipalities – the towns of Falher and McLennan and the Villages of Donnelly and Girouxville. The Municipal District also contains the Hamlets of Guy and Jean Cote, and is bordered by four rural municipalities. The economy of Municipal District of Smoky River No. 130 has traditionally centered on agriculture, with some oil and gas developments, and recreation developments.



C. LEGISLATIVE REQUIREMENTS

- 1) The MGA identifies the following as matters to be addressed for lands within the boundary of the IDP:
 - a) Future land use;
 - b) Proposals for and the manner of future development;
 - c) Conflict resolution procedures;
 - d) Procedures to amend or repeal the plan; and
 - e) Provisions relating to the administration of the plan.

D. PLAN AREA

- 1) The Intermunicipal Development Plan Area (the Plan Area) is a 1.6 kilometer (1 mile) boundary on either side of the intermunicipal border that separates the Municipal Districts as shown on Map 1 in Section Q.
- 2) Both municipalities acknowledge that a significant amount of land in the Plan Area is Crown Land under the jurisdiction of the Provincial Government.

E. GOALS

- 1) The following are goals that have been identified by the Municipalities for the Plan Area. Some of the goals are of an on-going nature while some may be seen as more time specific.
 - a) Development of land use policies to protect prime agricultural lands from premature re-designation, subdivision, and non-farm development.
 - b) Effective coordination of transportation systems and protection of required land for future road network developments.
 - c) Development of land use policies to ensure that future sites for recreation areas are considered.
 - d) Development of a plan for the provision of utility corridors within the Plan Area to provide for future growth and development within the IDP area and to ensure oil and gas development/pipelines do not inhibit or restrict the future development of the region.
 - e) Development of a plan for the provision of future broadband and water lines in the Plan Area to provide for future growth and development within the IDP area.

- f) Identification and protection of physical features and environmentally sensitive areas.
- g) Effective referral mechanisms and dispute resolution mechanisms.
- h) Effective plan administration and implementation.

F. FUTURE GROWTH & ECONOMIC DEVELOPMENT

- 1) The municipalities have agreed to work together to promote and support economic development that benefits both municipalities.
- 2) The municipalities shall continue to encourage agricultural activity as the primary economic driver in the local area.

G. LAND USE POLICIES

- 1) The Municipal District of Greenview No. 16 and the Municipal District of Smoky River No. 130 agree that the long term land use planning concept for the Plan Area is consistent with the future land use designations depicted on Map 2. For up-to-date Land Use Designations please see the respective Land Use Bylaws.
 - a) The predominate land use shall remain Agricultural One (A-1) as permitted by the Municipal District of Greenview No. 16's and designated Agricultural (A) as permitted by the Municipal District of Smoky River No. 130's Land Use Bylaws as outlined on Map 1.
 - b) First Parcel out farmstead / residential development may be allowed throughout the Plan Area in accordance with the respective requirements of the Municipal District's Municipal Development Plan and Land Use Bylaw.
 - a) No amendments to this IDP are required for land use bylaw amendments or first parcel out farmstead/residential developments which meet the criteria of Section G(1)(a) and Section G(1)(b), that both municipalities agree are consistent with the provisions contained within the IDP, as amended from time to time.
- 2) Both Municipalities shall strive to engage in effective dialogue when considering land use in the Plan Area, while maintaining complete jurisdiction on lands within their own boundaries.
- 3) All subdivision applications, Land Use Bylaw redesignations, and Area Structure Plans within the Plan Area will be referred to the other Municipality for comment. All development permit applications approved by the either Municipality's Development Authority shall be in accordance with the provisions of this Plan. Any disputes shall be dealt with through the procedure outlined within Section O of this document.

- 4) All new or expanding Confined Feeding Operations within the Plan Area requiring registrations or approvals and manure storage facilities requiring authorization under the Agricultural Operations Practices Act shall be referred to the other Municipality for comment.
- 5) Both Municipalities agree to jointly discuss ways to cooperate with provincial and federal agencies and utility providers to help facilitate the efficient delivery of infrastructure and services that are of a mutual benefit.
- 6) Both Municipalities shall support watershed management and protection best practices.
- 7) The Municipalities agree that development of lands that are within the Plan Area may contain a historically significant site. Should an area be deemed to have some historical significance, the developer may be required to conduct a Historical Resource Impact Assessment (HRIA) and should contact the appropriate Provincial Government Department regarding the development.
- 8) The following land use provisions will apply to all new agricultural development within the Plan Area:
 - a) Both Municipalities agree that agriculture and grazing will continue to be the primary use of land in the Plan Area, and non-agricultural uses should be considered only in such areas where they will not negatively impact agriculture and grazing.
 - b) Both Municipalities will work cooperatively to encourage good neighbour farming practices, such as dust, weed and insect control adjacent to developed areas, through best management practices and Alberta Agricultural guidelines.
 - c) Both municipalities will endeavour to limit and where possible reduce the spread of noxious weeds and pests.
 - d) If disputes or complaints in either Municipality arise between ratepayers and agricultural operators, the Municipality receiving the complaint shall strive to direct the affected parties to the appropriate agency, government department or Municipality for consultation or resolution wherever necessary.
- 9) The following land use provisions will apply to all new recreation development within the Plan Area:
 - a) The Municipalities may collaborate to develop existing informal recreational areas or create new recreational opportunities related to camping, fishing, boat launches, and historic trail.
 - b) In accordance with the Intermunicipal Collaboration Framework, prior to any joint municipal recreation developments proceeding the Municipalities will enter into a cost sharing agreement to share the costs associated with the proposed development based on the prorated benefit to each Municipality.

- 10) All appeals of developments and subdivisions within the Plan Area will be considered by the governing Municipality's Subdivision and Development Appeal Board, excepting those where there is a Provincial requirement for the appeal to be referred to the Municipal Government Board.
- 11) All development permit applications approved by the Municipality's Development Authority shall be in accordance with the respective Municipal Development Plan and Land Use Bylaw and applicable Area Structure Plans. Any disputes shall be dealt with through the procedure outlined within Section O of this document.
- 12) Buffers or similar mechanisms to mitigate potential conflict between non-compatible uses shall be required by the Municipal District where appropriate.
- 13) Existing developments that were approved through a subdivision or development process prior to the approval of this Intermunicipal Development Plan shall remain in place.
- 14) An Area Structure Plan will be required for any multi-lot subdivisions in the Plan Area. Multi-lot subdivisions shall be considered to be any subdivision which will create four or more lots in addition to the remnant parcel, on a quarter section, excluding quarter sections containing both a farmstead/undeveloped country residential site and fragmented parcel.
- 15) Multi-lot subdivisions located within 1.6km of the centre line of a provincial highway must be developed in accordance with Section 14, 15 and 16 of the Subdivision and Development Regulations. As such, Area Structure Plans may be required by Alberta Transportation for multi-lot subdivisions within this area.
- 16) All Municipal Development Plan amendments, subdivision applications, Land Use Bylaw amendments, and Area Structure Plans within the Plan Area will be referred to the other municipality for comment. All development permit applications approved by the Municipal District Development Authority shall be in accordance with the provisions of this Plan. Any disputes shall be dealt with through the procedure outlined within Section O of this document.
- 17) In considering subdivision and development permit applications in the Plan Area, the respective Municipality Subdivision and Development Authorities will ensure the proposed project is compatible with the adjacent uses and conforms to the intent of Map 2, Future Land Use Concept and the land use policies contained herein.
- 18) Within the Plan Area, Environmental Reserve shall be dedicated when lands along water bodies and water courses are subdivided in accordance with the appropriate Environmental Impact Assessment or alternate study prepared by a qualified professional.
- 19) All future Area Structure Plans should contemplate:
 - a) Environmental Reserve locations along water bodies and water courses
 - b) Municipal Reserve locations to ensure future provision of schools and community amenities.

- c) Requirements as outlined by Alberta Transportation including, but not limited to:
 - i) Impacts on the transportation system.
 - ii) Pedestrian accommodation.
 - iii) Access management requirements for the provincial highways.
 - iv) Future road right-of-way requirements.

20) Essential public and private utilities services may be allowed throughout the Plan Area to provide the desired level of service in the Plan Area. An Area Structure Plan is not required for the development of essential public service or private utility services.

H. ENVIRONMENTAL MATTERS

- 1) All agricultural operators and other users are encouraged to continue best efforts to maintain high standards of water quality.
- 2) Land use and development in flood prone areas are generally discouraged, but where it is considered by the host municipality, it shall be carefully regulated such that there is no negative effect on the adjacent municipality.
- 3) Landowners and residents are encouraged to follow water conservation practices, as established by their respective municipality.
- 4) Both municipalities will endeavour to protect tributaries that flow through the Plan Area.
- 5) Both municipalities will endeavour to ensure all sources of potable water supplies within their respective jurisdictions are protected and meet provincial guidelines for water quality.
- 6) Development of lands within the Plan Area may impact environmentally significant sites. Development in these areas may be required to:
 - a) conduct an environmental impact assessment (EIA); and,
 - b) contact Alberta Environment and Parks regarding the development.
- 7) Development setbacks from waterbodies and watercourses shall be enforced as per each municipalities Land Use Bylaw and applicable policies.

I. INFRASTRUCTURE SERVICES

- 1) The Municipalities agree to work together to support the development of municipal infrastructure, including but not limited to, broadband, water and wastewater required to service future developments within the Plan Area.
- 2) In accordance with the Intermunicipal Collaboration Framework, prior to any joint municipal infrastructure developments proceeding the Municipalities will enter into a cost sharing agreement to share the costs associated with the proposed development based on the prorated benefit to each Municipality.

J. TRANSPORTATION SYSTEMS

- 1) The Municipalities will work together to ensure an efficient transportation network is developed and maintained to service the residents and businesses within the IDP area.
- 2) The Municipalities will work together with the Province to develop a plan for the upgrading of the Old High Prairie Road bridge / Alder Ridge bridge.
- 3) When subdivisions are approved in the Plan Area, all right-of-way requirements will be secured to ensure that long-term transportation and road plans can be implemented when warranted.
- 4) Each Municipality shall be notified of any subdivision or development proposal in the other Municipality that will result in access being required from a road under its control or management.
- 5) Prior to subdivision and/or development Alberta Transportation may require the preparation of an Area Structure Plan and/or Traffic Impact Assessment for developments located 1.6 km of the centre line of a highway and within the Plan Area.

K. RESOURCE DEVELOPMENT & UTILITY CORRIDORS

- 1) The municipalities will work with representatives from industry including, but not limited to oil and gas and telecommunication industries to promote resource infrastructure development which does not negatively impact existing and/or future development within the Plan Area.
- 2) Both municipalities agree to refer all oil and gas infrastructure and telecommunication infrastructure related applications in the Plan Area to the neighbouring municipality for review and comment.
- 3) The municipalities support the development of broadband and communications infrastructure in the Plan Area and region. As such, the municipalities will work collaboratively to promote and encourage broadband and communications infrastructure.

L. INTERMUNICIPAL SUBDIVISION AND DEVELOPMENT APPEAL BOARD

- 1) All appeals of developments and subdivisions within the Plan Area will be considered by either the Municipal District of Greenview No 16 or the Municipal District of Smoky River No. 130 Subdivision and Development Appeal Board.

M. COMMUNICATION AND REFERRAL PROCESS

- 1) The Municipalities agree to refer the following planning proposals within the Plan Area as per the following chart:

Planning Proposal Type	Maximum Response Period
a) Municipal Development Plans and Municipal Development Plan amendments	21 days
b) Area Structure Plans, Area Redevelopment Plans and amendments	21 days
c) Land Use Redesignations	21 days
d) Subdivisions	21 days
e) Road Access/Use	14 days

- 2) The response period indicated in Section M(1), may be extended upon written request from the responding municipality.
- 3) Notwithstanding Section M(1), either municipality may elect to circulate additional items to the neighbouring municipality for comment.
- 4) The Municipalities shall offer comments from the perspective of specific implications that have a high likelihood of impacting their own efforts around land use planning and provisions of municipal services and infrastructure. General observations on issues that have no bearing on the planning or service delivery efforts of the other Municipality shall be avoided.
- 5) Both municipalities shall strive, to the best of their ability and knowledge, to refer all notices of government projects within the Plan Area to the other municipality.
- 6) Within the Plan Area, both municipalities are encouraged to share with the other the results of all publicly available technical analysis, submitted as part of development applications.

N. PLAN ADMINISTRATION AND IMPLEMENTATION

1) Adoption Process:

- a) This IDP and any amendments shall be adopted by bylaw by the Municipalities in accordance with the Municipal Government Act, R.S.A., c M-26, as amended.
- b) Any amendments to the Municipal Development Plans and Land Use Bylaws of the Municipalities required to implement the policies of the Intermunicipal Development Plan should occur as soon as practical following adoption of this IDP.

2) Approving Authorities:

- a) In the hierarchy of statutory plans, the Intermunicipal Development Plan shall take precedence over the other municipal statutory plans.
- b) Each Municipality shall be responsible for the administration and decisions on all statutory plans, land use bylaws, and amendments thereto within their boundaries.

3) Plan Amendments & Repeal:

- a) An amendment to this Plan may be proposed by either municipality. An amendment to the Plan proposed by a landowner shall be made to the municipality in which the subject land is located.
- b) An amendment to this Plan has no effect unless adopted by both municipalities by bylaw in accordance with the Municipal Government Act, R.S.A., c M-26, as amended.
- c) In the event that either the Municipal District of Greenview No. 16 or the Municipal District of Smoky River No. 130 determines this Plan is no longer acceptable, either municipality may initiate the process to repeal this Plan. The following shall be followed to repeal the Plan:
 - i) Either municipality may give the other municipality written notice of its intention to repeal the plan.
 - ii) Within thirty days of the written notice, an Intermunicipal Committee meeting shall be convened.
 - iii) Following the Intermunicipal Committee meeting, the municipality initiating the repeal procedure may either withdraw its intention to repeal the Plan by giving written notice to the other municipality or proceed to consider a bylaw in accordance with the Municipal Government Act to repeal the plan.
 - iv) Once one municipality has passed a bylaw to repeal the Plan the other municipality shall also proceed to pass a bylaw repealing the plan.
- d) In accordance with the Municipal Government Act, should this Plan be repealed, the Municipal Districts shall initiate the development of a subsequent Intermunicipal Development Plan.

4) Intermunicipal Cooperation

- a) The Municipalities agree to create a recommending body known as the Intermunicipal Committee (hereinafter referred to as the Committee).
- b) The Committee will meet on an as required basis and will develop recommendations to the Municipal District Councils on all matters of strategic direction and cooperation affecting residents, except matters where other current operating structures and mechanisms are operating successfully. The topics to be discussed will include:
 - i) Long-term strategic growth plans for the Municipalities as may be reflected in the Intermunicipal Development Plan, Municipal Development Plans, Area Structure Plans and other strategic studies.
 - ii) Intermunicipal and regional transportation issues including the Transportation and Utility Corridors and truck routes.
 - iii) Prompt circulation of major land use, subdivision and development proposals in either municipality which may impact the other municipality; and
 - iv) The discussion of intermunicipal or multi-jurisdictional issues in lieu of a regional planning system.
- c) The Committee shall consist of four members, being two Councillors from each Municipality.
- d) The Chief Administrative Officers, or designate(s), will be advisory staff to the Committee, responsible to develop agendas and recommendations on all matters, and for forwarding all recommendations from the Committee to their respective Councils.

5) Plan Review

- a) Annually, the Municipalities CAOs, or designates shall determine the advisability of any amendments to the Plan. If an amendment is deemed necessary by both municipalities then the results of the review shall be presented to the Committee; within one month of the anniversary of the adoption of this Plan. The Committee shall determine if any amendments are to be proceeded with and direct municipal administration to commence with a public plan amendment process. If the Committee does not agree that a particular amendment shall proceed then neither municipality shall proceed with that amendment.
- b) Once every five years, commencing no later than 2024, the IDP will be formally reviewed by the Committee in conjunction with the Intermunicipal Collaboration Framework in order to confirm or recommend amendment of any particular policy contained herein. The Committee will prepare recommendations for consideration by the municipal councils.

O. DISPUTE RESOLUTION

- 1) The Municipalities agree that the following process shall be used to resolve or attempt to resolve disputes between the Municipalities arising from the following:
 - a) Lack of agreement on proposed amendments to the Plan;
 - b) Lack of agreement on any proposed statutory plan, land use bylaw or amendment thereto for lands located within or affecting the Plan Area; or
 - c) Lack of agreement on an interpretation of this plan.
- 2) Lack of agreement pursuant to Section O(1)(a) or (b) is defined as a statutory plan, land use bylaw or amendment to either which is given first reading by a Council which the other Council deems to be inconsistent with the policies of this Plan or detrimental to their planning interests as a municipality.
- 3) A dispute shall be limited to the decisions on the matters listed in Section O(1). Any other appeal shall be made to the appropriate approving authority or appeal board that deals with that issue.
- 4) The dispute resolution process may only be initiated by either Municipalities Councils.
- 5) Identification of a dispute and the desire to go through the dispute resolution process may occur at any time regarding a Section O(1)(c) dispute matter and may only occur within 30 calendar days of a decision made pursuant to Section P(2). Once either municipality has received written notice of a dispute, the dispute resolution process must be started within 15 calendar days of the date the written notice was received, unless both Chief Administrative Officers agree otherwise.
- 6) In the event that the dispute resolution process is initiated, the municipality having authority over the matter shall not give any further approval in any way until the dispute has been resolved or the mediation process has been concluded.
- 7) In the event that mediation does not resolve the dispute, the Municipality may proceed to adopt the bylaw and, in accordance with the Municipal Government Act, the other municipality will have the right to appeal to the Municipal Government Board.
- 8) The Intermunicipal Committee will be the forum used in relation to any disputes.

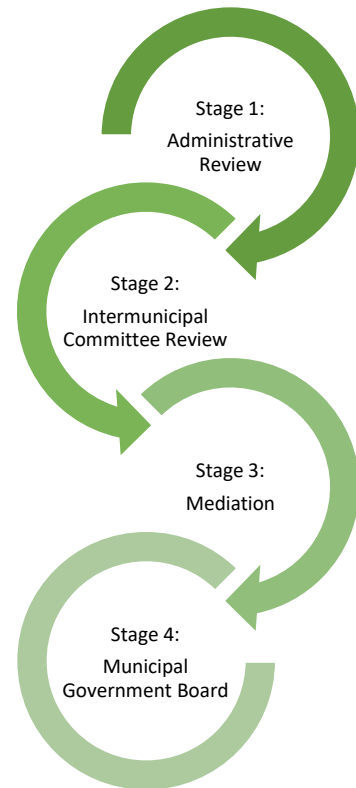
Dispute Resolution Process

Stage 1 Administrative Review - The Chief Administrative Officers of both municipalities will meet in an attempt to resolve the issue first. Failing resolution, the dispute will then be referred to the Intermunicipal Committee. In the event that a resolution is not achieved by the 30th day following the first meeting of the Chief Administrative Officer of both Municipalities, either municipality may refer the dispute to the Intermunicipal Committee.

Stage 2 Intermunicipal Committee Review – The Committee will convene to consider and attempt to resolve the dispute. In the event that a resolution is not achieved by the 30th day following the first meeting of the Intermunicipal Committee, either municipality may refer the dispute to mediation.

Stage 3 Mediation – The services of an independent mediator will be retained, with the mediator to present a written recommendation to both Councils. The costs of mediation shall be shared equally between the Municipalities.

Stage 4 Municipal Government Board – In the event that the mediation process does not resolve the dispute, the Municipality may proceed to adopt the bylaw and, in accordance with the Municipal Government Act, the other municipality will have the right to appeal to the Municipal Government Board.



P. CORRESPONDENCE

1) Written notice under this Plan shall be addressed as follows:

a. In the case of the Municipal District of Smoky River No. 130 to:

**Municipal District of Smoky River No. 130
c/o Chief Administrative Officer
PO Box 210
Falher, Alberta T0H 1M0**

b. In the case of the Municipal District of Greenview No. 16 to:

**Municipal District of Greenview No. 16
c/o Chief Administrative Officer
PO Box 1079,
Valleyview, AB T0H 3N0**

2) In addition to Section P(1), notices may be sent by electronic mail to the Chief Administrative Officer.

IN WITNESS WHEREOF the parties have affixed their corporate seals as attested by the duly authorized signing officers of the parties as of the first day above written.

MUNICIPAL DISTRICT OF
SMOKY RIVER NO. 130

MUNICIPAL DISTRICT OF
GREENVIEW NO.16

Reeve

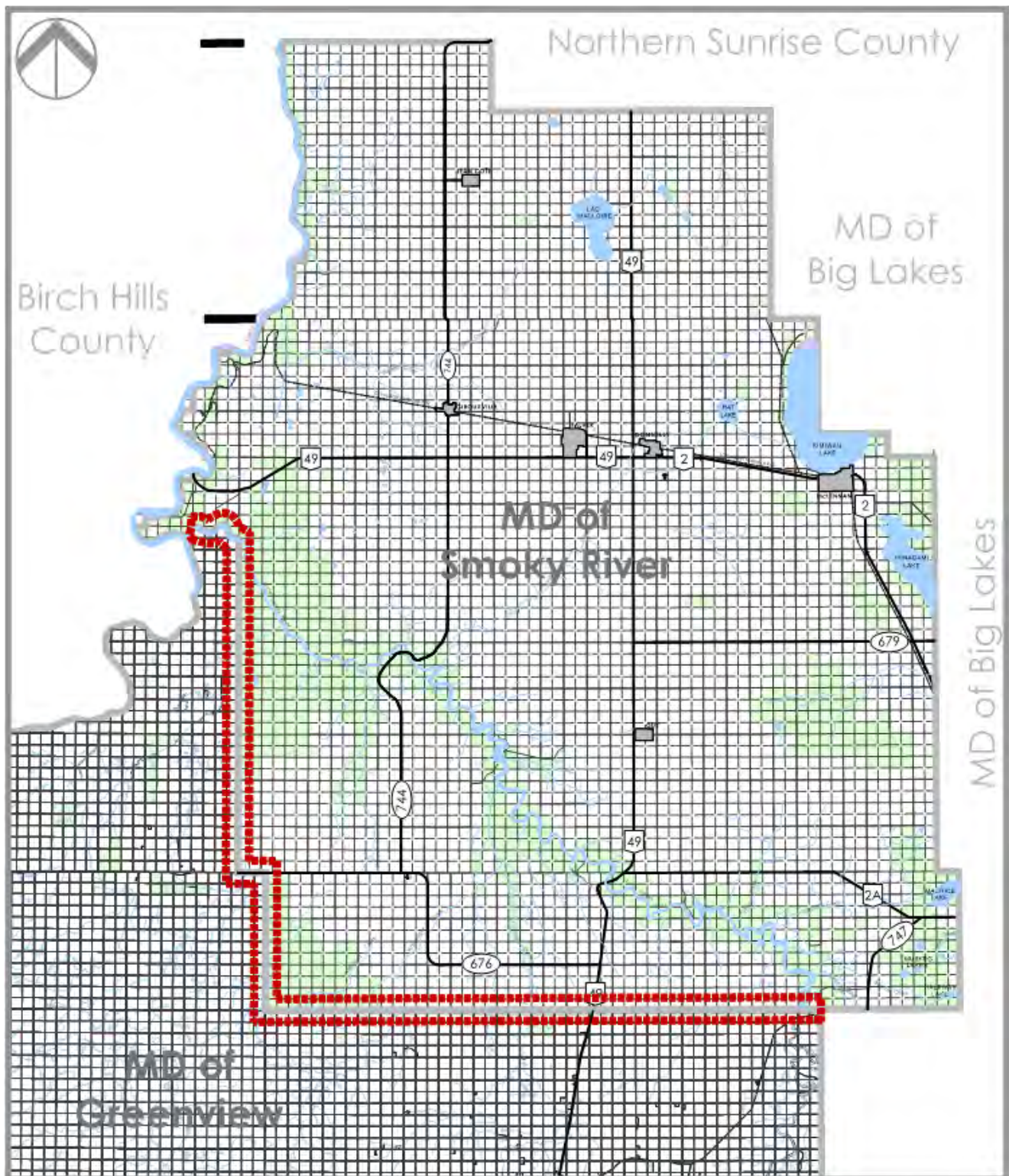
Reeve

Chief Administrative Officer
Bylaw No. 19-916

Chief Administrative Officer
Bylaw No. 19-824

Q. MAPS

Map 1: Plan Area Boundaries & Land Use Concept (for up-to-date Land Use Designations please see the respective Municipalities Land Use Bylaw)





Legend

- Intermunicipal Development Plan Area
- Water Bodies
- Crown Land

MD of Smoky River
& Greenview County
Intermunicipal Development Plan
Map 1: Plan Area & Land Use Concept



REQUEST FOR DECISION

SUBJECT:	Bylaw 19-825 ICF Big Lakes County		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER:
DEPARTMENT:	CAO SERVICES	GM:	PRESENTER: DL
STRATEGIC PLAN:	Regional Cooperation		

RELEVANT LEGISLATION:

Provincial (cite) – Municipal Government Act, R.S.A 2000, Chapter M-26, Section 631

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council give First Reading to Bylaw 19-825 “Big Lakes County/M.D of Greenview Intermunicipal Collaborative Framework.”

BACKGROUND/PROPOSAL:

In accordance with the requirements of the Municipal Government Act, Greenview is required to make an Intermunicipal Development Plan and Intermunicipal Collaborative Framework with all neighbouring municipalities.

Greenview and the Big Lakes County have both approved the IDP. This ICF and IDP were completed through a negotiating committee made of 3 Council Members and the CAOs from each municipality.

The ICF simply outlines what services are delivered in the municipalities and how they are delivered. The ICF indicates what services each of the municipalities provide to their residents, what shared services are provided through agreements, and what services are provided through third parties.

The ICF provides a dispute resolution framework as required in the MGA. It outlines current shared services, and also allows for the potential to add additional services through Intermunicipal agreements, upon mutual agreement of the Councils of the municipalities. The ICF does not commit Greenview to any action or agreement, and largely captures the current practices and agreements.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of the recommended action is Council will have a completed ICF with Big Lakes County, outlining shared services and Intermunicipal agreements, establishing a framework for future cooperation.
-

DISADVANTAGES OF THE RECOMMENDED ACTION:

There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council may choose to alter the Framework to address additional concerns.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Greenview Administration will notify County of Grande Prairie of the status of the ICF Bylaw.

ATTACHMENT(S):

- Section 631 MGA
- ICF Bylaw
- ICF Agreement



BYLAW NO. 19- 826 of the Municipal District of Greenview No. 16

A Bylaw of the Municipal District of Greenview No. 16, in the Province of Alberta, for the purpose of providing an integrated approach to the delivery and funding of intermunicipal services and strategic planning with Big Lakes County,

WHEREAS, Big Lakes and Greenview share a common border, and

WHEREAS, Section 708.28(1) of the Municipal Government Act, being Chapter M-26 of the Statutes of Alberta, as amended, mandates that municipalities that have common boundaries must create an Intermunicipal Collaboration Framework with each other that identifies the services provided by each municipality, which services are best provided on an intermunicipal basis, and how services to be provided on an intermunicipal basis will be delivered and funded; and

WHEREAS, Big Lakes and Greenview share common interests and are desirous of working together to provide services to their ratepayers; and

WHEREAS, the *Municipal Government Act (MGA)* stipulates that municipalities that have a common boundary must create a framework by adopting matching bylaws that contain the framework.

NOW THEREFORE, by mutual covenant of the parties hereto it is agreed as follows:

A. DEFINITIONS

1) In this agreement

- a. "Services" means those services relating to:
 - i. Water/Wastewater
 - ii. Solid Waste
 - iii. Emergency Services
 - iv. Transportation
 - v. Recreation
- b. "Municipal Services" is a service provided by a municipality through either its own administration or by a third party such as a contractor, or other agency/company.



BYLAW NO. 19- 826
of the Municipal District of Greenview No. 16

- c. “Intermunicipal Services” is a service that is provided to two or more municipalities. This can be provided by one or more municipalities or by a third party such as a service commission, municipal controlled corporation, authority, etc.

B. TERM AND REVIEW

- 1) In accordance with the *Municipal Government Act (MGA)*, this is a permanent Agreement that shall come into force on final passing of the bylaws by both municipalities.
- 2) This Agreement may be amended by mutual consent of both parties unless specified otherwise in this Agreement.
- 3) It is agreed by Big Lakes and Greenview that the Intermunicipal Committee shall meet at least once every two (2) years to review the terms and conditions of the Agreement. First meeting shall occur prior to the end of year 2020.

C. INTERMUNICIPAL COOPERATION

- 1) Big Lakes and agree to create a recommending body known as the Intermunicipal Collaboration Committee (hereinafter referred to as the Committee).
- 2) The Committee shall meet on an as required basis and will develop recommendations to the Councils on all matters of strategic direction and cooperation affecting the residents and ratepayers of both Parties.
- 3) The Committee shall consist of four (4) members being two elected officials from each Party. Both Reeve’s shall be ex-officio members to the Committee. Both CAO’s shall provide advisory assistance as required.
- 4) The CAO’s will be responsible to develop agendas and recommendations on all matters. CAO’s will be responsible for forwarding all recommendations from the Committee to their respective Councils.
- 5) Either Party, by giving at least 30 days’ notice, may trigger the requirement for the Committee to hold a meeting. Meeting requests shall be directed to the CAO for the respective municipality.

D. SERVICE DELIVERY

- 1) When one Party desires to enter into a new joint servicing arrangement, a Service Agreement shall be required to be developed on that specific service.



BYLAW NO. 19- 826 of the Municipal District of Greenview No. 16

- 2) When developing Service Agreements for each Council's consideration, the Committee shall discuss and clearly identify which municipality will lead service delivery for the service(s) and determine the appropriate funding model for the service(s) being discussed.
- 3) All future Service Agreements shall set out a process for discontinuing the service provided if one or both Parties wish to discontinue in the service delivery.
- 4) All future Service Agreements shall set out a timeframe for the delivery of the service(s) being discussed including the start and end date for the Agreement.
- 5) Both Parties acknowledge and agree that they may from time to time provide financial assistance to not for profit organizations functioning outside their jurisdictional boundaries.
- 6) Both Parties recognize that the decision to participate in or not participate in a project/arrangement ultimately lies with the respective municipal councils.

E. MUNICIPAL SERVICES

- 1) Big Lakes and Greenview provide the following municipal services to their residents as outlined in Schedule A.
- 2) **Water/Wastewater**
 - a. Big Lakes and Greenview have agreed that water and wastewater services are best provided independently by both municipalities.
 - b. Big Lakes and Greenview have agreed that Big Lakes residents can use Greenview's Fill Station located at the Sunset House location at the same cost as Greenview's residents.

F. INTERMUNICIPAL SERVICES

- 1) **Solid Waste**
 - a. Big Lakes and Greenview have agreed that solid waste services are best provided on an intermunicipal basis to better serve our residents.
 - b. Big Lakes and Greenview have agreed to have Greenview continue leading the delivery of this service.
 - c. Big Lakes and Greenview have agreed to fund solid waste services as per the current Memorandum of Agreement.



BYLAW NO. 19- 826 of the Municipal District of Greenview No. 16

- d. Big Lakes County and Greenview have agreed that residents of Big Lakes County may continue to use the waste bins as provided by Greenview.

2) Emergency Services

- a. Emergency Management
 - i. Big Lakes and Greenview have agreed that emergency management is best provided on an intermunicipal basis.
 - ii. Big Lakes and Greenview recognize that both municipalities are members of the Northwest Alberta Emergency Resource Agreement and shall follow the delivery and funding specifications under this Agreement.
- b. Fire Services
 - i. Big Lakes and Greenview have agreed that fire services are best provided on an intermunicipal basis.
 - ii. Big Lakes and Greenview have agreed to the delivery and funding specifications under the current Mutual Aid Fire Agreement.

3) Transportation

- a. Roads
 - i. Big Lakes and Greenview have agreed that transportation services are best provided on an intermunicipal basis.
 - ii. Big Lakes and Greenview have agreed that each municipality is responsible for the delivery and funding of this service, including gravelling/general maintenance, on the basis of the following road maintenance exchange agreement:
 - a. Greenview roads maintained by Big Lakes
 - i. Rge Rd 195, south of Twp Rd 710
 - ii. Rge Rd 192, south of Twp Rd 710
 - iii. Rge Rd 191, south of Twp Rd 710
 - iv. Twp Rd 704A, east of Rge Rd 192
 - v. Twp Rd 730, west of Rge Rd 200
 - b. Big Lakes roads maintained by Greenview
 - i. Twp Rd 722, west of Hwy 747
 - ii. Twp Rd 714, west of Hwy 747
 - iii. Twp Rd 712, west of Hwy 747
 - iv. Twp Rd 710, west of Hwy 747



BYLAW NO. 19- 826 of the Municipal District of Greenview No. 16

- v. Rge Rd 200 between Twp Rd 714 and 723
 - iii. Big Lakes and Greenview have agreed to continue working cooperatively on matters concerning the delivery and maintenance of transportation services to their shared residents.
 - b. Boat Launch
 - i. Big Lakes and Greenview have agreed to continue working together to explore the possibility of upgrades for recreation to the south side of Snipe Lake.
 - c. Alder Ridge Bridge
 - i. Big Lakes and Greenview have agreed to investigate a comprehensive bridge study on the replacement of the Alder Ridge Bridge.

4) Recreation

- a. Golden Triangle Snowmobile Trail System
 - i. Big Lakes and Greenview have agreed that the Golden Triangle Snowmobile Trail System is best provided on an intermunicipal basis to better serve both municipalities and the surrounding area.
 - ii. Big Lakes and Greenview have agreed to have Woodlands County continue leading the delivery of the service.
 - iii. Big Lakes and Greenview have agreed to the terms of funding the Golden Triangle Snowmobile Trail System as per the Golden Triangle Partnership Agreement.
- b. Little Smoky Ski Hill
 - i. Big Lakes and Greenview have agreed that the Little Smoky Ski Hill is best provided on an intermunicipal basis to better serve both municipalities and the surrounding area.
 - ii. Big Lakes and Greenview have agreed that the M.D. of Smoky River will continue to be the lead municipality.
 - iii. Big Lakes and Greenview have agreed to the terms of delivery and funding of the Little Smoky Ski Hill as per the Little Smoky Ski Hill Agreement between the M.D. of Smoky River, Big Lakes, and Greenview.
- c. Big Lakes and Greenview have agreed to continue to work together to update roads and infrastructure necessary to facilitate recreation.

G. FUTURE PROJECTS & AGREEMENTS



BYLAW NO. 19- 826 of the Municipal District of Greenview No. 16

- 1) In the event either municipality initiates the development of a new project and/or service that may require a cost-sharing agreement, the initiating municipality's Chief Administrative Officer will notify the other municipality's Chief Administrative Officer.
- 2) The Intermunicipal Committee will be the forum used to address and develop future mutual aid agreements and/or cost sharing agreements for future respective Councils consideration. In the event the Councils are unable to reach an agreement, the dispute shall be dealt with through a dispute resolution process as outlined in Section H.
- 3) Both Parties recognize that the decision to participate in or not participate in a project/arrangement ultimately lies with the respective municipal councils.

H. INDEMNITY

- 1) Each of the parties hereto shall be responsible for and indemnify and save harmless the other party for any damages or losses (including legal fees on a solicitor and his own client full indemnity basis), injuries or loss of life, resulting from the acts or omissions of their respective employees, servants, agents or contractors which may occur in the performance, purported performance, or non-performance of their respective obligations under this agreement; provided that such indemnity shall be limited to an amount in proportion to the degree to which the indemnifying party, its employees, servants, agents or contractors are at fault or otherwise held responsible in law.
- 2) The indemnifications set forth in Section H.1 hereof, will survive the expiration of the term or termination of this Agreement for whatever cause and any renewal or extension of the term, as the case may be.
- 3) Each of the parties hereto will be responsible for the acquisition of any and all necessary consents, licenses, approvals or authorities relating to their respective execution and performance of the terms of this Agreement.
- 4) One party hereto will not be liable to the other party hereto for any failure of or delay in the performance of its obligations hereunder nor be deemed to be in breach of this Agreement if such failure or delay has arisen from "Force Majeure." For the purpose of this Agreement, "Force Majeure" means any cause not within the control of the party, including, without limitation, interruption of telecommunications, gas, electric or other utility service, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, earthquakes, fires, lightning, storms, floods, high water, washouts, inclement weather, orders or acts of military authorities, civil disturbances or explosions.



BYLAW NO. 19- 826 of the Municipal District of Greenview No. 16

- 5) Where one party hereto is prevented from carrying out its obligations hereunder due to Force Majeure, such party will, as soon as possible, give notice of the occurrence of such Force Majeure to the other party hereto and the party providing such notice will thereupon be excused from the performance of such obligations for the period of time directly attributable to the effect of the Force Majeure.

I. DISPUTE RESOLUTION

1) Notice of dispute

- a. In the event that one party perceives a dispute under the framework and wishes to engage in dispute resolution, the initiating party's Chief Administrative Officer must give written notice of the matters under dispute to the other party's Chief Administrative Officer.

2) Negotiation

- a. Within 14 days of after the notice is given, the Intermunicipal Negotiating Committee will meet and attempt to resolve the dispute.

3) Mediation

- a. In the event the Committee is unable to resolve an issue, Big Lakes and Greenview will seek the assistance of a mediator acceptable to both parties.
- b. The initiating party must provide the mediator with an outline of the dispute and any agreed statement of facts.
- c. Both parties must give the mediator access to all records, documents and information that the mediator may reasonably request.
- d. Both parties must meet with the mediator at such reasonable times as may be required and must, through the intervention of the mediator, negotiate in good faith to resolve their dispute.
- e. All proceedings involving a mediator are without prejudice, and the costs of mediation shall be shared equally between parties.

4) Report

- a. If the dispute has not been resolved within 6 months after the notice is given, the initiating party must, within 21 days, prepare and provide to the other party a report.



BYLAW NO. 19- 826
of the Municipal District of Greenview No. 16

- b. The report must contain a list of the matters agreed on and those on which there is no agreement between the parties.
- c. The initiating party may prepare a report before the 6 months have elapsed if:
 - i. the parties agree, or
 - ii. the parties are not able to appoint a mediator.

5) Appointment of arbitrator

- a. Within 14 days of a report being provided, the representatives must appoint an arbitrator and the initiating party must provide the arbitrator with a copy of the report.
- b. If the representatives cannot agree on an arbitrator, the initiating party must forward a copy of the report to the Minister with a request to the Minister to appoint an arbitrator.
- c. In appointing an arbitrator, the Minister may place any conditions on the arbitration process as the Minister deems necessary.

6) Arbitration process

- a. Where arbitration is used to resolve a dispute, the arbitration and arbitrator's powers, duties, functions, practices, and procedures shall be the same as those in Division 3 of Part 17.2 of the MGA and Part 1 of the *Intermunicipal Collaboration Framework Regulation*.
- b. The arbitrator may do the following:
 - i. require an amendment to a framework;
 - ii. require a party to cease any activity that is inconsistent with the framework;
 - iii. provide for how a municipality's bylaws must be amended to be consistent with the framework;
 - iv. award any costs, fees and disbursements incurred in respect of the dispute resolution process and who bears those costs.

7) Deadline for resolving dispute

- a. The arbitrator must resolve the dispute within one year from the date the notice of dispute is given.



BYLAW NO. 19- 826
of the Municipal District of Greenview No. 16

- b. If an arbitrator does not resolve the dispute within the time described, the Minister may grant an extension of time or appoint a replacement arbitrator on such terms and conditions that the Minister considers appropriate.

8) Arbitrator's order

- a. Unless the parties resolve the disputed issues during the arbitration, the arbitrator must make an order as soon as possible after the conclusion of the arbitration proceedings.
- b. The arbitrator's order must
 - i. be in writing
 - ii. be signed and dated
 - iii. state the reasons on which it is based
 - iv. include the timelines for the implementation of the order, and
 - v. specify all expenditures incurred in the arbitration process for payment under s708.41 of the MGA.
- c. The arbitrator must provide a copy of the order to each party
- d. If an order of the arbitrator under section is silent as to costs, a party may apply to the arbitrator within 30 days of receiving the order for a separate order respecting costs.

9) Costs of arbitrator

- a. Subject to an order of the arbitrator or an agreement by the parties, the costs of an arbitrator must be paid on a proportional basis by the municipalities that are to be parties to the framework.
- b. Each municipality's proportion of the costs must be determined by dividing the amount of that municipality's equalized assessment by the sum of the equalized assessments as set out in the most recent equalized assessment.



BYLAW NO. 19- 826
of the Municipal District of Greenview No. 16

J. CORRESPONDENCE

- 1) Written notices under this bylaw shall be addressed to:

In the case of Big Lakes County:

Big Lakes County
Box 239
High Prairie, AB T0G 1E0
Attention: Chief Administrative Officer

In the case of Municipal District of Greenview No. 16

Municipal District of Greenview No. 16
Box 1079
Valleyview, AB T0H 3N0
Attention: Chief Administrative Officer

This Bylaw shall come into force and effect upon the day of final passing

Read a first time this ____ day of ____, 2019.

Read a second time this ____ day of ____, 2019.

Read a third time and passed this ____ day of ____, 2019

Intermunicipal Collaboration Framework Agreement

Between:

Big Lakes County,

A municipality incorporated under the laws of Alberta
(Hereinafter referred to as "Big Lakes")

And

Municipal District of Greenview No. 16,

A municipality incorporated under the laws of Alberta
(Hereinafter referred to as "Greenview")

WHEREAS, Big Lakes and Greenview share a common border, and

WHEREAS, Big Lakes and Greenview share common interests and are desirous of working together to provide services to their ratepayers; and

WHEREAS, the *Municipal Government Act (MGA)* stipulates that municipalities that have a common boundary must create a framework with each other that identifies the services provided by each municipality and the funding arrangements for these services.

NOW THEREFORE, by mutual covenant of the parties hereto it is agreed as follows:

A. DEFINITIONS

1) In this agreement

- a. "Services" means those services relating to:
 - i. Water/Wastewater
 - ii. Solid Waste
 - iii. Emergency Services
 - iv. Transportation
 - v. Recreation
- b. "Municipal Services" is a service provided by a municipality through either its own administration or by a third party such as a contractor, or other agency/company.
- c. "Intermunicipal Services" is a service that is provided to two or more municipalities. This can be provided by one or more municipalities or by a third party such as a service commission, municipal controlled corporation, authority, etc.

B. TERM AND REVIEW

- 1) In accordance with the *Municipal Government Act (MGA)*, this is a permanent Agreement that shall come into force on final passing of the bylaws by both municipalities.

- 2) This Agreement may be amended by mutual consent of both parties unless specified otherwise in this Agreement.
- 3) It is agreed by Big Lakes and Greenview that the Intermunicipal Committee shall meet at least once every two (2) years to review the terms and conditions of the Agreement. First meeting shall occur prior to the end of year 2020.

C. INTERMUNICIPAL COOPERATION

- 1) Big Lakes and Greenview agree to create a recommending body known as the Intermunicipal Collaboration Committee (hereinafter referred to as the Committee).
- 2) The Committee shall meet on an as required basis and will develop recommendations to the Councils on all matters of strategic direction and cooperation affecting the residents and ratepayers of both Parties.
- 3) The Committee shall consist of four (4) members being two elected officials from each Party. Both Reeve's shall be ex-officio members to the Committee. Both CAO's shall provide advisory assistance as required.
- 4) The CAO's will be responsible to develop agendas and recommendations on all matters. CAO's will be responsible for forwarding all recommendations from the Committee to their respective Councils.
- 5) Either Party, by giving at least 30 days' notice, may trigger the requirement for the Committee to hold a meeting. Meeting requests shall be directed to the CAO for the respective municipality.

D. SERVICE DELIVERY

- 1) When one Party desires to enter into a new joint servicing arrangement, a Service Agreement shall be required to be developed on that specific service.
- 2) When developing Service Agreements for each Council's consideration, the Committee shall discuss and clearly identify which municipality will lead service delivery for the service(s) and determine the appropriate funding model for the service(s) being discussed.
- 3) All future Service Agreements shall set out a process for discontinuing the service provided if one or both Parties wish to discontinue in the service delivery.
- 4) All future Service Agreements shall set out a timeframe for the delivery of the service(s) being discussed including the start and end date for the Agreement.
- 5) Both Parties acknowledge and agree that they may from time to time provide financial assistance to not for profit organizations functioning outside their jurisdictional boundaries.

- 6) Both Parties recognize that the decision to participate in or not participate in a project/arrangement ultimately lies with the respective municipal councils.

E. MUNICIPAL SERVICES

- 1) Big Lakes and Greenview provide the following municipal services to their residents as outlined in Schedule A.
- 2) **Water/Wastewater**
 - a. Big Lakes and Greenview have agreed that water and wastewater services are best provided independently by both municipalities.
 - b. Big Lakes and Greenview have agreed that Big Lakes residents can use Greenview's Fill Station located at the Sunset House location at the same cost as Greenview's residents.

F. INTERMUNICIPAL SERVICES

1) Solid Waste

- a. Big Lakes and Greenview have agreed that solid waste services are best provided on an intermunicipal basis to better serve our residents.
- b. Big Lakes and Greenview have agreed to have Greenview continue leading the delivery of this service.
- c. Big Lakes and Greenview have agreed to fund solid waste services on a fifty/fifty basis (50/50) as per the current Memorandum of Agreement attached in Schedule B.
- d. Big Lakes County and Greenview have agreed that residents of Big Lakes County may continue to use the waste bins as provided by Greenview.

2) Emergency Services

- a. Emergency Management
 - i. Big Lakes and Greenview have agreed that emergency management is best provided on an intermunicipal basis.
 - ii. Big Lakes and Greenview recognize that both municipalities are members of the Northwest Alberta Emergency Resource Agreement and shall follow the delivery and funding specifications under this Agreement as outlined in Schedule C.
- b. Fire Services
 - i. Big Lakes and Greenview have agreed that fire services are best provided on an intermunicipal basis.
 - ii. Big Lakes and Greenview have agreed to the delivery and funding specifications under the current Mutual Aid Fire Agreement as outlined in Schedule D.

3) Transportation

a. Roads

- i. Big Lakes and Greenview have agreed that transportation services are best provided on an intermunicipal basis.
- ii. Big Lakes and Greenview have agreed that each municipality is responsible for the delivery and funding of this service, including gravelling/general maintenance, on the basis of the following road maintenance exchange agreement as seen in Schedule E:
 - a. Greenview roads maintained by Big Lakes
 - i. Rge Rd 195, south of Twp Rd 710
 - ii. Rge Rd 192, south of Twp Rd 710
 - iii. Rge Rd 191, south of Twp Rd 710
 - iv. Twp Rd 704A, east of Rge Rd 192
 - v. Twp Rd 730, west of Rge Rd 200
 - b. Big Lakes roads maintained by Greenview
 - i. Twp Rd 722, west of Hwy 747
 - ii. Twp Rd 714, west of Hwy 747
 - iii. Twp Rd 712, west of Hwy 747
 - iv. Twp Rd 710, west of Hwy 747
 - v. Rge Rd 200 between Twp Rd 714 and 723
- iii. Big Lakes and Greenview have agreed to continue working cooperatively on matters concerning the delivery and maintenance of transportation services to their shared residents.

b. Boat Launch

- i. Big Lakes and Greenview have agreed to continue working together to explore the possibility of upgrades for recreation to the south side of Snipe Lake.

c. Alder Ridge Bridge

- i. Big Lakes and Greenview have agreed to investigate a comprehensive bridge study on the replacement of the Alder Ridge Bridge.

4) Recreation

a. Golden Triangle Snowmobile Trail System

- i. Big Lakes and Greenview have agreed that the Golden Triangle Snowmobile Trail System is best provided on an intermunicipal basis to better serve both municipalities and the surrounding area.
- ii. Big Lakes and Greenview have agreed to have Woodlands County continue leading the delivery of the service.

- iii. Big Lakes and Greenview have agreed to the terms of funding the Golden Triangle Snowmobile Trail System as per the Golden Triangle Partnership Agreement as outlined in Schedule F.

b. Little Smoky Ski Hill

- i. Big Lakes and Greenview have agreed that the Little Smoky Ski Hill is best provided on an intermunicipal basis to better serve both municipalities and the surrounding area.
- ii. Big Lakes and Greenview have agreed that the M.D. of Smoky River will continue to be the lead municipality.
- iii. Big Lakes and Greenview have agreed to the terms of delivery and funding of the Little Smoky Ski Hill as per the Little Smoky Ski Hill Agreement between the M.D. of Smoky River, Big Lakes, and Greenview as outlined in Schedule G.

- c. Big Lakes and Greenview have agreed to continue to work together to update roads and infrastructure necessary to facilitate recreation.

G. FUTURE PROJECTS & AGREEMENTS

- 1) In the event either municipality initiates the development of a new project and/or service that may require a cost-sharing agreement, the initiating municipality's Chief Administrative Officer will notify the other municipality's Chief Administrative Officer.
- 2) The Intermunicipal Committee will be the forum used to address and develop future mutual aid agreements and/or cost sharing agreements for future respective Councils consideration. In the event the Councils are unable to reach an agreement, the dispute shall be dealt with through a dispute resolution process as outlined in Section H.
- 3) Both Parties recognize that the decision to participate in or not participate in a project/arrangement ultimately lies with the respective municipal councils.

H. INDEMNITY

- 1) Each of the parties hereto shall be responsible for and indemnify and save harmless the other party for any damages or losses (including legal fees on a solicitor and his own client full indemnity basis), injuries or loss of life, resulting from the acts or omissions of their respective employees, servants, agents or contractors which may occur in the performance, purported performance, or non-performance of their respective obligations under this agreement; provided that such indemnity shall be limited to an amount in proportion to the degree to which the indemnifying party, its employees, servants, agents or contractors are at fault or otherwise held responsible in law.
- 2) The indemnifications set forth in Section H.1 hereof, will survive the expiration of the term or termination of this Agreement for whatever cause and any renewal or extension of the term, as the case may be.

- 3) Each of the parties hereto will be responsible for the acquisition of any and all necessary consents, licenses, approvals or authorities relating to their respective execution and performance of the terms of this Agreement.
- 4) One party hereto will not be liable to the other party hereto for any failure of or delay in the performance of its obligations hereunder nor be deemed to be in breach of this Agreement if such failure or delay has arisen from "Force Majeure." For the purpose of this Agreement, "Force Majeure" means any cause not within the control of the party, including, without limitation, interruption of telecommunications, gas, electric or other utility service, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, earthquakes, fires, lightning, storms, floods, high water, washouts, inclement weather, orders or acts of military authorities, civil disturbances or explosions.
- 5) Where one party hereto is prevented from carrying out its obligations hereunder due to Force Majeure, such party will, as soon as possible, give notice of the occurrence of such Force Majeure to the other party hereto and the party providing such notice will thereupon be excused from the performance of such obligations for the period of time directly attributable to the effect of the Force Majeure.

I. DISPUTE RESOLUTION

- 1) Notice of dispute
 - a. In the event that one party perceives a dispute under the framework and wishes to engage in dispute resolution, the initiating party's Chief Administrative Officer must give written notice of the matters under dispute to the other party's Chief Administrative Officer.
- 2) Negotiation
 - a. Within 14 days of after the notice is given, the Intermunicipal Negotiating Committee will meet and attempt to resolve the dispute.
- 3) Mediation
 - a. In the event the Committee is unable to resolve an issue, Big Lakes and Greenview will seek the assistance of a mediator acceptable to both parties.
 - b. The initiating party must provide the mediator with an outline of the dispute and any agreed statement of facts.
 - c. Both parties must give the mediator access to all records, documents and information that the mediator may reasonably request.
 - d. Both parties must meet with the mediator at such reasonable times as may be required and must, through the intervention of the mediator, negotiate in good faith to resolve their dispute.

- e. All proceedings involving a mediator are without prejudice, and the costs of mediation shall be shared equally between parties.

4) Report

- a. If the dispute has not been resolved within 6 months after the notice is given, the initiating party must, within 21 days, prepare and provide to the other party a report.
- b. The report must contain a list of the matters agreed on and those on which there is no agreement between the parties.
- c. The initiating party may prepare a report before the 6 months have elapsed if:
 - i. the parties agree, or
 - ii. the parties are not able to appoint a mediator.

5) Appointment of arbitrator

- a. Within 14 days of a report being provided, the representatives must appoint an arbitrator and the initiating party must provide the arbitrator with a copy of the report.
- b. If the representatives cannot agree on an arbitrator, the initiating party must forward a copy of the report to the Minister with a request to the Minister to appoint an arbitrator.
- c. In appointing an arbitrator, the Minister may place any conditions on the arbitration process as the Minister deems necessary.

6) Arbitration process

- a. Where arbitration is used to resolve a dispute, the arbitration and arbitrator's powers, duties, functions, practices, and procedures shall be the same as those in Division 3 of Part 17.2 of the MGA and Part 1 of the *Intermunicipal Collaboration Framework Regulation*.
- b. The arbitrator may do the following:
 - i. require an amendment to a framework;
 - ii. require a party to cease any activity that is inconsistent with the framework;
 - iii. provide for how a municipality's bylaws must be amended to be consistent with the framework;
 - iv. award any costs, fees and disbursements incurred in respect of the dispute resolution process and who bears those costs.

7) Deadline for resolving dispute

- a. The arbitrator must resolve the dispute within one year from the date the notice of dispute is given.

- b. If an arbitrator does not resolve the dispute within the time described, the Minister may grant an extension of time or appoint a replacement arbitrator on such terms and conditions that the Minister considers appropriate.

8) Arbitrator's order

- a. Unless the parties resolve the disputed issues during the arbitration, the arbitrator must make an order as soon as possible after the conclusion of the arbitration proceedings.
- b. The arbitrator's order must
 - i. be in writing
 - ii. be signed and dated
 - iii. state the reasons on which it is based
 - iv. include the timelines for the implementation of the order, and
 - v. specify all expenditures incurred in the arbitration process for payment under s708.41 of the MGA.
- c. The arbitrator must provide a copy of the order to each party
- d. If an order of the arbitrator under section is silent as to costs, a party may apply to the arbitrator within 30 days of receiving the order for a separate order respecting costs.

9) Costs of arbitrator

- a. Subject to an order of the arbitrator or an agreement by the parties, the costs of an arbitrator must be paid on a proportional basis by the municipalities that are to be parties to the framework.
- b. Each municipality's proportion of the costs must be determined by dividing the amount of that municipality's equalized assessment by the sum of the equalized assessments as set out in the most recent equalized assessment.

J. CORRESPONDENCE

1) Written notices under this framework shall be addressed to:

In the case of Big Lakes County:

Big Lakes County
Box 239
High Prairie, AB T0G 1E0
Attention: Chief Administrative Officer

In the case of Municipal District of Greenview No. 16

Municipal District of Greenview No. 16
Box 1079
Valleyview, AB T0H 3N0
Attention: Chief Administrative Officer

Dated this ____ day of _____

BIG LAKES COUNTY

**MUNICIPAL DISTRICT OF GREENVIEW
NO. 16**

REEVE

REEVE

CHIEF ADMINISTRATIVE OFFICER

CHIEF ADMINISTRATIVE OFFICER

Schedule A

The following is a list of Municipal Services that each municipality are currently providing for their residents:

1) Big Lakes County

- Grants
 - o Administration of County-issued grants
 - o Board development/board education for local groups
 - o Grant writing workshops
- GIS
 - o Map creation (i.e. wall maps, map books)
 - o Aerial photo creation
 - o Address assignment
- Reception services
- Taxation services
- Communications
 - o Monthly resident newsletter
 - o Open houses
 - o Workshops
 - o Department brochures
 - o Annual reports
 - o Updates to website and social media
 - o Annual Municipal Awareness and Community BBQ
 - o Press releases
 - o Monthly Radio updates from the Reeve
- Waste Management:
 - o Regional Landfill Facility
 - o 7 Transfer Sites
 - o 7 Recycling Stations
- Airports
 - o 2 Aerodromes
- Road maintenance
 - o Grading, graveling, snowplowing, general road maintenance of gravel roads
 - o Approach Construction and Approach Widening programs
 - o Patching, Line Painting and Crack Sealing of paved roads
 - o Sidewalk / walking trail maintenance and repair
 - o Culvert maintenance, replacement and repair
 - o Brushing
 - o Roadside Mowing
 - o Signage - installation and maintenance
 - o Dust Control Program
 - o Private Driveway Grading Program
 - o Private Driveway Snowplowing Program
- Road Drainage Maintenance and Licensed Drainage Channel Maintenance

- Bridges
 - o Bridge maintenance
 - o Bridge repairs and replacements
- Capital projects
 - o New road construction
 - o New bridge / culvert construction
 - o New or upgrade of Water/Wastewater Facilities
- Utilities
 - o Water and Wastewater service to residents of 5 hamlets
 - o Water service to 9 Water coops and 2 First Nations
 - o 5 Truckfill stations
- Agriculture
 - o Weed and Pest Inspection Programs
 - o Weed Spraying Program
 - o Agricultural Equipment rentals
 - o Agricultural Service Board
 - o Education Events
- FCSS
 - o Home Support Programs
 - o Youth Programs
 - o Newsletter program
 - o Disaster Social Services
 - o Workshop and Information Delivery
 - o Service Delivery (assisting clients with completing government forms, referrals to other programs and resources, supportive listening)
 - o Information and Networking with other agencies
 - o Social Activity grants
 - o Christmas Angel Hamper Program
 - o Family Day Celebrations
 - o Community Volunteer Income Tax Program
 - o Community Volunteer Appreciation Week
 - o Seniors Week
 - o Wall of Fame
 - o Annual County BBQ
 - o Red Silhouette Family Violence Awareness Campaign
- Animal Control
 - o Patrolling stray animals at large
 - o Responds to complaints
 - o Dog Pound Services
- Planning & Development
 - o Permits
 - o Land subdivision
 - o Land use bylaw amendments
 - o Subdivision Development Appeal Board
 - o Municipal Planning Commission

- o Manage Faust Cemetery
 - o Maintain and administer statutory planning documents
 - o Administer Safety Codes program
- Bylaw Enforcement
 - o Works with residents to resolve bylaw infractions, education and eventual enforcement
 - o Coordinates with salvage companies to remove dilapidated vehicles
 - o Responds to complaints
 - o Mediate with neighbour disputes
- Enhanced policing
 - o Drug Enforcement,
 - o Controlled Drug and Substances Act,
 - o Crime reduction
 - o Assisting with investigation of serious crimes related to drugs
 - o General duty policing service
- Peace Officers
 - o Hamlet patrol service
 - o Issuance of violation tickets
- Municipal Land – Sales and Leases
- Fire Services
 - o Three separate fire services and emergency management agencies are in independent operation:
 - Big Lakes County (volunteer)
 - Full time paid Fire Chief
 - Volunteer Deputy Fire Chiefs
 - Five Fire Departments
 - o Enilda Fire District
 - o Grouard Fire District
 - o Joussard Fire District
 - o Faust Fire District
 - o Kinuso Fire District
 - Town of High Prairie (Paid-on-call)
 - Part time paid Fire Chief
 - paid-on-call senior officers, junior officers and firefighters
 - High Prairie Fire Department
 - Town of Swan Hills (Paid-on-call)
 - Paid-on-call Fire Chief
 - paid-on-call senior officers, junior officers and firefighters
 - Swan Hills Fire Department
- Economic Development
 - o Economic Development Authority
 - o Business Development Officer
 - o Sector profiles
 - o Sector tours/mobile workshops

- o Creation of a business directory and economic development website
- o Conducting a visitor friendly assessment

2) **Municipal District of Greenview**

- Communications
 - o Press releases
 - o Newsletter
 - o Advertisements
 - o Social media
 - o Ratepayer BBQs
- Taxation
- Maps
- Accounts Payable/Accounts Receivable
 - o Billing
 - o Receiving
 - o Processing
- Reception Services
- Access to Applications
- FOIP requests
- IT
 - o Public Wi-Fi
 - o Data Management
- Solid Waste Services
 - o Regional Landfill
 - o Grande Cache Landfill
 - o Transfer Stations
- Water Services
 - o Treatment
 - o Distribution
 - o Bulk Water Points
- Waste Water Services
 - o Collection
 - o Industrial Lagoons
 - o Lift Stations
- Planning and Development Services
 - o Permitting
 - o Monitoring Oil and Gas Development and ancillary industries
 - o Development Enforcement
 - o Subdivisions
 - o Subdivision and Development Appeal Board (SDAB)
 - o Land Use Bylaw Amendments
 - o Area Structure Plans and Municipal Development Plans
 - o Municipal Planning Commission
- Road Construction

- Bridge Construction and Maintenance
- Approach Construction
- Culvert Installations and maintenance
- Road Maintenance
 - o Graveling
 - o Grading
 - o Brushing
 - o Dust Control
 - o Mowing
 - o Snow Plowing
 - o Signage installation and replacement
 - o Private Driveway Plowing
- Agricultural Services
 - o Weed and Pest Inspection
 - o Limited Wildlife Control
 - o Agricultural Fleet Rental
 - o Vegetation Management
 - o Emergency response planning for animal disease outbreak
 - o Soil Conservation
 - o Workshops and seminars
 - o Information/news/articles
 - o Greenview Vet Clinic
- FCSS
 - o Senior's Yoga
 - o Red Silhouette Family Violence Awareness Campaign
 - o Babysitting/home alone course
 - o Various youth programs through School Liaison
 - o Disaster Social Services
 - o Community Volunteer Income Tax Program
 - o Home Support
 - o Employment supports
- Parks and Campground Development, operation and maintenance
- Sasquatch Program
- Community Recreation support (walking trails, grant funding, etc.)
- Cemeteries
- Economic Development
- Administration of Community Grant Program and Community Event Supports
- Emergency Services
- Emergency Management
- Rural Fire Pump management
- M.D of Greenview Library Board
- Grovedale, DeBolt and Grande Cache Fire Departments.
- Enhanced Policing
- Bylaw Enforcement Grande Cache

Third Party Services

- Large Construction Projects
- Gravel Hauls
- Regional Research Association Partnerships for Agricultural Services
- Mental Health Counselling at FCSS
- Kakwa/Big Mountain snow mobile/ATV trails (Swan City Snow Mobile Club)
- Grande Cache backcountry trails (Wilmore Wilderness)
- Assessment
- Recreation Boards (Valleyview, Fox Creek, East Smoky, Grande Cache, Grovedale, Crooked Creek.
- PCIT
- Bylaw enforcement (County of Grande Prairie)
- Enhanced RCMP
- Media design and production services
- GIS

SCHEDULE B

Ag. 24-98

MEMORANDUM OF AGREEMENT

BETWEEN: **THE MUNICIPAL DISTRICT OF GREENVIEW NO. 16**
P. O. Box 1079, Valleyview, AB T0H 3N0
(hereinafter referred to as the "M.D. of Greenview")
OF THE FIRST PART

and

THE MUNICIPAL DISTRICT OF BIG LAKES
P. O. Box 239, High Prairie, AB T0G 1E0
(hereinafter referred to as the "M.D. of Big Lakes")
OF THE SECOND PART

RE: **RECYCLING BINS LOCATED AT SUNSET HOUSE**

WHEREAS the municipalities named above jointly own and maintain recycling bins located within the community of Sunset House; and

WHEREAS the M.D. of Big Lakes wishes to provide 50% of the capital cost and ongoing maintenance of the recycling bins in Sunset House for the benefit of the residents and industrial businesses of the M.D. of Big Lakes;

THEREFORE, the parties to this Agreement, in consideration of the mutual promises and covenants hereinafter contained, agree as follows:

1. The M.D. of Greenview shall operate and maintain the recycling bins which are located within the community of Sunset House, specifically on Part of the North East Quarter of Section Thirty Six (36) (LSD 16), in Township Seventy (70), Range Twenty (20), West of the Fifth Meridian, such lands being located within the boundaries of the M.D. of Greenview.
2. The M.D. of Greenview will allow use of the recycling bins free of charge to residents and industrial businesses from the M.D. of Big Lakes.
3. The M.D. of Big Lakes agrees to pay to the M.D. of Greenview a one-time lump payment of **ONE THOUSAND FORTY-SEVEN DOLLARS AND TWENTY-FOUR CENTS (\$1,047.24)** in recognition of capital costs to establish the recycling bins.

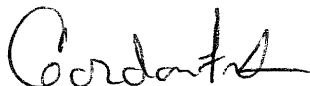
SCHEDULE B

Sunset House Recycling Bins Agreement

Page -2-

4. Annually, the M.D. of Big Lakes shall contribute to the M.D. of Greenview **FIFTY PERCENT (50%)** of the operating expenses, namely the sum of **THREE THOUSAND EIGHT HUNDRED NINETEEN DOLLARS AND NINETY CENTS (\$3,819.90)**, on or before July 1st in each year.
5. Any sum contributed by the M.D. of Big Lakes pursuant to this Agreement shall be used towards covering the cost of operation and maintenance of the recycling bins, and any sum not so used shall be returned to the M.D. of Big Lakes.
6. The M.D. of Greenview shall be solely responsible for the operation and maintenance of the recycling bins, and agrees to indemnify and save harmless the M.D. of Big Lakes from all claims, damages, costs, losses, expenses and actions caused by, or arising out of, the operation of the recycling bins.
7. The M.D. of Greenview agrees to obtain such consent, approval or licenses as may be necessary to operate the recycling bins.
8. This Agreement shall be deemed to have come into effect on the date of signing.
9. This Agreement may be amended by mutual consent, in writing, of the parties hereto.
10. This Agreement is not assignable without the written consent of the parties hereto.
11. This Agreement may be terminated by either of the parties hereto giving to the other **six months** written notice of the intention to terminate.

SIGNED AND SEALED this 16th day of June, 1998.



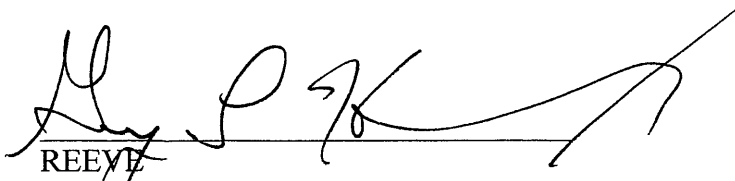
MUNICIPAL MANAGER
M.D. of Greenview No. 16



REEVE
M.D. of Greenview No. 16



MUNICIPAL MANAGER
M.D. of Big Lakes



REEVE
M.D. of Big Lakes

SCHEDULE B

MEMORANDUM OF AGREEMENT made this 20th day of December A.D., 1993.

BETWEEN:

THE ADVISORY COUNCIL
OF IMPROVEMENT DISTRICT NO. 17 CENTRAL
(hereinafter referred to as "Improvement District No. 17C")

OF THE FIRST PART

and

THE ADVISORY COUNCIL
OF IMPROVEMENT DISTRICT NO. 16
(hereinafter referred to as "Improvement District No. 16")

OF THE SECOND PART

WHEREAS Improvement District No. 16 owns and maintains the Waste Disposal Grounds located on L.S.D. 15 of Section Twenty Three (23), Township Seventy (70), Range Twenty One (21), West of the Fifth Meridian (hereinafter referred to as the "Sunset House Waste Disposal Grounds").

WHEREAS Improvement District No. 17C wishes to grant financial aid to Improvement District No. 16 to maintain the Sunset House Waste Disposal Grounds for the benefit of the residents and industrial businesses of Improvement District No. 17C.

THE PARTIES to this Agreement, in consideration of the mutual promises and covenants hereinafter contained, agree as follows:

1. Improvement District No. 16 shall operate and maintain the Sunset House Waste Disposal Grounds which is located on that piece of property legally described as L.S.D. 15 of Section Twenty Three (23), Township Seventy (70), Range Twenty One (21), West of the Fifth Meridian, such lands being within the boundaries of Improvement District No. 16, in the Province of Alberta.

SCHEDULE B

- 2 -

2. Improvement District No. 16 will allow use of the Sunset House Waste Disposal Grounds, free of charge, to residents and industrial businesses within Improvement District No. 17C, located in Township 71, Range 18; Township 72, Range 18; Township 71, Range 19; Township 72, Range 19; Township 73, Range 19; all West of the Fifth Meridian.
3. Improvement District No. 17C shall contribute to Improvement District No. 16 based on a sharing of expenses and calculated on a lump sum basis. Annually the sum of Two Thousand Dollars (\$2,000.00) shall be paid to Improvement District No. 16 by Improvement District No. 17C.
4. Any sum contributed by Improvement District No. 17C pursuant to this Agreement shall be used towards covering the cost of operation and maintenance of the Sunset House Waste Disposal Grounds and any sum not so used shall be returned to Improvement District No. 17C.
5. Improvement District No. 16 shall be solely responsible for the operation and maintenance of the Sunset House Waste Disposal Grounds and agrees to indemnify and save harmless Improvement District No. 17C from all claims, damages, costs, losses, expenses and actions caused by, or arising out of the operation of the Sunset House Waste Disposal Grounds.
6. Improvement District No. 16 agrees to obtain such consent, approval or licences as may be necessary to operate the Sunset House Waste Disposal Grounds.

SCHEDULE B

- 3 -

7. This Agreement shall be deemed to have come into effect on date of signing.
8. This Agreement may be amended by mutual consent of either party, in writing, to reflect changes in contributions based on changes in costs.
9. This Agreement is not assignable without the consent in writing of both parties to this Agreement.
10. This Agreement may be terminated by either of the parties hereto giving to the other 30 days notice of the intention to terminate in writing.

IN WITNESS WHEREOF the Parties hereto have affixed their hands on the day above written.

WITNESS

WITNESS

MANAGER

Improvement District No. 17 Central

MANAGER

Improvement District No. 16

SCHEDULE C

**NORTHWEST ALBERTA EMERGENCY RESOURCE
AGREEMENT**

THIS AGREEMENT made this _____ day of _____ A.D. 20 _____

BETWEEN:

Big Lakes County
Birch Hills County
Central Peace Fire & Rescue Commission
City of Grande Prairie
Clear Hills County
County of Grande Prairie No.1
County of Northern Lights
Mackenzie County
Municipal District of Greenview No.16
Municipal District of Opportunity No.17
Municipal District of Smoky River No.130
Northern Sunrise County
Saddle Hills County
The Town of Sexsmith
Town of Fairview
Town of Fox Creek
Town of Grande Cache
Town of High Level
Town of High Prairie
Town of Manning
Town of Peace River
Town of Rainbow Lake
Town of Wembley
Town of Whitecourt

SCHEDULE C

WHEREAS the parties to this Agreement are all Municipal Corporations or Regional Service Commissions within the Province of Alberta, incorporated pursuant to the *Municipal Government Act RSA 2000, M-26*, as amended;

AND WHEREAS the purpose of this agreement is provide the ability for signatories to access needed resources to mitigate or support emergency response initiatives from sources outside predetermined mutual aid agreements.

AND WHEREAS each party to this Agreement provides fire protection services within their respective boundaries;

AND WHEREAS each of the parties hereto acknowledge and agree that it is desirable and to the parties mutual benefit that from time to time, each be able to provide fire protection assistance to any or all of the other parties to this Agreement;

AND WHEREAS the parties hereto wish to enter into this Agreement to formalize the systems and procedures which can be utilized in order for the parties to request fire resources and assistance from the other party to this Agreement and to respond to such requests;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants, agreements and premises set out herein, the parties hereto hereby agree as follows:

1. In this Agreement, the following words and terms shall have the following meanings:

- a) "Assistance" shall mean firefighting, fire protection or other resources available pursuant to this Agreement. Assistance may relate to incidents which the Requesting Party does not attend or does not believe it will attend, or incidents which the Requesting Party does attend, but believes it would be prudent to require further or other forces for firefighting/protection purposes.
- b) "Claims" shall mean any and all manner of action or actions, cause or cause of action, suits, proceedings, demands, debts, dues, sums of money, costs, expenses and damages of every nature and kind arising at law, equity, statute or otherwise which any party has, had, or may have.
- c) "Effective Date" shall mean May 1, 2016.
- d) "Equipment" shall mean firefighting vehicles, apparatus and other equipment.
- e) "Personnel" shall mean firefighters, fire officers, command and general staff.
- f) "Consumables" shall mean tools, equipment and products once used cannot be recovered.

SCHEDULE C

- g) “Designated Officer” shall mean person whom in their scope of responsibilities can authorize the employment or deployment of equipment, personnel, consumables and delegations of authority for the provision of services.
 - h) “Requesting Party” shall mean a party to this Agreement which requests Assistance from another party to this Agreement.
 - i) “Responding Party” shall mean a party to this Agreement which responds to the request for Assistance made by a Requesting Party.
 - j) “Information Flow” shall mean the collection and dissemination of information in regard to signatory parties and designated officer (s)
2. If a Mutual Aid Agreement exists between the Requesting Party and Responding Party that agreement shall take precedence over this Agreement.
 3. Subject to the terms and conditions of this Agreement, any party to this Agreement may request the Assistance of another party to this Agreement.
 4. Subject to the terms and conditions of this Agreement, the parties to this Agreement agree that they will endeavor to provide Assistance to the other party to this Agreement, upon request. However, the parties hereto acknowledge and agree that there are and will be times and circumstances in which Assistance cannot be provided. Without restricting the generality of the forgoing, Assistance may be refused when the Responding Party or its designate or fire chief, or his or her designate, deems it imprudent or unsafe to provide such Assistance. At all times, whether or not Assistance will be provided, and the nature of the Assistance to be provided, if any, will be in the unfettered discretion of the Responding Party.
 5. This Agreement shall come into force and effect upon the Effective Date, and shall remain in full force and effect until each of the parties hereto withdraws from this Agreement in accordance with the provisions of this Agreement.
 6. Any one of the parties to this Agreement may withdraw from this Agreement by providing the other party with six (6) months written notice of their intention to withdraw.
 7. All requests for Assistance pursuant to this Agreement shall be directed to the Designated Officer of the Responding Party. In the event that the authorized representative of the Responding Party is someone other than the Responding Party’s Designated Officer, the authorized representative will confirm the request with the Responding Party’s Designated Officer, or his or her designate as soon as reasonably possible. If the Responding Party’s Designated Officer or designate cannot be contacted, the Responding Party may, but will not be required to, respond.

The Requesting Party shall complete the request form “Appendix A” and forward to the manager or designate of the Responding Party at the time of request or as soon as reasonably possible.

SCHEDULE C

8. The Requesting Party Designated Officer may delegate authority to another Responding Party to, request, employ or command equipment or personnel as defined. When operating under the delegation of authority the party doing so must present the delegation of authority form to any Party which is to be requested, employed or commanded.

The delegation of authority form is provided in Appendix C of the document.

9. A Responding Party may, after responding to a request for Assistance, withdraw their Assistance in the event that the Responding Party, the Responding Party's Designated Officer, or the designate of either of them, deems it prudent or desirable to withdraw Assistance. Without restricting the generality of the foregoing, Assistance may be withdrawn if the Responding Party's Equipment or services are required elsewhere, or it is deemed to be unsafe to provide or continue providing Assistance.
10. When providing Assistance, the following command and control structure will apply:
 - a. The first fire department of a Party to arrive at the scene of an incident shall assume incident command;
 - b. In the event that a Responding Party is the first fire department to arrive at the scene of an incident, the Responding Party will assume incident command until such time as the Requesting Party's fire department arrives and is ready to assume incident command;
 - c. The Requesting Party shall have incident command over all incidents which occur within its geographic boundaries, provided that the Requesting Party's fire department is in attendance and does not relinquish incident command;
 - d. Commands and requests of an incident commander shall be communicated in accordance with the command structure of the department to whom the commands or requests are directed;
11. In providing Assistance, a Responding Party shall not be required to provide Equipment which is not owned by the Responding Party, or employees or volunteers who are not employed or usually utilized by the Responding Party.
12. It is acknowledged and agreed by the parties hereto that a Responding Party providing Assistance pursuant to this Agreement shall be entitled to bill or charge the Requesting Party for Equipment or services, or for the Assistance, being provided. However, each party to this Agreement agrees that they will, and hereby does, indemnify and save harmless any Responding Party from which they request Assistance, in accordance with the terms and provisions of this Agreement.

A rate schedule for the purposes of billing is provided in Appendix B of the document.

SCHEDULE C

13. A Requesting Party to this Agreement shall and hereby does indemnify and save harmless a Responding Party who provides Assistance to that Requesting Party from and against all Claims, of every nature and kind whatsoever including Claims arising from damaged property, or injury to persons, which arise out of, or are in anyway attributable to the provision of Assistance, except those Claims which are due to the gross negligence of any employee, volunteer or representative of the Responding Party.
14. A Requesting Party shall, and hereby does, indemnify and save harmless a Responding Party from and against all Claims relating to the injury or death to persons responding to a request for Assistance from that Requesting Party, except where caused by the gross negligence of the Responding Party.
15. Notwithstanding paragraph 10, 11 and 12 of this Agreement, the parties to this Agreement covenant and agree that a Responding Party will not in any way be liable to a Requesting Party for:
 - a. Failure to respond to a request for Assistance, or failure to provide Assistance;
 - b. Failure to respond to a request for Assistance within a certain period of time, or in a timely fashion;
 - c. Consequential, indirect, exemplary or punitive damages;
 - d. Economic loss;
 - e. Any Claims that arise as a result of a party's refusal or inability to provide Assistance;
 - f. Any Claim that arises or results from the manner in which a Responding Party provides or does not provide Assistance, save and except Claims directly arising from the gross negligence of the Responding Party while providing Assistance.
16. The Parties hereto shall, at their own respective cost and expense, maintain in full force and effect during the term of this Agreement, general liability insurance in an amount not less than \$5,000,000.00 per occurrence for personal injury and/or property damage, together with such other insurance that may be agreed to in writing by the parties hereto as being reasonable and obtainable.
17. Nothing in this Agreement, nor any of the acts of any party hereto shall be construed, implied or deemed to create a relationship of agency, partnership, joint venture, or employment as between the parties hereto, or any of them, and none of the parties have the authority to bind any other party to this Agreement to any obligation of any kind.
18. No party may assign this Agreement without the written consent of the other parties hereto.

SCHEDULE C

19. The terms and conditions contained in this Agreement shall extend to and be binding upon the respective successors and permitted assigns of the parties to this Agreement.
20. In this Agreement, the singular shall mean the plural, and the masculine the feminine, and vice versa, as the context of this Agreement may require.
21. This Agreement may be executed in counterparts each of which when so executed shall be deemed to be an original and such counterparts shall constitute one in the same instrument, notwithstanding their date of execution.
22. In the event that any dispute arises pursuant to the terms of this Agreement, or the interpretation thereof, the parties hereto agree that, in the event that such a dispute cannot be resolved by mutual negotiations, they will submit the dispute to a third party arbitrator for a determination of the dispute pursuant to the *Arbitration Act of Alberta*. The costs of the arbitrator will be shared equally between the parties to any such dispute.
23. The parties hereto will notify their fire department officers of this Agreement so that they may become familiar with this Agreement, and its terms.
24. The parties hereto further acknowledge and agree that they will comply with all laws, rules, regulations, and codes applicable to the provision of firefighting services within the Province of Alberta.
25. Each party will provide a list of designated officer (s) including primary and emergency contacts to the party managing information flow.
26. It is the responsibility of each party to update the party managing information flow of adoption or changes in status on or before January 31 of each year. The party managing information flow shall disseminate signatory updates by February 28 of each year.
27. The contacts for information flow management are specified in Appendix D.
28. Signatory parties shall provide an affirmation document of the resolution in council of the adoption of this agreement. The affirmation document should provide a corporate seal and signature of those who have authority to enter into the agreement. The affirmation document shall be attached to the Northwest Emergency Resources Agreement.

SCHEDULE C

APPENDIX A

Resource Request Form

Requesting Party: _____

Responding Party: _____

The Requesting Party formally requests the following resources from the Responding Party for an estimated duration of _____ days.

1: _____

2: _____

3: _____

4: _____

5: _____

6: _____

7: _____

If further resources are required attach an addition sheet.

- A- The Requesting Party agrees that if personnel are to be deployed for greater the 12 (twelve) hours at a distance of greater 150 Km from home base, lodging will be supplied for a minimum of 8 (eight) hour rest period.
- B- The Requesting Party agrees to ensure adequate food and lodging are supplied to Responding Party personnel if deployed greater than 24 (twenty four) hours.
- C- The Requesting Party agrees to pay the Responding Party at the rates specified in Appendix B.
- D- The Responding Party Designated Officer will respond Via E-mail as to what resources can be supplied.

Requesting Party Designated Officer: _____ Contact Information:

Signature: _____ Cellular Phone: _____

Date: _____ E-Mail: _____

SCHEDULE C

APPENDIX B

Rate Schedule

- 1- Mileage – Under One Ton Current CRA Rate FOB To and from event.
- 2- Mileage –One Ton and Over \$00.75 / Km FOB To and from event.
- 3- Lodging – Cost Recovery
- 4- Meals – Breakfast \$20.00 – Lunch \$20.00 – Supper \$ 30.00
- 5- Consumables- Cost Recovery
- 6- Personnel Career – Cost Recovery
- 7- Personnel Volunteer - \$25.00/ Hr. Overtime after 8 (eight) hours at 1.5 X Rate /Day
- 8- Personnel Paid on Call – Cost Recovery
- 9- Damaged Equipment – Cost Recovery of repair or replacement
- 10- Fire Apparatus: Based on 12 Hour Day without staffing
 - i. Type 1 – 2 Engines - \$350.00 / Hr to a Maximum of \$4200.00/Day
 - ii. Type 3 – 5 Engines - \$250.00 / Hr to a Maximum of \$3000.00/Day
 - iii. Type 6 – 7 Engines - \$200.00 / Hr to a Maximum of \$2400.00/Day
 - iv. Tender w/ Rated Pump - \$300.00 / Hr to a Maximum of \$3600.00/Day
 - v. Tender wo/ Rated Pump - \$250.00 / Hr to a Maximum of \$3000.00/Day
 - vi. Ladder - \$350.00 / Hr to a Maximum of \$4000.00/Day
 - vii. ATV – UTV - \$100.00 / Hr to a Maximum of \$1200.00/Day
 - viii. Rescue Heavy - \$350.00 / Hr to a Maximum of \$4200.00/Day
 - ix. Rescue Light - \$200.00 / Hr to a Maximum of \$2400.00/Day
 - x. Squad/Car - \$ 50.00 / Hr to a Maximum of \$ 600.00/Day
 - xi. Sprinkler Trailer - \$400.00 / Day
 - xii. Specialty Apparatus - ie: Hazmat, Responding Party Rate
- 11- Fire Apparatus: Based on 24 Hour Day without staffing
 - i. Command Vehicle - \$100.00 / Hr to a Maximum of \$2400.00/Day
 - ii. Command Center - \$175.00 / Hr to a Maximum of \$4200.00/Day
- 12- Other Vehicles and Construction Equipment – Current Alberta Road Builders Rates
- 13- One Time Administration Fee - \$250.00
- 14- Responding Party will provide backup data for cost recovery items.

SCHEDULE C

APPENDIX C

Delegation of Authority

Authority has been assigned to _____ act on behalf of the
Municipality of _____,
to mitigate the _____ incident.

You have full authority to (request, employ or command) _____
equipment, personnel required. Your primary responsibility is to organize and direct your
assigned or ordered resources for efficient and effective control of the incident.

You are accountable to _____ or his/her designated
representative listed below.

Financial limitations will be consistent the best approach to the values at risk. Specific direction
for this incident covering the management and other concerns are:

- 1: _____
- 2: _____
- 3: _____
- 4: _____
- 5: _____
- 6: _____

_____ will represent me on any occasion that I am not immediately
available. This authority is effective _____.

Requesting Designated Officer

Designated Officer Signature

Date and Time

SCHEDULE C

APPENDIX D

Information Flow

The **Town of High Level** has agreed to manage the information flow for all agreed parties associated with Northwest Emergency Resource Agreement.

Letters of affirmation can be sent via post or courier to:

Town of High Level
Northwest Emergency Resource Agreement
Attn: Director of Protective Services
10511 – 103 St.
High Level AB
T0H 1Z0

Updates to Status and Designated Officers lists can be sent via post or courier to:

Town of High Level
Northwest Emergency Resource Agreement
Attn: Rodney Schmidt
10511 – 103 St.
High Level AB
T0H 1Z0

Alternate Contact Methods;

Fax: 780 926 2899

E-Mail rschmidt@highlevel.ca

SCHEDULE C

APPENDIX D

Information Flow

SCHEDULE C



BIG LAKES COUNTY

5305-56 Street Box 239, High Prairie, AB T0G 1E0

Ph: 780-523-5955 Fax: 780-523-1227

COPY

November 2, 2016

Town of High Level
Northwest Emergency Resource Agreement
Rodney Schmidt, Director of Public Services
10511 - 103 Street
High Level, AB T0H 1Z0

Dear Mr. Schmidt,

Re: Northwest Alberta Emergency Management Resource Agreement

At the Big Lakes County Council meeting on October 26, 2016, Council reviewed the Northwest Alberta Emergency Management Resource Agreement and passed the following motion to join:

2016-30-836 **MOVED BY COUNCILLOR NYGAARD** that Big Lakes County be approved to enter into the Northwest Alberta Emergency Resource Agreement.

CARRIED

We look forward to entering into this agreement. Please do not hesitate to contact our office should you have any questions or require any further information.

Sincerely,

Ken Matthews
Reeve

www.biglakescounty.ca

SCHEDULE C



March 1, 2017

Rodney Schmidt
Town of High Level
10511 103 Street
High Level, Alberta
T0H 1Z0

Re: Northwest Emergency Resource Agreement

Rodney
Mr. Schmidt:

Birch Hills County Council passed Motion RC17-086 accepting the Northwest Emergency Resource Agreement as presented at their Regular Council Meeting on February 23, 2017.

The motion read as follows: *Moved by Councillor Carbone that Council approve of Birch Hills County becoming a partner of the Northwest Alberta Emergency Resource Agreement and authorizes a representative of Birch Hills County to sign the agreement on behalf of Birch Hills County.*

The designated officer with signing authority for the agreement will be Hermann Minderlein, CAO/DEM, and the alternate designated officer for the agreement will be Dion Hynes, Deputy DEM.

If you should require further information or discussion, please do not hesitate to contact me at (780) 694 3793 or via email at cao@birchhillscounty.com

Sincerely,

Hermann Minderlein, CAO, Birch Hills County

Birch Hills County - Box 157, Westlock, Alberta T0H 1H1 Telephone: (780) 694 3793 Fax: (780) 694-3783

SCHEDULE C

Central Peace Fire & Rescue Commission
P.O. Box 249,
Spruce River, AB T0H 3G0
Tel (780) 864-3500 Ext. 203
Fax (780) 864-4203
bkroes@cpfr.ca
www.cpfr.ca



December 20, 2016

Rodney Schmidt
Fire Chief
Director of Protective Services
Town of High Level, AB

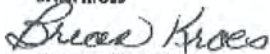
GOOD DAY

Hope all is well with you and your family.

I am sending you this letter to you to acknowledge that the CENTRAL PEACE FIRE AND RESCUE COMMISSION Board of Directors have agreed to, and passed the motion to sign the NORTHWEST ALBERTA EMERGENCY RESOURCE AGREEMENT as of December 14th, 2016

Motion 07-12-14-16 was passed in section 6.2 of the minutes.

Regards,

Brian Kroes

Manager/Fire Chief
Central Peace Fire and Rescue Commission

Anthony Van Booseleer

Chair of the Board of Directors
Central Peace Fire and Rescue Commission

SCHEDULE C

City Hall
P.O. Box 4000
Grande Prairie, AB T8V 0V8
PHONE (780) 538-5300
FAX (780) 538-0566
Website: www.cityofgp.com



July 5, 2016

Rodney Schmidt, Fire Chief
Town of High Level
10511 163 Street
High Level, AB T8J 1Z1

Dear Fire Chief Schmidt:

Subject: Northwest Alberta Emergency Resource Agreement

Please be advised that the City of Grande Prairie Council, at a meeting on June 13, 2016 passed the following motion:

Item 9.4.2 - Northwest Alberta Emergency Resource Agreement

MOVED by Councillor Thlassen Council approve the Northwest Alberta Emergency Resource Agreement as presented.

CARRIED

Please add the City of Grande Prairie to the list of signatory to this Agreement.

The following individuals are authorized to Request or Approve Resources on behalf of the City of Grande Prairie under the Northwest Alberta Emergency Resource Agreement.

Greg Sobrak, City Manager
Phone: 780-538-0312
Cell: 780-831-6452
Fax: 780-538-4014
Email: gsobrak@cityofgp.com

Dan Lemieux, Fire Chief
Phone: 780-538-0398
Cell: 780-876-5410
Fax: 780-538-0395
Email: frochief@cityofgp.com

Imhen Bossen, Deputy Fire Chief
Phone: 780-538-0381
Cell: 780-876-8408
Fax: 780-538-0395
Email: phossen@cityofgp.com

Amine Saastad, Deputy Fire Chief
Phone: 780-538-5022
Cell: 780-576-8419
Fax: 780-538-0395
Email: jsaastad@cityofgp.com

Should you require any additional information, please feel free to contact us.

Yours truly,


Greg Sobrak, C.M., RPP
City Manager



SCHEDULE C



COPY

CLEAR HILLS COUNTY

TOWN OF HIGH LEVEL
File No. _____
MAY 06 2016
Copy To: _____
Action: _____

File No. 24-02-02

April 26, 2016

Town of High Level

Attn: Director of Protective Services

10511 – 103 St.

High Level, AB

T01H 1Z0

Re: Northwest Emergency Resource Agreement

Dear Rodney:

Clear Hills County Council has approved entering into the Northwest Alberta Emergency Resourcing Agreement.

The motion is provided for your information:

C183-16(4/12/16) RESOLUTION by Councillor Frixel to enter into the Northwest Alberta Emergency Resourcing Agreement, a multi-municipality mutual aid agreement for the northwest region of Alberta. CARRIED.

Thank you for spear heading this regional resourcing agreement and if you require any additional information please contact our office.

Regards,

Allan Rowe

Chief Administrative Officer

/alr

Box 240, Worsley, Alberta T0H 2A0 Telephone 780-666-5823 Fax 780-666-5850 Email info@clearhillscounty.ab.ca

"Clearly an Area of Opportunity"

SCHEDULE C



June 13, 2016 Regular County of Grande Prairie No. 1 Council Meeting

**Re: Northwest Alberta Emergency Resource Agreement
Affirmation Document of the Resolution in Council with Corporate Seal**

Resolution No. CM20160613.1003

MOVED BY B. MARSHALL that Council approve the Northwestern Alberta Emergency Resource Agreement as presented.
CARRIED

Signed this 13th day of July, 2016.

COUNTY ADMINISTRATOR (W.A. (BILL) ROGAN)

REEVE LEANNE BEAUPRE

County of Grande Prairie No. 1 • 10101-84 Avenue • Clairmont, AB • T0H 0W0 • Canada
Administration Building: 780-532-9722 • Community Services Building: 780-532-9777 • Fax: 780-539-9880

County of Grande Prairie

SCHEDULE C



COUNTY OF
Northern Lights

4630, 7th Ave. NW, PO Box 10, Manning AB T1M 2L8
Phone 780 636 2246 Fax 780 636 2669
Toll Free 1-888-333-5481

July 13, 2016

COPY



Town of High Level
Northwest Emergency Resource Agreement
10511-103 Street
High Level AB T0H 1Z0

Attention: Rodney Schmidt, Director of Protective Services

Dear Rodney:

Re: **Letter of Affirmation – Northwest Emergency Resource Agreement**

As per the requirements in Appendix D of the above noted agreement, enclosed for your attention is a letter of affirmation, duly signed by the Reeve for the County of Northern Lights.

Thank you for organizing this venture, and we look forward to receiving a complete listing of signing parties at your earliest convenience.

Yours truly,

Theresa Van Cort
Chief Administrative Officer

/s/

Please visit our website at: www.countyofnorthernlights.com

SCHEDULE C



July 8, 2016

Mr. Rodney Schmidt
10511 103rd Street
High Level, AB
T0G 1Z0

*Re: Letter of Support – Northwest Alberta Emergency
Resourcing Agreement*

Dear Mr. Schmidt

Town Council strongly supports the agreement as it provides a fees schedule regarding how Fire Departments bill for and ultimately pay for emergency resources.

Council at their regular meeting held on April 12th, 2016, passed the following resolution:

#193/16 MOVED BY Councillor Quattri that Council approve the Northwest Alberta Emergency Resourcing Agreement in principle.

CARRIED

Should you have any further questions, please do not hesitate to contact the undersigned.

Yours truly,


Brian Martinson
CAO
780-523-3388

Cc: Mr. Ken Melnyk, Fire Chief

Phone (780) 523-3388 Fax (780) 523-5930
P.O. Box 179, High Prairie, AB, Canada T0G 1E0
Website: www.highprairie.ca General Inquiries: reception@highprairie.ca

SCHEDULE C



May 5, 2016

Town of High Level
10511 – 103rd Street
High Level, AB T0H 1Z0

Attention: Director of Protective Services

RE: Letter of Affirmation - Northwest Emergency Resource Agreement

On April 12, 2016, Greenview Council passed Motion 16.04.134 authorizing administration to enter into the Northwest Alberta Emergency Resource Agreement.

Three officers with authority to access any resources needed to mitigate or support emergency response initiatives have been appointed under this agreement.

Sincerely,

Mike Haugen
Chief Administrative Officer

Encl. List of Appointed Officers

SCHEDULE C



COPY

Town of High Level

June 22nd, 2016

Northwest Emergency Resources Agreement

10511- 103rd Street

High Level Alberta

TOH 120

Attention: Director of Protective Services

TOWN OF HIGH LEVEL
File No. 2240 NAE
JUN. 26 2016
Copy To: Rodney/Laurie
Action:

Please be advised that the Town of Fox Creek Council has agreed to the terms of the said agreement and have accepted it by way of Council Motion as attached.

- a) Request for Decision – Northwest Alberta Emergency Resource Agreement
Les Paul, Fire Chief

Moved by: Councillor Conlin

- i **170-16** That Council approve the Northwest Alberta Regional Resource Agreement.

CARRIED UNANIMOUSLY

By my signature below the Town of Fox Creek accepts this agreement for its tenure.



Roy Dell

Chief Administrative Officer

Town of Fox Creek

Corporate Seal

102 Kaybois Dr. Box 149, Fox Creek, AB T0H 1R0
(P) 780 622-3896 (T) 780 622-4247 (E) admin@foxcreek.ca

"A Playground of Opportunity"

SCHEDULE C

COPY

June 1, 2017

Town of High Level
Northwest Emergency Resource Agreement
Attention: Director of Protective Services
10511 - 103 Street
High Level AB
T0H 1Z0

Re: North-West Alberta Emergency Resource Agreement
Letter of Affirmation

Dear Sir:

Please accept this letter as affirmation that the Town of Whitecourt, via a motion of Town Council at its regular May 8, 2017 meeting, has agreed to participate in the North-West Alberta Emergency Resource Agreement, as outlined within the attached Agreement.

The Town of Whitecourt's current designated contacts and officers include:

Fire Chief Brian Wynn
Cell: 780 706-6961
Office: 780 778-2342
brianwynn@whitecourt.ca

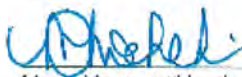
Deputy Fire Chief Wayne Andrusiak
Cell: 780 778-0068
Office: 780 778-2342
wayneandrusiak@whitecourt.ca

Deputy Fire Chief Aaron Floyd
Cell: 780 706-0819
Office: 780 778-2342
aaronfloyd@whitecourt.ca

Director of Community Safety Jay Cranley
Cell: 780 778-9780
Office: 780 778-9780
jaycranley@whitecourt.ca

I thank you for your work with coordinating this initiative.

Sincerely,



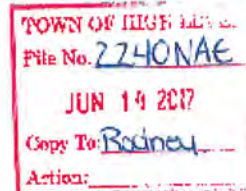
Mayor Maryann Chisak


CAO Peter Smyl


5001 53 Avenue, Box 229 Whitecourt, AB T4S 1A0

Phone: 780/778-2345 Fax: 780/778-1166

www.whitecourt.ca





SCHEDULE D
MUNICIPAL DISTRICT OF GREENVIEW No. 16

June 20th, 2017

Mr. Jordan Panasiuk
Director of Community and Protective Services
Big Lakes County
Box 239, 5305 - 56 Street
High Prairie, AB T0G 1E0

Dear Mr. Panasiuk,

RE: Mutual Aid Fire Agreement

Enclosed please find a signed copy of the mutual aid fire agreement signed between Big Lakes County and the MD of Greenview.

Greenview is committed to regional cooperation endeavours and working together with our municipal partners in the best interest of our communities.

Sincerely,

Jeff Francis
Manager, Protective Services

JF/scb



SCHEDULE D
MUTUAL AID FIRE AGREEMENT

THIS AGREEMENT made this 26 day of June A.D. 20 17

BETWEEN:

Big Lakes County
5305 56 Street
High Prairie, Alberta T0G 1E0
(hereinafter called "*The County*")

OF THE FIRST PART

MD of Greenview No.16
4806 36 Avenue
Valleyview, Alberta T0H 3N0
(hereinafter called "*The MD*")

OF THE SECOND PART

WHEREAS the parties to this Agreement are both Municipal Corporations within the Province of Alberta, incorporated pursuant to the *Municipal Government Act RSA 2000, M-26*, as amended;

AND WHEREAS each party to this Agreement provides fire protection services within their respective boundaries;

AND WHEREAS each of the parties hereto acknowledge and agree that it is desirable and to the parties mutual benefit that from time to time, each be able to provide fire protection assistance to any or all of the other parties to this Agreement;

AND WHEREAS the parties hereto wish to enter into this Agreement to formalize the systems and procedures which can be utilized in order for the parties to request mutual aid and assistance from the other party to this Agreement and to respond to such requests;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants, agreements and premises set out herein, the parties hereto hereby agree as follows:

1. In this Agreement, the following words and terms shall have the following meanings:
 - a) "Assistance" shall mean firefighting or fire protection services available pursuant to this Agreement. Assistance may relate to incidents which the Requesting Party does not attend or does not believe it will attend, or incidents which the Requesting Party does attend, but believes it would be prudent to require further or other forces for firefighting/protection purposes.

- 2 -
SCHEDULE D

- b) "Claims" shall mean any and all manner of action or actions, cause or cause of action, suits, proceedings, demands, debts, dues, sums of money, costs, expenses and damages of every nature and kind arising at law, equity, statute or otherwise which any party has, had, or may have.
 - c) "Dispatch Centre" shall mean the dispatch centre taking and transferring 911 emergency fire calls related to fires within the geographic boundaries of the parties to this Agreement.
 - d) "Effective Date" shall mean June 26, 2016 ²⁰¹⁷ .
 - e) "Equipment" shall mean firefighting vehicles, apparatus and equipment.
 - f) "Requesting Party" shall mean a party to this Agreement which requests Assistance from another party to this Agreement.
 - g) "Responding Party" shall mean a party to this Agreement which responds to the request for Assistance made by a Requesting Party.
2. Subject to the terms and conditions of this Agreement, any party to this Agreement may request the Assistance of another party to this Agreement.
 3. Subject to the terms and conditions of this Agreement, the parties to this Agreement agree that they will endeavor to provide Assistance to the other party to this Agreement, upon request. However, the parties hereto acknowledge and agree that there are and will be times and circumstances in which Assistance cannot be provided. Without restricting the generality of the forgoing, Assistance may be refused when the Responding Party or its designate or fire chief, or his or her designate, deems it imprudent or unsafe to provide such Assistance. At all times, whether or not Assistance will be provided, and the nature of the Assistance to be provided, if any, will be in the unfettered discretion of the Responding Party.
 4. This Agreement shall come into force and effect upon the Effective Date, and shall remain in full force and effect until each of the parties hereto withdraws from this Agreement in accordance with the provisions of this Agreement.
 5. Any one of the parties to this Agreement may withdraw from this Agreement by providing the other party with six (6) months written notice of their intention to withdraw.
 6. All requests for Assistance pursuant to this Agreement, unless dispatched by or through the Dispatch Centre, shall be directed to the authorized representative of the Responding Party. In the event that the authorized representative of the Responding Party is someone other than the Responding Party's fire chief, the authorized representative will confirm the request with the Responding Party's fire chief, or his or her designate as soon as reasonably possible. If the Responding Party's fire chief or designate cannot be contacted, the Responding Party may, but will not be required to, respond.

SCHEDULE D

7. A Responding Party may, after responding to a request for Assistance, withdraw their Assistance in the event that the Responding Party, the Responding Party's fire chief, or the designate of either of them, deems it prudent or desirable to withdraw Assistance. Without restricting the generality of the forgoing, Assistance may be withdrawn if the Responding Party's Equipment or services are required elsewhere, or it is deemed to be unsafe to provide or continue providing Assistance.
8. When providing Assistance, the following command and control structure will apply:
 - a. The first fire department of a Party to arrive at the scene of an incident shall assume incident command;
 - b. In the event that a Responding Party is the first fire department to arrive at the scene of an incident, the Responding Party will assume incident command until such time as the Requesting Party's fire department arrives and is ready to assume incident command;
 - c. The Requesting Party shall have incident command over all incidents which occur within it's geographic boundaries, provided that the Requesting Party's fire department is in attendance and does not relinquish incident command;
 - d. Commands and requests of an incident commander shall be communicated in accordance with the command structure of the department to whom the commands or requests are directed;
9. In providing Assistance, a Responding Party shall not be required to provide Equipment which is not owned by the Responding Party, or employees or volunteers who are not employed or usually utilized by the Responding Party.
10. It is acknowledged and agreed by the parties hereto that a Responding Party providing Assistance pursuant to this Agreement shall not be entitled to bill or charge the Requesting Party for Equipment or services, or for the Assistance, being provided. However, each party to this Agreement agrees that they will, and hereby does, indemnify and save harmless any Responding Party from which they request Assistance, in accordance with the terms and provisions of this Agreement.
11. The responding party reserves the privilege to bill the requesting party for staff costs incurred and consumables used at any event on a cost recovery basis.
12. A Requesting Party to this Agreement shall and hereby does indemnify and save harmless a Responding Party who provides Assistance to that Requesting Party from and against all Claims, of every nature and kind whatsoever including Claims arising from damaged property, or injury to persons, which arise out of, or are in anyway attributable to the provision of Assistance, except those Claims which are due to the gross negligence of any employee, volunteer or representative of the Responding Party.

SCHEDULE D

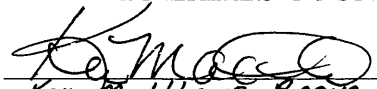
13. A Requesting Party shall, and hereby does, indemnify and save harmless a Responding Party from and against all Claims relating to the injury or death to persons responding to a request for Assistance from that Requesting Party, except where caused by the gross negligence of the Responding Party.
14. Notwithstanding paragraph 10, 11 and 12 of this Agreement, the parties to this Agreement covenant and agree that a Responding Party will not in any way be liable to a Requesting Party for:
 - a. Failure to respond to a request for Assistance, or failure to provide Assistance;
 - b. Failure to respond to a request for Assistance within a certain period of time, or in a timely fashion;
 - c. Consequential, indirect, exemplary or punitive damages;
 - d. Economic loss;
 - e. Any Claims that arise as a result of a party's refusal or inability to provide Assistance;
 - f. Any Claim that arises or results from the manner in which a Responding Party provides or does not provide Assistance, save and except Claims directly arising from the gross negligence of the Responding Party while providing Assistance.
15. The Parties hereto shall, at their own respective cost and expense, maintain in full force and effect during the term of this Agreement, general liability insurance in an amount not less than \$5,000,000.00 per occurrence for personal injury and/or property damage, together with such other insurance that may be agreed to in writing by the parties hereto as being reasonable and obtainable.
16. Nothing in this Agreement, nor any of the acts of any party hereto shall be construed, implied or deemed to create a relationship of agency, partnership, joint venture, or employment as between the parties hereto, or any of them, and none of the parties have the authority to bind any other party to this Agreement to any obligation of any kind.
17. No party may assign this Agreement without the written consent of the other parties hereto.
18. The terms and conditions contained in this Agreement shall extend to and be binding upon the respective successors and permitted assigns of the parties to this Agreement.
19. In this Agreement, the singular shall mean the plural, and the masculine the feminine, and vice versa, as the context of this Agreement may require.
20. This Agreement may be executed in counterparts each of which when so executed shall be deemed to be an original and such counterparts shall constitute one in the same instrument, notwithstanding their date of execution.

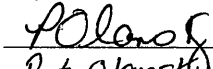
- 5 -
SCHEDULE D

21. In the event that any dispute arises pursuant to the terms of this Agreement, or the interpretation thereof, the parties hereto agree that, in the event that such a dispute cannot be resolved by mutual negotiations, they will submit the dispute to a third party arbitrator for a determination of the dispute pursuant to the *Arbitration Act of Alberta*. The costs of the arbitrator will be shared equally between the parties to any such dispute.
22. The parties hereto will notify their fire department officers of this Agreement so that they may become familiar with this Agreement, and its terms.
23. The parties hereto further acknowledge and agree that they will comply with all laws, rules, regulations, and codes applicable to the provision of firefighting services within the Province of Alberta.

IN WITNESS WHEREOF the parties hereto have set their seals and hand of their proper officials in that behalf on the day herein first above written.

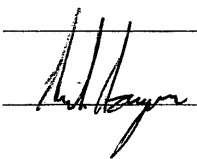
BIG LAKES COUNTY

Per: 
Ken Matthews, Reeve

Per: 
Pat Olansky, Acting CAO

MD of GREENVIEW No. 16

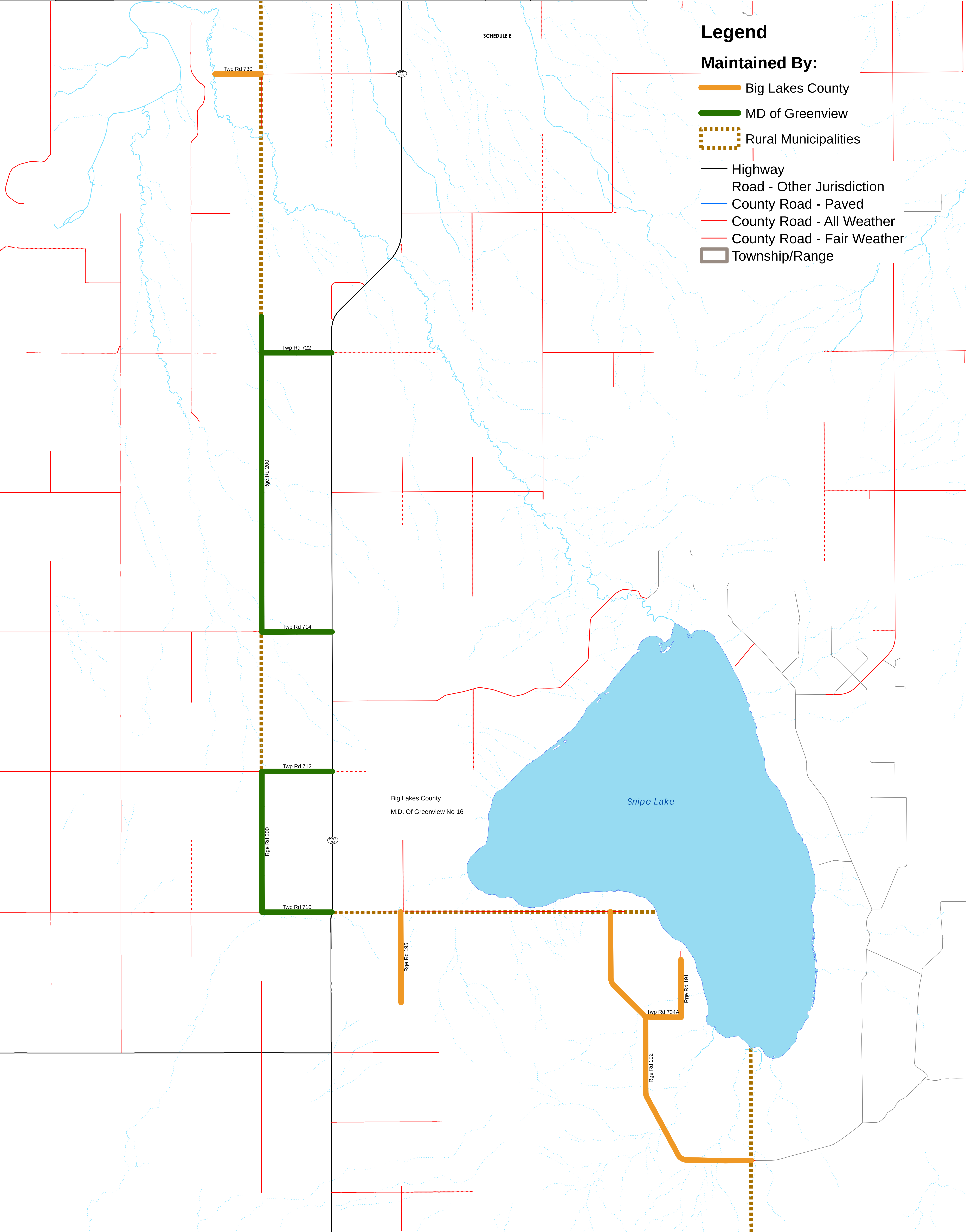
Per: _____

Per: 

Legend

Maintained By:

- Big Lakes County
- MD of Greenview
- Rural Municipalities
- Highway
- Road - Other Jurisdiction
- County Road - Paved
- County Road - All Weather
- County Road - Fair Weather
- Township/Range



SCHEDULE F

THIS AGREEMENT made this 1st day of January, A.D. 2016.

BETWEEN:

WOODLANDS COUNTY

(hereinafter referred to as "the Managing Partner")

- and -

TOWN OF WHITECOURT

- and -

TOWN OF FOX CREEK

- and -

TOWN OF SWAN HILLS

- and -

M.D. OF GREENVIEW

- and -

BIG LAKES COUNTY

- and -

SWAN HILLS SNOW GOERS

- and -

WHITECOURT TRAILBLAZERS

- and -

NORTHLAND SNO-GOERS

(hereinafter referred to as "the Stakeholder")

WHEREAS the Stakeholders have recognized the need to enter into a formal agreement for the care and control of the Golden Triangle Snowmobile Trail System ;

AND WHEREAS the Stakeholders have recognized the economic importance of ensuring the Golden Triangle is maintained in order to continue to support the communities and clubs tourism industry;

AND WHEREAS the Stakeholders possess the skill base to proceed with the management of the agreement to provide maintenance to the Golden Triangle Snowmobile Trail System;

NOW THEREFORE the Stakeholders to this agreement, in consideration of the mutual terms, covenants and conditions contained herein, hereby agree as follows:

1. PARTNERSHIP

The Stakeholders hereby form, what is referred to in this agreement, as "a Partnership" for the care and control of the Golden Triangle Snowmobile Trail System.

2. MANAGING PARTNER

2.1 The Stakeholder agrees to appoint Woodlands County to be the managing stakeholder for the Golden Triangle Partnership;

SCHEDULE F

2.2 The Stakeholder further agrees that the managing partner shall maintain responsibility for the collection and distribution of funds associated with the Partnership.

3. VOTING DESIGNATIONS

Each municipality and club associated with the Partnership shall maintain one vote per municipality or club with respect to decisions made pertaining to the Partnership's activities, structure, funding and other related functions and activities.

4. TERM

4.1 This agreement shall be in effect at the date of signing hereof and shall remain in effect until such time as any of the noted stakeholders terminates the Agreement.

4.2 Stakeholder members to this agreement may terminate this participation upon provision of twelve (12) months notice in writing to all participating stakeholders of its intention to do so. Such notices to be delivered to the specified addresses for delivery as indicated below:

Woodlands County
Box 60
Whitecourt AB T7S 1N3

Big Lakes County
Box 239
High Prairie AB T0G 1E0

Town of Whitecourt
Box 509
Whitecourt AB T7S 1N4

Swan Hills Snow Goers
Box 863
Swan Hills AB T0G 2C0

Town of Fox Creek
PO Box 149
Fox Creek AB T0H 1P0

Whitecourt Trailblazers
Box 607
Whitecourt AB T7S 1N7

Town of Swan Hills
Box 149
Swan Hills AB T0G 2C0

Northland Sno-Goers
Box 476
Fox Creek AB T0H 1P0

MD of Greenvview
Box 1079
Valleyview AB T0H 3N0

5. FINANCIAL RESPONSIBILITY

5.1 Each member municipality of the Partnership hereby agrees to provide funding to a maximum of \$15,000 per annum for use as outlined in 5.1.1 and 5.1.2.

5.1.1 \$12,000 of each contribution shall be allocated for maintenance of the Golden Triangle Trail System trails.

5.1.2 \$3,000 of each contribution shall be allocated to promotion of the Golden Triangle Trail System.

5.2 It is further agreed that the Partnership will work towards making the Golden Triangle a self-funding endeavor over time to alleviate the need for municipal funding.

SCHEDULE F

6. FUNDS MANAGEMENT

- 6.1 The Managing Partner shall advise all stakeholders in the partnership with notice via e-mail, telephone or in writing of decisions relating to the release of funds.
- 6.2 No funds shall be released for any purpose without the passing of a motion from the Partnership; however, in the event that a meeting of all Stakeholders of the Partnership cannot be established and where time has been deemed to be of the essence, a vote via telephone or e-mail may be collected by the Managing Partner to allow for expeditious attention to required activities.

7. AREAS OF RESPONSIBILITY

- 7.1 Each Stakeholder snowmobile club of the Partnership shall maintain responsibility for maintenance of the trails in its area as outlined on Schedule A as follows:
- a) Fox Creek Northland Sno-Goers will maintain trails indicated in yellow.
 - b) Swan Hills Snow Goers will maintain trails indicated in purple.
 - c) Whitecourt Trailblazers will maintain trails indicated in blue.
- 7.2 Trails falling within the Golden Triangle but outside of member responsibility, as is indicated on Schedule A in red, shall then become the responsibility of the Partnership to provide and arrange for maintenance and said maintenance shall be approved through the voting process.

8. GENERAL

- 8.1 The Managing Partner may delegate any duties, powers or functions relating to the provisions of this Agreement to any employee or employees of its municipality.
- 8.2 This agreement shall be made in accordance with the laws of the Province of Alberta, and if for any reason any part of this Agreement is found to be in violation of any laws, that portion of the agreement shall not affect the remainder of this agreement.

9. AMENDMENT

- 9.1 This Agreement and the schedules attached hereto shall constitute the entire agreement between the Stakeholders, and may be amended only by mutual consent of the Stakeholders. Any such amendments shall be reduced to writing and signed by the Stakeholders hereto.

IN WITNESS WHEREOF the stakeholders hereto have hereunto executed this Agreement the day and year first above written.

WOODLANDS COUNTY

Per:

J. Rennie, Mayor

Per:

L. Mercier, Chief Administrative Officer

TOWN OF WHITECOURT

Per:

Maryann Chichak, Mayor

Per:

P. Smyl, Chief Administrative Officer

SCHEDULE F

TOWN OF FOX CREEK

Per: [Signature]
Jim Ahn, Mayor

Per: [Signature]
R. Dell, Chief Administrative Officer

TOWN OF SWAN HILLS

Per: [Signature]
Craig Wilson, Mayor

Per: [Signature]
B. Lewis, Chief Administrative Officer

M.D. OF GREENVIEW

Per: [Signature]
Dale Gervais, Reeve

Per: [Signature]
M. Haugen, Chief Administrative Officer

BIG LAKES COUNTY

Per: [Signature]
Ken Matthews, Reeve

Per: [Signature]
B. Kostiw, Chief Administrative Officer

WHITECOURT TRAILBLAZERS

Per: [Signature] Aaron Mewlo PRESIDENT.
Authorized Signing Authority

Per: [Signature] Ken Linford.
Authorized Signing Authority

SWAN HILLS SNOW GOERS

Per: [Signature] Brent Cline President
Authorized Signing Authority

Per: [Signature] Don Kelm - TRAIL COORDINATOR
Authorized Signing Authority

NORTHLAND SNO-GOERS

Per: [Signature]
Authorized Signing Authority

Per: [Signature]
Authorized Signing Authority

Appendix A

**PARTNERSHIP
AREAS**

**WHITECOURT
TRAILBLAZERS**

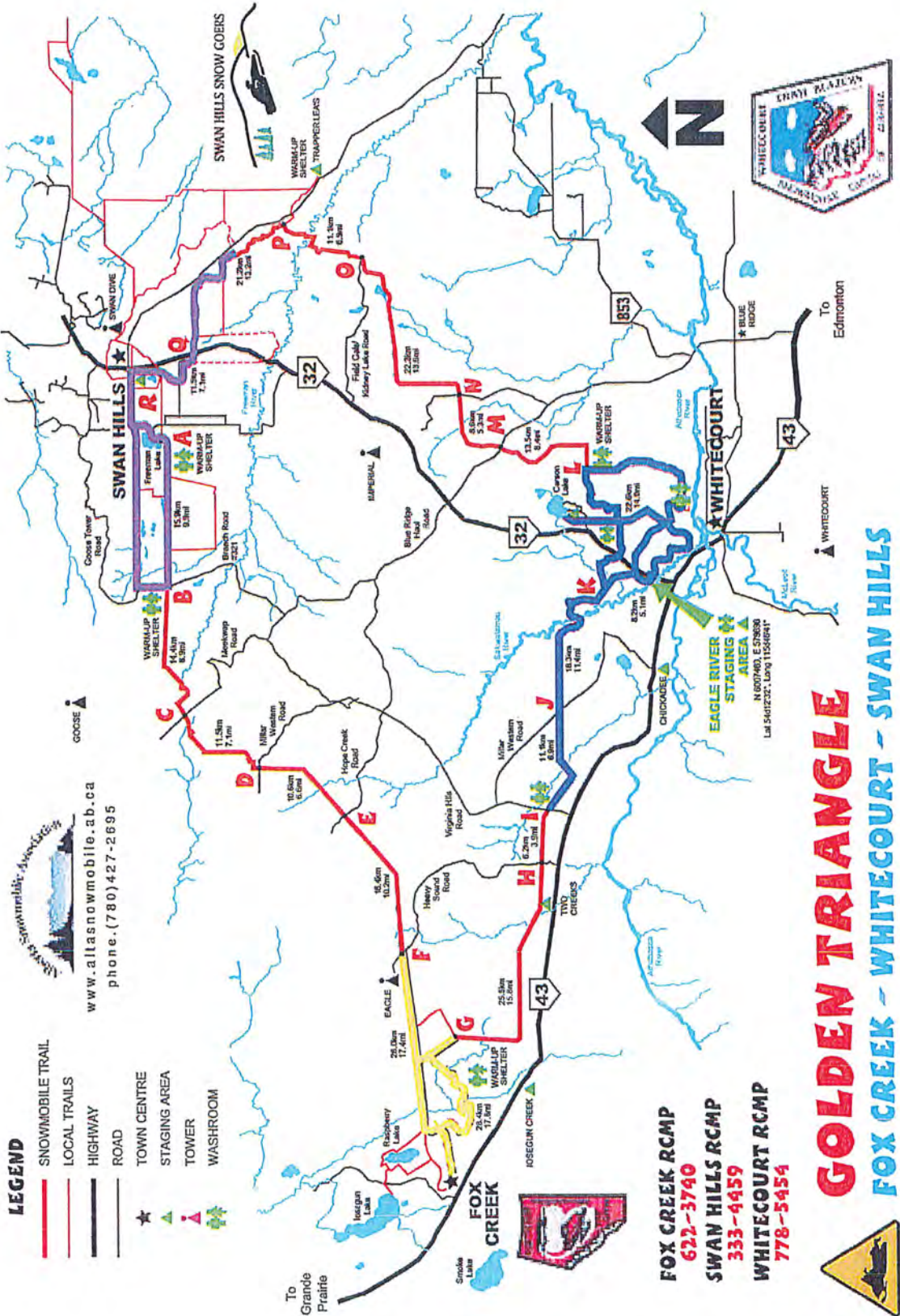
**NORTHLAND
SNO-GOERS**

**SWAN HILLS
SNO-GOERS**

LEGEND

- SNOWMOBILE TRAIL
- LOCAL TRAILS
- HIGHWAY
- ROAD
- ★ TOWN CENTRE
- ▲ STAGING AREA
- ▲ TOWER
- ▲ WASHROOM

www.atlasnowmobile.ab.ca
phone: (780) 427-2695





SCHEDULE G

Little Smoky Recreation Area Governance Board Agreement (The Board)

WHEREAS the Signatories to this Agreement are committed to the provision of a quality recreational amenity, by ensuring that the programs and services of the Little Smoky Recreation Area are effectively, efficiently, and economically delivered.

AND WHEREAS the Signatories therefore commit to promoting, fostering and embodying cooperation, collaboration, coordination and communication in their relationships with each other.

NOW THEREFORE THIS AGREEMENT BEARS WITNESS that the Signatories agree as follows:

1.0 Purpose

The Purpose of this Agreement is to establish a joint municipal governance board for the Little Smoky Recreation Area (the Area); the "Little Smoky Recreation Area Governance Board" will act as the governing board for all matters pertaining to policy and governance related to the Little Smoky Recreation Area.

2.0 Signatories

2.1 The Signatories to this Agreement are:

- a. Municipal District of Smoky River No. 130
- b. Big Lakes County
- c. Municipal District of Greenview No. 16 (Greenview)

2.2 Subsequent Signatories: The Board may determine if this Agreement should be open to other municipalities. Should this determination be made, other municipalities may join this cost-sharing arrangement based on the same principles reflected in this Agreement.

3.0 Membership

3.1 The Board shall be comprised of the following voting members:

- a. Two elected officials from the M.D of Smoky River No. 130;
- b. Two elected officials from Big Lakes County; and,
- c. Two elected officials from Greenview.

3.2 The Board shall also include the following individuals as non-voting members:

- a. The Chief Administrative Officer from the M.D of Smoky River No. 130 or designate;
- b. The Chief Administrative Officer from Big Lakes County or designate; and,

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SCHEDULE G

- c. The Chief Administrative Officer from Greenview or designate.
- d. Other administrative personnel, such as a recording secretary and facility manager, as required.

3.3 Each of the Signatories shall appoint an elected official to serve as an alternate Board Member.

4.0 Stakeholders

4.1 Representatives of stakeholder groups are encouraged to attend meetings, make recommendations and provide input to the Board regarding the Little Smoky Recreation Area.

5.0 Cost Sharing

5.1 Subject to this section and the provisions of section 9, the signatories hereby agree to share in the net operating and capital costs associated with the Little Smoky Recreation Area as set out herein.

5.2 The Signatories agree to the following funding formula:

- a. Municipal District of Smoky River No. 130 - 33 %
- b. Big Lakes County - 33%
- c. Greenview - 33 %

5.3 Within 60 days of agreement and approval of the initial operating and capital plan described in section 7, the Signatories shall forward \$50,000 for the initial operating cost to the MD of Smoky River No. 130.

5.4 In the subsequent years this agreement is in effect, The MD of Smoky River No. 130 will forward invoicing for \$50,000 for the upcoming season as well as invoicing for the remaining adjusted share of the previous season by September 1.

5.5 Notwithstanding that a proposed Capital Plan or amendment to a Capital Plan may be approved by the majority of the Board, no Signatory shall be required to contribute to the costs of a capital project that will increase the service(s) of the Little Smoky Recreation Area that has not been approved by the Signatory's Council. In such circumstances, the costs of constructing, maintaining and operating the new capital project will be shared solely and equally by the two parties supporting the capital project. The Signatories' respective ownership shares as set out in section 11 shall be adjusted to reflect that such Signatory shall not be entitled to share in the proceeds of the sale or disposal of the assets related to the capital project at issue.

6.0 Structure

6.1 The Chairperson and Vice Chairperson of the Board shall be selected at the Board's annual organizational meeting in the month of November.

6.2 Quorum shall consist of a majority of voting members, which must include at least one voting member from each of the Signatories.

6.3 Meetings shall be held at the call of the Board Chairperson.

7.0 Responsibilities of the Board

7.1 The Board shall have the following responsibilities:

- a. Recommending to the respective Councils a three (3) year operating budget on an annual basis.

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- b. Recommending to the respective Councils a five (5) year Capital Plan on an annual basis.
- c. Both the operating budget and the capital plan shall be provided to the respective Councils by the end of October each year.
- d. Creating and updating a strategic plan to be presented to the Councils.
- e. The Board shall establish and review policies regarding the philosophies, values, and governance of the Little Smoky Recreation Area, in accordance with the directions established by the respective Councils of the Signatories.
- f. The Little Smoky Recreation Area Governance Board shall not be involved in the day to day operations of the Area and will not be responsible for staffing or the delivery of projects or programs related to the Area, all of which shall be the sole responsibility of the Municipal District of Smoky River No. 130.

8.0 Reporting

- 8.1 Minutes of the Board shall be recorded and submitted to the respective municipalities in a timely manner.
- 8.2 The Board shall provide a written annual Area activity report to the respective municipalities, outlining the following:
 - a. User numbers, by municipality on an annual basis.
 - b. Financial reporting by activity season.

9.0 Amendment and Termination

- 9.1 **Term.** The initial term of this Agreement shall be 5 years from the date of signing. It will be automatically renewed for subsequent 3 year terms unless there is a replacement agreement in place or it has been terminated.
- 9.2 **Amendment.** Signatories may request renegotiation of all or part of this Agreement by providing a written request to the other Signatories a minimum of one year prior to the expiry of the initial 5 year term or one year prior to the 3 year anniversaries thereafter. Other changes may be made upon agreement, in writing, of all the signatories.
- 9.3 **Termination.** Recognizing that this Agreement helps to define the relationship between signatory municipalities and that they wish to provide predictability, stability, and certainty across municipal budget cycles, while balancing their right to terminate the agreement if necessary, Signatories may terminate by providing notice in writing to that effect to the other Signatories. Any notice of termination must be submitted in writing by November 30th of any given year. Said termination will not take effect until 11:59 p.m. of December 31st of the following year. Once a signatory has provided notice of termination in accordance with this section, it will remain responsible for its share of operating and capital costs for the time up to the termination date, based upon the latest three year operating budget and five year capital budget approved by each Council. For clarity without limiting the foregoing, a Signatory giving notice to terminate the agreement shall not be responsible for any unbudgeted capital costs not approved by the Council of the Signatory giving notice of termination.

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SCHEDULE G

10.0 Dispute Resolution

10.1 In the event of a dispute between Signatories about the interpretation or application of any of the terms, covenants, or conditions contained within this Agreement, the Signatories shall follow the following dispute resolution steps in the order listed:

- a. Negotiation between the parties.
- b. Mediation and/or facilitation as may be agreed to by the parties; and
- c. Binding arbitration utilizing a third party that has been mutually agreed upon by the Signatories.

11.0 Ownership

11.1 The Signatories understand that all parties have an ownership interest in the Area according to the funding formula established in s. 5.2. Any proceeds derived from the sale or disposal of assets will be used to fund approved operating or capital projects of the Area or will be shared with the Signatories on the same basis as the funding model.

11.2 Should the M.D of Smoky River wish to terminate the agreement, they shall negotiate with the other Signatories a compensation for investments made.

12.0 General Provisions

12.1 **Administration.** The M.D. of Smoky River will be the lead agency regarding the administration of the operations, facilities, and programs of the Little Smoky Recreation Area.

12.2 **Autonomy.** No Signatory has the authority to financially or otherwise commit another Signatory to a liability or course of action outside of the established Board process.

12.3 **Indemnification.** Subject to any limitations set out in this Agreement, the MD of Smoky River No. 130 shall indemnify and save harmless the other Signatories from and against any and all damages, losses, claims or costs (including legal costs on a solicitor and own client basis) arising from any negligent act or omission of the MD of Smoky River No. 130 or its agents or employees in the operation of the Little Smoky Recreation Area. The MD of Smoky River No. 130 also agrees to include Big Lakes County and Greenview on the liability insurance policy relating the Little Smoky Recreation Area.

12.4 **Assignment of Agreement.** No Signatory will assign its interest in this Agreement, or any part thereof, in any manner whatsoever without having first received written consent from all other Signatories.

12.5 **Notices.** Any notice required to be given hereunder by any Signatory will be deemed to have been well and sufficiently given if it is delivered personally or mailed by pre-paid registered mail to the address of the party for whom it is intended. A notice or other document sent by registered mail will be deemed to be sent at the time when it was deposited in a post office or public letter box and will be deemed to have been received on the fourth day after it was postmarked.

12.6 **Entire Agreement.** The Agreement constitutes the entire agreement between the Signatories relating to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Signatories in relation to the subject matter hereof. There are no warranties, representations or other agreements among the Signatories in connection with the subject matter hereof except as specifically set forth herein.

12.7 **Unenforceable Terms.** If any term, covenant or condition of this Agreement or the application thereof to any Signatory or circumstance will be invalid or unenforceable to any extent, the remainder of this Agreement or application of such term, covenant or condition to a Signatory or circumstance other than those to which it is held invalid or unenforceable, will not be affected thereby and each remaining term,

SCHEDULE G

covenant or condition of this Agreement will be valid and enforceable to the fullest extent permitted by law.

12.8 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta.

IN WITNESS WHEREOF the Signatories have hereunto executed this Agreement under their respective corporate seals and by the hands of their proper officers duly authorized in that regard.

Signed this _____ day of _____, 2018.

MUNICIPAL DISTRICT OF SMOKY RIVER No. 130

Per: _____
Reeve Robert Brochu

Per: _____
CAO Rita Therriault

BIG LAKES COUNTY

Per: _____
Reeve Ken Matthews

Per: _____
CAO Roy Brideau

MUNICIPAL DISTRICT OF GREENVIEW No. 16

Per: _____
Reeve Dale Gervais

Per: _____
CAO Mike Haugen

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REQUEST FOR DECISION

SUBJECT:	Bylaw 19-827 ICF County of Grande Prairie/ MD of Greenview		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER:
DEPARTMENT:	CAO SERVICES	GM:	PRESENTER: DL
STRATEGIC PLAN:	Regional Cooperation		

RELEVANT LEGISLATION:

Provincial (cite) – Municipal Government Act, R.S.A 2000, Chapter M-26, Section 631

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council give First Reading to Bylaw 19-827 “County of Grande Prairie/ M.D of Greenview Intermunicipal Collaborative Framework.”

BACKGROUND/PROPOSAL:

In accordance with the requirements of the Municipal Government Act, Greenview is required to make an Intermunicipal Development Plan and Intermunicipal Collaborative Framework with all neighbouring municipalities.

Greenview and the County of Grande Prairie received an IDP Exemption from the Government of Alberta. As per Council direction, the drafting of the ICF with the County of Grande Prairie was done administratively.

The ICF simply outlines what services are delivered in the municipalities and how they are delivered. The ICF indicates what services each of the municipalities provide to their residents, what shared services are provided through agreements, and what services are provided through third parties.

The ICF provides a dispute resolution framework as required in the MGA. It outlines current shared services, and also allows for the potential to add additional services through Intermunicipal agreements, upon mutual agreement of the Councils of the municipalities. The ICF does not commit Greenview to any action or agreement, and largely captures the current practices and agreements.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of the recommended action is Council will have a completed ICF with the County of Grande Prairie, outlining shared services and Intermunicipal agreements, establishing a framework for future cooperation.
-

DISADVANTAGES OF THE RECOMMENDED ACTION:

There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council may choose to alter the Framework to address additional concerns.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Greenview Administration will notify County of Grande Prairie of the status of the ICF Bylaw.

ATTACHMENT(S):

- Section 631 MGA
- ICF Blaw
- ICF Agreement



BYLAW NO. 19-827
of the Municipal District of Greenview No. 16

A Bylaw of the Municipal District of Greenview No. 16, in the Province of Alberta, to establish an intermunicipal collaboration framework between the County of Grande Prairie No. 1 and Municipal District of Greenview No. 16.

WHEREAS pursuant to Section 708.28 of the *Municipal Government Act*, R.S.A. 2000, Chapter M-26, and amendments thereto, municipalities that have common boundaries must, within 2 years from the coming into force of this section, create a framework with each other; and

WHEREAS the County of Grande Prairie No. 1 and Municipal District of Greenview No. 16 have a common boundary with one another; and

WHEREAS pursuant to Section 708.33 of the *Municipal Government Act*, R.S.A. 2000, Chapter M-26, and amendments thereto, municipalities must create a framework by adopting matching bylaws that contain the framework;

NOW THEREFORE, the Council of the M.D of Greenview No. 16, duly assembled, enacts as follows:

1. The County of Grande Prairie No. 1 / Municipal District of Greenview No. 16 Intermunicipal Collaboration Framework, attached hereto, is adopted;
2. That this Bylaw may be cited as the “County of Grande Prairie No. 1 / Municipal District of Greenview No. 16 ICF Bylaw”; and
3. This Bylaw shall come into effect upon the date of the final reading thereof.

Read a first time this ____ day of ____, 2019.

Read a second time this ____ day of ____, 2019.

Read a third time and passed this ____ day of ____, 2019.

REEVE

CHIEF ADMINISTRATIVE OFFICER



County of Grande Prairie No. 1 & Municipal District of Greenview No. 16

Intermunicipal Collaboration Framework

July 2019 – Final

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1. Introduction

- 1.1 It is recognized that the County of Grande Prairie No. 1 and Municipal District of Greenview No. 16 share a common border, share common interests and are desirous of collaborating to provide services to their residents and ratepayers.
- 1.2 Furthermore, the *Municipal Government Act* requires that municipalities that have a common boundary must create a framework with one another that identifies the services provided on an intermunicipal basis, how they will be delivered, who will lead the delivery of the service(s), how the funding arrangements for these services will occur, and identify the timeframe for implementation of those services provided on an intermunicipal basis.
- 1.3 In this respect, the Parties agree as follows:

2. Definitions

2.1 In this Agreement

- a. "Committee" – means Intermunicipal Collaboration Committee as defined in Section 4 of this Agreement.
- b. "Service Agreement" – means a legally binding agreement that is signed by both Parties. E.g. a contract, memorandum of agreement, or memorandum of understanding.
- c. "Expiry Date" – means the date that this Agreement expires which is five years from the date of passage of matching ICF Bylaws.
- d. "Intermunicipal Development Plan" – means the County of Grande Prairie No. 1 / Municipal District of Greenview No. 16 Intermunicipal Development Plan pursuant to Section 631(1) of the *Municipal Government Act*.
- e. "Parties" – means the County of Grande Prairie No. 1 and Municipal District of Greenview No. 16.
- f. "Term of the Agreement" – means five years from passage of matching ICF Bylaws.

3. Term and Review

- 3.1 In accordance with the *Municipal Government Act*, this Intermunicipal Collaboration Framework shall constitute an Agreement between the Parties and shall come into force and effect on the final passing of matching bylaws by both Parties.
- 3.2 This Framework may be amended by mutual consent of both Parties. Amendments to this Agreement shall come into force on the passing of matching resolutions by both Parties and shall be added as an Addendum to this Agreement.
- 3.3 It is agreed by the Parties they shall meet at least once during the Term of the Agreement commencing no later than 180 days before the Expiry Date of this Agreement.
- 3.4 It is further agreed that upon request by either Party, the Committee shall also meet.

4. Intermunicipal Cooperation

- 4.1 The Parties agree to create a recommending body known as the Intermunicipal Collaboration Committee (hereinafter referred to as the Committee).
- 4.2 The Committee shall meet on an as required basis and will develop recommendations to the Councils on all matters of strategic direction and cooperation affecting the residents and ratepayers of both Parties.
- 4.3 The Committee shall consist of four (4) elected members (two from each Party).

- 4.4 The CAO's will be responsible to develop agendas and recommendations on all matters. CAO's will be responsible for forwarding all recommendations from the Committee to their respective Councils.
- 4.5 Further to Article 3.4 of this Agreement, either Party by giving at least 30 days notice may trigger the requirement for the Committee to hold a meeting. Meeting requests shall be directed to the CAO for the respective municipality.

5. Service Delivery

- 5.1 When both Parties agree to enter into a new joint servicing arrangement, a Service Agreement shall be required to be developed on that specific service.
- 5.2 When developing Service Agreements for each Council's consideration, the Committee shall discuss and clearly identify which municipality will lead service delivery for the service(s)-and determine the appropriate funding model for the service(s) being discussed.
- 5.3 All future Service Agreements shall set out a process for discontinuing the service provided if one or both Parties wish to discontinue in the service delivery.
- 5.4 All future Service Agreements shall set out a timeframe for the delivery of the service(s) being discussed including the start and end date for the agreement.

6. Services Inventory

- 6.1 Both Parties have reviewed the services offered to residents and ratepayers. Based upon the review it has been determined that each Party will continue to provide the following services to their residents and ratepayers independently unless otherwise specified:

a. **County of Grande Prairie No. 1**

Transportation Services

- Road Maintenance
- Road Construction

Water and Wastewater Services

- Water Treatment & Distribution
- Wastewater Collection & Treatment

Solid Waste Services

- Landfill
- Recycling Services

Emergency Services

- Fire Services (includes Medical Co-Response)

Recreation Services

- Campgrounds
- Facilities
- Green Spaces
- Parks

Other Services

- Agricultural Services
- Assessment Services
- Bylaw Enforcement
- Cemetery
- Communications & Engagement
- Community Peace Officers
- Economic Development
- Facility Maintenance
- Family & Community Support Services (FCSS) including grants to organizations
- Finance
- Fleet Maintenance
- GIS Services
- Human Resources (HR)
- IT/Data Management
- Legislative Services
- Library Services
- Permitting and monitoring oil and gas development and ancillary industries
- Planning & Development Services
- Predator/Pest Control
- Procurement Services
- Safety Codes Services
- Weed Control

b. Municipal District of Greenview No. 16

Transportation Services

- Culvert Installations
- Fleet Maintenance
- Private Driveway Plowing
- Road Maintenance
- Sign Installation and Maintenance
- Approach Construction
- Bridge Construction and Maintenance
- Road Construction

- Grande Cache Community Bus

Water and Wastewater Services

- Water Points
- Water Lift Stations
- Water Treatment & Distribution
- Wastewater Collection & Industrial Lagoons

Solid Waste Services

- Regional Landfill
- Transfer Stations
- Grande Cache Metal Roundup
- Grande Cache Garbage and Recycling curbside pick-up
- Commercial Garbage Bins and Pick-up
- Grande Cache Landfill

Emergency Services

- Emergency Management
- Fire Services
- Rural Fire Pump Management
- Management of Hamlet Fire Departments
- Bylaw Enforcement

Recreation Services

- Community Recreation Support
- Parks and Campgrounds
- Sasquatch
- Grande Cache Recreation Centre

Other Services

- Agricultural Services
- CAO Services
- Legislative Services
- Community Services
- Communications
- Human Resources
- Grande Cache Tourism and Information Centre
- Construction Services
- Corporate Services
- Family Community Support Services
- Information Technology
- Planning and Development

- Weed Control/Pest Control
- Animal Control

6.2 The Parties also have distinct municipal services provided by a Third Party. Both Parties have reviewed the services offered to residents and ratepayers. Based upon the review it has been determined that each Party will continue to provide the following services to their residents and ratepayers independently through a Third Party unless otherwise specified:

a. **County of Grande Prairie No.1**

Transportation Services

- Large construction projects – various private contractors
- Transportation Grants – various seniors' groups and disabled transportation societies

Water and Wastewater Services

- Water Services – Aquatera
- Wastewater Services – Aquatera

Solid Waste Services

- Curbside Collection – various private contractors
- Landfill Services – West Grande Prairie County Solid Waste Authority

Emergency Services

- Enhanced RCMP - RCMP

Recreation Services

- Grants – Recreation Boards, Agricultural Societies and other non-profit societies

Other Services

- Library Services – Library Board
- Library Services – Peace Library System
- Philip J. Currie Dinosaur Museum – River of Death and Discovery Dinosaur Museum Society

b. Municipal District of Greenview No. 16

Transportation Services

- Large Construction Projects – various private contractors
- Gravel Hauls – various private contractors

Water and Wastewater Services

- n/a

Solid Waste Services

- n/a

Emergency Services

- Enhanced Policing – Royal Canadian Mounted Police

Recreation Services

- East Dollar Lakes – Alberta Conservation Association
- Grande Cache Back Country Trails – Willmore Wilderness Foundation
- Kakwa/Big Mountain Snowmobile/ATV Trails – Swan City Snow Mobile Club
- Sasquatch and Partners – Clearwater County, Yellowhead County, Bighorn County, Mountainview County
- Swan Lake Maintenance - Canfor
- Grants – Recreation Boards

Other Services

- Assessment – Accurate Assessment Group
- Geographic Information Systems – Munisight
- Information Technology – PCIT
- Library Services – Library Boards
- Library Services – Peace Regional Library System
- Media Design and Production Services – various private contractors
- Mental Health Counselling – various private consultants
- Community Peace Officers – County of Grande Prairie

6.3 The Parties have worked collaboratively in the past with the following agreements to service residents and ratepayers of both municipalities. It is further acknowledged the Parties have reviewed the existing agreements and have determined that these are the most appropriate municipal services to be delivered in a shared manner.

Transportation Services

n/a

Water and Wastewater Services

n/a

Solid Waste Services

n/a

Emergency Services

a. Mutual Aid

- County of Grande Prairie and M.D. of Greenview have agreed to provide emergency services assistance and resources when requested by the other Party
- Funding Arrangement: Parties agree not to bill or charge for service or assistance
- Term of the Agreement: May 2012 – no expiry date

b. Northwest Alberta Emergency Resource

- The purpose of this agreement is to provide the ability for signatories (Municipal District of Greenview, County of Grande Prairie and a number of other municipalities) to access needed resources to mitigate or support emergency response initiatives from sources outside predetermined mutual aid agreements
- Funding Arrangement: the supplying Party providing assistance and/or equipment shall be compensated at those agreed upon standard rates that are approved from time to time by each Party
- Term of the Agreement: July 2016 – no expiry date

c. Water Rescue Mutual Aid

- Both Parties have agreed to participate in this arrangement for the provision of water rescue mutual aid assistance on an as needed basis
- Funding Arrangement: both Parties have agreed to reimburse the other Party all costs associated with responding to a water rescue event
- Term of the Agreement: May 2012 – no expiry date

Recreation Services

n/a

Other Services

d. Economic Development – Tri-Municipal Industrial Partnership (TMIP)

- Both Parties and the City of Grande Prairie have agreed to participate in a regional economic development initiative related to the attraction of Industrial Development in an industrial park. The M.D. of Greenview is the managing partner of the TMIP
- Funding Arrangement: both Parties and the City of Grande Prairie have agreed to contribute to the operation costs based upon an agreed formula
- Term of the Agreement: April 23, 2018 – no expiry date

e. Peace Officer Services

- Grande Prairie County shall provide enforcement services to the Municipal District of Greenview No. 16 at the same level of service as provided in Grande Prairie County. Grande Prairie County shall also provide animal control to the Municipal District of Greenview No. 16
- Funding Arrangement: Grande Prairie County shall be paid an hourly rate that is established from time to time
- Term of the Agreement: January 2016 – January 2020

6.4 Both Parties acknowledge and agree that they may from time to time provide financial assistance to not for profit organizations functioning inside and outside their jurisdictional boundaries.

6.5 Both Parties acknowledge they are members of not for profit organizations delivering services for the benefit of their residents and ratepayers.

7. Land Use

7.1 Section 631 (1.1) of the *Municipal Government Act*, R.S.A. 2000, Chapter M-26, states: “the Minister may, by order, exempt one or more councils from the requirement to adopt an intermunicipal development plan”. Pursuant to the provisions of Ministerial Order MSL:047/18 and a letter dated June 11, 2019 from the Deputy Minister stating that both Parties have “met the requirements for an IDP exemption” the Parties hereto are no longer required to complete an IDP.

7.2 Matters of a land use and development nature impacting either Party shall be guided by policies set out in their respective Municipal Development Plans and/or other statutory plans.

8. Collaboration Process

8.1 Either Party may initiate the development of a new capital project and/or new service it deems to be critical or essential and that may be beneficial to both Parties. Prior to submitting a formal written notice for a new cost-sharing agreement, the initiating Party’s CAO will consult and seek informal support from the other Party’s CAO.

8.2 Once either municipality has received written notice of a new capital project or new service, an Intermunicipal Collaboration Committee meeting must be held within 30 days of the date the written notice was received, unless both CAO’s agree otherwise.

- 8.3 The Intermunicipal Collaboration Committee will be the forum used to address and develop future Service Agreements and/or cost sharing arrangements.
- 8.4 Both Parties recognize that the decision to participate in or not participate in a project/arrangement ultimately lies with the respective municipal councils.

9. Indemnity

- 9.1 The County of Grande Prairie No. 1 shall indemnify and hold harmless Municipal District of Greenview No. 16, its employees and agents from all claims, actions and costs whatsoever that may arise directly or indirectly out of any act or omission of the County of Grande Prairie No. 1, its employees or agents in the performance of this Agreement.
- 9.2 Municipal District of Greenview No. 16 shall indemnify and hold harmless the County of Grande Prairie No. 1, its employees and agents from all claims, actions and costs whatsoever that may arise directly or indirectly out of any act or omission of Municipal District of Greenview No. 16, its employees or agents in the performance of this Agreement.

10. Binding Dispute Resolution Process

- 10.1 Both Parties agree to adopt the model dispute resolution provisions as set out in Appendix A of the ICF.
- 10.2 Both Parties agree to abide by the Duty to Act in Good Faith provisions contained in the ICF Regulation.

11. General

- 11.1 Headings in this Agreement are for reference purposes only.
- 11.2 Words in the masculine gender will include the feminine gender whenever the context so requires and vice versa.
- 11.3 Words in the singular shall include the plural or vice versa whenever the context requires.
- 11.4 This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.
- 11.5 Should any provisions of this Agreement become invalid, void, illegal or otherwise unenforceable, it shall be considered separate and severable from the agreement and the remainder shall remain in force and be binding as though such provisions had not been invalid.

12. Correspondence

- 12.1 Written notice under this Agreement shall be addressed as follows:
- a. In the case of Grande Prairie County No. 1 to:

County of Grande Prairie No. 1
c/o Chief Administrative Officer
10001 – 84 Avenue
Clairmont, AB T8X 5B2

- b. In the case of Municipal District of Greenview No. 16 to:

Municipal District of Greenview No. 16
c/o Chief Administrative Officer
79177 Range Road 84
Spirit River, AB T0H 3G0

13. Authorizations

Signed and dated on:

Leanne Beaupre, Reeve
Grande Prairie County No. 1

Dale Smith, Reeve
Reeve, Municipal District of Greenview No. 16

Joulia Whittleton, CAO
Grande Prairie County No. 1

Denise Thompson, CAO
Municipal District of Greenview No. 16

Date

Date

APPENDICES

Appendix A: Model Dispute Resolution Provisions Schedule

Model Dispute Resolution Provisions Schedule

1. Definitions

1.1 In this Schedule,

- a. “Initiating Party” means a party who gives notice under section 2 of this Schedule;
- b. “Mediation” means a process involving a neutral person as a mediator who assists the parties to a matter and any other person brought in with the agreement of the parties to reach their own mutually acceptable settlement of the matter by structuring negotiations, facilitating communication and identifying the issues and interests of the parties;
- c. “Mediator” means the person or persons appointed to facilitate by mediation the resolution of a dispute between the parties.

2. Notice of dispute

- 2.1 When a party believes there is a dispute under a framework and wishes to engage in dispute resolution, the party must give written notice of the matters under dispute to the other parties.

3. Negotiation

- 3.1 Within 14 days after the notice is given under section 2 of this Schedule, each party must appoint a representative to participate in one or more meetings, in person or by electronic means, to attempt to negotiate a resolution of the dispute.

4. Mediation

- 4.1 If the dispute cannot be resolved through negotiations, the representatives must appoint a mediator to attempt to resolve the dispute by mediation.
- 4.2 The initiating party must provide the mediator with an outline of the dispute and any agreed statement of facts.
- 4.3 The parties must give the mediator access to all records, documents and information that the mediator may reasonably request.
- 4.4 The parties must meet with the mediator at such reasonable times as may be required and must, through the intervention of the mediator, negotiate in good faith to resolve their dispute.
- 4.5 All proceedings involving a mediator are without prejudice, and, unless the parties agree otherwise, the cost of the mediator must be shared equally between the parties.

5. Report

- 5.1 If the dispute has not been resolved within 6 months after the notice is given under section 2 of this Schedule, the initiating party must, within 21 days, prepare and provide to the other parties a report.
- 5.2 Without limiting the generality of subsection 5.1, the report must contain a list of the matters agreed on and those on which there is no agreement between the parties.

- 5.3 Despite subsection 5.1, the initiating party may prepare a report under subsection 5.1 before the 6 months have elapsed if
- a. the parties agree, or
 - b. the parties are not able to appoint a mediator under section 4 of this Schedule.

6. Appointment of arbitrator

- 6.1 Within 14 days of a report being provided under section 5 of this Schedule, the representatives must appoint an arbitrator and the initiating party must provide the arbitrator with a copy of the report.
- 6.2 If the representatives cannot agree on an arbitrator, the initiating party must forward a copy of the report referred to in section 5 of this Schedule to the Minister with a request to the Minister to appoint an arbitrator.
- 6.3 In appointing an arbitrator under subsection 6.2, the Minister may place any conditions on the arbitration process as the Minister deems necessary.

7. Arbitration process

- 7.1 Where arbitration is used to resolve a dispute, the arbitration and arbitrator's powers, duties, functions, practices and procedures shall be the same as those in Division 3 of Part 17.2 of the Municipal Government Act and Part 1 of the Intermunicipal Collaboration Framework Regulation (AR 191/2017).
- 7.2 In addition to the arbitrator's powers under subsection 7.1, the arbitrator may do the following:
- a. require an amendment to a framework;
 - b. require a party to cease any activity that is inconsistent with the framework;
 - c. provide for how a party's bylaws must be amended to be consistent with the framework;
 - d. award any costs, fees and disbursements incurred in respect of the dispute resolution process and who bears those costs.

8. Deadline for resolving dispute

- 8.1 The arbitrator must resolve the dispute within one year from the date the notice of dispute is given under section 2 of this Schedule.
- 8.2 If an arbitrator does not resolve the dispute within the time described in subsection 8.1, the Minister may grant an extension of time or appoint a replacement arbitrator on such terms and conditions that the Minister considers appropriate.

9. Arbitrator's order

- 9.1 Unless the parties resolve the disputed issues during the arbitration, the arbitrator must make an order as soon as possible after the conclusion of the arbitration proceedings.
- 9.2 The arbitrator's order must
- a. be in writing,
 - b. be signed and dated,

- c. state the reasons on which it is based,
 - d. include the timelines for the implementation of the order, and
 - e. specify all expenditures incurred in the arbitration process for payment under section 708.41 of the Act.
- 9.3 The arbitrator must provide a copy of the order to each party.
- 9.4 If an order of the arbitrator under section 9.2 is silent as to costs, a party may apply to the arbitrator within 30 days of receiving the order for a separate order respecting costs.

10. Costs of arbitrator

- 10.1 Subject to an order of the arbitrator or an agreement by the parties, the costs of an arbitrator under this Schedule must be paid on a proportional basis by the municipalities that are to be parties to the framework as set out in subsection 10.2.
- 10.2 Each municipality's proportion of the costs must be determined by dividing the amount of that municipality's equalized assessment by the sum of the equalized assessments of all of the municipalities' equalized assessments as set out in the most recent equalized assessment.



REQUEST FOR DECISION

SUBJECT:	Grande Cache Facility Maintenance Operation Budget		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER: AL
DEPARTMENT:	FACILITY MAINTENANCE	GM: RA	PRESENTER: MP
STRATEGIC PLAN:	Level of Service		

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION #1: That Council approve the 2019 Grande Cache Facility Maintenance Operation Budget of \$85,000.00, with funds to come from Operating Contingency Reserve.

MOTION #2: That Council approve the transfer of \$85,000.00 from Operating Contingency Reserves to the 2019 Capital budget.

BACKGROUND/PROPOSAL:

As of this date, there is no direct budget for Facility & Maintenance in the 2019 budget for Grande Cache.

Facility & Maintenance is seeking a budget of \$85,000.00 to order general maintenance, janitorial contract and supplies. These funds will be used within the Public Works Building, Water Treatment Plant, Tourism Information Centre, Reservoir Pump House, Victor Lake Pump House, and the Sewage Plant.

The requested amount will be used during the remainder of the 2019 year.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is to bring Greenview standards for Facilities Maintenance to Grande Cache.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to alter or deny the requested budget, however Administration does not recommend this action because there will be no budget to maintain the above mentioned buildings.

FINANCIAL IMPLICATION:

Direct Costs: The direct cost of \$85,000.00 to come from Operating Contingency Reserve. Currently the Operating Contingency Reserve has a balance of \$1,793,452.

Ongoing / Future Costs: Ongoing Maintenance

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Upon Council's decision Facilities Maintenance will implement the facilities maintenance program in Grande Cache.

ATTACHMENT(S):

- None



REQUEST FOR DECISION

SUBJECT:	Tender Results for Pinto Gravel Crushing		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER: DB
DEPARTMENT:	OPERATIONS	GM: RA	PRESENTER: JF
STRATEGIC PLAN:	Infrastructure		

RELEVANT LEGISLATION:

Provincial (cite) –N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council award the 2019 tender for crushing, stockpiling, and other work at the Pinto South Pit to Hopkins Construction (Lacombe) Ltd. in the amount of \$567,450.00 with funding to come from the Operational Road Maintenance Budget.

BACKGROUND/PROPOSAL:

A public tender was advertised for “crushing, stockpiling, and other work” to be completed at the Pinto South Pit for a total of 65,000 m³ of gravel. The material will be in two designations with 50,000 m³ of 4:25, and 15,000 m³ of 4:40 to be stockpiled on-site. The “other work” includes stripping topsoil and overburden prior to commencing crushing, re-sloping the pit face once work is completed etc... Tenders were opened in public on July 8, 2019 and the results are attached. Hopkins Construction (Lacombe) Ltd. is the lowest bid (see attached tender summary).

The Pinto South Pit is located at SW-22-69-10-W6 approximately 40 km west of Grovedale.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is that Greenview will have gravel available for road regravelling and other needs in the area.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to reject or delay the motion. This wouldn't be recommended by administration as the contract specifies a completion date of Sept. 30, 2019 for the work and would delay the production of the materials.

FINANCIAL IMPLICATION:

Direct Costs: The direct cost to this request is the amount of \$567,450.00 to Hopkins Construction (Lacombe) Ltd.

Ongoing / Future Costs:

It is recommended that an additional 5% be available for contingency in the amount of \$28,372.50 which would come from the 2019 Road Maintenance Budget. Council will be informed if contingency funds are used.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

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PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

If Council passes the motion, administration will inform bidders of the awarded contract.

ATTACHMENT(S):

- Tender Summary from July 08, 2019

Tender Closed: July 8, 2019

Contract No: 191-06747-00
 MD of Greenview No. 16
 Pinto South Pit (SML 980119)
 Crushing, Stockpiling and Other Work

Pinto South Pit SML 980119 (SW 22-69-10W6M)				Contractors:			
Bid Item	Description	Estimated Quantity	Hopkins Construction (Lacombe) Ltd		Wapiti Gravel Suppliers		Inspek Crushing Ltd
			Unit Price	Total Bid	Unit Price	Total Bid	Unit Price
1	Crush, Haul and Stockpile Gravel Designation 4, Class 25 (3.2.4) (5.2.5) (Special Provisions)	50,000	\$ 8.73	\$ 436,500.00	\$ 10.78	\$ 539,000.00	\$ 28.00
2	Crush, Haul and Stockpile Gravel Designation 4, Class 40 (3.2.4) (5.2.5) (Special Provisions)	15,000	\$ 8.73	\$ 130,950.00	\$ 10.30	\$ 154,500.00	\$ 28.00
TOTAL TENDER (G.S.T. not included)			\$	567,450.00	\$	693,500.00	\$
							1,820,000.00



REQUEST FOR DECISION

SUBJECT: TMIP Brownlee Joint Retainer Letter

SUBMISSION TO: REGULAR COUNCIL MEETING

MEETING DATE: July 22, 2019

DEPARTMENT: ECONOMIC DEVELOPMENT

STRATEGIC PLAN: Regional Cooperation

REVIEWED AND APPROVED FOR SUBMISSION

CAO: DT

GM: SW

MANAGER:

PRESENTER: KK

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council direct Administration to engage Brownlee LLP for joint legal representation for the development of the Tri-Municipal Industrial Partnership (TMIP) legal entity.

BACKGROUND/PROPOSAL:

At the July 12th the TMIP Committee meeting the TMIP committee directed Administration to get legal to provide additional information that is required to send back to the respective municipalities for review.

As the TMIP entity will work on behalf of the three municipal partners, it has been proposed to have one legal representative to develop the corporate and accounting structure on behalf of the TMIP.

The intended outcome of engaging one legal representative to develop the corporate structure, is that all partners will be engaged at the same level and cost savings realized. This will streamline the development of the corporation while still allowing each individual municipality the ability to consult their own independent legal Counsel once the entity structure has been selected.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is the formal legal entity structure will be developed in partnership with the TMIP partners while still allowing Greenview Council the ability to seek independent counsel on this matter.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1:

Council has the alternative to approve, amend or deny the recommended motion.

FINANCIAL IMPLICATION:

There are no new direct costs to the Municipal District of Greenview. Funds to pay for the services provided have been already allocated to the TMIP budget.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

If Council approves the Motion, Administration will advise the TMIP project manager that Council has provided approval. The joint retainer letter will be signed off by Administration and added to the approved letters from the partner municipalities.

ATTACHMENT(S):

- Brownlee Letter of Joint Retainer



BROWNLEE LLP
Barristers & Solicitors

7TH FLOOR, 396 - 11TH AVENUE S.W.
CALGARY, AB CANADA | T2R 0G5
TEL: 403.232.8300 | FAX 403.232.8408

2200 COMMERCE PLACE | 10155 102ND STREET
EDMONTON, AB CANADA | T5J 4G8
TEL: 780.497.4800 | FAX 780.424.3254

Refer to: R.C. Thorkelsson
Direct Line: (780) 497-4843
E-mail: rthorkelsson@brownleelaw.com
Our File No.: 71761-0114/RCT

July 15, 2019

VIA FAX: 403-705-1921

VIA EMAIL:

basil.mocherniak@ptaginc.com
jason.petrunia@ptaginc.com
eitan.dehtiar@ptaginc.com

PTAG Inc.

350 – 7th Avenue S.W., Suite 800
Calgary, Alberta
T2P 3N9

Attention: Basil Mocherniak

VIA FAX: 780-524-4307

VIA EMAIL:

Denise.Thompson@mdgreenview.ab.ca

Municipal District of Greenview No. 16

PO Box 1079
Valleyview, Alberta
T0H 3N0

Attention: Denise Thompson

VIA FAX: 780-539-9880

VIA EMAIL: brogan@countvgp.ab.ca

County of Grande Prairie No. 1

10001 - 84 Avenue
Clairmont, Alberta
T8X 5B2

Attention: W.A. (Bill) Rogan

VIA FAX: 780-539-1056

VIA EMAIL:

City of Grande Prairie

PO Bag 4000
Grande Prairie, AB T8V 6V3

Attention: Brian Glavin

Dear Sirs/Madams:

RE: TRI-MUNICIPAL INDUSTRIAL PARTNERSHIP (THE “TRI-MUNICIPAL PROJECT”)

Further to our previous correspondence, we can provide some additional information with respect to why a joint retainer letter and consent is necessary between our office and each of the PTAG Inc. and the municipalities.

As there are multiple participants within the proposed Tri-Municipal Project, the provisions of our *Legal Profession Act* would deem each of the parties to be clients as recipients of the advice and services requested and to be provided. The provisions of our *Legal Profession Act* and our Law Society Rules requires that where there is more than one party retaining a lawyer or a law firm to provide advice and/or services, the matter of solicitor client confidentiality must be

addressed. Specifically, it is not possible to maintain confidentiality with each party, and then also discharge all of the fiduciary responsibilities that a lawyer owes to each of the clients in a joint retainer scenario. When advice is provided to all parties at the same time, typical solicitor-client confidentiality just simply can't apply.

As a result, the Act and Rules requires that the clients within a joint retainer:

1. consent to the joint retainer;
2. confirm that they are aware that representing all of the parties in providing advice means that typical solicitor-client confidentiality does not apply; and
3. in the event a dispute between the clients in relation to the Tri-Municipal Project that cannot be resolved through dispute resolution processes, the clients may obtain independent legal counsel to resolve the dispute.

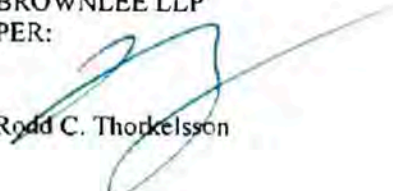
The benefit of joint retainers in collaboration projects is the tremendous efficiency of time and cost that it provides, allowing all of the parties to receive the advice needed in order to progress the collaboration. The remainder of the Joint Retainer Letter simply provides clarity on how the services are delivered to the parties on the joint basis.

Should you have any questions or concerns at any time, please do not hesitate to contact the writer at your convenience.

Yours truly,

BROWNLEE LLP

PER:


Rodd C. Thorkelsson



REQUEST FOR DECISION

SUBJECT: **Range Road 262 and Township Road 713 and Ridgevalley Arena Parking Lot**
 SUBMISSION TO: REGULAR COUNCIL MEETING REVIEWED AND APPROVED FOR SUBMISSION
 MEETING DATE: July 22, 2019 CAO: MANAGER: OM
 DEPARTMENT: CONSTRUCTION & ENGINEERING GM: RA PRESENTER: OM
 STRATEGIC PLAN: Infrastructure

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council accept the recommendation to award Range Road 262, Township Road 713 and Ridgevalley Arena to Knelson Sand & Gravel Ltd. for the Ridgevalley Overlay project in the amount of \$915,352.10.

BACKGROUND/PROPOSAL:

Council approved the Ridgevalley Overlay project in the 2019 Capital Budget. Administration has put forth the tender, received three bids and are recommending the lowest bidder, Knelson Sand & Gravel Ltd.

Attached is the Award Letter it does reflect the other costs associated with the project such as potential site occupancy bonus that may or may not be available, the potential ACP bonus which is determined by the compaction and the gradation of the road, and the contingency of 5% that can be utilized for additional work requested, or the standard uses. If Administration is going to go into contingency Council will be advised as per policy.

Administration has been able to reduce the Engineering Estimate in the Construction Supervision, Contract Administration and Post Construction stages. The chart below will provide the detail in the savings from the original proposal to the signed proposal.

TASK	Where	Cost Saving
Construction Supervision	C & E	\$8,936.20
Initial centerline and Barrier line survey staking	C & E	\$3,495.20
Reduction in the disbursement items ie. Travel, meals, kms	Due to C & E doing some of the project in-house	\$1,528.80
Final Measurements and Record Drawings	C & E	\$408.00
Submission of Finals and Summary Report	Split 50/50 between C & E and WSP	\$1,116.00
TOTAL SAVINGS		\$15,484.20

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of accepting the recommended motion is Administration can prepare documents and start the project in a timely manner.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to not accept this bid.

FINANCIAL IMPLICATION:

Direct Costs: The direct costs of the recommended motion is \$915,352.10 to Knelson Sand & Gravel Ltd.

STAFFING IMPLICATION:

Staffing implications will be the Engineering Design Technologist and the Road and Bridges Inspector will be utilized for this project.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Infrastructure and Planning will provide the Award Letter to be sent to Knelson Sand & Gravel informing of the decision.

ATTACHMENT(S):

- Award Letter Info.



July 11, 2019

File: 191-05645-00

M.D. of Greenview No. 16
Operations Office
4802 – 36 Ave.
Valleyview, Alberta T0H 3N0

ATTENTION: Mr. Omar Mohamed, Construction & Engineering, Manager

**RE: Contract No. 191-05645-00
Range Road 262 and Township Road 713
Asphalt Concrete Pavement (EPS) Overlay and Other Work**

Tenders were received from a total of three (3) bidders for the above noted project on July 8, 2019. The low bidder was **Knelsen Sand & Gravel Ltd.** with a total tender value of **\$915,352.10**. We have reviewed the tender submitted by Knelsen Sand & Gravel Ltd and have found they have met the contractual requirements at the bid stage. If the M.D. of Greenview elects to award this Contract to Knelsen Sand & Gravel Ltd, we would anticipate expenditures for this project as follows:

	Totals
Construction Costs (Less Site Occ.)	\$ 892,852.10
Contingency (5%)	\$ 44,642.61
Potential Site Occ. Bonus (2 days)	\$ 3,000.00
Potential ACP (EPS) Bonus	\$ 23,736.00
Engineering	\$ 62,395.20
Totals	\$ 1,026,625.91

The complete listing of the tender results and the tender summary are attached for your information. Your councils' decision regarding the awarding of this contract to Knelsen Sand & Gravel Ltd is hereby requested. Please contact the undersigned if you require further information or clarification.

Yours truly,

J. Ryan Armstrong, Project Manager

Attachments

c: Roger Autio, General Manager, Infrastructure and Planning, M.D. of Greenview No. 16
Garth McCulloch, Regional Manager, WSP
Doug Buyar, Area Manager, WSP

7710 Edgar Industrial Court
Red Deer, AB
T4P 4E2

T+ 1 403-342-7650
F+ 1 403-342-7691
wsp.com

****OFFICIAL****

WSP Canada Inc.	
Official Tender Results	
M.D. of Greenview No. 16	Project: RR 262 & Twp. Rd. 713
Asphalt Concrete Pavement (EPS) Overlay and Other Work	Contract No. 191-05645-00
	Date: July 8, 2019
Contractor	Amount Bid
Knelsen Sand & Gravel Ltd.	\$915,352.10
Wapiti Gravel Suppliers, Division of N.P.A. Ltd.	\$979,561.13
Ledcor Highways Ltd.	\$1,352,565.44
Low Tender Received From:	
Knelsen Sand & Gravel Ltd.	\$915,352.10

Rge Rd 262 & Twp Rd 713					Contractors:		Knelsen Sand & Gravel Ltd.		Wapiti Gravel Suppliers		Ledcor Highways Ltd.	
Bid Item	Description	Estimated Quantity	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid	Unit Price	Total Bid
1	Mobilization (1.2.13)	1	\$ 57,263.14	\$ 57,263.14	\$ 121,076.51	\$ 121,076.51	\$ 135,256.54	\$ 135,256.54	\$ 135,256.54	\$ 135,256.54	\$ 135,256.54	\$ 135,256.54
2	Site Occupancy (1.2.21)	\$ 1,500.00	15	\$ 22,500.00	9	\$ 13,500.00	10	\$ 15,000.00				
3	Subgrade Excavation (3.1.3.1)	400	\$ 13.55	\$ 5,420.00	\$ 32.95	\$ 13,180.00	\$ 21.45	\$ 8,580.00				
4	Granular Fill Designation 2 Class 25 (3.2.4) (3.8.5) (Special Provisions)	880	\$ 27.82	\$ 24,481.60	\$ 30.41	\$ 26,760.80	\$ 51.02	\$ 44,897.60				
5	Woven Geotextile - Supply and Install (5.31.4) (Special Provisions)	400	\$ 1.41	\$ 564.00	\$ 2.32	\$ 928.00	\$ 6.00	\$ 2,400.00				
6	Culvert Extensions - Supply and Install 600 mm x 1.6 mm (C.S.P.) (2.4.4) (5.23.4) (Special Provisions)	14	\$ 280.35	\$ 3,924.90	\$ 493.72	\$ 6,912.08	\$ 500.00	\$ 7,000.00				
7	Heavy Rock Rip Rap - Class 1M (BCS 10.7)	10	\$ 202.39	\$ 2,023.90	\$ 329.59	\$ 3,295.90	\$ 351.23	\$ 3,512.30				
8	Cold Milling Asphalt Pavement (3.16.6) (Special Provisions)	\$ 1,500.00	\$ 9.45	\$ 14,175.00	\$ 8.89	\$ 13,335.00	\$ 8.89	\$ 13,335.00				
9	Asphalt Concrete Pavement (EPS) Mix Type L1 (PG 52-34) (3.50.7)	9,900	\$ 77.76	\$ 769,824.00	\$ 77.36	\$ 765,864.00	\$ 111.95	\$ 1,108,305.00				
10	Pavement Message - Stop Bar (7.3.5)	5	\$ 127.53	\$ 637.65	\$ 220.00	\$ 1,100.00	\$ 120.00	\$ 600.00				
11	Pavement Message - Stop Ahead (7.3.5)	1	\$ 265.70	\$ 265.70	\$ 450.00	\$ 450.00	\$ 250.00	\$ 250.00				
12	Pavement Message - STOP (7.3.5)	1	\$ 132.85	\$ 132.85	\$ 240.00	\$ 240.00	\$ 125.00	\$ 125.00				
13	Pavement Message - Pedestrian Crossing (7.3.5)	1	\$ 212.56	\$ 212.56	\$ 435.00	\$ 435.00	\$ 200.00	\$ 200.00				
14	Milled Rumble Strips for STOP Conditions (3.52.4)	3	\$ 3,188.37	\$ 9,565.11	\$ 3,000.00	\$ 9,000.00	\$ 3,000.00	\$ 9,000.00				
15	Roadway Lines - Supplying Paint and Painting (Directional Dividing and 2 Edge Lines) (7.2.6) (5.20.5)	4.56	\$ 956.51	\$ 4,361.69	\$ 764.00	\$ 3,483.84	\$ 900.00	\$ 4,104.00				
TOTAL TENDER (G.S.T. not included)					\$ 915,352.10	\$ 979,561.13	\$ 1,352,565.44	\$ 1,352,565.44				



REQUEST FOR DECISION

SUBJECT:	AlphaBow Energy Ltd. Tax Payment Proposal		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER: DD
DEPARTMENT:	CORPORATE SERVICES	GM: RO	PRESENTER: MJ
STRATEGIC PLAN:	Level of Service		

RELEVANT LEGISLATION:

Provincial (cite) – In accordance with Section 347(1) and 343(1) of Municipal Government Act

Council Bylaw/Policy (cite) – Bylaw 19-810

RECOMMENDED ACTION:

MOTION: That Council take no action on proposed payment schedule from AlphaBow Energy Ltd., for their 2019 property taxes and the waiver of fees, interest, penalties and other cost that may be incurred.

BACKGROUND/PROPOSAL:

On July 3, 2019, correspondence was received from AlphaBow Energy Ltd. which included a payment in the amount of \$13,234.21, representing 10% of their total 2019 tax obligation. As per MGA Section 343(1), \$12,631.15 in outstanding penalties still owing from 2018 were paid first from the payment, with the remaining funds applied to the 2019 taxes, leaving a balance of \$131,739.07 owing for the 2019 taxes plus \$10,539.13 in penalties, as of June 30, 2019.

In their letter, AlphaBow Energy Ltd., has proposed that in exchange for an additional payment of 20% of their outstanding tax obligations, that Council agree to allow them time to pay the remaining balance until Municipal Affairs has completed their review of the “Minister’s Guidelines for Linear Property” and a ruling from the Court of Queen’s Bench has been made in the application filed by Perpetual Energy Inc., challenging the Ministers Guidelines published in 2018. They also propose that once the reassessments are concluded Council defer all remaining taxes and agree to waive any fees, interest, penalties or other costs that may otherwise have accrued on the tax accounts.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of the recommended action is that Council will have upheld Council’s bylaw and will have treated all ratepayers equally.
2. A second benefit of the recommended action is that Council will avoid creating a precedence by going against Council’s bylaw.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended action.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to alter or deny the recommended motion, however due to the precedence this may set, and potential cash flow problems, if other companies make a similar request, Administration does not recommend this solution.

Alternative #2: Council has the alternative to agree to waive the July 1, 2019 penalties on all AlphaBow Energy Ltd. tax accounts and offer them the opportunity to pay the remaining balances of the 2019 taxes over a designated time period, maximum 3 year period, without incurring future penalties on the 2019 outstanding taxes. As part of the agreement, they would be required to pay their current taxes for the year's 2020-2022 by the June 30th deadline. However, due to the precedence this may set, and potential cash flow problems, if other companies make a similar request, Administration does not recommend this solution.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will notify AlphaBow Energy of Council's Decision.

ATTACHMENT(S):

- Request from AlphaBow Energy Ltd.
- MGA Section 347 (1)
- MGA Section 343 (1)
- 2019 Tax Bylaw



SCANNED

Letter to Each Affected Municipality

June 24, 2019

Municipal District of Greenview No. 16
Box 1079
4806 - 36 Avenue
Valleyview, Alberta
T0H 3N0

Dear Municipal District of Greenview No. 16,

AlphaBow Energy Ltd. (Alphabow) is a private company with significant investments in shallow natural gas wells in Central Alberta. We directly employ a total of 108 Albertans in Alberta across various communities in the Province including in the municipality of **Municipal District of Greenview No. 16** plus sources many additional local services through our operational activities who employ local Albertans.

As you are aware, oil and natural gas producers throughout Alberta are facing tremendous pressure in the current price environment. Natural gas prices have collapsed from a high of \$5.15/GJ in 2014 to \$0.80/GJ (avg) in April 2019 and trading at 0.11\$/GJ on June 21, 2019. Benchmark oil prices and differential spreads have also been extremely volatile with December 2018 realized heavy oil prices deteriorating to less than \$16/bbl to which we deduct our cash costs of operations. 90% of AlphaBow's properties currently generate net negative operating income at the field level prior to head office overhead. The current municipal taxes levied on these assets not only make the Company's survival situation worse but could be fatal. This situation has already led to several high-profile bankruptcies and continues to put many more oil and gas producers at risk, including AlphaBow.

In **Municipal District of Greenview No. 16**, AlphaBow has been assessed a total of **\$144,973.28** of total municipal taxes for 2019 which represents a significant portion of our commodity revenue directly in **Municipal District of Greenview No. 16**. Due to these substantial and unsustainable low oil and gas revenues in 2018 and into 2019 we are paying a significant amount of our total revenues in municipal taxes. On top of that we must pay onerous surface lease rental payments, other government levies and taxes, and the actual cash operating costs to keep these wells operational to produce out minerals and royalties.

In light of this pricing catastrophe and the reality that the productive and fair market value of these taxed assets is substantially lower than the municipal assessed value, we understand that Municipal Affairs is currently undertaking an assessment model review of the *Minister's Guidelines for Linear Property*, including a review of how assessment values for linear property is determined; we also note that Perpetual Energy has initiated a reference application to set aside the *2018 Ministerial Guidelines* (collectively, the "**Reassessments**").

AlphaBow Energy Ltd.

1800, 222 – 3rd Avenue SW, Calgary, AB T2P 0B4
Main Phone: 587-393-5059
Fax: 587-393-5060

AlphaBow will make to you a payment of 10% of its total tax obligation on or prior to the roll due date. AlphaBow further proposes that in exchange for an immediate 20% further payment of outstanding tax obligations and an agreement to pay the remaining amount when the Reassessments are fully and finally concluded, that you defer all remaining roll taxes and agree to waive any fees, interest, penalties or others costs that may otherwise have accrued thereon.

AlphaBow recognizes that municipal budgets fund important services and that the budgets of rural municipalities in Central Alberta are already very stretched. AlphaBow wants to be a long-term partner to you and pay a sustainable fair share of its revenue to these municipalities as it relates to what is practicable and affordable. When gas prices were higher in prior years, these rates could be sustainable and paid. Unfortunately, today the taxation structure is not sustainable nor fair and paying these taxes will be putting AlphaBow out of business will only exacerbate the budgetary problems of rural municipalities.

We welcome a discussion of alternative arrangements that will allow job providing, tax paying oil and gas producers, such as AlphaBow, to survive this downturn and also contribute to the funding of important services provided by rural municipalities such as yourselves.

Sincerely,



Shuo (Marshall) Shi
Chief Executive Officer and Director
AlphaBow Energy Ltd.

Deemed receipt of tax notice

337 A tax notice is deemed to have been received 7 days after it is sent.

1994 cM-26.1 s337

Correction of tax notice

338 If it is discovered that there is an error, omission or misdescription in any of the information shown on a tax notice, the municipality may prepare and send an amended tax notice to the taxpayer.

1994 cM-26.1 s338

Incentives

339 A council may by bylaw provide incentives for payment of taxes by the dates set out in the bylaw.

1994 cM-26.1 s339

Instalments

340(1) A council may by bylaw permit taxes to be paid by instalments, at the option of the taxpayer.

(2) A person who wishes to pay taxes by instalments must make an agreement with the council authorizing that method of payment.

(3) When an agreement under subsection (2) is made, the tax notice, or a separate notice enclosed with the tax notice, must state

- (a) the amount and due dates of the instalments to be paid in the remainder of the year, and
- (b) what happens if an instalment is not paid.

1994 cM-26.1 s340

Deemed receipt of tax payment

341 A tax payment that is sent by mail to a municipality is deemed to have been received by the municipality on the date of the postmark stamped on the envelope.

1994 cM-26.1 s341

Receipt for payment of taxes

342 When taxes are paid to a municipality and the assessed person requests a receipt, the municipality must provide a receipt.

RSA 2000 cM-26 s342;2017 c13 s1(30)

Application of tax payment

343(1) A tax payment must be applied first to tax arrears.

(2) If a person does not indicate to which taxable property or business a tax payment is to be applied, a designated officer must decide to which taxable property or business owned by the taxpayer the payment is to be applied.

1994 cM-26.1 s343

Penalty for non-payment in current year

344(1) A council may by bylaw impose penalties in the year in which a tax is imposed if the tax remains unpaid after the date shown on the tax notice.

(2) A penalty under this section is imposed at the rate set out in the bylaw.

(3) The penalty must not be imposed sooner than 30 days after the tax notice is sent out.

1994 cM-26.1 s344

Penalty for non-payment in other years

345(1) A council may by bylaw impose penalties in any year following the year in which a tax is imposed if the tax remains unpaid after December 31 of the year in which it is imposed.

(2) A penalty under this section is imposed at the rate set out in the bylaw.

(3) The penalty must not be imposed sooner than January 1 of the year following the year in which the tax was imposed or any later date specified in the bylaw.

1994 cM-26.1 s345

Penalties

346 A penalty imposed under section 344 or 345 is part of the tax in respect of which it is imposed.

1994 cM-26.1 s346

Cancellation, reduction, refund or deferral of taxes

347(1) If a council considers it equitable to do so, it may, generally or with respect to a particular taxable property or business or a class of taxable property or business, do one or more of the following, with or without conditions:

- (a) cancel or reduce tax arrears;
- (b) cancel or refund all or part of a tax;
- (c) defer the collection of a tax.

(2) A council may phase in a tax increase or decrease resulting from the preparation of any new assessment.

1994 cM-26.1 s347



BYLAW NO. 19-810 of the Municipal District of Greenview No. 16

A Bylaw of the Municipal District of Greenview No. 16, in the Province of Alberta, to authorize the rates of taxation to be levied against assessable property within the Municipal District of Greenview No. 16 for the 2019 taxation year

Whereas, the Municipal District of Greenview No. 16 has prepared and adopted detailed estimates of the municipal revenues and expenditures as required, at the council meeting held on March 11, 2019; and

Whereas, the estimated municipal expenditures and transfers set out in the budget for the Municipality of Greenview No. 16 for 2019 total \$ 189,435,877; and

Whereas, the estimated municipal revenues and transfers from all sources other than taxation is estimated at \$ 69,213,372 and the balance of \$ 120,222,505 is to be raised by general municipal taxation; and

Whereas, the requisitions are:

Alberta School Foundation Fund (ASFF)	
Residential/Farm land	2,491,056
Non-residential	21,059,961
Opted Out School Boards	
Residential/Farm land	69,664
Non-residential	2,150
 Total School Requisitions	 23,622,831
Requisition Allowance MGA(359(2))	100,000
Seniors Foundation	1,530,474
 Designated Industrial Properties Requisitions	 877,971

Whereas, the Council of the Municipality is required each year to levy on the assessed value of all property, tax rates sufficient to meet the estimated expenditures and the requisitions; and

Whereas, the Council is authorized to classify assessed property, and to establish different rates of taxation in respect to each class of property, subject to the Municipal Government Act, Chapter M-26, Revised Statutes of Alberta, 2000; and

Whereas, the assessed value of all property in the Municipal District of Greenview No. 16 as shown on the assessment roll is:

Greenview (not including Grande Cache)	<u>Assessment</u>
Residential	695,515,300
Non-residential	6,609,519,030
Farm land	57,624,090
Machinery and equipment	<u>4,834,317,410</u>
	12,196,975,830
Greenview (Grande Cache only)	
Residential	267,901,110
Non-residential	<u>110,701,901</u>
	378,603,020
Total	12,575,578,850

THEREFORE under the authority of the Municipal Government Act, the Council of the Municipal District of Greenview, in the Province of Alberta, enacts as follows:

1. That the Chief Administrative Officer is hereby authorized to levy the following rates of taxation on the assessed value of all property as shown on the assessment roll of the Municipal District of Greenview No. 16:

	Tax Levy	Assessment	Tax Rate
General Municipal (without Grande Cache)			
Residential/Farmland	2,033,476	753,139,390	2.7000
Non-Residential	89,582,352	11,443,836,440	7.8280
General Municipal (Grande Cache only)			
Residential/Farmland	2,066,053	267,901,110	7.7120
Non-Residential	866,575	110,701,910	7.8280

**Grande Cache Properties
Special Tax (Borrowing)**

**Residential/Farmland
Non-Residential**

345,057	267,901,110	1.2880
142,584	110,701,910	1.2880

ASFF

**Residential/Farm land
Non-residential**

2,485,551	991,325,889	2.5073
20,994,897	6,636,813,795	3.1634

Opted-Out School Boards

**Residential/Farm land
Non-residential**

74,503	29,714,611	2.5073
983	310,710	3.1634

Requisition Allowance

100,000	6,673,089,400	0.0150

Seniors Foundation

1,530,474	12,575,578,850	0.1217

Designated Industrial Properties

877,791	11,170,109,000	0.0786

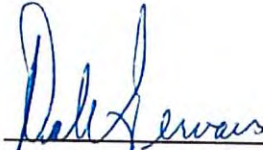
2. The minimum amount payable as property tax for general municipal purposes shall be \$20.00.
 - a) Non-Residential Municipal taxes are due and payable on June 30th
 - b) Residential/Farmland Municipal taxes are due and payable on November 15th.
3. In the event of any current taxes remaining unpaid for Non-Residential after June 30th of the current year, there shall be levied a penalty of 8%.
4. In the event of any current taxes remaining unpaid for Residential/Farmland after November 15th of the current year, there shall be levied a penalty of 8%.
 - a) In the event of any taxes of Non-Residential and Residential/Farmland after December 31st, in the current year, there shall be levied a penalty of 10% on January 1st
 - b) In the event of any arrears of taxes of Non-Residential and Residential/Farmland remaining unpaid after December 31st, in the succeeding year, there shall be levied a penalty of 18% on January 1st, and in each succeeding year thereafter, so long as the taxes remain unpaid.

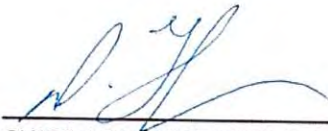
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5. If any portion of this bylaw is declared invalid by a court of competent jurisdiction, then the invalid Portion must be severed and the remainder of the bylaw is deemed valid.
 6. This Bylaw shall come into force and effect upon the day of the third and final reading.

Read a first time this 25th day of March, A.D., 2019.

Read a second time this 25th day of March, A.D., 2019.

Read a third time and passed this 8th day of April, A.D., 2019.



REEVE

CHIEF ADMINISTRATIVE OFFICER



REQUEST FOR DECISION

SUBJECT: **Development Permit Application in a Direct Control District**
SUBMISSION TO: REGULAR COUNCIL MEETING REVIEWED AND APPROVED FOR SUBMISSION
MEETING DATE: July 22, 2019 CAO: DT MANAGER: SR
DEPARTMENT: PLANNING & DEVELOPMENT GM: RA PRESENTER: PL
STRATEGIC PLAN: Development

RELEVANT LEGISLATION:

Provincial (cite) – Municipal Government Act, RSA 2000, M-26, Section 641(2)

Council Bylaw/Policy (cite) – Grande Cache Land Use Bylaw No. 799 Part Eight – Section 32.0; Grande Cache Business Licence Bylaw No. 787

RECOMMENDED ACTION:

MOTION: That Council approve development permit application D19-204 for an equipment rental business to operate in the Direct Control DC District located at Lot 12; Block 38; Plan 042 5086; 9807 Hoppe Avenue, Grande Cache, subject to the conditions listed in Appendix A.

BACKGROUND/PROPOSAL:

A development permit application was received for a business licence to operate an equipment rental business located at Lot 12; Block 38; Plan 042 5086; 9807 Hoppe Avenue, Grande Cache. Before granting a business licence, the Grande Cache Business Licence Bylaw No. 787 requires that the applicant hold a valid development permit where required by the Land Use Bylaw for such a business.

The business will operate in an existing industrial building of which the use was an automotive repair shop. This building has been vacant for a number of years and the applicants have put in an offer to purchase the property. They are applying for the business licence to operate an equipment rental business. The surrounding businesses are zoned as Highway Corridor Commercial (C-2), and Commercial and Industrial Service (C-3). The Highway Corridor Commercial district lists equipment rental establishments as a Discretionary Uses – Development Officer, while the Commercial and Industrial Service district lists these developments as Permitted Uses.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is a new commercial/industrial business will be able to operate in Grande Cache and provide equipment rentals to the residents and businesses of Grande Cache.
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DISADVANTAGES OF THE RECOMMENDED ACTION:

1. The disadvantage of Council accepting the recommended motion is that it may conflict with the previous plans for this area which led to the Direct Control District (DC) designation.
-

ALTERNATIVES CONSIDERED:

Alternative #1: Greenview Council has the alternative not to accept this motion; however, Administration does not recommend this action because it could deter potential businesses looking to operate in Grande Cache.

Alternative #2: Greenview Council may make additional recommendations or amendments to the motion.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

There are no follow up actions to the recommended motion.

ATTACHMENT(S):

1. Appendix A – Development Permit Conditions
2. Grande Cache Land Use Bylaw Part Eight S. 32.0
3. Grande Cache Business Licence Bylaw 787 s. 5.0
4. Grande Cache Land Use District Zoning Map
5. MDP Appendix Map
6. Highway Corridor Commercial C-2 District
7. Commercial and Industrial Service C-3 District

D19-204 Development Permit Conditions

1. All Development must conform to the conditions of this development permit and the approved plans and any revisions as required pursuant to this Approval. Any subsequent changes, amendments, or additions to this development permit shall require a new development permit application, including but not limited to an expansion or intensification of the use.
2. Prior to construction or commencement of any development, it is the responsibility of the applicant to ensure they obtain Building, Gas, Plumbing and Electrical Permits, if required, from an accredited agency for Alberta Safety Codes Authority. Please be aware that these permits are required in accordance with the Safety Codes Act of Alberta.
3. This permit indicates that only the development to which it relates is authorized pursuant to the provisions of the Land Use Bylaw. Compliance with the provisions of Land Use Bylaw 799 does not exempt the applicant from compliance with any provincial, federal or other municipal legislation.
4. The entire site and all buildings shall be maintained in a neat and tidy manner to the satisfaction of the Development Authority. This shall include the trimming and upkeep of landscaped areas and the removal of debris and unsightly objects.

32.0 **Direct Control DC District**

32.1. **Purpose**

The purpose of this District is to enable a comprehensively planned development on a site in this District to be reviewed and decided upon directly by the Council. All development must be in conformity with all applicable Area Structure Plans, Area Redevelopment Plans, and the Municipal Development Plan.

This District may be applied to a site where a comprehensive, integrated development is anticipated and the Council feels added flexibility and control, as well as standards not found in conventional Land Use Districts are desired; or where a detailed Area Structure Plan or Area Redevelopment Plan for an area is under preparation, and the Council requires control over the area in the interim between the commencement and the completion of the Plan development exercise

32.2. **Uses**

As determined by Council pursuant to Section 32.1.

32.3. **Development Regulations**

- 1.1. All site regulations shall be at the discretion of the Council, acting as Subdivision and/or Development Authority.
- 1.2. The Council may apply conditions of subdivision or development approval it considers necessary.
- 1.3. For any use approved by Council under this Section, Council delegates future accessory development to the discretion of the Development Officer, who may apply such conditions of approval to an accessory development as considered necessary. The Development Officer may refer such applications to the Municipal Planning Commission.

- 3.2 Further to Section 4.1, any advertising of a business carried on or operating within the Town of Grande Cache shall be considered proof of the fact that a person is carrying on or operating a business.
- 3.3 Any person who carries on or operates a business at more than one premise shall obtain a separate Business Licence for each premise.

4.0 EXEMPTION FROM LICENCING REQUIREMENTS

- 4.1 The following organizations and operations do not require a Business Licence:

- a) Any person under 18 years of age providing individual light duty occasional service such as snow shovelling, babysitting, yard work, or newspaper delivery;
- b) A vendor of goods only as part of the activities of a Farmer's Market as regulated by the Province of Alberta;
- c) The following persons may carry on or operate a business in the Town of Grande Cache without a Business Licence:
 - i) the Crown in right of Alberta;
 - ii) the Crown in right of Canada;
 - iii) a Crown Corporation;
 - iv) the Town of Grande Cache; or
 - v) a person whose business is expressly exempted from the requirement of a Business Licence by a statute of the Legislature of Alberta or Parliament of Canada.

If only part of a business is covered by an exemption under this subsection, the person who carries on or operates the business must comply with this bylaw in respect of any part of the business that is not exempt.

- d) A non-resident business that supplies bulk goods for the purpose of resale to a resident business that holds a valid Business Licence.
- e) The Business Licence Inspector may, upon receipt of proof, waive a Business Licence fee upon receipt of an application for a fee waiver by a charity or non-profit organization that wishes to carry out fundraising activities. A vendor carrying on business as part of the fundraising activities is deemed to be included under the Business Licence obtained by the charity or non-profit organization provided the vendor is listed on the Business Licence obtained by the charity or non-profit organization. This does not apply to vendors carrying on business as part of a special event as defined in Section 1.2 (z).

5.0 PREREQUISITES FOR A BUSINESS LICENCE

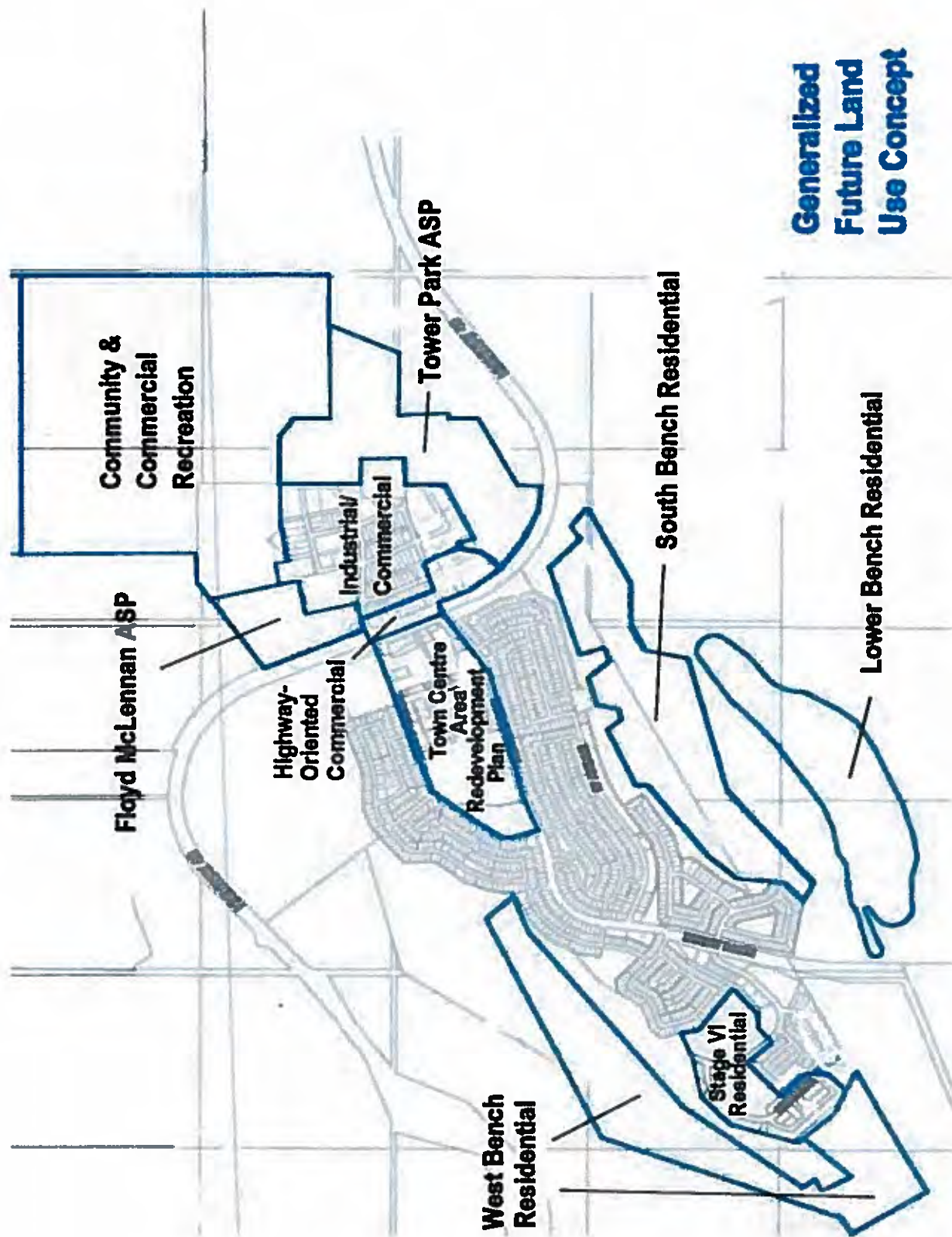
- 5.1 No business Licence shall be granted unless the applicant holds a valid development permit where required by the Land Use Bylaw for such a business.
- 5.2 No Business Licence shall be granted if the applicant fails to comply with any other bylaws of the municipality, or any laws of the Government of Alberta or the Government of Canada, that are relevant to the business in question.
- 5.3 When a required fee has been paid by cheque, the Business Licence is issued subject to it being cleared by the bank in question, and is automatically revoked if the cheque is returned by the applicant's bank for any reason.

Chair Initial



CAO Initial





23.0 Highway Corridor Commercial C-2 District**23.1. Purpose**

The purpose of this District is to provide a variety of goods and services, predominantly those which are travel-oriented, to the community and the surrounding region. Where this District applies to lands within the Urban Village of the Tower Park Area Structure Plan (ASP), as amended, any land uses indicated on Figure-8 or stipulated in the policies of Section 5 that can be inferred to be permitted uses, are considered to be permitted uses for the purposes of this District. All land uses indicated on Figure-8 or stipulated in the policies of Section 5 of the ASP that can be inferred to be discretionary uses, are considered to be discretionary uses to be decided by the Development Officer for the purposes of this District. As per Part Two, Section 10.8 of this Bylaw, the Development Officer may refer an application to the Municipal Planning Commission for decision.

23.2. Permitted and Discretionary Uses

1.1. <u>Permitted Uses</u>	1.2. <u>Discretionary Uses – Development Officer</u>	1.3. <u>Discretionary Uses – Municipal Planning Commission</u>
Automotive and minor RV sales/rental establishments. Car washes. Drive-through businesses. Essential Service. Fitness and wellness facility. Gas bars. Hotels / Motels. Public parks. Restaurants. Retail stores – Convenience. Truck and recreational vehicle sales/rentals establishments. Buildings and uses accessory to permitted uses.	Alcohol sales. Automotive and equipment repair shops. Cannabis sales. Equipment rental. Fleet services. Licenced drinking establishments. Personal service shops. Public uses. Public utilities. Recreational facilities. Service stations. Surveillance suites. Temporary uses. Warehouse sales establishments. Buildings and uses accessory to discretionary uses.	Casinos and gaming establishments. Mixed-use developments.

23.3. Subdivision Regulations

Minimum site area and dimensions shall be at the discretion of the Subdivision Authority or Development Authority, as the case may be, who, in making their determination, shall consider internal traffic circulation, off-street parking and loading, landscaping, on-site storage, adjacent land uses and the required building setbacks.

23.4. Development Regulations

Maximum site coverage	50%
Maximum floor area ratio	1.0
Minimum required front yard	7.6 m (24.9 ft.)
Minimum required side yard	10% of site width or 4.5 m (14.8 ft.), whichever is less.
Minimum required rear yard	7.6 m (24.9 ft.) adjacent to a Residential District; or 6.1 m (20.0 ft.) at the level of the first storey of the development. Upper storeys of a development may extend to the rear line except in a site abutting a Residential District.
Minimum yards from a highway	15.2 m (50 ft.) notwithstanding any minimum yard requirements hereof.
Maximum building height	15.85 m (52.0 ft.) or four storeys, whichever is less.

1.1. Application Requirements

In addition to Part Two, Sections 5.0 – 9.0, an application for a development permit must also be accompanied by diagrams illustrating how the proposed development will be integrated with existing adjacent developments by showing length of yards, building heights, elevations, colours, and building materials, among other related matters, all to the satisfaction of the Development Authority.

1.2. Site and Architectural Appearance

Without limiting the applicability of any other provision of this Bylaw, the Development Authority shall, in reviewing an application for a development permit, pay particular attention to Part Three, Sections 21.0 – 26.0; specifically that any proposed development shall be in conformity with the Municipal Development Plan and any other plan or document approved by Council relating to site and architectural appearance.

1.3. Landscaping and Screening

- i. When a commercial use is proposed adjacent to a Residential District, a landscaped buffer shall be provided on the site of the commercial use between the commercial use and the Residential District in accordance with Part Three, Sections 19.8 – 19.10.
- ii. All rooftop mechanical, heating, ventilation, and air conditioning units, elevator housing, and other similar equipment shall be screened from street level or be incorporated within the building design.
- iii. All utility boxes shall be placed in inconspicuous locations, or be screened from adjacent sites and roads to the satisfaction of the Development Authority. Such screening may include fences, hedges, and/or other landscaping.

1.4. Lighting

All outdoor lighting fixtures shall be of a design and style that complement building design and are consistent with the purpose of the C-2 District and its proximity to Highway 40; providing safety, security, and visual interest.

1.5. Upkeep of Site

The entire site and all buildings shall be maintained in a neat and tidy manner to the satisfaction of the Development Authority. This shall include the trimming and upkeep of landscaped areas and the removal of debris and unsightly objects.

24.0 **Commercial and Industrial Service C-3 District**

24.1. **Purpose**

This land use district is generally intended to provide for a wide variety of service oriented commercial outlets, which require larger tracts of land for outside storage and display of goods and services, at lower densities than would be found under the C-1 District. This land use district is also generally intended to establish an area of light industrial uses as well as those commercial uses which provide service to industrial uses. The uses prescribed in this land use district will not cause any objectionable or dangerous conditions beyond the confines of the building and the site upon which they are located. Storage areas must be screened from the view of the general public beyond the boundary of the site.

Purely retail commercial uses may be allowed on a limited basis in this land use district, with restrictions applying to the amount of floor space, if it can be demonstrated to the satisfaction of the Town that this is the most viable location for the business. It must also be demonstrated such uses can co-exist with surrounding industrial uses. Retail commercial uses which would be more appropriately located in the C-1 District shall not be permitted in this land use district.

Where this District applies to lands within the Business Park of the Tower Park Area Structure Plan (ASP), as amended, any land uses indicated on Figure-9 or stipulated in the policies of Section 5 that can be inferred to be permitted uses, are considered to be permitted uses for the purposes of this District. All land uses indicated on Figure-9 or stipulated in the policies of Section 5 of the ASP that can be inferred to be discretionary uses, are considered to be discretionary uses to be decided by the Development Officer for the purposes of this District. As per Part Two, Section 10.8 of this Bylaw, the Development Officer may refer an application to the Municipal Planning Commission for decision.

24.2. **Permitted and Discretionary Uses**

1.1. <u>Permitted Uses</u>	1.2. <u>Discretionary Uses – Development Officer</u>	1.3. <u>Discretionary Uses – Municipal Planning Commission</u>
Automotive and equipment repair shops.	Amusement establishment - indoor.	Adult entertainment
Automotive and minor RV sales/rental establishments.	Cannabis production facility.	Animal shelters.
Automotive body repair and paint shops.	Contractor services – General.	Establishments.
Business support service establishments.	Drive-through businesses.	Auctioneering establishments.
Car washes.		Bulk fuel and chemical storage.
Commercial schools.		Casinos and gaming establishments.

Contractor services – Limited.	Fitness and wellness facility.	Exhibition and convention facilities.
Equipment rental establishments.	Funeral Home.	Recreational facilities.
Fleet services.	Greenhouses and plant nurseries.	Small animal breeding and boarding.
Gas bars.	Industrial uses – General.	
Household repair services.	Licensed drinking establishments.	
Industrial vehicle and equipment sales/rentals establishments.	Public uses.	
Industrial/commercial office, operations facility and/or admin building.	Recycling depots.	
Office uses.	Restaurants.	
Outdoor storage.	Self-service storage facilities.	
Public parks.	Surveillance suites.	
Public utilities.	Temporary uses.	
Service stations.	Utility Services - major and minor.	
Truck and recreational vehicle sales/rentals establishments.	Veterinary clinics and hospitals.	
Warehouse sales establishments.	Buildings and uses accessory to discretionary uses.	
Buildings and uses accessory to permitted uses.		

24.3. Subdivision Regulations

Minimum site area and dimensions shall be at the discretion of the Subdivision Authority, who, in making their determination, shall consider internal traffic circulation, off-street parking and loading, landscaping, on-site storage, adjacent land uses, and the required building setbacks to accommodate the proposed use; however, site area shall not be less than 0.4 ha (1.0 ac.).

24.4. Development Regulations

Maximum site coverage	60%
Minimum required front and rear yards	6.0 m (19.7 ft.), unless a greater yard is deemed necessary by the Development Authority. No loading, parking, or storage area shall be allowed within the required minimum front yard.

Minimum required side yard	6.0 m (19.7 ft.) if on one side if vehicular access is from the front only, otherwise 3.0 m (9.8 ft.).
Maximum building height	At the discretion of the Development Authority, having regard for adjacent land uses and the required building setbacks.

1.1. Application Requirements

In addition to Part Two, Sections 5.0 – 9.0, an application for a development permit must also be accompanied by diagrams illustrating how the proposed development will be integrated with existing adjacent developments by showing length of yards, building heights, elevations, among other related matters, all to the satisfaction of the Development Authority.

1.2. Site and Architectural Appearance

Without limiting the applicability of any other provision of this Bylaw, the Development Authority shall, in reviewing an application for a development permit, pay particular attention to Part Three, Sections 21.0 – 26.0; specifically that any proposed development shall be in conformity with the Municipal Development Plan and any other plan or document approved by Council relating to site and architectural appearance.

1.3. Landscaping and Screening

- i. All yards within the C-3 District are subject to Part Three, Section 17.3.
- ii. All rooftop mechanical, heating, ventilation, and air conditioning units, elevator housing, and other similar equipment shall be screened from street level or be incorporated within the building design.
- iii. All utility boxes shall be placed in inconspicuous locations, or be screened from adjacent sites and roads to the satisfaction of the Development Authority. Such screening may include fences, hedges, and/or other landscaping.

1.4. Lighting

All outdoor lighting fixtures shall be of a design and style that complement building design and are consistent with the purpose of the C-3 District and its proximity to Highway 40; providing safety, security, and visual interest.

1.5. Upkeep of Site

The entire site and all buildings shall be maintained in a neat and tidy manner to the satisfaction of the Development Authority. This shall include the trimming and upkeep of landscaped areas and the removal of debris and unsightly objects.



REQUEST FOR DECISION

SUBJECT: **2019 Missed Budget Information**
 SUBMISSION TO: REGULAR COUNCIL MEETING
 MEETING DATE: July 22, 2019
 DEPARTMENT: CORPORATE SERVICES
 STRATEGIC PLAN: Level of Service

REVIEWED AND APPROVED FOR SUBMISSION
 CAO: DT
 GM: RO
 MANAGER:
 PRESENTER: WF

RELEVANT LEGISLATION:

Provincial (cite) – Sections 242(1), 245 and 248(1)

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council direct Administration to add an additional \$9,921,115.00 to the 2019 Consolidated Budget with funds to come from the Infrastructure Reserves.

BACKGROUND/PROPOSAL:

During the March 11 budget presentation to Council, the following items were not included in the document provided to Council.

Department & Item	Carryover	2019
Fox Creek Multiplex.	\$4,750,000	\$4,750,000
Grande Cache Fire Dept. PS Building & Ladder Truck		\$3,980,000
Grande Cache Recreation. Admin. Fitness Center & Trails Masterplan		\$197,500
Grande Cache Recreation Aquatics Entrapment Covers, Underwater lighting & Dolphin 300XL Vac		\$25,887
Grande Cache Recreation Facility Center Retaining Wall, Epoxy Coating Facility Floors, Nordic Emergency Backup Pumps, Absorption Tanks, Arena Dressing Rooms Assessment.		\$57,728
Grande Cache Landfill & Recycling Landfill Modifications	\$60,000	\$60,000
Grande Cache Landfill & Recycling Land Purchase	\$60,000	\$60,000
Grande Cache Landfill & Recycling Implement Recycling Centre	\$240,000	\$240,000

Grande Cache Public Works Plow/Sand Truck	\$150,000	\$150,000
Grande Cache Public Works Stair Modifications	\$90,000	\$90,000
Grande Cache Water / Wastewater STP Clarifier & Manhole B Repairs	\$120,000	\$120,000
Grande Cache Water / Wastewater SCADA	\$40,000	\$40,000
Grande Cache Water / Wastewater Raw Water Dispensing Station	\$60,000	\$60,000
Grande Cache Water / Wastewater Sewage Receiving Station	\$90,000	\$90,000
TOTAL	\$5,660,000	\$9,921,115

The first item in the list was a 2018 carryover that Administration missed during the 2019 Consolidated Budget presentation to Council. The other items were included in the Grande Cache Capital budget however, when Administration prepared the Grande Cache capital budget, it reduced the amount of funding needed to cover their projects by the amount of money they expected to receive from Greenview.

The former Town Council had already approved the Grande Cache Capital Budget prior to Grande Cache becoming a hamlet within Greenview.

Administration did not notice the reduction in funding necessary to carry out the projects, prior to submitting the Grande Cache capital budget to Greenview Council for approval. As such, Administration is requesting that Council approve the required funding needed to complete the 2019 Consolidated Budget.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is that Council will have approved the correct amount of funding to complete the Consolidated Budget.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative not to add additional funding to the 2019 Consolidated Budget. Administration does not recommend this alternative because the projects will not be completed.

FINANCIAL IMPLICATION:

Direct Costs: \$9,921,115.00

Ongoing / Future Costs: Any operational cost required to maintain the assets.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will add the additional funding to the 2019 Consolidated Budget, then share the report with applicable managers.

ATTACHMENT(S):

- MGA Sections 242(1), 245 and 248(1)

- (iii) any other entity established under a law of Canada or Alberta for a purpose other than to make a profit.

RSA 2000 cM-26 s241;2015 c8 s33;2016 c24 s19

Budgets

Adoption of operating budget

242(1) Each council must adopt an operating budget for each calendar year.

(2) A council may adopt an interim operating budget for part of a calendar year.

(3) An interim operating budget for a part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.

1994 cM-26.1 s242

Contents of operating budget

243(1) An operating budget must include the estimated amount of each of the following expenditures and transfers:

- (a) the amount needed to provide for the council's policies and programs;
- (b) the amount needed to pay the debt obligations in respect of borrowings made to acquire, construct, remove or improve capital property;
- (b.1) the amount of expenditures and transfers needed to meet the municipality's obligations as a member of a growth management board;
- (c) the amount needed to meet the requisitions or other amounts that the municipality is required to pay under an enactment;
- (c.1) the amount of expenditures and transfers needed to meet the municipality's obligations for services funded under an intermunicipal collaboration framework;
- (d) if necessary, the amount needed to provide for a depreciation or depletion allowance, or both, for its municipal public utilities as defined in section 28;
- (e) the amount to be transferred to reserves;
- (f) the amount to be transferred to the capital budget;
- (g) the amount needed to recover any shortfall as required under section 244.

expenditures to cover the shortfall over more than one calendar year.

(3) If for any given year a municipality has a shortfall referred to in subsection (1), the Minister may, if the Minister considers it necessary to do so, establish that municipality's annual budget for the next calendar year, and that annual budget

- (a) is for all purposes the municipality's annual budget for that calendar year, and
- (b) may not be amended or replaced by council.

RSA 2000 cM-26 s244;2015 c8 s35

Adoption of capital budget

245 Each council must adopt a capital budget for each calendar year.

1994 cM-26.1 s245

Contents of capital budget

246 A capital budget must include the estimated amount for the following:

- (a) the amount needed to acquire, construct, remove or improve capital property;
- (b) the anticipated sources and amounts of money to pay the costs referred to in clause (a);
- (c) the amount to be transferred from the operating budget.

1994 cM-26.1 s246

Tax bylaws

247 No municipality may pass a property tax bylaw or business tax rate bylaw in respect of a year unless the operating and capital budget for that year have been adopted by council or established by the Minister under section 244.

1994 cM-26.1 s247

Expenditure of money

248(1) A municipality may only make an expenditure that is

- (a) included in an operating budget, interim operating budget or capital budget or otherwise authorized by the council,
- (b) for an emergency, or
- (c) legally required to be paid.

(2) Each council must establish procedures to authorize and verify expenditures that are not included in a budget.

(3) If the Minister establishes a budget for a municipality under section 244, the municipality may not make an expenditure that is not included in the budget unless the expenditure is

- (a) authorized by the Minister,
- (b) for an emergency, or
- (c) legally required to be paid.

1994 cM-26.1 s248

Annual budget

248.1(1) A council may adopt an annual budget in a format that is consistent with its financial statements.

(2) For the purposes of sections 247 and 248, the adoption of an annual budget is equivalent to the adoption of an operating budget under section 242 or the adoption of a capital budget under section 245.

2015 c8 s36

Civil liability of councillors

249(1) A councillor who

- (a) makes an expenditure that is not authorized under section 248,
- (b) votes to spend money that has been obtained under a borrowing on something that is not within the purpose for which the money was borrowed, or
- (c) votes to spend money that has been obtained under a grant on something that is not within the purpose for which the grant was given

is liable to the municipality for the expenditure or amount spent.

(2) A councillor is not liable under subsection (1)(b) if spending the money is allowed under section 253(2).

(3) If more than one councillor is liable to the municipality under this section in respect of a particular expenditure or vote, the councillors are jointly and severally liable to the municipality for the expenditure or amount spent.

(4) The liability may be enforced by action by

- (a) the municipality,
- (b) an elector or taxpayer of the municipality, or



REQUEST FOR DECISION

SUBJECT:	Valleyview and Districts Agriculture Society - RCMP Musical Ride		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER:
DEPARTMENT:	COMMUNITY SERVICES	GM: SW	PRESENTER: LM
STRATEGIC PLAN:	Level of Service		

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – Policy #8004 – Community Events and Charitable Donations.

RECOMMENDED ACTION:

MOTION: That Council provide a \$1,000.00 sponsorship to the Valleyview and Districts Agriculture Society to host the RCMP Musical Ride in Valleyview Alberta in 2019, with funds to come from the Community Services Miscellaneous Grants.

BACKGROUND/PROPOSAL:

The Valleyview and Districts Agriculture Society is intending to host the RCMP Musical Ride on August 20, 2019 in Valleyview, Alberta. The requested sponsorship amount is planned to be used to help cover the costs associated with advertising which is estimated to be \$1,800.00. Advertising will include a radio ad, Valleyview Town and Country ad, flyers in the mail, posters, a thank you in the paper and tickets.

The RCMP Musical Ride is performed by a full troop of 32 riders and their horses, consisting of intricate figures and drills choreographed to music. They perform in up to 50 communities across Canada between the months of May and October and help to raise thousands of dollars for local charities and non-profit organizations. The riders act as ambassadors of goodwill who promote the RCMP's image throughout Canada and all over the world, the Musical Ride provides the opportunity to experience the heritage and traditions of the RCMP.

The riders and horses would arrive on August 19, 2019 and will be in Valleyview for four days, part of which is a rest stop until they continue to their next destination. It is also projected for RCMP members and horses to visit the Red Willow Lodge and extended care facility in Valleyview for those who cannot get out to see the performance.

The stables are planned to be open on August 20th for the entire day in order for the public to see the horses and talk to the riders. Beef on a bun and salad are projected to be served prior to and cake and coffee following the ride are to be provided for the riders, supporters, dignitaries, The Valleyview Detachment, volunteers and pre show performers.

In 2010, Greenview awarded the Valleyview and Districts Agricultural Society \$500.00 to help with advertising costs.

The Community Services Miscellaneous Grant fund as of July 21, 2019 is \$461,346.04.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is Greenview would help with promoting the Canada wide tradition as they help raise money for local charities and non-profit organizations.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to deny the recommended motion or provide an alternate sponsorship amount.

FINANCIAL IMPLICATION:

Direct Costs: \$1,000.00

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

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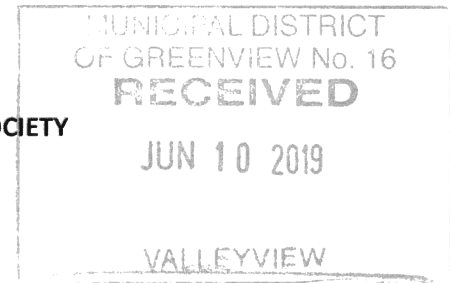
FOLLOW UP ACTIONS:

Following Council's direction administration will follow up with the applicant and inform them of the decision.

ATTACHMENT(S):

- Sponsorship request letter

**VALLEYVIEW & DISTRICTS AGRICULTURAL SOCIETY
BOX 1226
VALLEYVIEW, ALBERTA
T0H 3N0**



June 5, 2019

M.D. of Greenview
Attention: Council Members

We are pleased to announce that we will be hosting the RCMP Musical Ride on August 20th, 2019. This is very exciting news since we have not hosted the ride since 2010 and we are busy making plans for the big event.

The ride coordinator suggested we solicit support to receive the ride. We are looking for a partner to help with the cost of advertising. The estimated cost for advertising is \$1800.00. This includes radio ads, ads in the Valleyview Town & Country, flyers in the mail, posters, a thank you in the paper and tickets. The Riders and Horses will arrive on August 19 and will be at our facility for 4 days part of which is a rest stop until they continue to their next destination. They will perform on the 20th of August.

We are also arranging for a few RCMP members and horses to visit the Red Willow Lodge and Extended care facility in Valleyview for people who cannot get out to see them perform.

On the 20th of August the stables will be open all day to the public for people to come and see the horses and talk to the riders. We will be serving beef on a bun and salad from 4-6. The preshow starts at 6:30 and the ride will go at 7:30. We will also have cake and coffee after the ride for riders, supporters, dignitaries, the Valleyview Detachment, volunteers and pre show performers.

In 2010 you helped as a supporter and we hope you will consider support again this year. All supporters will be recognized in all advertising, on signage and you will receive tickets to the event as well as beef on a bun tickets. We will need a logo for signage to display. Any amount of support would be greatly appreciated.

Thanks for your consideration,
Valleyview & Districts Agricultural Society
JoAnn Clarke
Office Admin



REQUEST FOR DECISION

SUBJECT:	Farm Land Access and Approaches		
SUBMISSION TO:	REGULAR COUNCIL MEETING	REVIEWED AND APPROVED FOR SUBMISSION	
MEETING DATE:	July 22, 2019	CAO: DT	MANAGER: OM
DEPARTMENT:	INFRASTRUCTURE & PLANNING	GM: RA	PRESENTER: RA
STRATEGIC PLAN:	Infrastructure		

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy – Policy #4002 Farmland Access Roads, #4010 Road Access Approaches

RECOMMENDED ACTION:

MOTION: That Council direct Administration to bring forward to the Policy Review Committee Policy 4002 Farmland Access Roads and Policy 4010 Road Access Approaches.

BACKGROUND/PROPOSAL:

Greenview has processes in place to help rate payers access their lands. The procedure includes building a complete roadway access or installing an approach. Issues have been continuously brought to the GM's attention, that what Greenview is building doesn't work in today's environment. The ratepayers are wanting larger approaches and wider roadways.

Currently, as a minimum, Greenview asks for a 20m wide Right Of Way (ROW). This is extremely tight when trying to design a proper roadway and have sufficient ditches. The past has shown that 20m wide ROW's are difficult to maintain (Graveling, mowing, brushing and future upgrades).

Currently, farm land access is being built to a 7m wide gravel surface. The approach is then being built much larger (in excess of 12m) than the approved policy to accommodate large vehicles.

Another issue administration faces is the culvert diameter. Current policy states a minimum 600mm CSP. The access is then being built without knowing runoff potential. The volume of runoff water being directed from some farm fields is overwhelming a 600mm pipe, which is being upgraded to an 800mm CSP or larger at a later date.

Administration is proposing the following conditions to help in future community growth and the demand from the agriculture, forestry and Oil & Gas industries.

1. Farm access roads should be built to Residential standards with an 8m gravel surface top.
2. Approaches should be set as residential (8m gravel surface top) or Industrial (15m gravel surface)
3. The applicant should be responsible to produce a Hydrology assessment, to assist administration in the determining potential runoff and drainage flows.

4. The R.O.W. should be set to a minimum of 30 meters.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of the recommended action is building better infrastructure today for the needs of both residential and industrial activities
2. The benefit of the recommended action would help administration in ordering materials.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. A disadvantage of the recommended action is the added cost to rate payers for a new approach or farm land access request.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to leave things as status quo.

Alternative #2: Council has the alternative to make some changes or suggestions.

FINANCIAL IMPLICATION:

Farm Land Access will cost approximately 15% more, and Approaches will cost approximately 10% more.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

There are no follow up actions to the recommended motion.

ATTACHMENT(S):

- Policy #4002, #4010
- Development Guidelines & Municipal Servicing Standards: 7.3 Farmland Access Design Criteria, 7.3.6 Culverts and Drainage, 7.3.7 Road Approaches

Title: Farmland Access Roads

Policy No: 4002

Approval: Council

Effective Date: February 25, 2014

Supersedes Policy No: (None)



MUNICIPAL DISTRICT OF GREENVIEW NO. 16

"A Great Place to Live, Work and Play"

Policy Statement: The Municipal District of Greenview No. 16 (Greenview) will construct farmland access roads to give access to any cultivated lands, which includes land cleared for grazing, which have no accessible access through a developed/undeveloped Road Allowance(s) and/or any applicant owned adjoining lands.

Purpose: The purpose of the Policy is to provide physical access to cultivated land(s) having no accessibility.

Principles:

1. Greenview will provide an economical form of farmland access for agricultural purposes.
2. Under this policy, Greenview staff will review the submitted application and bring forward a recommendation utilizing a rating system approved by Council.
3. Council will annually consider allocating funds for farmland access roads.
4. In determining a recommendation for Council on which farmland access roads, if any to construct, Greenview staff will review criteria based upon the current application(s).
5. Notwithstanding any recommendation from Greenview staff, Council at all times maintain the authority to determine which roads, if any are to be constructed and in which order.
6. In determining the most economical route for a potential farmland access road, Greenview staff will consider a number of factors including, but not limited to, physical land barriers such as hills, swamps and water bodies, soil conditions and any other man-made constraints such as pipelines, power lines, building and other structures.
7. No farmland access roads will be constructed where there is currently adequate access to the parcel whether through an existing road way or through the applicant's immediately adjacent parcel.
8. If any applications are received after August 1, Council may decide to accept the application in the current year or defer to the following year.
9. Despite anything in this policy, it is recognized and understood that this policy does not replace the necessity to look at individual access circumstances and challenges which must be considered on an individual basis.

Approved: 14.02.97

Title: ROAD ACCESS APPROACHES

Policy No: 4010

Effective Date: January 8, 2018

Motion Number: 18.01.20

Supersedes Policy No: (OP-03)

Review Date:



MUNICIPAL DISTRICT OF GREENVIEW NO. 16

"A Great Place to Live, Work and Play"

Purpose: The revised Road Access Approaches Policy provides further guidelines for administering general approach requests.

DEFINITIONS

Development Guidelines & Municipal Servicing Standards means the design and construction standards establishing the minimum allowable levels to which municipal improvements are to be designed and built.

Schedule of Fees means Bylaw 17-784 outlining the amounts the Municipal District of Greenview No. 16 may charge for the supply of information, goods and services.

POLICY

One access approach per quarter section of land along developed roads will be provided when deemed feasible on the condition that no other approach exists.

1. The Municipal District of Greenview may provide additional approaches to a quarter section if the parcel is severed by a topographical feature that divides the quarter section into smaller parcels.
2. The General Manager of Infrastructure & Planning or his/her designate will determine the size and location of the approach, in consultation with the landowner and in accordance with the Development Guidelines & Municipal Servicing Standards.
3. If a quarter section of land has one existing approach, the applicant may apply to upgrade the approach subject to the cost established by Council in the Schedule of Fees.
4. Upon receipt of a fully completed Greenview approach application and accompanied by a non-refundable Request Fee established in the Schedule of Fees, the General Manager of Infrastructure and Planning or his/her designate may approve the installation of an additional approach on an existing roadway, The approach application fees are established by Council within the Schedule of Fees Bylaw.
5. If an approach is approved and upon payment from the landowner being received, Greenview will construct the new approach as resources and weather permit within a

reasonable time period.

6. The General Manager of Infrastructure and Planning or his/her designate will inform Council annually of all approaches that were undertaken and of all expenditures that occurred.
7. The applicant will enter into a signed agreement with Greenview prior to the installation of the approach by Greenview.
8. The General Manager of Infrastructure and Planning or his/her designate may allow landowners or respective companies to construct temporary approaches, which must be removed within 6 months.
9. All approaches will be under the authority and control of the Municipal District of Greenview, except for temporary approach installations.

7 ROADWAY SYSTEMS

7.1 GENERAL

Roadways in development areas within Greenview shall be developed to either an urban or rural cross-section with either gravel or an asphalt surface. The appropriate roadway classification and design designation shall be determined during the engineering pre-design stages in consultation with Greenview.

The standards outlined herein are intended to be the minimum standards. It is the Developer's responsibility to design and construct roadways to meet or exceed the standards in accordance with good engineering practices, specific site condition requirements and any requirements by the General Manager.

The Developer shall be responsible for quality control testing related to the roadway construction including but not necessarily limited to sieve analysis, densities, mix design, core sampling and concrete testing. Quality control shall be performed by and certified by a qualified material testing firm. A geotechnical investigation is required for all developments and to be submitted to Greenview for approval prior to construction. See Section 1.4: Geotechnical Report.

7.2 ROADWAY CLASSIFICATIONS

7.2.1 General

- All roadways within Greenview other than primary and secondary highways will be considered arterial, collector and/or local roads.
- Roadway classifications and designations in any development area shall generally follow the classification system outlined in the Alberta Transportation – Highway Geometric Design Guide.
- Individual roadway classifications are further based on their functional use as established by Greenview.

7.2.2 Farm Land Access Road

The farmland access road provides access from a Greenview roadway or highway to the farmland.

7.2.3 Local Road (Residential)

Function of the local roads is to provide access to adjacent properties carrying traffic from higher order road to individual land parcels. Local roads are typically low speed and low volume roadways. They connect to other local roadways or collectors.

7.2.4 Collector Road (includes two (2) major and minor)

A collector road is a low-to-moderate capacity road which serves to move traffic from local roads to arterial roads. These roads will often provide access to residential properties. There are two categories:



7.2.4.1 Minor Collector Roads

Minor collector carry relatively smaller volumes of through traffic from local roads (residential, commercial and industrial).

7.2.4.2 Major Collector Roads

Major collectors carry significant volumes of through traffic, with origin and destination points outside the general area to arterials.

7.2.5 Arterial Road

The Arterial Road classification is applicable to a road that collects traffic from both Commercial/Industrial Collectors and/or Residential/Collector roads and directs traffic to a major grid road that connects secondary or primary numbered highways.

7.3 DESIGN CRITERIA

7.3.1 General

The developer is responsible to assess the traffic impact associated with the proposed development. The assessment must include the projected Average Annual Daily Traffic (AADT) over a twenty (20) year design life. Depending on the size and/or location of the development an overall Traffic Impact Assessment (TIA) may be required by Greenview or Alberta Transportation (AT).

Road right-of-way shall be of adequate width to accommodate the roadway surface and the roadside ditches, if applicable, complete with the required sideslopes and backslopes or all facilities relating to a curb and gutter design.

Minimum right-of-way requirements for rural roadways are as follow:

Farmland Access	20 meters
Residential and Industrial Local	30 meters
Minor Collector	40 meters
Major Collector	40 meters
Arterial Road	40 meters

Figure 7.1 highlights the typical cross section for all rural roadways.

Minimum right-of-way requirements and cross section details for urban roadways are shown within Figure 7.2 to 7.7.



Table 7.1 Roadway – Basic Design Parameters

Design Criteria	Residential / Farmland Access	Residential/ Local	Commercial / Industrial Local (Minor)	Residential Collector (Major)	Commercial / Industrial Collector	Arterial Road
Drawing Reference	No. 7.1	No. 7.1 / 7.2	No. 7.1 / 7.2	No. 7.1/7.3/7.4	No. 7.1/7.4/7.5	No. 7.1/7.6/7.7
ADDT	>50	50-150	150-300	<600	TBD	TBD
RURAL SPECIFICATION						
AT Designation Reference	n/a	RLU-208G-60	RLU-209G-90	RLU-209G-90	RLU-210G-90	Varies
R.O.W Requirements (m)	na / 20	30	40	40	40	40 min.
Design Speed (km/hr)	60	60	90	90	90	100/110
Subgrade Width (m)	7.8m / 10.8m	TBD (Geotech.)	TBD (Geotech.)	TBD (Geotech.)	TBD (Geotech.)	TBD (Geotech.)
Finished Surface Width (m)	7.0m min / 10.0m max	8.0m	9.0m min / 10.0m max	9.0m	10.0m	Varies
Min. Radius of Curve (m)	120	120	300	300	300	300
Max. Gradient (%)	8	8	4	6	4	4
Vertical Curve min. "k" Crest	15	35	35	35	35	35
Vertical Curve min. "k" Sag	10	15	15	15	15	15
Sideslope / Backslope	4:1 3:1	4:1 3:1	4:1 3:1	4:1 3:1	4:1 3:1	5:1 4:1
Min. Ditch Grade (%)	0.5	0.5	0.5	0.5	0.5	0.5
Super elevation	n/a	0.02	0.08	0.08	0.08	0.08
Crown	Gravel	4%	4%	4%	4%	4%
	Paved	2.5%	2.5%	2.5%	2.5%	2.5%
	A.S.B.C	3%		3%		N/A

7.3.2 Geometric Design

- Roads shall be designed in accordance with the geometric design standards outlined in the latest edition of the Alberta Transportation's "Geometric Design Guide" and the Transportation Association of Canada (TAC) manual "Geometric Design Standards for Canadian Roads and Streets".
- The design speed selected should relate to the expected operating speed on the road after improvement. It should reflect public expectations and include an allowance for safety. The design speed is typically 10 km/hr higher than the anticipated posted speed limit.



- The roadway design shall be prepared considering the future requirements, economic factors, safety considerations, staging, and other road uses not associated with the development.
- In addition, the designer shall also give due consideration to the soil conditions in the area as derived through geotechnical investigations.

7.3.3 Road Intersections

- The grades at intersections for all roadway classifications shall not exceed 2% for a minimum distance of 30 m, measured from the shoulder edge of the receiving road.
- Flares at intersecting roadway shall have the following minimum radius from shoulder to shoulder:

○ residential access and local	10.0 m
○ residential collector	15.0 m
○ industrial local and collector	15.0 m
- Each intersection shall be designed according to the latest design guidelines (Alberta Transportation). Should there be a difference in requirements compared to the specifications contained within these standards, the more stringent shall apply.
- Refer to Figure 7.9: Design of Intersections for more detail.

7.3.4 Dead-End Roads

- Other than for a temporary solution, dead-end roads shall not be allowed in industrial subdivisions. For the temporary situation refer to Figure 7.11: Temporary Commercial/Industrial Cul-De-Sac.
- In residential subdivisions, all dead-end roads shall be provided with a cul-de-sac or turnaround consistent with the requirements outlined in Figure 7.12: Residential Cul-de-Sac.

7.3.5 Expanded Bulb Corners

- Expanded bulb corners may be used on local roads.

7.3.6 Culverts and Drainage

- Highway and local road ditch and drainage design shall comply with the latest edition of the Highway Geometric Design Guide.
- The minimum allowable ditch grade shall be 0.5%. Ditch grades, in excess of 2.0%, shall be protected against erosion through structures such as rock ditch checks, silt fences, Enviroberm fences, erosion control blankets or straw bale ditch checks. A Typical ditch check installation is illustrated in Figure 7.13: Rock Ditch Check. GeoRidge/Coconut Matting Ditch Check is shown in Figure 7.14.
- The developer shall be responsible for site specific design of sediment erosion control plan and submittal to General Manager for approval in writing.
- The standard ditch bottom width shall be 3 m and design exceptions only when approved by the General Manager in writing. Ditch widths and resultant run-off capacities must meet specific site requirements. Refer to Figures 7.4, 7.7, 7.8, 7.15, 7.22, 7.23



- Culvert size requirements shall be determined through the stormwater drainage analysis; however, the minimum size culverts shall be as follows or approved by the General Manager in writing:
 - Through grade culvert 800 mm
 - Residential approach culvert 600 mm
 - Industrial approach culvert 600 mm
- Culverts shall be new galvanized C.S.P. (corrugated steel pipe) with a minimum wall thickness of 1.6 mm, or as required by the loading criteria.
- All culverts shall be installed in accordance with the manufacturer's recommendations.
- All culverts shall be installed complete with bevelled end sections on both the inlet and outlet ends with the invert extended to the toe of the sideslope.
- Culverts shall be installed to provide a minimum depth of cover of 300 mm or one-half (1/2) the culvert diameter, whichever is greater, as measured from the finished shoulder grade of the roadway to the top of the culvert. A typical culvert installation detail is illustrated in Figure 7.15: Culvert Installation.
- Rip Rap or Turf Reinforcement Mats (TRM) shall be placed around the inlet and outlet of each culvert, extending a minimum of 1 m beyond the ends of the culvert. Rip rap material shall consist of rock ranging in size from 150 mm to 350 mm with 50% of the rock material being larger than 200 mm.
- Typical Rip-Rap requirements for culvert size 500 – 1200 diameter. Rip-Rap methods: rock scourstop and stapled sod details are as per Figure 7.16.

7.3.7 Road Approaches

This sub-section outlines the requirements respecting the design and construction of approaches within subdivision developments.

- Figure 7.17: Approach Locations and Limitations provides standards for the location of approaches for corner or double-fronting lots. Deviations from these standards require approval by the General Manager in writing.
- A typical residential/commercial/industrial lot approach to property line is illustrated in Figure 7.17. A residential approach shall be a minimum of 7 m in width; an industrial lot approach shall be a minimum of 8 m in width; **an agricultural lot approach shall be a minimum of 10 m in width.** Any deviations from these minimum widths require the approval of the General Manager in writing.
- All approaches shall be constructed using the same structure as the adjoining roadways. For roadways with asphalt surfacing, the approaches shall extend:
 - Agricultural – 4 m from road shoulder of adjoining road
 - Residential/Commercial – to property line
 - As illustrated in Figure 7.18: Asphalt Aprons.
- All developments shall require the Developer to construct one (1) approach to each lot, consistent with the standards outlined herein.
- Approaches to industrial/commercial lots are not required to be constructed by the Developer unless the access locations are known; the Owner/Developer of the lot shall be responsible for constructing such approaches, consistent with the standards outlined herein.



- Minimum clearance of approaches must be 1 m from any structure.
- Side slopes are to be 4:1 ratio and backslopes to be 3:1 ratio.

7.3.8 Roadway Surface Finishes

Greenview presently approves two types of roadway surface finishes:

- Graveled surface:
 - Minimum of 2 lifts of 350 m³/Km for 8m wide surface.
 - The surfacing gravel shall be placed in two lifts.
 - Each lift should be watered and compacted with a steel drum or wobbly wheeled packer.
- Asphaltic concrete (hot mix asphalt) pavement surface.

All road structures shall be determined based upon recommendations contained with the geotechnical investigation and considering the design AADT, site specific conditions and minimum requirements as required by Greenview.

Should a gravelled surface be approved, even for an interim period/phase break, the surface gravel shall be a minimum compacted layer of 50 mm depth of 20 mm crushed gravel. All approaches shall be similarly treated. If the period is to be delayed, additional gravel may be needed, as approved by the General Manager in writing.

7.3.9 Concrete Curb and Gutter

- Concrete curb and gutter shall be constructed on all urban cross sections according to the typical cross sections shown in Figures 7.24 & 7.25.
- The vertical face curb and gutter cross section shall be used on all roads fronting public lands such as parks and public utility lots.
- Vertical face curbs shall also be used within the right-of-way when crossing pipelines unless separate vehicle barriers are provided to prevent unauthorized access. Refer to Figure 7.36.
- The rolled faced curb and gutter cross section may be used on all local/residential roadways allowing driveway access.
- Curb returns on all residential street intersections shall have a minimum radius of 10m.
- Curb returns on all commercial/industrial intersections shall have a minimum radius of 15 m and shall be designed to accommodate truck turning movements.
- The minimum gutter grade shall be 0.5% except for cul-de-sac bulbs, curb returns and catch basin approaches, which shall be 0.8%. The 0.5% minimum grade shall be maintained throughout sag vertical curves to avoid the short length at near horizontal grade.
- Curbs shall be constructed using Portland Cement to CSA A3000. Materials, production, delivery, placement and finishing shall conform to CSA A23.1.
- The minimum twenty-eight (28) day compressive strength of concrete shall be 40 MPa. Air entrainment shall be within 6 – 8 % by volume. Concrete testing is required for every 60 m³ of cast in place concrete.





REQUEST FOR DECISION

SUBJECT: **Councillor Expense Claims**
SUBMISSION TO: REGULAR COUNCIL MEETING
MEETING DATE: July 22, 2019
DEPARTMENT: CAO SERVICES
STRATEGIC PLAN: Level of Service

REVIEWED AND APPROVED FOR SUBMISSION
CAO: DT
GM:
MANAGER:
PRESENTER: DT

RELEVANT LEGISLATION:

Provincial (cite) –N/A

Council Bylaw/Policy (cite) –N/A

RECOMMENDED ACTION:

MOTION: That Council direct Administration to add Councillor Expense Claims to future Council Meeting agendas.

BACKGROUND/PROPOSAL:

At the July 8, 2019 Council Meeting, Councillor Dale Gervais provided a Notice of Motion to add Councillor Expense Claims to future Council Meeting Agendas.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council accepting the recommended motion is that Council expenses are open and transparent.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to deny the recommended motion.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will add Council Expense Claims to future Council Meeting Agendas.

ATTACHMENT(S):

- None



REQUEST FOR DECISION

SUBJECT: **Nitehawk Road and Hill Maintenance**
SUBMISSION TO: REGULAR COUNCIL MEETING
MEETING DATE: July 22, 2019
DEPARTMENT: INFRASTRUCTURE & PLANNING
STRATEGIC PLAN: Level of Service

REVIEWED AND APPROVED FOR SUBMISSION
CAO: _____
GM: RA
MANAGER: _____
PRESENTER: RA

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council direct Administration to inform Nitehawk that their road and hill maintenance costs will not be funded by Greenview.

BACKGROUND/PROPOSAL:

Nitehawk is a private company and not owned by the MD of Greenview. Currently, the MD of Greenview was performing road maintenance (roadway gravel, grading, and calcium) and grass mowing (roadside mowing and mowing of ski runways) for Nitehawk at a large expense to rate payers. The approximate cost for 2018's maintenance is outlined below:

2018 Nitehawk Ski Hill Maintenance Expenses

3 Mowing Tractors and Operators @ \$100.00/hour x 15 hours	\$4,500.00
1 Service Truck @ \$170.00/day x 2 =	\$340.00
Fuel @ 150 litres/day x 3 tractors = 450 litres x \$0.85 =	\$382.50
Grader	\$3,434.00
Gravel	\$2,518.00
Calcium	\$4,697.50
Mower blades and misc. repairs	????
2018 Total Expenses	\$15,872.00

Maintaining the roads and hill at Nitehawk without a contract is not consistent with the policy or practices between the MD of Greenview and other private businesses.

Administration proposes that Greenview does not assist Nitehawk in the above maintenance.

BENEFITS OF THE RECOMMENDED ACTION:

1. A benefit to the recommended action is transparency and openness with rate payers.
-

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no disadvantages to the recommended motion.
-

ALTERNATIVES CONSIDERED:

Alternative #1: That Council direct Administration to encourage Nitehawk to apply for grant funding from the MD of Greenview for the purpose of maintaining their roads and ski hill.

Alternative #2: That Council directs Administration to continue the annual maintenance of the road and hills at Nitehawk. Administration does not recommend this alternative due to the precedent it sets with other private businesses who would also benefit from Greenview's maintenance services at no cost.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will follow up with Nitehawk after Council's decision.

ATTACHMENT(S):

- None



REQUEST FOR DECISION

SUBJECT: **DeBolt Seniors Housing**
SUBMISSION TO: REGULAR COUNCIL MEETING
MEETING DATE: July 22, 2019
DEPARTMENT: COMMUNITY SERVICES
STRATEGIC PLAN: Quality of Life

REVIEWED AND APPROVED FOR SUBMISSION
CAO: DT
GM: SW
MANAGER:
PRESENTER: SW

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council approve a grant in the amount of \$468,000.00 to Grande Spirit Foundation for the development of infrastructure services on NW12-72-1 W6M to establish seniors housing in the hamlet of DeBolt, with funds to come from Community Service Budget.

MOTION: That Council authorize Administration to transfer \$468,000.00 from contingency reserves to Community Services Budget for the development of infrastructure services on NW12-72-1 W6M.

BACKGROUND/PROPOSAL:

Located on the bank of DeBolt Creek within the Hamlet of DeBolt, the Edna Stevenson and Laura DeBolt Manor are buildings that are owned by the Alberta Social Housing Corporation and had offered a total of 8 self-contained living accommodation units to seniors. In recent years, after the slide of the creek bank, Alberta Health Services determined that the buildings were located too close to the unstable banks and deemed the units as unsafe to live in, as well as not fiscally prudent to allocate funds to stabilize the deteriorating bank due to the land being privately owned by the Grande Spirit Foundation. The following is a brief timeline of events that have taken place in an effort to remedy the current situation:

- April 2018, the Executive Director, Alberta Seniors and Housing sent correspondence to Greenview suggesting that the Alberta Social Housing Corporation may provide funding to move the aforementioned buildings and repair them in order for residents to move in if Greenview could secure serviced land.
- May 2018, Council authorizes Administration to research and provide a report on land options available to accommodate the existing housing units within the Hamlet of DeBolt.
- August 2018, Administration reports to Council that no land options are available within the Hamlet of DeBolt, however a 2.28 acre parcel that is not formally for sale may be available.
- November 2018, Council directed Administration to pursue the purchase of the 2.28 acre parcel of land for the purpose of establishing seniors' housing units.
- December 2018, Administration completed the purchase of the aforementioned land.

- January 2019, Administration provided a progress report for the relocation of the Edna Stevenson and Laura DeBolt Manor Seniors Housing. Administration completed a preliminary investigation of the buildings to determine their overall condition and if they would survive a move. Administration had determined that although the units required upgrades, the buildings themselves were sound and moving them appeared to be possible, however a moving company would need to confirm the observations.

Administration received a letter from Grande Spirit Foundation indicating that they have completed the acquisition of the two seniors' apartments in DeBolt from the Province. Grande Spirit has engaged review and potential re-establishment of these two building to the new location, the land purchased by Greenview.

The Province has committed and provided funds to assist with the move of the buildings. Grande Spirit Foundation and the Province have reviewed the buildings and the required costs of moving them. The Province has further agreed to maintain operational deficit funding, if required, to ensure the buildings are operational once they are set up.

Grande Spirit Foundation has engaged a consulting engineer to determine the anticipated costs for the preparation/setup of the land (purchased by Greenview) and the buildings, in addition with the planning and development requirements. Greenview Administration has been kept up to date of the progress and potential expectations of Greenview in the reestablishment of the housing units in question.

Grande Spirit Foundation has provided a project cost summary of the items required to proceed with this project. The summary includes infrastructure upgrades for Greenview's consideration along with other costs not covered by other sources.

The Grande Spirit Foundation report includes costs in section 1 in the amount of \$170,500.00 (estimated) for the move of the building that will be covered by the Province. Section 2 of the report, includes the estimated land preparation and services costs in the amount of \$468,000.00 requested from Greenview to setup the building and site. In the event the quad-plexes are required to be brought up to current building code, it is estimated that an additional \$235,000.00 per unit of 4 will be required, which then places the projects feasibility into question.

If Greenview agrees to proceed with the project, Grande Spirit intends to move the building and establish the final set up in 2020.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of the recommended motion is that Greenview will continue to progress towards having seniors housing once again established in the hamlet of DeBolt.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. The disadvantage of the recommended motion is that Greenview will incur considerable costs in the establishment of seniors housing in the hamlet of DeBolt, with limited security of investment.
-

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to not accept the recommended motion and request additional information from Grande Spirit Foundations.

FINANCIAL IMPLICATION:

Direct Costs: \$468,000.00 from Operating Contingency Reserve. The balance in Operating Contingency Reserve as of July 21, 2019 is \$1,878,452.00.

Ongoing / Future Costs: Unknown

STAFFING IMPLICATION:

Staffing implications will include proper financial tracking, site visits and permitting.

PUBLIC ENGAGEMENT LEVEL:

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

Administration will follow up with Grande Spirit Foundation accordingly with Council's decision.

ATTACHMENT(S):

- Grande Spirit Foundation Letter
- Cost Summarization Report



Grande Spirit Foundation

"Providing Affordable Housing to Seniors and Families"

July 12, 2019

Attention: Stacey Wabick
General Manager, Community Services, MD of Greenview
Valleyview Administration Building
Valleyview, AB T0H 3N0

RE: DeBolt Seniors Housing

Dear Mr. Wabick;

Grande Spirit Foundation has completed acquiring of the two seniors' apartments, in DeBolt, from the province, and has engaged review and potential re-establishment of these two buildings to a new location in DeBolt.

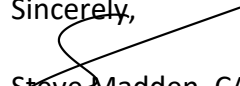
The province has committed and provided funds to assist with the move of the buildings. Grande Spirit Foundation has reviewed the buildings and the required costs of moving the buildings with the province. The province has further agreed to maintain operational deficit funding required, if any required, to ensure the building are operational once they are set up.

We further understand the MD of Greenview has purchased lands with possible consideration for this project, and we have been working directly with you and consulting engineering to assist us to uncover the anticipated costs for the setup, planning and development requirements of the lands and of the buildings (not including move or any renovations) for these new lands.

Attached is a project cost summary of the items required to proceed with this project. In this summary for the MD Greenview's consideration you will note items we had discussed together with you that may require upgrading such as the road and sidewalk infrastructure for this bare land area, along with other costs not covered by other sources.

Please review and let us know if the MD of Greenview would like to proceed with this project as we would like to proceed with moving of the buildings and final set up in 2020. We truly appreciate working with you on this project and look forward to any future decision provided.

Sincerely,


Steve Madden, CAO
Grande Spirit Foundation

cc. Tom Kinderwater, GSF Project Manager

DeBolt Cost Summary, Revision 3, July 12, 2019

The Grande Spirit Foundation forecast cost of \$170k for move only, excludes any costs associated with the Request from Greenview as identified below section 1 (see section 2).

Section 1

- \$18K for initial Project engineering
- \$10k for Project management
- \$60k for move
- \$15k for piling
- \$42k for exterior works
- \$10k for site prep (surface crawl space)
- \$15.5 Contingency @10%

Estimated Total = \$170,500

Section 2 – Estimates from Project Manager/Engineering Consultants

Request from Greenview to cover WORK costs made up of

- \$60k for road/sidewalk
- \$10K for gas
- \$15k for power
- \$80k for water and sewer
- \$25k for services from property line to units
- \$90k for parking sidewalks misc
- \$20k for External lighting
- \$100k for Subdivision inclusive of Geo Tech report.
- \$25 for Landscaping
- \$43k Contingency @10%

Estimated total = \$468,000.00

- In the event the Quadplexes are required to be brought up to current building code it is estimated that an additional \$235k per unit of 4 will be required which then places the projects feasibility into question.
- The move only costs do not cover any renovations or capital replacement requirements that the buildings will require (furnaces, hot water tanks, renovations) to be requested, after future move, from the province.



REQUEST FOR DECISION

SUBJECT: **Advisory Panel Selection**
SUBMISSION TO: REGULAR COUNCIL MEETING
MEETING DATE: July 22, 2019
DEPARTMENT: CAO SERVICES
STRATEGIC PLAN: Level of Service

REVIEWED AND APPROVED FOR SUBMISSION
CAO: _____
GM: _____
MANAGER: _____
PRESENTER: _____

RELEVANT LEGISLATION:

Provincial (cite) – N/A

Council Bylaw/Policy (cite) – N/A

RECOMMENDED ACTION:

MOTION: That Council enter into discussions on the Advisory Panel Selection for the Alberta Energy Regulator.

BACKGROUND/PROPOSAL:

Councillor Tom Burton requested Administration include the attached information to the July 22, 2019 Regular Council Meeting.

BENEFITS OF THE RECOMMENDED ACTION:

1. The benefit of Council entering into discussions on the Advisory Panel Selection for the Alberta Energy Regulator is so that Council is updated on requests from the Alberta Government.

DISADVANTAGES OF THE RECOMMENDED ACTION:

1. There are no perceived disadvantages to the recommended motion.

ALTERNATIVES CONSIDERED:

Alternative #1: Council has the alternative to not enter into discussions around the Advisory Panel Selection for the Alberta Energy Regulator.

FINANCIAL IMPLICATION:

There are no financial implications to the recommended motion.

STAFFING IMPLICATION:

There are no staffing implications to the recommended motion.

PUBLIC ENGAGEMENT LEVEL:

Greenview has adopted the IAP2 Framework for public consultation.

INCREASING LEVEL OF PUBLIC IMPACT

Inform

PUBLIC PARTICIPATION GOAL

Inform - To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

PROMISE TO THE PUBLIC

Inform - We will keep you informed.

FOLLOW UP ACTIONS:

There are no follow up actions to the recommended motion.

ATTACHMENT(S):

- Advisory Panel Selection
- Alberta Energy Regulator
- Directive 056
- Draft Directive
- Draft Directive Comment Form
- Draft Manual
- Mines & Minerals Act

Introduction to the Participant Involvement Advisory Panel

Background

The Participant Involvement Advisory Panel is a multi-stakeholder collaborative group with a mandate to assist the AER to develop enhanced participant involvement requirements for the Integrated Decision Approach (IDA). The panel provides a leading-edge collaborative forum for people from across Alberta, with diverse perspectives and experience in participant involvement, to cooperate in generating well-rounded and practical advice for regulatory development.

Between February and April 2018, panel members will meet regularly to provide their advice on participant involvement requirements to the AER based on their review of input gathered from the IDA PI engagement sessions.

Looking back, the comprehensive process of engagement on IDA PI was launched in January 2017, when AER began meeting with stakeholders and indigenous communities to build awareness about IDA, and to ask people about their interest in and preferred methods for engagement on the topic of participant involvement.

Following this pre-engagement period, from October through December 2017 the AER gathered input across the province on potential new participant involvement processes through a creative combination of engagement events and online portals. Fifteen planned engagement events were held, with specific sessions offered for the general public (8), indigenous and Métis communities (4), and energy development industry operators (3). Following on the heels of the 2017 events, and at the request of various communities and groups, the AER hosted thirteen additional responsive engagement events in January and February 2018.

The feedback from all of the engagement events was captured in summary reports and posted on Talk AER, providing a rich base of input for the Participant Involvement Advisory Panel to build upon in shaping their advice for enhanced participant involvement requirements. In this way, the engagement event input will inform any potential changes to Directive 56, and to participant involvement requirements across the regulatory life cycle, including specified enactments where appropriate.

Advisory Panel Selection

Participant Involvement Advisory Panel members were identified through an open public application process using criteria designed to ensure the panel includes diversity of perspectives, knowledge and experience, geography, demographics and culture. The final make-up of the panel reflects the different audiences that are affected by and have an interest in the IDA PI initiative, and the development of participant involvement requirements for energy development in Alberta.

The selection of panel members followed an inclusive staged process which included:

- notification of opportunity for participation;
- development of selection criteria and application questions;
- submissions of applications;
- scoring, vetting and shortlisting of applications;
- interviews of shortlisted individuals; and
- final selection of panel members.

Initial notifications about the opportunity to participate in the panel were shared with all audiences during the IDA PI engagement events, where sign-up sheets captured the contact details of those interested in further information.

People who indicated interest were sent an Expression of Interest application, with questions based on criteria developed to attract applicants who reflected the key demographics of: landowners, indigenous and Métis communities, energy industries, rural municipalities, and environmental non-government organizations. Applicants were asked to indicate where they live in the province, and to describe their unique combination of interest and content knowledge in relation to participant involvement, their collaborative approach and cross-cultural experience, and their ability to give substantive time to attend panel sessions.

The impressive response to the Expression of Interest yielded 54 applications, which were objectively scored and vetted by a group of AER staff to produce a short-list of 19 people. Each of these people participated in a phone interview with the panel facilitators to share further information, discuss the panel Terms of Reference, and achieve clarity with roles and expectations. Following interviews and offers, 15 panel participants were confirmed.

A critical commitment of panel members is that they each participate as an individual rather than as a representative of any particular group, organization or constituency. In turn, panel members are not expected to share results of panel sessions with or gather feedback from any particular group, organization or constituency. Panel members are committed to bringing their own individual perspectives, knowledge and experience to the discussions, and to review and reflect the feedback from Albertans, and indigenous and Métis communities as provided through the IDA PI engagement events.

IDA PI Advisory Panel Members

- Bryanne Aylward
- Rick Anderson
- Lana Bulger
- Jaymie Campbell
- Michele Del Colle

- Amberly Dooley
- Paul Ferensowicz
- Craig Hallden
- Shane Koss
- Benjamin Misener
- Rick Palmer
- Denise Parsons
- Don C Ratcliff
- Ron Sturgess Sr.
- Clara Wildcat

Disclaimer for Biographies

IDA PI Advisory Panel members have agreed to participate on the panel as individuals, rather than as representatives of a particular sector, organization, municipality, Nation or community group. The contribution of panel members reflects their personal experience, knowledge and perspectives, and cannot be attributed to their community of residence or affiliation, or their place of employment.

Biographies

Bryanne Aylward

Bryanne Aylward was born and raised on a mixed farm in central Alberta where she developed a strong connection with and appreciation for the natural world. Currently, she spends her days working for a conservation land trust and finding ways to make a better world for plants, animals, and people. With a background in environmental consulting, Bryanne recognizes the importance of protecting the environment in the context of a strong and sustainable economy. She believes that the best path forward is through sharing knowledge and bringing together varying viewpoints to create a collective solution.

Rick Anderson

Rick Anderson has a wide range of experience in oil and gas development in this province. His roles have ranged from cowboy to corporate advisor; from community ombudsman to stakeholder group leader; (with lots in between). Years of working on the landscape have instilled strong values around having a sustainable environment and respect for the people that live on the land. Rick believes that effective planning and supporting the ability to make informed decisions are key factors in achieving these objectives. His current focus is on developing and supporting synergistic approaches to how we manage resources on our landscape.

Lana Bulger

Lana Bulger is a third generation rancher in Southwestern Alberta. She and her family have had several oil and gas developers on their property and has experienced firsthand the complexities involved with an operator on her property going into receivership. She is focused on ensuring that landowners are provided with the right information so they can get what they need when an oil and gas representative knocks on their door.

Jaymie Campbell

Based in Grande Cache, Alberta, Jaymie Campbell has spent her career specializing in First Nations consultation in Alberta. Jaymie has developed a strong understanding of how industrial activity and government policy impacts Indigenous communities and how to apply this knowledge when developing policy, and when negotiating and building relationships with industry and government. She has focused on finding innovative ways to include Traditional Knowledge in planning and policy, working to improve effective communication and meaningful consultation practices. Jaymie received two Bachelor Degrees from Lakehead University in 2010 - Honours Bachelor of Outdoor Recreation, Parks and Tourism and Bachelor of Science in Natural Sciences and Biology. She had completed the Certificate of Indigenous Leadership, Governance and Management at the Banff Centre in 2014. Jaymie is Anishinaabe from Curve Lake First Nation in Ontario.

Michele Del Colle

Michele Del Colle works in an advocacy role to ensure that the rights and interests of rural Albertans are recognized, understood and protected. Raised on a grain farm in rural Alberta, Michele brings with her an understanding of the rural lifestyle and a wealth of relevant experience. She has worked for the provincial government, industry and the provincial energy and utility regulators. With land agent training from Olds College and her national Chartered Mediator designation, Michele has skills in conflict resolution, negotiation, facilitation, and stakeholder engagement. She is able to provide information on legislation and policy and advise all stakeholders on their rights and responsibilities. She is enthusiastic to engage with various communities in Alberta and work with affected landowners to help resolve disputes for energy and utility related issues. Michele was recently appointed to a three year term on the Land Agent Advisory Committee (LAAC). She recognizes the importance of assuring land agent licensing qualifications are met, standards for conduct are achieved, and the profession is held to the highest standard.

Amberly Dooley

Amberly Dooley is a Professional Engineer and registered Environmental Professional with over 15 years of experience in the oil and natural gas industry. Amberly has engaged in participant involvement on behalf of industry for numerous projects, including in situ oil sands projects in Alberta, and is able to offer a unique, broad lens perspective on participant involvement. As a member of the Advisory Panel, Amberly will contribute to developing a balanced and comprehensive participant involvement process, while ensuring a flexible and scalable approach to meet the needs of all involved.

Paul Ferenowicz

Paul is a born and raised Calgarian. He has been a regulatory practitioner for nearly thirty years. Paul holds a Master's degree in Political Science. He enjoys biking, international travel, gardening and reading. Experiencing and learning from other cultures is unique and exciting. Paul is very proud of his heritage. He is the recipient of a Presidential Gold Medal of Merit for international cooperation.

Craig Hallden

Craig comes to the IDA PI Advisory Panel as an environmental professional who has worked across a wide range of positions in the energy sector. Craig has been involved in the AER's participant involvement process from varied perspectives over the course of his career and has a desire to see the process adapt to the changing industry, and the growing expectations of Albertans. Craig is keen to support the improvement process and believes now is the time to better understand the needs of Alberta's landowners, and Indigenous communities so that a clear and effective process can be implemented.

Shane Koss

Shane Koss is a Senior Surface Landman with a mid-sized exploration and production company which has a significant oil and gas presence in Western Canada. Shane is an accomplished, performance-driven professional with 22 years of industry experience in surface land, stakeholder relations, regulatory processes, and indigenous relations. He has an established track record of meaningful contributions, corporate representation, and success driven deliverables. As an industry representative and landowner in Alberta, Shane is known for a fair, open-minded and balanced approach to working collaboratively with landowners, Indigenous communities, and stakeholders when developing the province's resources. Shane is looking forward to the opportunity to review the public's feedback and provide transparent recommendations for a streamlined participant involvement process that outlines the full impact of a project to Alberta stakeholders while delivering a level of certainty for all parties involved.

Benjamin Misener

Benjamin Misener is currently the Manager of Land & Environment for a small rural municipality in central Alberta. After graduating from Olds College in 2013 with a diploma in Rural Land Use Planning, he started off as a Development Officer and gradually transitioned to his current position. Benjamin oversees development permits and subdivisions for the County along with managing County owned lands including haying and grazing leases, oil and gas leases, and reserve lands. He is also the Alternative Land Use Services Coordinator. Amongst the many external committees he is involved with are the North Saskatchewan Watershed Alliance, Pembina Area Synergy Group, Pembina Sentinel Airshed Monitoring Society and the Agroforestry & Woodlot Extension Society. These groups have provided the County with an opportunity to connect with landowners and resource operators in an engaging open forum that works towards resolving issues and bringing forward new ideas in an inclusive space.

Rick Palmer

Rick's extended family has farmed/ranched in Southern Alberta since the early 1900's and through this he developed a connection to the land and the environment. Rick works in energy and over his 40+ year career he has been actively involved in the environmental, stakeholder and regulatory disciplines. The first fourteen years were with a provincial energy regulator; the next ten were as a senior consultant in the engineering and construction business both locally and globally; and the last fifteen years have been with a Canadian based multi-national producer. Rick has been involved in all aspects of licensing, engineering design and construction, stakeholder relations (including indigenous communities), private lands/landowners, and health and safety.

Denise Parsons

Denise Parsons is a graduate of the University of Alberta and has been a community engagement practitioner since 2000. She has worked with indigenous communities, the provincial government, resource developers, oil field service companies and regulators in a variety of capacities. Denise promotes the importance of planning and decision-making as informed by the values and inputs of indigenous communities and stakeholders. From her perspective, meaningful engagement supports better decisions and enhances the credibility of organizations.

Don C Ratcliff

Don is an experienced surface land manager/partner and Alberta Licensed Land Agent, employed at a surface and mineral land services consulting firm. Don has over 30 years of experience working in the upstream, downstream, linear transmission, and renewable energy industries. He is skilled in negotiation, stakeholder engagement, First Nation consultation, conflict resolution, and the surface land acquisition process in Western Canada. Don is a strong operational professional with a focus on building positive relationships, exceptional customer service, and bringing excellence to the surface acquisition process.

Ron Sturgess Sr.

A long term resident of the Regional Municipality of Wood Buffalo, Ron calls Anzac, Alberta home. Ron has been engaged in business for more than 25 years, including oil sands developments, as an entrepreneur and small business owner. A graduate of business from NAIT and the University of Alberta Faculty Extension, Ron prides himself on the experience gained in the region. Attending the Banff Centre, where he is enrolled in the Indigenous Leadership program, gives Ron added value in his role as Business Development Administrator for a Metis organization in Alberta. A trapper and longtime land user, Ron stewards to the land and is engaged with youth, sport and community.

Clara Wildcat

Clara Wildcat is a First Nations woman in Alberta. Her formal training is in Archaeology and she has extensive working experience in oil and gas consultation with Treaty First Nations since 2009. She is passionate about treaty rights and the impacts to aboriginal people when it comes to our land and water and how it is going to affect our future generations.

Alberta Energy Regulator launches 60-day review of Participant Involvement Process.

The Alberta Energy Regulator (AER) has released a draft of [Directive XXX - Participant Involvement](#) and is looking for public feedback within the next 60 days. The directive is part of a regulatory framework that seeks to ensure members of the public are informed about proposed and existing energy resource developments and have the opportunity to provide input regarding those developments.

In fall 2017, AER hosted sessions with industry, Albertans, and Indigenous communities to help collect feedback on how they wanted to engage with one another about proposed energy development. Following these sessions, AER established a [Participant Involvement Advisory Panel](#) in February 2018 to help draft enhanced public involvement requirements using the feedback received.

AER recommends interested participants review the [draft manual](#) that provides guidance, context, and examples to help understand the draft directive requirements and expectations.

When finalized, the directive will replace the existing participant involvement requirements in section 3 of [Directive 056: Energy Development Applications and Schedules](#) and section 4 of draft **Directive 023: Oil Sands Project Applications**. It will apply to activities regulated under Part 8 of the *Mines and Minerals Act*.

There are three ways to submit your feedback on the [Draft Directive on Public Involvement Comment Form](#) [Word file]:

- Email Involvement@aer.ca
- Letter to AER's **head office** in Calgary
- Calling AER's customer contact centre at 1-855-297-8311

Directive 056

Release date: October 18, 2018

Effective date: October 18, 2018

Replaces previous edition issued May 1, 2014

Energy Development Applications and Schedules

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Abbreviations

ABSA	Alberta Boilers Safety Association
ADR	alternative dispute resolution
AEP	Alberta Environment and Parks
AER	Alberta Energy Regulator
AOA	area operating agreement
AOF	absolute open flow
AUC	Alberta Utilities Commission
BA	business associate
CAPP	Canadian Association of Petroleum Producers
CBM	coalbed methane
CSA	Canadian Standards Association
DSU	drilling spacing unit
<i>EPEA</i>	<i>Environmental Protection and Enhancement Act</i>
EPZ	emergency planning zone
ERP	emergency response plan
HVP	high vapour pressure
MOP	maximum operating pressure
NIA	noise impact assessment
<i>OGCR</i>	<i>Oil and Gas Conservation Rules</i>

1 Introduction

1.1 Purpose of This Directive

This directive contains the requirements for licence applications to construct or operate facilities, pipelines, or wells as part of petroleum industry energy development.

This directive is incorporated by reference into the *Oil and Gas Conservation Rules* ([OGCR](#)). If a unique situation arises for an energy development proposal not covered in this directive, contact the AER for further direction.

When an applicant files a licence application, it makes a commitment that it understands and will follow the appropriate participant involvement, audit, and technical requirements for energy developments as described throughout *Directive 056*.

While *Directive 056* encompasses the legal requirements of all licensees under the [OGCR](#), the [Pipeline Rules](#), and other regulations stipulated by the AER, approvals, or licences from other government agencies may be required outside the *Directive 056* licensing process.

1.2 AER Requirements

Requirements and recommended practices are numbered sequentially within each section. “Must” indicates a requirement, and “recommends” and “expects” indicate a recommended practice.

- Requirements are those rules that industry has an obligation to meet.
- Expectations represent recommended best practices or guidelines.

1.3 What's New in This Edition

The 2018 edition of *Directive 056* has transformed the directive into a purely technical directive and has removed the procedural instructions on how to file an application. In addition, the participant involvement requirements and audit requirements were consolidated into the appropriate sections under those headings.

This directive is formatted with electronic links to assist users in moving quickly from one section to another, as well as linking to applicable regulations, websites, and publications recommended in the directive.

1.4 How to Use This Directive

- Section 2, “Energy Development Licence Applications,” describes requirements and expectations that apply to all licence application types.

- Section 3, “Participant Involvement,” describes two tiers of personal consultation and notification—required and expected. In addition, this section lists the information an applicant must include as part of its public information package and describes the AER’s suggested process for dealing with outstanding public or industry concerns and objections.
- Section 4, “Application Audit Process,” gives an overview of the audit process and the audit requirements that apply to all applicants.
- Section 5, “Facility Licence Applications,” describes the application procedures specific to applying for a facility licence.
- Section 6, “Pipeline Licence Applications,” describes application procedures specific to applying for a pipeline or pipeline installation licence.
- Section 7, “Well Licence Applications,” describes application procedures specific to applying for a well licence.
- Section 8, “Additional Application Requirements (Special Circumstances),” describes additional application requirements specific to certain areas or circumstances.
- Appendix 1 contains definitions used in the directive.

1.5 Continuous Improvement

The AER gathers information on the efficiency and effectiveness of *Directive 056* and the licence application process through application auditing and data retention activities, as well as by soliciting feedback from stakeholders.

As part of this commitment to continuous improvement, the AER anticipates the evolution of the requirements described in *Directive 056* in order to meet and exceed the needs of all stakeholders.

1.6 *Directive 056* Help

Links to frequently asked questions (FAQs), on-line schedules, and other information about ongoing *Directive 056* initiatives are available on the AER website.

If you have a question not covered in this directive or an FAQ, contact us at 403-297-8311.

2 Energy Development Licence Applications

2.1 Overview

All applicants have the responsibility to understand and comply with legislative and regulatory requirements. The AER continues to work with applicants new to the licensing process or experiencing difficulties.

2.2 Before Filing a Licence Application

There are many factors to consider before filing an energy development licence application. Have all mineral rights been secured? Are there outstanding concerns or objections to the licence application? Are licences or approvals required from other agencies?

- 1) Before filing an energy development licence application with the AER, the applicant must
 - a) obtain an AER BA code from [Petrinex](#) and licensee eligibility from the AER (see [Directive 067: Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals](#); all applicants and consultants must have a BA code);
 - b) retain documentation to support the applicant's participant involvement program, including documentation of contact with or approval from other parties (see section 3 and tables 1–5); and
 - c) retain copies of all design work and other supporting documentation for the application.

2.2.1 Business Associate Codes

BA codes, referred to as AER identification or operator codes in section 21(1) of the *Oil and Gas Conservation Act* ([OGCA](#)), are obtained from [Petrinex](#). The AER cannot consider a licence application unless the applicant and all consultants have a valid BA code and the applicant has obtained licensee eligibility from the AER (see [Directive 067](#)).

2.2.2 Prelicensing Approvals and Waivers

An applicant may seek a prelicensing ruling from the AER for the following components of a well licence application:

- H₂S release rate assessment (section 7.8.15)
- critical well drilling plan waivers [Directive 036: Drilling Blowout Prevention Requirements and Procedures](#) and [IRP Volume 1: Critical Sour Drilling](#))
- surface casing waiver (section 7.8.10; [Directive 008](#))

Other types of waivers for facility, pipeline, and well requirements (e.g., equipment spacing, measurement) are captured through the licence application process.

- 2) When filing an application that has a precensing approval or waiver for surface casing, the applicant must identify so in its application.

If the applicant cannot meet a technical requirement, chooses to apply for a regulatory relaxation, cannot meet all participant involvements, outstanding concerns or objections exist, or the applicant proposes to implement new technology, the applicant must disclose the situation in its application. If there are outstanding concerns or objections to an exempt activity, the activity is no longer exempt from licensing, and an application disclosing the situation must be submitted.

2.3 Applicant Responsibilities

An applicant is responsible for all aspects of application development, including planning the energy development, planning and conducting participant involvement, retaining supporting documents, and submitting the application. Once a licence application is approved by the AER, the company becomes a licensee and bears responsibility for the construction, installation, and safe operation of the facility, pipeline, or well. The licensee is also responsible for decommissioning, dismantling, abandonment, and reclamation.

- 3) An applicant must obtain the appropriate AER licences before starting any site preparation, construction, or operation.

Part 6, sections 11 and 12, of the *Oil and Gas Conservation Act* ([OGCA](#)) and Part 4, section 6, of the [Pipeline Act](#) prohibit any preparatory or incidental operations on private or public lands before the applicant receives a well, facility, or pipeline licence or approval. This includes work such as access road construction; pipe stringing, bending, and welding; and facility equipment installation. Applicants must limit prelease activities to surveying and obtaining soil samples through shovel digs or auger samples no more than 5 to 8 centimetres (cm) in diameter.

- 4) An applicant or licensee is responsible for outcomes of actions conducted on its behalf by contracted personnel.

2.4 Submission Procedures

- 5) Facility, pipeline, and well audit submissions must be submitted electronically to the AER.

2.5 Incomplete Licence Applications

The AER cannot process an incomplete licence application. If an application has minor deficiencies, the AER may notify the applicant and request that corrections be submitted.

In the case of significant deficiencies, the AER will notify the applicant that the application is being closed and why. The applicant may reapply by submitting a new, complete, and accurate energy development licence application.

- 6) Before reapplying, the applicant must assess the need to update its participant involvement program if a delay in filing or potential changes to the scope of the energy development require participant updates.

If the applicant designates a consultant to prepare and file an application on its behalf, the AER may communicate with the consultant during the processing of the application.

2.6 Checking the Status of a Licence Application

An applicant may review the status of its licence application through the AER website.

2.7 AER Licence Application Process

A licence issued under *Directive 056* is a licence to construct and operate a surface facility, pipeline, or well.

Numerous electronic checks are performed to determine the application's acceptability and the path for processing. This may include a preliminary technical screening that helps to identify issues that require further assessment.

Some applications may be set down for a hearing. For information on the AER's hearing process, see [Manual 003: Participant Guide to the Hearing Process](#).

2.8 Application Disposition

The disposition of an application may occur through the application licensing process, as a result of an AER hearing, or because of the applicant's decision not to proceed with the energy development. Application disposition includes

- issuance of a licence by the AER,
- denial of a licence by the AER,
- closure of an application by the AER, and
- withdrawal of an application by the applicant.

3 Participant Involvement

3.1 Overview

“Participant involvement” is an umbrella term encompassing all aspects of public, industry, and regulator interactions and communications. While the three main participant groups in energy development are industry, the public, and the AER, it is recognized that other groups also have a stake in energy development.

While the outcomes of most participant involvement programs are successful, *Directive 056* provides the energy industry with requirements and expectations to assist industry in its participant involvement efforts. Applicants must consider requirements and expectations both in advance of submitting an application for energy development and throughout the life of that development.

Most land in Alberta carries two titles and two sets of rights. The surface title gives the landowner control of the land’s surface and the right to work it. The mineral title gives the company or the person who owns the minerals under the land the right to explore for oil and gas.

Industry is required to develop an effective participant involvement program that includes parties who may be directly and adversely affected by the nature and extent of a proposed application. The development and implementation of this program must occur before filing an application and include distributing the applicant’s information package and the required AER publications; responding to questions and concerns; discussing options, alternatives, and mitigating measures; and seeking confirmation of nonobjection through cooperative efforts. Industry is also expected to be sensitive to the timing constraints on the public (e.g., trapping, planting, harvesting, and calving seasons and statutory holidays).

The public is strongly encouraged to participate in ongoing issue identification, problem solving, and planning with respect to local energy developments. Early involvement in informal discussions with industry may lead to greater influence on project planning and mitigation of impacts. The public is also expected to be sensitive to the timing constraints on the applicant.

Participant involvement does not end with the issuance of a licence; it must continue throughout the life of a project. The development and creation of synergy groups at an early stage of the participant involvement program, especially in highly developed areas, will assist in fostering a collective and amenable approach to energy developments in the area.

All requirements and expectations detailed in this section apply to personal consultation and notification with all potentially directly and adversely affected persons, including First Nations and Métis. These requirements and expectations apply to the licensing of all new energy developments and all modifications to existing energy developments.

The Alberta Government issued [*The Government of Alberta's First Nations Consultation Policy on Land Management and Resource Development*](#) on May 16, 2005. Then in November 2007, to address how consultation with First Nations should occur in relation to certain land management and resource development activities, the government issued [*Alberta's First Nations Consultation Guidelines on Land Management and Resource Development*](#). The consultation required by the guidelines is a process that is separate from the AER consultation requirements, and completion of the consultation guidelines should not be considered as a substitute for, or as completion of, the AER's consultation requirements.

3.2 Planning a Participant Involvement Program

Tables 1–5 set out the category type and the consultation and notification radii for planning a participant involvement program. The radii are the minimum. It is industry's responsibility to assess the area beyond a specified radius to determine if the radius should be expanded. The radius may need to be expanded to include public interest groups or others who have expressed an interest in development in the area.

Local authorities and AEP play an important part in the plan for orderly land use and should be involved at an early stage in planning an energy development and participant involvement program. Additionally, local authorities, AER staff, and the applicant's previous knowledge of the area may help identify needs in the community. Local AER staff are also available to assist in the proactive engagement of stakeholders and resolution of public issues. Project-specific participant involvement requirements are given in sections 3.6 through 3.10.

3.2.1 Who to Include

- 1) The applicant must develop and complete its participant involvement program before filing an energy development application.
- 2) The applicant must ensure that its participant involvement program includes those parties within the radii given in tables 1–5.
- 3) The applicant must include all parties with a direct interest in land, such as landowners, residents, occupants, other affected industry players, local authorities, municipalities, and other parties who have a right to conduct an activity on the land, such as Crown disposition holders.
- 4) The applicant must also include those people that it is aware of who have concerns regardless of whether they are inside or outside the radius of personal consultation and notification indicated in tables 1–5.
- 5) The applicant must allow participants a minimum of 14 calendar days to receive, consider, and respond to notification of the proposed development. The applicant may file an

application before the 14-calendar-day period has ended if certain conditions have been met. Refer to section 3.3.2.

- 6) The applicant is expected to communicate with local residents and other operators and to develop an effective participant involvement program engaging parties at an early stage of planning. The applicant is also encouraged to contact synergy groups.
- 7) The applicant is expected to consult with or to notify other parties that express an interest in the proposed development, whether located inside or outside the radius outlined in tables 1–5, and allow them the opportunity to obtain information specific to the proposed energy development and to understand its possible impacts.
- 8) The applicant is expected to document commitments made and have a process in place to monitor and follow up on commitments.
- 9) The applicant is expected to consider the timing constraints on the public (e.g., planting, harvesting, and calving seasons and statutory holidays).
- 10) The applicant is expected to minimize the cumulative impacts of energy development and to show that they have applied good planning practices with respect to the public and the environment.
- 11) If the proposed development is part of a larger project, the applicant is expected to discuss the entire project and explain how it complements other energy development in the area.
- 12) During the planning of its participant involvement program, the applicant will have assessed its need to reach the broader public and may determine that an information session or public open house meeting is required. When holding broader public meetings or open houses, the applicant must disclose the same project-specific information as it would to those involved in personal consultation and notification. However, information sessions or public open houses may not be a substitute for meeting consultation requirements. Contact the AER for advice on how to best proceed.

In situations where it is intended to test a proposed well by flaring or incinerating gas, the applicants should consider expanding the resident notification to the distances specified in [*Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting*](#) for well test flaring:

- 1.5 kilometres (km) for oil wells,
- 1.5 km for gas wells containing less than 10.0 moles per kilomole (mol/kmol) of hydrogen sulphide (H₂S), and
- 3.0 km for gas wells where the gas contains greater than or equal to 10.0 mol/kmol H₂S.

3.2.2 What Information to Disclose

- 13) Information packages must be developed and distributed to all parties included in the participant involvement program. Information packages are not required for consultation or notification with AEP unless requested.
- 14) The applicant must provide information packages to those persons within the radii given in tables 1–5 and be prepared to discuss the project, if requested, with any person to whom an information package was sent.
- 15) If an area development plan has been developed, it must be distributed to those persons within the radii given in tables 1–5, and the information must be made available upon request from other interested parties.
- 16) The applicant's project-specific information package must provide the specific details of the proposed energy development.
- 17) The applicant must use appropriate language and terminology in the written materials so that the participants can clearly understand the details of the proposed development and the impacts it may have upon them.
- 18) The following details must be included in the applicant's project-specific information package:
 - a) applicant name and contact numbers for further information;
 - b) emergency contact number of the applicant or operator;
 - c) location of proposed energy development;
 - d) a description (category type) of the proposed energy development (e.g., well with no H₂S, CBM well, oil satellite with less than one tonne per day sulphur inlet);
 - e) need for the proposed development and explanation of how it fits with existing and future plans;
 - f) type of substances that will be processed, transported, or drilled for;
 - g) discussion of the presence of H₂S and associated setbacks as detailed in tables 6, 8, and 12;
 - h) discussion of the potential restrictions regarding developing lands adjacent to the proposed development, such as setbacks ([OGCR 2.110](#) and *Subdivision and Development Regulation*; e.g., future surface improvements within 100 m of the wellhead may be subject to county/municipal development restrictions);
 - i) description of proposed on-site equipment;

- j) a description that meets the information requirements in [Directive 060](#) for any continuous flaring, incinerating, or venting;
 - k) potential sources of emissions and odours during normal operating conditions (including trucking operations) and measures to control or eliminate them;
 - l) proposed project schedule for construction and start-up;
 - m) anticipated noise level and description of proposed mitigative measures, if required;
 - n) traffic impacts, including types of vehicular traffic to be expected, duration, frequency, and dust control measures;
 - o) the EPZ (see [Directive 071: Emergency Preparedness and Response Requirements for the Upstream Petroleum Industry](#));
 - p) derrick height (only when notifying private unregistered and unlighted airstrips);
 - q) the list of available AER public information documents and their availability from the applicant:
 - i) the brochure [Understanding Oil and Gas Development in Alberta](#); and
 - ii) all current AER [EnerFAQs](#) publications, as set out on the AER website www.aer.ca.
- 19) If any of the above project details are not applicable to the proposed energy development, the applicant's project-specific information letter must explain why the detail is not applicable.
- 20) The applicant is expected to include any other information that would assist the participant in understanding the proposed development (e.g., soil information, water well testing, maps).

3.2.3 Personal Information

Applicants are reminded of their obligations under the *Personal Information Protection Act* ([PIPA](#)). That includes disclosing the need and purpose for collecting any personal information, the circumstances under which this information will be disclosed, and details regarding the security, retention, and ultimately the destruction of this information. The name of the person to be contacted regarding personal information collection and the company's privacy policy should also be provided, and all of these details should be consistent with the applicant's established privacy policy.

3.3 Implementing the Participant Involvement Program

- 21) The development and implementation of the participant involvement program must occur before filing an application with the AER. This includes
 - distributing project-specific information packages and the AER public information documents;
 - responding to questions and concerns;
 - discussing options, alternatives, and mitigating measures; and
 - seeking confirmation of nonobjection through cooperative efforts.
- 22) The applicant must always close the participant involvement loop, even if the application is withdrawn. This means that all parties included in the participant involvement program must continue to be included in all correspondence and information updates during the development, implementation, and outcome of the proposed project.
 - a) If the scope of the project changes, such as a change to the surface location, the applicant must notify all parties included in the initial consultation program of the proposed change.

If the project change results in the inclusion of new participants, the applicant must meet all participant involvement requirements in regard to the new participants as well.
 - b) The applicant must notify all parties (public and industry) if it has decided not to proceed with the proposed project after having initiated a participant involvement program.
 - c) The applicant must notify all participants (public, industry, and regulatory) when a change in circumstances does not allow previous commitments to be met.
- 23) If the applicant is unable to fulfil all *Directive 056* participant involvement requirements, it must indicate so in its application and demonstrate the efforts made to engage the participants.

3.3.1 Personal Consultation and Confirmation of Nonobjection

- 24) Personal consultation is intended to inform parties of the nature and extent of the proposed application. Questions raised during the discussion of the proposed energy development should alert the applicant to potential concerns and objections. Through discussions, the applicant may be able to confirm nonobjection. If not, the applicant must identify this in its application. The applicant must fulfil the personal consultation and confirmation of nonobjection requirements for the radii in tables 1–5. It is the applicant’s responsibility to determine if the recommended radii need to be expanded for the proposed development.
- 25) The applicant must conduct face-to-face visits or telephone conversations with all identified parties.

- 26) A company representative with full knowledge of the overall plans and direction of future development options must be available to answer questions either in person or by telephone.
- 27) The applicant must use appropriate language and terminology both in conversations and written materials so that the participants can clearly understand the details of the proposed development and the impact it may have upon them.
- 28) The applicant must provide information packages to those persons within the radii given in tables 1–5 and be prepared to discuss the project as necessary.
- 29) The applicant must provide the following information when personal consultation is required:
 - a) the applicant’s project-specific information package,
 - b) the letter from the Chairman of the AER,
 - c) the AER brochure [*Understanding Oil and Gas Development in Alberta*](#),
 - d) the AER publication [*EnerFAQs: Proposed Oil and Gas Development; A Landowner’s Guide*](#),
 - e) the AER publication [*EnerFAQs: Expressing Your Concerns – How to File a Statement of Concern About an Energy Resource Project*](#), and
 - f) any other information that would assist a participant in understanding the proposed development (e.g., soil information, water well testing, maps).
- 30) The applicant must offer the participants copies of other AER [*EnerFAQs*](#) publications that relate to the proposed energy development and document its distribution for audit purposes.
- 31) The required information packages may be distributed during the personal consultation meeting or forwarded later as follow-up. Packages may be forwarded by courier, mail, fax, email, or other means as agreed upon by the parties.
- 32) If the participant does not want a copy of the required information packages, the applicant must document the refusal for audit purposes.
- 33) When confirmation of nonobjection is required, the applicant must ensure that there are no unresolved concerns or objections by obtaining written or verbal confirmation from the participant that they have no objection to the AER issuing a licence for the proposed energy development.
- 34) The applicant must keep a log of the dates that personal consultation and confirmation of nonobjection occurred, when materials were distributed and received, and by whom.

- 35) The applicant is accountable for the outcomes of personal consultation completed on its behalf by contracted personnel. Therefore, the applicant must ensure that individuals conducting personal consultation on its behalf
- a) possess a sound understanding of regulatory requirements and expectations for participant involvement and
 - b) use appropriate language and terminology in the written materials so that the participants can clearly understand the details of the proposed development and the impact it may have upon them.

3.3.2 Notification

Notification differs from personal consultation in that the initial communication may take place through written correspondence rather than through face-to-face or telephone conversations.

Ensuring that participants have received information packages will reduce the possibility of late (post-approval) concerns or objections and requests for regulatory appeal under the *Responsible Energy Development Act*, section 38. Applicants may choose to use registered mail or courier to ensure that the participants receive the information packages or to document attempts made to involve the participants.

- 36) The applicant must fulfil the notification requirements for the radii in tables 1–5. It is the applicant’s responsibility to determine if the recommended radius of notification needs to be expanded for the proposed development.

Notifying Crown disposition holders within the proposed facility site, well site, access road, or pipeline right-of-way is also required. The applicant may exclude Crown disposition holders such as oil and gas industry participants if they are not impacted by setback requirements.

- 37) If the notified party indicates it would prefer personal consultation, a company representative with full knowledge of the overall plans and direction of future development options must be available to answer questions either in person or by telephone.
- 38) The applicant must use appropriate language and terminology in conversations and written materials so that the participants can clearly understand the details of the proposed development and the impact it may have upon them.
- 39) The applicant must provide a copy of its project-specific information package and the letter from the Chairman of the AER and offer the participants copies of
- a) the AER brochure [*Understanding Oil and Gas Development in Alberta*](#),

- b) the AER publication [*EnerFAQs: Proposed Oil and Gas Development; A Landowner's Guide*](#),
 - c) the AER publication [*EnerFAQs: Expressing Your Concerns – How to File a Statement of Concern About an Energy Resource Project*](#), and
 - d) all current AER [*EnerFAQs*](#) publications as set out on the AER website.
- 40) The applicant must allow a minimum of 14 calendar days for the participants to receive, consider, and respond to the notification and be prepared to discuss the project as necessary before submitting an application. This also applies to any project updates that may have been forwarded since the original package was distributed.
- a) If the applicant has fulfilled the personal consultation and confirmation of nonobjection requirements in lieu of the notification requirements, the applicant may file the energy development application once it has completed personal consultation and acquired confirmation of nonobjection.
 - b) If the applicant is aware that an information package was not received by a required party, the applicant must demonstrate its efforts to contact the party.
- 41) The applicant is accountable for the outcome of notification completed on its behalf by contracted personnel. Therefore, the applicant must ensure that individuals conducting notification on its behalf
- a) possess a sound understanding of regulatory requirements and expectations for participant involvement and
 - b) use appropriate language and terminology in the written materials so that the participants can clearly understand the details of the proposed development and the impact it may have upon them.

3.3.3 Extended Absences

In some instances, landowners and residents may be away for extended periods, such as on vacation, or they may reside out of the province.

- 42) When the applicant must personally consult with participants and is unable to do so, the applicant is expected to use courier or registered mail to send letters and information packages.

3.3.4 Addressing Concerns/Objections and Alternative Dispute Resolution

Directive 056 recommends that all applicants address and attempt to resolve concerns and objections before filing the application with the AER.

- 43) At any time during the planning, construction, and operation of a project, the applicant must attempt to address unresolved concerns and objections raised by potentially affected or interested parties, reconcile differences where possible, and obtain confirmation of nonobjection.
- 44) The applicant must attempt to address all questions, concerns, and objections regarding the proposed development before filing and during the review of the energy development application, regardless of whether the party involved is inside or outside the radii given in tables 1–5.

To address unresolved concerns and objections, the applicant may choose to

- meet with objectors and attempt to resolve issues through informal “kitchen table” discussions,
- engage the AER’s ADR program,
- pursue resolution through a more formalized third-party mediation process, or
- request an AER disposition, such as a public hearing; the applicant may request an AER hearing in parallel with the ADR process.

If concerns and objections cannot be resolved and the applicant intends to proceed with the project, the applicant must disclose so in its application.

- 45) The applicant must include a written summary of any unresolved concerns and objections, including a discussion of how the applicant intends to mitigate the concerns and objections raised.
- 46) The applicant and the objector are expected to consider using the AER’s ADR program to mitigate unresolved concerns and objections.

3.3.4.1 Compensation

Matters of compensation are not within the AER’s jurisdiction. If a surface rights agreement is unobtainable from the landowner solely due to compensation issues, the applicant may request that the AER issue the licence to allow the applicant to apply to the Surface Rights Board (SRB) for a right-of-entry order.

- 47) The applicant may proceed with its licence application if the landowner confirms in writing that compensation is the only issue and there are no concerns/objections to the AER issuing a licence, so that the parties may proceed to the SRB.

- 48) If landowner confirmation as described above cannot be obtained or if there are unresolved compensation issues identified by participants other than the surface landowner, the applicant must disclose that in its application.

3.4 Documenting the Participant Involvement Program

It is in the applicant's best interest to understand the audit requirements for participant involvement. The applicant should develop an audit documentation package early and build it throughout the process.

- 49) The applicant must retain communication logs, records of confirmation of nonobjection letters, and registered mail and courier tracking for audit purposes.
- 50) The applicant must retain personal consultation and notification documents for audit purposes.
- 51) The applicant must retain documentation of resolution of concerns and objections that occurred before filing an application.

3.5 Expiry of the Personal Consultation and Notification Program

All facility, pipeline, and well licences issued under this directive typically expire one year from date of issue if not acted on (i.e., if clearing or construction has not begun). If a licence expires, any associated personal consultation and notification also expires.

- 52) If a licence expires and the licensee intends to proceed with the project, the licensee must consult again on the proposed project or be able to demonstrate that personal consultation and notification updates have been conducted.
- 53) A personal consultation and notification program is only valid for one energy development. Therefore, the applicant must initiate a new or updated personal consultation and notification program for additional applications and licence amendment applications.

In some instances the complexity of a project may have required that the personal consultation and notification be initiated well in advance of the licence application being filed.

- 54) The participant involvement program must be current when the application is filed, regardless of when the program was initiated.
- 55) If the personal consultation and notification program is initiated well in advance of the application submission date, the applicant is required to continue personal consultation and notification throughout the application process by providing participants with status updates on the proposed development. Project status updates must be provided if one year has elapsed since the initial consultation.

If the AER determines that the initial communication was incomplete or that the consultation is no longer current, the applicant may be directed to fulfil participant involvement requirements.

- 56) In cases where concerns or objections have been expressed, the applicant is expected to close the participant involvement loop by explaining the outcome of the application to those parties included in the participant involvement program. This should include what will be done next and an explanation of how the applicant will meet any commitments made during the participant involvement process, with an emphasis on ongoing information sharing.
- 57) The applicant must attempt to address concerns and objections and answer questions raised by members of the public, industry, government representatives, First Nations, Métis, and other interested parties throughout the life of a project.

3.6 Additional Participant Involvement Requirements for Facilities

3.6.1 Licence Expiry

- 58) Applicants must conduct full participant involvement work in order to apply to extend the expiry date of a facility licence or a temporary facility licence.
- 59) Before initiating new construction when a licence is nearing expiry, the applicant must conduct a new search for residents and landowners and determine if any new issues may have arisen since the licence was granted.

3.6.2 Licence Extensions

- 60) To get an extended expiry date for an applied-for licence, the applicant must update its participant involvement program before it acts on the licence.
- 61) To get an extended expiry date for an existing licence, the licensee must update its participant involvement program before it acts on the licence.

3.6.3 Consultation and Notification Requirements by Facility

The consultation and notification requirements for each facility are listed in table 1. The category type of facility is dependent on the H₂S and sulphur content of the inlet gas stream.

- 62) The applicant must identify the correct type for the proposed facility project and perform all associated consultations and notifications.

Table 1. Consultation and notification requirements by facility type

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
B	Facilities <0.01 mol/kmol H ₂ S in inlet stream	001	single-well facility	- Landowner and occupants - Residents within 0.3 km	- Local authority - Crown disposition holders
	Facilities <0.01 mol/kmol H ₂ S in inlet stream	010	Gas processing plant	- Landowner and occupants - Residents within 0.5 km	- Crown disposition holders - Local authority - Landowners, occupants, and urban authorities within 1.5 km
		011	Gas fractionation plant		
		020	Gas battery—multiwell		
		030	Oil battery—multiwell		
		031	Bitumen battery—multiwell		
		040	Compressor station		
		070	Oil satellite—multiwell	Landowner and occupants	Crown disposition holders
		071	Bitumen satellite—multiwell		
		080	Custom treating facility	- Landowner and occupants - Residents within 0.5 km	- Crown disposition holders - Local authority - Landowners, occupants, and urban authorities within 1.5 km
		090	Injection/disposal facility—water	- Landowner and occupants - Residents within 0.5 km	- Crown disposition holders - Local authority - Landowners, occupants, and urban authorities within 1.5 km - When H₂S ≥0.1 mol/kmol: - Residents in the EPZ
		091	Injection/disposal facility—enhanced oil recovery		
		200	Straddle plant	- Landowner and occupants - Residents within 0.5 km	- Crown disposition holders - Local authority - Landowners, occupants, and urban authorities within 1.5 km
C	Facilities <1 t/d sulphur inlet	300	Gas processing plant	- Landowner and occupants - Residents within 1.5 km	- Crown disposition holders - Local authorities - Landowners, occupants, and urban authorities within 2.0 km - When H₂S ≥0.1 mol/kmol: - Residents in the EPZ
		301	Gas fractionation plant		
		302	Straddle plant		
		310	Gas battery—single well		
		311	Gas battery—multiwell		
		320	Oil battery—single well		
		321	Oil battery—multiwell		
		330	Bitumen battery—single well		
		331	Bitumen battery—multiwell		
		340	Compressor station		

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
		350	Oil satellite—single or multiwell	Landowner and occupants	- Crown disposition holders When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ
		351	Bitumen satellite—single or multiwell		
D	Facilities >1 t/d sulphur inlet	400	Gas processing plant	- Landowner and occupants - Residents within 1.5 km	- Crown disposition holders - Local authority - Landowners, occupants, and urban authorities within 3.0 km When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ
		401	Gas fractionation plant		
		410	Gas battery—single well		
		411	Gas battery—multiwell		
		420	Oil battery—single well		
		421	Oil battery—multiwell		
		430	Bitumen battery—single well		
		431	Bitumen battery—multiwell		
		440	Compressor station		
		450	Oil satellite—single or multiwell		
		451	Bitumen satellite—single or multiwell	Landowner and occupants	- Crown disposition holders When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ
E	Sulphur recovery facilities	600	Gas processing plant	- Landowner and occupants - Residents within 1.5 km	- Crown disposition holders - Local authority - Landowners, occupants, and urban authorities within 5.0 km When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ

3.6.4 Exempted Activities and Facilities

- 63) Although no application is required under this directive for certain exempted activities and facilities (see sections 5.4.1 and 5.4.3), the company must provide a project-specific information package to landowners, occupants, and residents who may be directly and adversely affected by the activity.

Oil Sands Processing Plants

Stakeholder notification that has been completed as part of a [Directive 023](#) application for a new in situ oil sands project or an amendment to an existing project satisfies the participant involvement requirements for any related *Directive 056* application for facilities within the AER-approved in situ oil sands project area.

3.7 Other Participant Involvement Requirements for Facilities

- 64) The applicant must ensure that participant involvement requirements are met for the radii set out in table 1.
- 65) The applicant must meet the information requirements as part of personal consultation and notification for all facility licence applications.
- 66) For category C, D, and E facilities, the applicant must identify and notify all mineral reserve owners and licensees of existing similar facilities within the recommended radius (see table 2).

The applicant must provide all mineral reserve owners and licensees with a written overview of the proposed facility—including location, type, and design capacities—and the anticipated timing for application submission. The onus is then on these parties to raise any concerns or objections to the proposal with the applicant and the AER.

- 67) For facilities not listed in table 2, the AER does not prescribe a radius for industry notification. Applicants are expected to determine what is a reasonable geographic area for industry notification.
- 68) The AER does not prescribe the area the applicant must investigate. However, the applicant is expected to consider investigation parameters similar to those in table 2 and discuss the proposal with licensees of similar facilities.
- 69) When the applicant notifies other licensees, it must continue to include these licensees in updates during the licensing process (i.e., close the participant involvement loop; see section 3.3).

Table 2. Facility industry notification requirements

Proposed facility	Mineral reserve owners	Facility licensees
New gas processing plant (categories C and D)	5.0 km	15.0 km
Gas processing plant (category E)	5.0 km	15.0 km
Oil and bitumen production facilities (category D)	N/A	2.0 km

3.7.1 Setback Requirements

- 70) The applicant must address the issue of the setback restrictions in table 6 during its participant involvement process.

3.7.2 Noise Requirements

- 71) Applicants must discuss noise matters with area residents during the design, construction, and operating phases of the facility.

3.8 Additional Participant Involvement Requirements for Pipelines

3.8.1 Licence Expiry

- 72) Before initiating new construction when a licence is nearing expiry, the applicant must conduct a new search for residents and landowners and determine if any new issues have arisen since the licence was granted.

3.8.2 Licence Extensions

- 73) To get an extended licence expiry date, an applicant must update its participant involvement program before acting on the licence.

3.8.3 Consultation and Notification Requirements by Pipeline Type

The consultation and notification requirements for pipelines are listed in table 3. The category type of a pipeline is dependent on the pipe diameter and H₂S content of the transported product.

- 74) The applicant must identify the correct type for the proposed pipeline and perform all associated consultations and notifications.

The participant involvement requirements for pipeline activities that require a licence amendment are listed in table 4.

Stakeholder notification that has been completed as part of a [Directive 023](#) application for a new in situ oil sands project or an amendment to an existing project satisfies the participant involvement requirements for any related *Directive 056* application for the associated pipelines within the AER-approved in situ oil sands project area.

3.8.4 Exemptions

- 75) Although no application is required under *Directive 056* for pipelines and activities in section 6.5, the company must provide a project-specific information package to any landowners, occupants, and residents that may be directly and adversely affected by the activity.

Table 3. Consultation and notification requirements by pipeline type

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
B	Pipelines, gas (non-sour service ¹)	100	Natural gas ≤323.9 mm OD	Landowners and occupants of the right-of-way	- Crown disposition holders - Local authorities along the right-of-way - Urban authorities within 1.5 km - For category type B101, B111, and B121, landowners and occupants within 0.2 km When H₂S ≥0.1 mol/kmol: - Residents in the EPZ.
		101	Natural gas >323.9 mm OD		
	Pipelines, oil effluent ² non-sour service ¹	110	Oil effluent ≤323.9 mm OD		
		111	Oil effluent >323.9 mm OD		
	Pipelines, other	120	Other ≤323.9 mm OD		
		121	Other >323.9 mm OD		
	Pipeline downstream facilities	130	Pipeline tank farm	- Landowner and occupants - Residents within 0.5 km	- Crown disposition holders - Local authorities - Landowners, occupants, and urban authorities within 1.5 km When H₂S ≥0.1 mol/kmol: - Residents in the EPZ
		131	Pipeline oil loading or unloading terminal		
		132	Compressor station		
		133	Pump station		
C	Pipelines, gas (sour service but ≤10 mol/kmol H ₂ S ¹)	380	Sour service natural gas ≤323.9 mm OD	Landowners and occupants of the right-of-way	- Crown disposition holders - Local authorities along the right-of-way - Urban authorities within 1.5 km - For category type C381 and C383, landowners and occupants within 0.2 km When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ
		381	Sour service natural gas >323.9 mm OD		
	Pipelines, oil effluent ² sour service ¹)	382	Sour service oil effluent ≤323.9 mm OD		
		383	Sour service oil effluent >323.9 mm OD		
	Pipeline upstream facilities	384	Pipeline line heater	Landowner and occupants	- Crown disposition holders When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
D	Pipelines, gas >10 mol/kmol H ₂ S	452	Level 1 natural gas ≤323.9 mm OD	Landowners and occupants of the right-of-way	- Crown disposition holders - Local authorities along the right-of-way - Landowners, occupants, and residents within 0.5 km - Urban authorities within 1.5 km When H₂S ≥0.1 mol/kmol: - Residents in the EPZ
		453	Level 1 natural gas >323.9 mm OD		
	Pipelines, gas >10 mol/kmol H ₂ S	454	Level 2 natural gas ≤323.9 mm OD	Landowners and occupants of the right-of-way and within 0.1 km setback	- Crown disposition holders - Local authorities along the right-of-way - Landowners, occupants, and residents within 0.5 km - Urban authorities within 2.0 km When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ
		455	Level 2 natural gas >323.9 mm OD		
		461	Level 3 natural gas ≤323.9 mm OD	Landowners and occupants of the right-of-way and within 0.1 km setback	- Crown disposition holders - Local authorities along the right-of-way - Landowners, occupants, and residents within 1.5 km - Urban authorities within 3.0 km When H₂S ≥ 0.1 mol/kmol: - Residents in the EPZ
		462	Level 3 natural gas >323.9 mm OD		
		463	Level 4 natural gas ≤323.9 mm OD	Landowners and occupants of the right-of-way and within 0.1 km setback	Same as Level 3 unless otherwise specified by ERCB
		464	Level 4 natural gas >323.9 mm OD		
	High-vapour-pressure pipelines	530	HVP pipelines	Landowners and occupants of the right-of-way	- Crown disposition holders - Local authorities along the right-of-way - Landowners, occupants, and residents within 0.2 km - Urban authorities within 1.5 km
	Pipeline upstream facilities	531	Pipeline line heater	Landowners and occupants	- Crown disposition holders When H₂S ≥0.1 mol/kmol: - Residents in the EPZ

¹ See clause 16 of [CSA Z662](#) for the definition of sour service.

² A release volume must be calculated for all oil effluent pipelines containing greater than 10 mol/kmol H₂S. Applications for these pipelines must meet the personal consultation, confirmation of nonobjection, and notification requirements for category D pipelines based on the level of the proposed pipeline as defined in table 8.

3.9 Other Participant Involvement Requirements for Pipelines

- 76) The applicant must ensure that the participant involvement requirements are met for participants in the radii given in tables 3 and 4.
- 77) The applicant must meet the information requirements as part of personal consultation and notification for all pipeline licence applications.
- 78) The AER does not prescribe the geographic area the applicant must investigate for industry notification. However, the applicant is expected to discuss the proposal with licensees of similar pipelines.

The applicant is expected to provide interested oil and gas reserve owners and licensees with a written overview of the proposed pipeline. The onus is then on these parties to raise any concerns or objections to the proposal with the applicant and the AER. The AER expects this contact to precede public consultation and notification.

- 79) Applications for oil effluent pipelines containing greater than 10 mol/kmol H₂S must meet the participant involvement requirements for category D pipelines based on the level designation of the pipeline proposed (as defined by table 8) regardless of the applied-for category/type of pipeline.
- 80) In cases of pipeline abandonment and discontinuation where no *Directive 056* licence is required to conduct the operation but the AER must be notified of its occurrence, applicants must advise the AER if any concerns/objections to the abandonment procedure are received.

3.9.1 Participant Involvement Requirements for Pipeline Licence Amendments

The participant involvement requirements for pipeline activities that require a licence amendment are listed in table 4.

3.9.1.1 Pipeline Discontinuation

Industry and public notification is not mandatory for discontinuations.

3.9.1.2 Pipeline Abandonment

- 81) When abandoning a pipeline, the licensee must conduct notification with parties along the entire pipeline right-of-way and those affected by setbacks prior to any abandonment procedures.

3.9.1.3 Partial Pipeline Removals

- 82) When applying for a partial pipeline removal and prior to undertaking any activity, the licensee must conduct notification with parties along the pipeline right-of-way and associated setbacks.

3.9.1.4 Pipeline Resumption

- 83) The licensee must conduct personal consultation and notification if the resumption of a discontinued pipeline in conjunction with other activities results in a change to a category D pipeline.
- 84) When resuming operation of an abandoned pipeline, the licensee must demonstrate compliance with personal consultation, confirmation of nonobjection, and notification requirements for all parties along the entire pipeline right-of-way and those affected by setbacks.

3.9.1.5 Pipeline Removal

- 85) When applying to remove a pipeline and prior to undertaking any activity, the licensee must conduct notification with parties along the pipeline right-of-way and associated setbacks.

3.9.1.6 Surface Pipelines

- 86) A *Directive 056* pipeline application is not required for category B, C, and D surface pipelines in continuous service for less than 21 days for well testing purposes; however, the company must obtain landowner nonobjection.

3.9.1.7 Maximum Operating Pressure Increase

- 87) If the applicant determines that any change in pipeline operation will change either the personal consultation and confirmation of nonobjection and/or the notification requirements, the applicant must initiate consultation and/or notification.

3.9.1.8 Substance Change

- 88) When changing the substance, the applicant/licensee must consider the impact on setbacks and personal consultation and notification and take appropriate mitigative actions to ensure continued compliance.

3.9.1.9 Liner Type

Notification is not mandatory for liner installations or removals.

3.9.1.10 Pipeline Installation

- 89) When applying for a pipeline installation, the applicant must fulfil personal consultation, confirmation of nonobjection, and notification requirements for parties in accordance with table 3.
- 90) Applicants must discuss noise matters with area residents during the design, construction, and operating phases of the pipeline installation.

Table 4. Participant involvement requirements for pipeline and pipeline installation licence amendments

Activity	Participant Involvement
Complete removal (including all crossings)	Notification must occur before filing an application and the removal operation and must include - landowners and occupants of the entire pipeline right-of-way and within the associated setbacks and - residents within the distances specified in table 3 for category D pipelines.
Not constructed	Notification must be provided to - landowners and occupants of the entire pipeline right-of-way and within the associated setbacks and - residents within the distances specified in table 3 for category D pipelines.
Abandonment or partial removal	Notification must occur before the abandonment or partial removal operation and must include - landowners and occupants of the entire pipeline right-of-way and within the associated setbacks and - residents within the distances specified in table 3 for category D pipelines.
Discontinuation	Notification is not mandatory for discontinuations.
H ₂ S change, MOP change, substance change, flow reversal, line split	Notification is not mandatory for these activities. If any of these activities result in the pipeline changing to category D or the setbacks increase, personal consultation with nonobjection and notification must occur before filing an application and commencing operations. This must include - landowners and occupants of the entire pipeline right-of-way and within the associated setbacks and - residents within the distances specified in table 3 for category D pipelines. If any of these activities result in a setback decrease or the setback no longer exists, notification must occur with landowners and occupants of the entire pipeline right-of-way and within the associated setbacks. When the EPZ is affected by the proposed amendment, notification to residents in the EPZ must occur before filing the application.
Resumption of discontinued pipeline	Notification is not mandatory for resumption of a discontinued pipeline. If other activities are conducted in conjunction with the resumption that result in the pipeline changing to category D or the setbacks increase, personal consultation with nonobjection and notification is required before filing the application and commencing operation. This must include - landowners and occupants of the entire pipeline right-of-way and within the associated setbacks and - residents within the distances specified in table 3 for category D pipelines. When the EPZ is affected by the proposed amendment, notification to residents in the EPZ must occur before filing the application.

Activity	Participant Involvement
Resumption of abandoned pipeline or pipeline installations	Personal consultation with confirmation of nonobjection and notification must occur before filing the application and resumption of operation and must include - landowners and occupants of the entire pipeline right-of-way and within the associated setbacks and - residents within the distances specified in table 3 for category D pipelines. When the EPZ is affected by the proposed amendment, notification to residents in the EPZ must occur before filing the application.
Liner installation or removal	Notification is not mandatory for liner installations or removals.

3.10 Additional Participant Involvement Requirements for Wells

3.10.1 Licence Expiry

- 91) Prior to initiating new construction when a licence is nearing expiry, the applicant must conduct a new resident/landowner search and determine if any new issues may have arisen since the licence was granted.

3.10.2 Licence Extensions

- 92) To get an extended expiry date for an applied-for licence, the applicant must update its survey and participant involvement program before it acts on the licence.
- 93) To get an extended expiry date for an existing licence, the licensee must update its survey and participant involvement program before it acts on the licence.

3.10.3 Consultation and Notification Requirements by Well Type

The consultation and notification requirements for wells by type are listed in table 5. The category type of a well is determined by the H₂S content, H₂S release rate, and proximity to the public.

- 94) The applicant must identify the correct category type for the proposed well project and perform all associated consultations and notifications.
- 95) For wells containing H₂S, the applicant must base the category type on the maximum wellhead, cumulative drilling, producing, or completion H₂S release rate. Applicants must review available production data and consider future production operations that may result in a reservoir originally not containing H₂S gas evolving to gas containing H₂S.

Stakeholder notification that has been completed as part of a [Directive 023](#) application for a new in situ oil sands project or an amendment to an existing project satisfies the participant involvement requirements for any related *Directive 056* application for the associated wells within the AER-approved in situ oil sands project area.

Table 5. Consultation and notification requirements by well type

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
B	Wells 0.00 mol/kmol H ₂ S	140	Single well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access - Residents within 0.2 km - Residents within 0.3 km, if single oil wells with 0.0 mol/kmol H₂S and continuous flaring	- Crown disposition holders - Local authorities - Freehold coal rights owner or coal rights lessee - Landowners within 0.1 km - Urban authorities within 1.5 km - Unlighted airports within 1.6 km - Lighted airports within 5 km
		141	Commercial or source water well		
		150	Multiwell pad		
C	Wells >0.00 mol/kmol H ₂ S <0.01 m ³ /s H ₂ S release rate	280	Single well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access	- Crown disposition holders - Local authorities - Freehold coal rights owner or coal rights lessee - Urban authorities within 1.5 km - Unlighted airports within 1.6 km - Lighted airports within 5 km
		290	Multiwell pad		
	Wells ≥0.01 m ³ /s but <0.3 m ³ /s H ₂ S release rate	360	Single well	- Landowners within 0.1 km with regard to setbacks - Residents within 0.2 km or the EPZ radius, whichever is greater	
		370	Multiwell pad		
D	Wells ≥0.3 m ³ /s but <2.0 m ³ /s H ₂ S release rate	570	Single well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access - Landowners within 0.5 km with regard to setbacks - Residents within 0.2 km or the EPZ radius, whichever is greater	- Crown disposition holders - Local authorities - Freehold coal rights owner or coal rights lessee - Urban authorities within 1.5 km - Unlighted airports within 1.6 km - Lighted airports within 5 km
E	Wells ≥2.0 m ³ /s H ₂ S release rate	610	Single well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access - Landowners within 1.5 km with regard to setbacks - Residents, local authorities, and urban authorities within the EPZ	- Crown disposition holders - Freehold coal rights owner or coal rights lessee - Unlighted airports within 1.6 km - Lighted airports within 5 km

Category	Name	Type	Description	Personal consultation and confirmation of nonobjection	Notification
E	Wells ≥ 0.01 but $< 0.1 \text{ m}^3/\text{s}$ release rate and within 0.5 km of urban centre	620	Proximity critical well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access - Landowners within 0.1 km with regard to setbacks - Residents and local authorities within 0.2 km or the EPZ radius, whichever is greater - Urban authorities within 1.5 km	- Crown disposition holders - Freehold coal rights owner or coal rights lessee - Unlighted airports within 1.6 km - Lighted airports within 5 km
	Wells ≥ 0.1 but $< 0.3 \text{ m}^3/\text{s}$ release rate and within 1.5 km of urban centre	621	Proximity critical well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access - Landowners within 0.1 km with regard to setbacks - Residents and local authorities within 0.2 km or the EPZ radius, whichever is greater - Urban authorities within 1.5 km	- Crown disposition holders - Freehold coal rights owner or coal rights lessee - Unlighted airports within 1.6 km - Lighted airports within 5 km
	Wells ≥ 0.3 but $< 2.0 \text{ m}^3/\text{s}$ release rate and well is within 5.0 km of urban centre	622	Proximity critical well	- Landowners and occupants with regard to well-site location - Landowners and occupants with regard to well-site access - Landowners within 0.5 km with regard to setbacks - Residents and local authorities within 0.2 km or the EPZ radius, whichever is greater - Urban authorities within 5.0 km	- Crown disposition holders - Freehold coal rights owner or coal rights lessee - Unlighted airports within 1.6 km - Lighted airports within 5 km

3.10.4 Licence Amendments

- 96) The applicant must be able to demonstrate there are no outstanding concerns or objections to file an application to amend a well licence or disclose that there are outstanding concerns or objections in its application.

3.11 Other Participant Involvement Requirements for Wells

- 97) The applicant must ensure that the participant involvement requirements are met for the radii given in table 5.
 - a) In cases where the completion or producing H₂S release rate is greater than the drilling release rate, the applicant must fulfil the personal consultation and notification requirements applicable to the highest rate.
 - b) The level designation of a well (table 12) must be based on the suspended/producing H₂S release rate. The applicant may choose to fulfil the participant involvement requirements with regard to setbacks using the setback radius for the suspended/producing release rate.
- 98) The applicant must meet the information requirements as part of personal consultation and notification for all well licence applications.

3.10.4.1 Airports

- 99) If the applicant proposes to drill a well within
 - a) 5 km of a lighted (registered or unregistered) airstrip or aerodrome or
 - b) 1.6 km of an unlighted (registered) airstrip or aerodrome,before filing the well licence application, the applicant must advise Transport Canada, using the appropriate Transport Canada drilling rig clearance form.
- 100) If the applicant proposes to drill a well within a 1.6 km radius of a private, unregistered, and unlighted airstrip or aerodrome, the applicant must notify the owner or operator before submitting the well licence application to the AER.

3.10.4.2 Coal Mines

- 101) If the applicant intends to drill through a bed or seam of coal, the applicant must notify in writing all Freehold coal rights owners and the lessees of Freehold or Crown coal rights (unless the applicant is also the holder of the coal rights). This notification must precede the filing of a well application with the AER.

The applicant is not required to notify the Crown regarding coal rights, whether or not the coal rights have been leased.

3.10.4.3 H₂S Release Rate Assessments

- 102) The applicant must conduct an H₂S release rate assessment for each category C, D, or E well to ensure public safety when developing projects containing H₂S gas. The H₂S release rate assessment determines the minimum EPZ for the proposed project and dictates the minimum radius for the applicant's personal consultation and notification program.
- 103) If the producing or completion H₂S release rate is greater than the drilling release rate, the applicant must fulfil the personal consultation and notification requirements applicable to the higher rate.

4 Application Audit Process

4.1 Overview

The AER provides the energy industry with requirements and expectations to assist the applicant or licensee both before submitting an application for energy development and throughout the life of a project. Applicants must meet the requirements outlined in *Directive 056*. Compliance with these requirements will be judged based on the representations that an applicant makes throughout the application process. The purpose of the audit process is to ensure industry's compliance and to identify areas for improvement.

The AER conducts audits both before a licence is issued (e.g., if there are outstanding concerns or objections or to determine if an environmental, safety, or compliance risk exists), or after the licence is issued (to determine whether and how the applicant met regulatory requirements).

Application audits are used to

- identify regulatory noncompliances,
- provide industry with feedback regarding compliant applications and areas for future improvement,
- measure the effectiveness of the application process and provide benchmarks for future improvements, and
- aid regulatory reform and the determination of requirements.

When conducting an audit, the AER relies upon the representations made and documents submitted by the applicant or licensee. The AER does not verify legal or beneficial title. The issuance of a licence or conducting of an AER audit is not to be relied upon by the licensee or third parties as a legal determination or confirmation of entitlement. Audits are conducted for AER internal purposes only.

4.2 Audit Selection

All applications are potential audit candidates. An application may be randomly selected by computer or judgementally selected by the AER based on factors such as category type, public risk, location, and recent applicant compliance history.

4.3 Audit Types

4.3.1 Full or Partial Audit Review

The AER may select an application for a postlicensing audit review and may undertake a full or partial audit of the supporting material.

- 1) When subject to a full audit, the licensee must submit all supporting documentation associated with the application. The licensee must provide additional information to support the audit upon request.
- 2) When subject to a partial audit, the licensee must submit any materials requested by the AER to demonstrate compliance with the portion of the application under review.

4.3.2 Immediate Audit

The AER normally allows 14 calendar days for a licensee to submit the requested audit documentation. However, in certain instances the AER may require an immediate audit (e.g., if participant involvement, mineral rights, or wellbore rights are in question).

- 3) If an immediate audit is conducted, the applicant or licensee must submit the requested audit material within the time set by the AER. This is usually within the same day, but the AER may require the information within hours.

4.3.3 Prelicensing Audit Reviews

- 4) The applicant must submit audit materials when requested.
- 5) If an application may proceed to a hearing, the AER may require that the applicant submit the entire audit package for review.

4.3.4 Link to AER Field Surveillance Inspections

Based on the findings of an application audit review, the AER may conduct a field inspection to confirm that the materials, operations, and commitments match those indicated in the application.

4.4 Audit Documentation

- 6) An applicant must retain copies of all applications and supporting data in the event of an audit. Refer to sections 4.7–4.9 for a list of required audit documentation for facilities, pipelines, and wells.
- 7) The applicant must retain on file all records and audit documentation relating to an application for one year from the date of issue of the corresponding licence.

The AER recommends that all records and audit documentation be kept on file for the life of the project, since exceptional circumstances may require that a review be conducted later in the life of the project.

- 8) The documentation must demonstrate that the supporting materials were developed and compiled during the project planning stage before filing the licence application.

- 9) The applicant must submit the required documentation to the AER within 14 calendar days of a request or as directed by the AER.
- 10) The AER must be able to determine from the audit documents that the applicant fulfilled all requirements to ensure regulatory compliance before filing the application.

4.5 Acquisitions

In cases of corporate property acquisitions or mergers, it is in the company's best interest to obtain all relevant application documentation when it acquires ownership of a facility, pipeline, or well.

- 11) A new owner is expected to assess all newly acquired properties to ensure that the property is operating with the correct *Directive 056* licence.

4.6 Compliance Records

Audit results are managed by the AER. A company wishing information on its compliance record pertaining to *Directive 056* applications must contact the AER.

4.7 Additional Audit Documentation Requirements for Facilities

The following sets out audit documentation requirements for facilities, additional documentation may be required. For licence amendment applications, the licensee may submit only that audit documentation applicable to the amendment activity.

4.7.1 Participant Involvement Requirements

4.7.1.1 Participant Involvement Map Requirements

- 12) The licensee must submit maps that illustrate
 - a) the location of the facility,
 - b) the location of all parties included in the participant involvement program (e.g., residents, similar facilities),
 - c) the area of investigation used in the personal consultation and notification program,
 - d) the location of the nearest surface development,
 - e) the EPZ and location of residents within the calculated EPZ (if applicable), and
 - f) the area of investigation used in the industry notification program (if applicable).

4.7.1.2 Industry Notification Requirements

- 13) The licensee must submit a record of contact with other industry parties that includes
 - a) name, address, and telephone number of all parties contacted;

- b) copies of all related correspondence received;
- c) disclosure meeting minutes, including
 - i) date of meeting,
 - ii) meeting notice or invitation,
 - iii) invitation list, and
 - iv) names, addresses, and telephone numbers of all meeting participants; and
- d) project information presented at meetings or otherwise distributed.

4.7.1.3 Personal Consultation and Notification Requirements

- 14) The applicant must submit a record of the personal consultation and notification program that was conducted.
- 15) The summary must include
 - a) name of each party (e.g., landowner, occupant, resident) included in the personal consultation and notification program,
 - b) legal land description for each party,
 - c) a description of each party's interest in the land (e.g., Crown disposition holder, landowner, resident, facility licensee),
 - d) date and type of contact conducted with each party (e.g., telephone conversation, registered mail, personal meeting),
 - e) date the required AER materials were distributed,
 - f) date the applicant's project-specific information package was distributed,
 - g) date the supplementary [EnerFAQs](#) were provided, and
 - h) date confirmation of nonobjection was obtained.

4.7.1.4 Confirmation of Nonobjection

- 16) The AER does not require that confirmation of nonobjection be in writing. Confirmation of nonobjection may consist of one of the following documents, depending on the nature of the proposed development:
 - a) Freehold lease agreement (Freehold also includes federal lands and provincial Special Areas Board lands)

The licensee must submit a copy of the agreement that confirms the parties involved, the date of agreement, and the location of land involved.

- b) Crown disposition (i.e., signed mineral surface lease, miscellaneous lease, or pipeline installation lease; executed AOA or temporary field authorization)

In the case of an AOA, the licensee must submit copies of the following AOA documents:

- the title page (including the details of the expiry date, company name, and area of operation)
- the sign-off page (including when the agreement was executed)
- geographical map and locations list

For all other Crown dispositions, the licensee must submit a copy of the signed agreement that confirms the parties involved, the date of the agreement, and the location of the land involved.

- c) Signed document that identifies the details of the proposal (e.g., signatory page from the applicant's information package)
- 17) If confirmation of nonobjection is verbal, the licensee must document the name of the party providing verbal nonobjection and the date on which it was obtained.

4.7.1.5 Information Packages

- 18) The licensee must submit a copy of the project-specific information package that was distributed to the parties included in the participant involvement process.

It is not necessary to include a copy of the AER's documents in the audit submission. However, details of its distribution must be included.

4.7.1.6 Resolved Concerns and Objections

- 19) If concerns and objections were received and resolved during the course of the participant involvement program, the licensee must submit
- a) a record and explanation of any concerns and objections received and
 - b) documentation confirming the resolution of any concerns and objections.

4.7.1.7 Sour Gas Planning and Proliferation

- 20) For cases where there are residents located within the EPZ of the facility, the applicant must submit
- a) the assessment of existing infrastructure required by section 8.3.2 and
 - b) the updated expanded project-specific information package as described in section 8.3.2.

4.7.2 Emergency Response Planning

- 21) The licensee must keep a copy of the corporate-level ERP or, where required, the specific ERP on file. It is not required for inclusion in the audit submission.

The licensee must include in the audit submission a statement confirming that it has an approved corporate plan or that a site-specific plan will be approved before starting operations.

4.7.3 Application Category

- 22) For category B facilities, the licensee must submit a gas analysis representative of the inlet stream. See table 1 for facility categories.

4.7.4 Design Criteria

- 23) For all facilities, the licensee must submit a written description of the proposed process scheme and a process-flow diagram.
- 24) For custom treating facilities, the licensee must submit an inlet analysis to determine the percentage of oil, water, and solids.
- 25) For facilities with sources of NO_x and CO₂ emissions, the licensee must submit
- a) a breakdown and total of NO_x and CO₂ emissions for all sources in tonnes per day and kilograms per hour, respectively,
 - b) manufacturer specifications to confirm NO_x and CO₂ emissions, and
 - c) diagrams to demonstrate that exhaust stack height requirements are met if the total NO_x emissions are less than 16 kg/h.
- 26) For facilities with continuous flaring, venting, or incineration, the licensee must submit
- a) a list of all sources and
 - b) the results of the ground-level radiant heat intensity calculation.

4.7.5 Technical Information

4.7.5.1 Equipment Spacing Requirements

- 27) The licensee must submit a site-specific plot plan showing
- a) equipment placement,
 - b) the distances between equipment, and
 - c) the distance from equipment to surface improvements, vegetation, water bodies, and roads (within 100 m of the lease boundary).

- 28) The licensee must state whether emergency shutdown valves are automated or manual control.
- 29) For heavy oil facilities, the licensee must submit a representative oil analysis.

4.7.5.2 Gas Conservation

- 30) For facilities with combined continuous flaring, venting, and incineration greater than 900 m³/d, the licensee must submit the [Directive 060](#) economic evaluation and decision tree analysis. If it is not feasible to complete the conservation evaluation until the well test is completed, the licensee must submit an explanation of related reasons and a description of plans to complete the evaluations after initial production.
- 31) For gas processing plants with continuous flaring or incineration, the licensee must submit documentation indicating that the requirements of [Directive 060](#), section 5.1, have been met.

4.7.5.3 Noise Guidelines

- 32) For all facilities with noise-generating equipment, the licensee must submit a copy of the noise impact assessment prepared in accordance with [Directive 038](#).

4.7.5.4 Storage Requirements

- 33) For facilities where products and materials will be stored on site, the licensee must submit a list of materials that will be stored and a description of the storage method ([Directive 055](#)), including details of
 - a) design and construction,
 - b) leak detection,
 - c) secondary containment,
 - d) weather protection, and
 - e) primary containment type and size.

4.7.5.5 Production Measurement Requirements

- 34) For all facilities, the licensee must submit a list and provide the location of each type of meter proposed for each measurement point.
- 35) For facilities with continuous flaring, venting, and incineration, the licensee must submit documentation to confirm how measurement and estimation procedures meet the requirements of [Directive 060](#).

4.7.5.6 NO_x Emissions

- 36) For facilities where the NO_x emissions are less than 16 kg/h, the licensee must submit documentation or a diagram demonstrating that the stack height for each source is at least 1.2 times the peak building height. If dispersion modelling was conducted, the licensee must submit the following:
- a) documentation that confirms dispersion modelling was conducted in accordance with the [*Air Quality Model Guideline*](#);
 - b) the source parameters, locations, elevations, and NO_x emission rates for all sources;
 - c) predicted maximum ground-level NO₂ concentrations;
 - d) the name of the dispersion model used;
 - e) a description of meteorological data used; and
 - f) a terrain map of the study area.

4.7.5.7 Alberta Environment and Parks Approval and Registration

- 37) For facilities with total NO_x emissions more than 16 kg/h and all category C, D, and E gas plants that remove H₂S using regenerative sweetening processes, the licensee must submit the approval or registration number provided by AEP, if available. If the facility or amendment to the licence has not been registered or approved by AEP, the licensee must submit the following to demonstrate that it will meet the Alberta ambient air quality objectives ([*AAAQOs*](#)) before approval:
- a) documentation that confirms dispersion modelling was conducted in accordance with the [*Air Quality Model Guideline*](#);
 - b) the source parameters, locations, elevations, and NO_x emission rates for all sources;
 - c) predicted maximum ground-level NO₂ concentrations;
 - d) the name of the dispersion model used;
 - e) a description of meteorological data used; and
 - f) a terrain map of the study area.

4.7.5.8 *Historical Resources Act Clearance*

- 38) Where applicable, the licensee must submit documentation showing that it received clearance from Alberta Culture and Tourism before submitting the facility licence application.

4.7.5.9 AER Environmental Requirements

39) The licensee must submit all documentation outlined in [IL 93-09](#), if applicable.

4.7.6 Gas Plants

The following are additional facility audit documentation requirements for gas plants, additional documentation may be required. For licence amendment applications, the licensee may submit only that audit documentation applicable to the amendment activity.

4.7.6.1 Total Recovered Products

- 40) For gas processing, straddle, fractionation, and sulphur recovery plants, the licensee must submit
- a) a plant material balance for design conditions that matches the streams and equipment shown on the process-flow diagrams and includes
 - i) maximum H₂S content for both the inlet rate and the acid gas rate,
 - ii) design rates for the inlet and recovered products,
 - iii) maximum acid gas rate, and
 - iv) continuous sulphur emission rate and
 - b) an explanation of any differences between the applied-for rates and those contained in the plant material balance.

4.7.6.2 Technical Information – Sour Gas Proliferation

- 41) For new category C and D and all category E gas plants, the licensee must submit documentation regarding the alternatives to construction, including
- a) evaluation of the technical and economic feasibility of using or modifying existing infrastructure,
 - b) an assessment of the social and economic effects of the alternatives, and
 - c) design parameters and available capacity of existing category C, D, and E gas plants that were considered.

4.7.7 H₂S Information

The following are additional facility audit documentation requirements for H₂S information, additional documentation may be required. For licence amendment applications, the licensee may submit only that audit documentation applicable to the amendment activity.

4.7.7.1 Gas Treating and Processing Information

- 42) For facilities where an H₂S scavenger unit is proposed, the licensee must submit
- a) a description of the H₂S scavenger system proposed and
 - b) the nature of the spent scavenger and its disposition.
- 43) For all facilities where the inlet H₂S content is more than 0.01 mol/kmol, the licensee must submit a wellhead or inlet gas analysis representative of the facility's inlet streams.
- 44) For facilities with continuous sulphur emissions, the licensee must submit a breakdown of all sources that contribute to the total value (e.g., flare, produced water tanks).
- 45) For facilities where the sulphur inlet is greater than 1 t/d, the licensee must submit an explanation of how the facility meets the current sulphur recovery guidelines.

4.7.7.2 Setback Requirements

- 46) The licensee must submit
- a) the input parameters used to calculate the potential H₂S release volume of the highest level of pipeline associated with the facility (inlet or outlet streams),
 - b) a pipeline map showing emergency shutdown and check valve locations, and
 - c) the pipeline licence and line number for the highest level of pipeline associated with the facility.

4.7.7.3 Vapour Recovery

- 47) For facilities where the inlet H₂S is greater than 10 mol/kmol, the licensee must submit a description of the method proposed to control odours from storage tanks and other sources of vented gas, including the type of system.
- 48) For facilities where a product containing greater than 0.01 mol/kmol of H₂S will be transported, the licensee must submit documentation that confirms that a method to control off-lease odours during the transport of fluids containing H₂S gas is in place.

4.7.7.4 SO₂ Emissions and Stack Design

- 49) For facilities with continuous flaring/incineration where the inlet H₂S is less than 10 mol/kmol, the licensee must submit the heating value of the gas stream for the flare or incinerator.
- 50) For facilities where the inlet H₂S is greater than 10 mol/kmol, the licensee must submit
- a) a schematic diagram or description of the flare or incinerator that must show a continuous pilot or automatic igniter, flame arrestor, and stack height;

- b) for incinerators, the residence time and exit temperature; and
- c) documentation that demonstrates that the AAAQOs will be met for SO₂ emissions from continuous sources and from nonroutine events.

The documentation must clearly show that dispersion modelling was conducted in accordance with the Alberta [Air Quality Model Guideline](#) and [Directive 060](#) and should include the following:

- i) the source parameters, locations, elevations, and SO₂ emission rates for all sources;
- ii) predicted maximum ground-level SO₂ concentrations;
- iii) the name of the dispersion model used;
- iv) a description of meteorological data used; and
- v) a terrain map of the study area.

4.7.8 Compressors or Pumps

The following are additional facility audit documentation requirements for compressors/pumps, additional documentation may be required. For licence amendment applications, the licensee may submit only that audit documentation applicable to the amendment activity.

- 51) For facilities with compressors or pumps, the licensee must submit manufacturer specifications that confirm emission ratings, unit size, and driver type.

4.8 Additional Audit Documentation Requirements for Pipelines

The following sets out audit documentation requirements for pipelines, additional documentation may be required. For licence amendment applications, the applicant may submit only the audit documentation that was affected by the amendment activity.

4.8.1 Participant Involvement Requirements

4.8.1.1 Participant Involvement Map Requirements

- 52) The licensee must submit maps that illustrate
 - a) the location of the pipeline or installation,
 - b) the location of all parties included in the participant involvement process (e.g., residents, existing infrastructure),
 - c) the area of investigation used in the personal consultation and notification program,

- d) the EPZ, and
- e) the area of investigation used in the industry notification program.

4.8.1.2 Industry Notification Requirements

- 53) If industry notification occurs, the licensee must submit a record of contact with other industry parties that includes
- a) name, address, and telephone number of all parties contacted;
 - b) copies of all related correspondence received;
 - c) disclosure meeting minutes that include
 - i) date of meeting,
 - ii) meeting notice or invitation,
 - iii) invitation list,
 - iv) names, addresses, and telephone numbers of all meeting participants; and
 - d) project information presented at meetings or otherwise distributed.

4.8.1.3 Personal Consultation and Notification Requirements

- 54) The applicant must submit a record of the personal consultation and notification program that was conducted. The summary must include
- a) name of each party (e.g., landowner, occupant, and resident) included in the personal consultation and notification program,
 - b) legal land description for each party,
 - c) a description of each party's interest in the land (e.g., trapper, landowner, and resident),
 - d) date and type of contact conducted with each party (e.g., telephone conversation, registered mail, personal meeting),
 - e) date the required AER materials were distributed,
 - f) date the project-specific information package was distributed,
 - g) date the required [EnerFAQs](#) package was provided, and
 - h) date the confirmation of nonobjection was obtained.

4.8.1.4 Confirmation of Nonobjection

55) The AER does not require a confirmation of nonobjection to be in writing. Confirmation of nonobjection may consist of one of the following documents, depending on the nature of the proposed development:

- a) Freehold lease agreement (Freehold also includes federal lands and provincial Special Areas Board lands)

The licensee must submit a copy of the agreement, which must confirm the parties involved, date of agreement, and location of land involved.

- b) Crown disposition (i.e., a signed pipeline lease agreement, individual ownership plat, miscellaneous lease, or pipeline installation lease; an executed AOA or temporary field authorization)

In the case of an AOA, the licensee must submit copies of the following AOA documents:

- the title page (including the details of the expiry date, company name, and area of operation),
- the sign-off page (including when the agreement was executed), and
- geographic map and locations list.

For all other Crown dispositions, the licensee must submit a signed copy of the agreement that confirms the parties involved, the date of the agreement, and the location of the land involved.

- c) Signed document that identifies the details of the proposal (e.g., signatory page from the applicant's information package)

56) If confirmation of nonobjection is verbal, the licensee must document the name of the party providing verbal nonobjection and the date on which verbal nonobjection was obtained.

4.8.1.5 Information Packages

57) The licensee must submit a copy of the project-specific information package that was distributed to the parties included in the participant involvement process.

4.8.1.6 Resolved Concerns and Objections

- 58) If concerns and objections were received and resolved during the course of the participant involvement process, the licensee must submit
- a) a record and explanation of any concerns and objections received and
 - b) documentation confirming the resolution of any concerns and objections.

4.8.1.7 Sour Gas Planning and Proliferation

- 59) If there are residents located within the EPZ of the pipeline, the applicant must submit
- a) the assessment of existing infrastructure required by section 8.3.2 and
 - b) the updated expanded project-specific information package, as described in section 8.3.2.

4.8.2 Emergency Response Planning

- 60) The licensee must keep a copy of the corporate-level or site-specific ERP on file for review upon request.

The licensee must include in the audit submission a statement confirming that it has an approved corporate plan or that a site-specific plan will be approved before starting operations.

4.8.3 Transportation and Utility Corridor

- 61) If the pipeline is located within a transportation or utility corridor, the licensee must submit documentation confirming that the pipeline or installation has received ministerial consent from Alberta Infrastructure.

4.8.4 Environmental Information

- 62) The licensee must submit all documentation outlined in [IL 93-09](#), if applicable.

4.8.5 Pipeline Technical Information

4.8.5.1 H₂S Content Requirements

- 63) For all pipelines, the licensee must submit a representative gas analysis.

4.8.5.2 Canadian Standards Association Z662

- 64) For all pipelines, the licensee must submit
- a) a description of the methodology or process used to ensure that [CSA standards](#) are met;
 - b) a list of the licensed substance and MOP of the pipelines into which the proposed pipeline is tied;

- c) a description of pressure control and overpressure protection;
- d) mill certificates or other documentation to confirm that the pipe is suitable for the product being transported;
- e) specifications for the valves, flanges, and fittings;
- f) documentation of a quality assurance program to ensure that material is suitable for sour service;
- g) a description or map showing valve locations and spacing;
- h) Material testing reports if MOP is greater than 14 000 kPa and substance is crude oil; and
- i) Material testing reports if non-CSA manufactured pipe is sour service.

4.8.5.3 Corrosion

- 65) If the licensee has indicated that appropriate corrosion mitigation in accordance with the requirements of [CSA Z662](#) and the [Pipeline Rules](#) is in place, the applicant must be able to provide the evaluation performed to assess the corrosivity of the pipeline and the need for corrosion mitigation.
- 66) If a corrosion mitigation plan has been deemed necessary, the licensee must provide
 - a) a detailed summary of the corrosion mitigation plan that outlines the scheduled actions that will be conducted,
 - b) a detailed summary of the monitoring plan that outlines the scheduled actions that will be conducted, and
 - c) a description of the scheduled actions that will be conducted to review the monitoring results and assess mitigation plan performance.

4.8.5.4 Leak Detection

- 67) For liquid hydrocarbon pipelines that require leak detection, the licensee must submit a detailed description of procedures for leak detection, including frequency of right-of-way inspections, material balance parameters, and confirmation that employees have had or will receive training (see [CSA Z662](#), annex E).

4.8.5.5 Steam Pipelines

- 68) The licensee must submit documentation verifying that the pipeline design was registered with ABSA.

4.8.5.6 Production Stream Blending

- 69) If blending production streams, the licensee must submit a detailed description of two independent techniques to ensure that the licensed H₂S content in the receiving pipeline is not exceeded including
- a) a detailed description of the design for flow ratio control with or without automatic shutdown and
 - b) a detailed description of H₂S monitoring (or flow ratio control) with automatic shutdown.

4.8.5.7 H₂S Release Volume and Level Designations

- 70) For natural gas and oil effluent pipelines greater than 10 mol/kmol H₂S, the licensee must submit
- a) the input parameters used to calculate the potential H₂S release volume,
 - b) representative tie-in schematics of emergency shutdown valves, and
 - c) a system map showing emergency shutdown and check valve locations.

4.8.5.8 Level Designation Increase

- 71) For natural gas and oil effluent pipelines greater than 10 mol/kmol H₂S, the licensee must submit
- a) the input parameters used to calculate the potential release volume of all affected segments,
 - b) representative tie-in schematic of emergency shutdown valves,
 - c) a system map showing emergency shutdown and check valve locations,
 - d) a map showing
 - i) the levels for the pipeline system and the segments that are being revised and
 - ii) all residences and other developments within the notification distances, and
 - e) documentation verifying that personal consultation, nonobjection, and notification requirements have been met for all affected pipeline segments and that a revised ERP, if required, has been submitted.

4.8.5.9 Sour Natural Gas Injection

- 72) If injecting into a producing reservoir, the licensee must give an explanation as to the impact the scheme operation will have on the pipeline material and operating parameters.

4.8.5.10 Substance Change

- 73) The licensee must submit documentation that
- a) confirms that the pipe, valves, flanges, and fittings are suitable for the new substance;
 - b) confirms that the depth of cover is sufficient (HVP pipelines only); and
 - c) demonstrates the integrity and suitability of the pipeline for the proposed change and the proposed procedure for implementing the change (i.e., does it meet current code and regulation requirements).

4.8.5.11 MOP Change/H₂S Change

- 74) The licensee must submit
- a) documentation verifying that the pipe, valves, flanges, and fittings are suitable for the new MOP;
 - b) a detailed evaluation of the integrity and suitability of the pipeline for the proposed change and the proposed procedure for implementing the change (e.g., does it meet current code and regulation requirements); and
 - c) pressure test charts.

4.8.5.12 Liner Installation

- 75) The licensee must submit liner specifications and pressure test charts if available.

4.8.5.13 Pipeline Removal

- 76) For pipeline removal, the licensee must submit an explanation of the circumstances and assert that the entire pipeline (including water, rail, and road crossings) is being removed.

4.8.5.14 Pipeline Resumption

- 77) For resuming operation of a pipeline, the licensee must
- a) submit pressure test charts,
 - b) submit documentation to verify the depth of cover (HVP only),
 - c) provide a record of cathodic protection (cathodic protection survey),
 - d) provide a record of the medium left in pipelines,
 - e) provide the pipeline external coating integrity results,

- f) ensure that sour service requirements are met (e.g., mill certificates), and
- g) submit a detailed evaluation of the integrity and suitability of the pipeline for the proposed change and the proposed procedure for implementing the change (i.e., does it meet current code and regulation requirements).

4.8.5.15 Pipeline Discontinuation

- 78) For pipeline discontinuation, the licensee must submit
- a) a description of the method used to discontinue the pipelines,
 - b) a record of the medium left in the pipelines, and
 - c) documentation to confirm that cathodic protection will be maintained.

4.8.5.16 Pipeline Abandonment

- 79) For pipeline abandonment, the licensee must submit
- a) a description of the method used to abandon the pipelines and
 - b) a record of the medium left in the pipelines.

4.8.6 Pipeline Installation Technical Information

- 80) For all pipeline installations, the licensee must submit
- a) a wellhead or inlet gas analysis representative of the inlet stream,
 - b) a process-flow diagram that meets the requirements of section 6.6.26.1,
 - c) a site-specific plot plan showing the placement of and distances between equipment, and
 - d) a list of each type of meter proposed for each measurement point and their locations.
- 81) For compressor and pump stations, the licensee must also submit
- a) manufacturer specifications for the proposed unit that confirms emission ratings, unit size, and driver type;
 - b) a noise impact assessment prepared in accordance with [Directive 038](#);
 - c) a breakdown and total of all sources of NO_x emissions in kilograms per hour; and
 - d) if total NO_x emissions will be less than 16 kg/h, documentation to demonstrate that exhaust stack height requirements are met in accordance with [EPEA](#).

- 82) For tank farms and oil loading and unloading terminals where products and materials will be stored on site, the licensee must also submit a list of materials that will be stored and a description of the storage methods, including details of
- a) design and construction,
 - b) leak detection,
 - c) secondary containment,
 - d) weather protection, and
 - e) primary containment device and size.
- 83) For line heaters, the licensee must also submit documentation verifying that the line heater is designed to [Safety Codes Act](#) requirements.

4.9 Additional Audit Documentation Requirements for Wells

The following sets out audit documentation requirements for wells, additional documentation may be required. For licence amendment applications, the licensee may submit only that audit documentation applicable to the amendment activity.

4.9.1 Participant Involvement Requirements

4.9.1.1 Mapping Requirements

- 84) The licensee must submit maps that illustrate
- a) the location of the well,
 - b) the location of all parties included in the participant involvement process (e.g., residents, hamlets, subdivision, public facilities),
 - c) the area of investigation used in the personal consultation and notification program, and
 - d) the EPZ (if applicable).

4.9.1.2 Personal Consultation and Notification Requirements

- 85) The licensee must submit a record of the personal consultation and notification program that was conducted.
- 86) The summary must include
- a) name of each party (e.g., landowner, occupant, resident) included in the personal consultation and notification program,
 - b) legal land description for each party,

- c) a description of each party's interest in the land (e.g., Crown disposition holder, landowner, resident, facility operator),
- d) date and type of contact conducted with each party (e.g., telephone conversation, registered mail, personal meeting),
- e) date AER documents were distributed if required,
- f) date the project-specific information package was distributed,
- g) date the required [EnerFAQs](#) package was provided, and
- h) date confirmation of nonobjection was obtained if required.

4.9.1.3 Confirmation of Nonobjection

- 87) The AER does not require that confirmation of nonobjection be in writing; however, documentation must be submitted when available.

Confirmation of nonobjection may consist of one of the following documents, depending on the nature of the proposed development:

- a) Freehold lease agreement (Freehold also includes federal lands and provincial Special Areas Board lands)
 - i) The licensee must submit a copy of the agreement, which confirms the parties involved, the date of agreement, and the location of land involved.
- b) Crown disposition (i.e., signed mineral surface lease or miscellaneous lease; executed AOA or temporary field authorization)
 - i) In the case of an AOA, the licensee must submit copies of the following AOA documents:
 - the title page (including the details of the expiry date, company name and area of operation),
 - the sign-off page (including when the agreement was executed), and
 - geographical map and locations list.
 - ii) For all other Crown dispositions, the licensee must submit a copy of the agreement, which confirms the parties involved, the execution of the agreement (signature), the date of the agreement, and the location of the land involved.
- c) Signed document that identifies the details of the proposal (e.g., signatory page from the applicant's information package)

- 88) If confirmation of nonobjection is verbal, the licensee must document (log) the name of the party providing verbal nonobjection and the date on which verbal nonobjection was obtained.

4.9.1.4 Information Packages

- 89) The licensee must submit a copy of the project-specific information package that was distributed to the parties included in the participant involvement program.

It is not necessary to include a copy of the AER's documents in the audit submission; however, details of its distribution must be included.

4.9.1.5 Resolved Concerns and Objections

- 90) If concerns/objections were received and resolved during the course of the participant involvement program, the licensee must submit
- a) a record and explanation of any concerns/objections received, and
 - b) documentation confirming the resolution of any concerns/objections.

4.9.1.6 Sour Gas Planning and Proliferation

- 91) If there are residents located within the EPZ of the well, the applicant must submit
- a) the assessment of existing infrastructure required by section 8.3.2, and
 - b) the updated expanded project-specific information package, as described in section 8.3.2.

4.9.2 Emergency Response Planning

- 92) The licensee must keep a copy of the corporate-level ERP or, where required, the specific ERP on file. It is not required for inclusion in the audit submission.
- a) The licensee must include in the audit submission a statement confirming that the applicant has an approved corporate plan and/or that a site-specific plan will be approved prior to commencing operations.

4.9.3 Well Purpose

- 93) For category B wells, the licensee must submit a representative gas analysis for each prospective horizon in the proposed well.

4.9.4 Rights to the Existing Wellbore

94) The licensee must provide

- a) documentation that it has obtained the rights to the existing abandoned wellbore from the previous licensee prior to submitting the well licence application, or
- b) if the minerals have expired and the abandoned wellbore has reverted to the Crown, documentation that it has obtained the rights from the Crown prior to the submitting the well licence application.

4.9.5 Minimum Casing Testing Requirements

95) The licensee must provide

- a) confirmation that sufficient casing was set and cemented in the well for control purposes, and
- b) confirmation that the casing has been pressure tested in accordance with the appropriate section of the minimum casing testing requirements (see section 7.8.4), and
- c) confirmation and/or documentation that all applicable requirements in section 7.8.4 have been met for the specific type of well and drilling operation, or
- d) documentation that a waiver was granted for the required inspection log.

4.9.6 Well Detail

- 96) The licensee must submit a survey plan. For CBM wells completed above the base of groundwater protection, the survey plan or an additional map must meet the requirements of [Directive 035](#).

4.9.7 Surface Casing Requirements

97) The licensee must submit

- a) a [Directive 008](#) Surface Casing Depth Calculation form, pressure survey, and pressure gradient documentation, including supporting information for the reduction type selected,
- b) documentation confirming that the applicable criteria will be met for deep surface casing or surface casing exemptions, including any supporting information, and
- c) documentation showing the base of groundwater and a description of the method proposed to protect the groundwater.

- 98) If a surface casing waiver has been granted, the licensee must submit a copy of the approval issued by the AER that shows the presubmission application was reviewed and found to be acceptable.

4.9.8 Well Classification

- 99) If a drill cuttings waiver has been granted, the licensee must submit a copy of the approval issued by the AER that shows the presubmission application was reviewed and found to be acceptable.

4.9.9 Rights for All Intended Purposes

- 100) The licensee must submit
- a) the mineral rights lease number for Crown minerals,
 - b) documentation that authorization has been obtained from the mineral rights lessee or owner for water injection or water source wells,
 - c) documentation that authorization has been obtained for leased Crown minerals, and
 - d) documentation that authorization has been obtained for Freehold minerals.

4.9.10 Rights for the Complete Drill Spacing Unit

- 101) The licensee must submit
- a) the mineral rights lease number for Crown minerals, and
 - b) documentation evidencing the rights for Freehold minerals.

4.9.11 Water Body Setback Requirements

- 102) If the well centre is within 100 m of a water body, the licensee must submit documentation explaining the steps that were or will be taken to ensure that the water body is protected and that all AER requirements are met.

If there is potentially a water body on or near the proposed well's lease, the well application may be subject to further investigation. Subsequently, the applicant may need to demonstrate the efforts it has taken to determine the presence of any water body and to delineate the extent of any identified.

- 103) If a water body will be disturbed by the well activity, the applicant must submit to the AER the approval received under the [Water Act](#)

4.9.12 Other Setback Requirements

- 104) If the proposed well is located within 100 m from a surface improvement, the licensee must submit documentation confirming that consent from the surface improvement owner was received prior to the submission of the well licence application.
- 105) If the proposed well is within 3 km of a working subsurface mine or within 400 m of an abandoned subsurface mine, the licensee must submit documentation confirming that the requirements of sections 6.140 to 6.190 of the [OGCR](#) will be met.

4.9.13 Environmental Requirements

- 106) The licensee must submit documentation outlining the steps that will be taken to ensure the protection of the environment and that all AER requirements are met. The licensee must submit all documentation outlined in [IL 93-09](#), if applicable.

4.9.14 *Historical Resources Act*

- 107) If applicable, the licensee must submit documentation showing that it received a clearance from Alberta Culture and Tourism before submitting a well licence application.

4.9.15 CBM Wells

- 108) The following are additional well audit documentation requirements for wells completed above the base of groundwater protection. Submit documentation demonstrating that all the requirements as listed under “AER Environmental Requirements” above have been completed before applying. If water well testing was completed before applying, provide information confirming that those tests were completed in accordance with [Directive 035](#) requirements and that results were submitted accordingly.

4.9.16 H₂S Release Rate

- 109) The licensee must submit a map showing the size and location of the search area used to obtain a minimum of five representative maximum H₂S concentrations and maximum AOF gas rates.
- 110) The licensee must submit an H₂S release rate documentation package (see section 7.8.15) that includes
- a) a geological well prognosis, with a comprehensive geological discussion for all formations and zones;
 - b) geological mapping for all formations that it identifies as its primary and secondary zones that may contain H₂S gas;
 - c) an engineering discussion for each potentially productive zone that may contain H₂S gas; and
 - d) tabulated data that provide the results of H₂S concentration and AOF rate reviews.
- 111) If a presubmission H₂S release rate assessment was submitted, the licensee must submit a copy of the letter issued by the AER that indicates that the presubmission application was reviewed and that sets out the release rate values considered acceptable to the AER.

4.9.17 Intermediate Casing

- 112) The licensee must submit the depth to which the intermediate casing will be set.
- 113) If an intermediate casing waiver has been granted, the licensee must submit a copy of the approval issued by the AER that shows that the precicensing application was reviewed and found to be acceptable.

4.9.18 Drilling Critical Wells

- 114) The applicant must submit a complete and detailed drilling plan based on the requirements in [*Directive 036*](#) and [*IRP Volume 1: Critical Sour Drilling*](#). The drilling plan must include a detailed table of contents.
- 115) The applicant must submit a copy of any applicable waiver approvals obtained from the AER before filing an application.

5 Facility Licence Applications

5.1 Overview

An applicant must apply for a licence to construct or operate a facility unless exempted under section 5.5.

An application must also be made to amend a licence in certain circumstances. It is important that licensees and operators be aware of the operational and equipment scenarios requiring a facility licence and when a modification to an existing facility warrants a licence amendment application.

If the applicant cannot meet a technical requirement, chooses to apply for a regulatory relaxation, cannot meet all participant involvements, outstanding concerns or objections exist, or the applicant proposes to implement new technology, the applicant must disclose the situation in its application. If there are outstanding concerns or objections to an exempt activity, the activity is no longer exempt from licensing, and an application disclosing the situation must be submitted.

Facilities associated with an in situ crude bitumen scheme approval require licensing under *Directive 056*. However, this facility application should not be submitted until the AER has approved the scheme (see [Directive 023: Guidelines Respecting an Application for a Commercial Crude Bitumen Recovery and Upgrading Project](#)).

- 1) The applicant must file an application for a multiwell battery or satellite when the surface equipment on site meets the requirements for licensing and when
 - a) a single well has segregated production from more than one zone (i.e., not commingled in the wellbore) producing to the battery or satellite;
 - b) a new inlet is added to an existing single-well battery or satellite that includes, at a minimum, measurement for the production from a second well; or
 - c) multiple single-well batteries or satellites are operating within one surface lease.

If the applicant has both oil and gas production from separate wells or segregated zones within the same well at the same surface location, the surface facility should be licensed for the most significant operation at the site.

- 2) If the processing of solution gas or nonassociated gas is implemented at an existing licensed oil battery, the gas processing equipment must be licensed as a separate facility.

5.2 Licence Expiry

New facility licences expire one year from the date of issue if the licence has not been acted on (i.e., construction has not started). The AER will cancel the expired licence from the active records. It is the licensee's responsibility to ensure that the facility licence is still valid and has not expired

before starting any activity associated with the licence. Companies are expected to provide a courtesy notification to the AER using the designated information submission system advising that construction has started on the licensed facility.

- 3) If an applicant intends to proceed with a project for which a licence has expired, it must cancel that previous licence and also fulfil all applicable regulatory requirements, including all participant involvement requirements in section 3, before filing a new application.
- 4) If an applicant does not intend to proceed with the licence, it must notify the AER and request that the licence be cancelled.

Due to the complexity of some developments, it is possible that the applicant may not be able to act on a permanent facility licence or complete operations at a temporary facility before the expiry date. Applicants can file a licence amendment application to extend the expiry date of a facility licence or a temporary facility licence.

- 5) Before starting new construction when a licence is nearing expiry, the applicant must meet the participant involvement requirements in section 3.
- 6) To apply to extend the expiry date of a facility licence or a temporary facility licence, the applicant must meet the participant involvement requirements in section 3.

A facility licence that has been acted on cannot be cancelled. Licensees that do not intend to act on a facility licence may request that the licence be cancelled by contacting the AER.

5.2.1 Licence Extensions

The AER typically issues a licence for a term of one year. An applicant may make a request to extend the expiry date of an applied-for licence at the time of application. Requests for extensions will be considered on a case-by-case basis.

The AER may extend the expiry date of a licence that has already been issued upon request of the licensee.

- 7) To get an extended expiry date for an applied-for licence, the applicant must meet the participant involvement requirements in section 3 before it acts on the licence.
- 8) To get an extended expiry date for an existing licence, the licensee must meet the participant involvement requirements in section 3 before it acts on the licence.

5.3 Category Type and Consultation and Notification Requirements

The category type and the consultation and notification requirements for facilities are listed in table 1. The category type of facility is dependent on the H₂S and sulphur content of the inlet gas stream.

5.4 Exemptions

- 9) Although no application is required under *Directive 056* for the following exempted activities and facilities (sections 5.4.1 and 5.4.3), the company must meet the participant involvement requirements in section 3.
- 10) To proceed with a proposal where a concern or objection has been received and remains unresolved, the company must submit an application.
- 11) Even though applications under this directive may not be required for activities and facilities listed in sections 5.4.1 and 5.4.3, a company must meet all applicable regulatory requirements.

If the company is unable to meet all the regulatory requirements, it must obtain a waiver from the requirement from the AER.

5.4.1 Single-Well Facility Sites

An application is not required under *Directive 056* if the facility is a single-well site (oil, bitumen, or gas) where the H₂S content is *less than* 0.01 mol/kmol and

- total on-site wattage for compressors is less than 75 kilowatts (kW),
- there is no gas processing, and
- there is no injection or disposal component.

An application is not required under *Directive 056* if the facility is a single-well *gas* site where the H₂S content is *greater than* 0.01 mol/kmol and

- there are no liquid hydrocarbon or produced water storage tanks,
- there is no gas compression,
- there is no gas processing, and
- there is no injection or disposal component.

5.4.2 Other Facilities

5.4.2.1 Installation of On-site Power Generating Equipment

On-site power generation is managed and approved by the AUC. Although the facility licence should include emissions and noise impact from all sources on site, power generation equipment is not licensed through *Directive 056*. For more information, contact the AUC.

5.4.2.2 Oil Sands Processing Plants

Oil sands scheme approvals for in situ operations continue to be issued under [Directive 023](#) and [Directive 078: Regulatory Application Process for Modifications to Commercial In Situ Oil Sands Projects](#). Licences for surface facilities associated with oil sands mine approvals are not issued under *Directive 056*.

Surface facilities associated with approved in situ schemes require a *Directive 056* facility licence.

5.4.2.3 Oilfield Waste Management Facilities

Oilfield waste management facilities are not licensed under *Directive 056*. See the AER website for information on approvals to construct and operate new facilities, modify existing facilities, and notifications of minor modifications to existing facilities.

If a facility currently licensed under *Directive 056* becomes a waste management facility, a [Directive 058](#) approval is required and the previously issued *Directive 056* licence will be cancelled. Operators are reminded that the receipt of oilfield waste from outside of a facility's production system for consolidation and transfer or for on-site storage or management is not permitted unless the facility is approved as an oilfield waste management facility.

5.4.3 Exempt Activities

Applications are not required for the following activities under *Directive 056* provided that the activity does not change the category type of the facility:

- temporary compressors in continuous use for less than 21 consecutive days as an alternative to flaring for such operations as the conservation of initial well test gas or plant turnaround, provided that landowner nonobjection has been obtained and regulatory requirements are met (see [Directive 060](#));
- replacing measurement and separation equipment;
- installation of downhole (subsurface) equipment;
- adding well production to an existing licensed multiwell facility;
- replacing a compressor or injection or disposal pump with the same type and size or a smaller one, such that total emissions do not increase;
- adding separators, dehydrators, pressurized bullets, process pumps, or group or test vessels to an existing licensed facility;
- adding a line heater to an existing licensed facility;
- adding a vapour recovery unit to an existing licensed category C, D, or E facility;

- adding one compressor less than 75 kW to an existing licensed facility, provided that the landowner has been notified and has no concerns and that the facility will meet nitrogen oxides (NO_x) and noise requirements at the nearest residence (does not apply to acid gas injection compressors, regardless of size; compressors less than 75 kW that were installed previously as an exempt activity should be indicated the next time an amendment application for the facility is required);
- adding storage tanks to an existing licensed facility (all [Directive 055](#) requirements must be met, including secondary containment).

5.5 Licence Amendments

Only facilities that have an existing AER facility licence number can be amended.

- 12) When filing a licence amendment application, the applicant must retain the original facility type (e.g., gas battery, oil battery) unless
 - a) additional equipment proposed for installation will cause the gas facility to become a gas processing plant (e.g., the addition of a refrigeration skid will change an existing compressor station to a gas processing plant) or
 - b) equipment proposed for removal will cause the facility type to change (e.g., the removal of the refrigeration process will change an existing gas processing plant to a gas battery).
- 13) Applicants must file licence amendment applications when the proposed activity will result in an increase to emissions, risk, or public impact.

New facility licence applications for categories C, D, and E gas processing plants and licence amendment applications for category E gas processing plants require that all supporting audit documentation be submitted with the application. Licence amendment applications for categories C and D gas processing plants may be submitted without supporting audit documentation if there are no participant involvement or technical issues.

5.6 Technical Requirements

5.6.1 Emergency Response Planning

The EPZ for a category C, D, or E facility is based on the largest EPZ of any pipeline entering or leaving the facility. Applicants are cautioned that it is a violation of privacy legislation to disclose in the public portion of a facility, pipeline, or well licence application any personal information that was obtained for emergency response planning purposes. Such information must be provided to the AER in confidence (see [Directive 071](#)).

5.6.2 Licensee Liability Rating

The Licensee Liability Rating (LLR) program assesses a licensee's ability to address its abandonment and reclamation liabilities based on a comparison of its deemed asset to its deemed liability. The licensee's deemed asset is considered to be its cash flow derived from wells for which it is the licensee. Its deemed liability is considered to be the cost to abandon and reclaim wells and facilities for which it is the licensee.

The liability assigned to active facilities is less than that of an inactive facility. A facility is considered active if it has reported production or injection within a specified period (see [Directive 006: Licensee Liability Rating \(LLR\) Program and Licence Transfer Process](#)).

Because some facilities do not report production to the AER, a facility's active/inactive status cannot be determined. To allow an active nonreporting facility to benefit from the reduced liability associated with an active status, the licensee can link its facility to the first downstream production reporting facility to which it delivers product and use that facility's active/inactive status. Licensees of compressor stations that produce directly to a sales gas pipeline should contact the AER for information on how this affects their ratings.

- 14) The applicant of a nonreporting facility (e.g., compressor station, satellite) must record the facility licence number of the reporting facility when filing a facility licence application or, for category B and C compressors, indicate that the production goes direct to sales. If a linking number is not recorded for a nonreporting facility, the facility status will be considered inactive for liability management purposes. For a gas system, the reporting facility must be a gas facility, and for an oil facility, the reporting facility must be an oil facility.
- 15) The applicant of new or amended sulphur recovery plants, straddle plants, or bitumen central processing facilities with a bitumen inlet rate greater than 5000 m³/d must have the liability assessment completed in accordance with the Large Facility Liability Management Program (see [Directive 024](#)) before submitting an application under *Directive 056*.

5.6.3 Proliferation

As the proponent of a new oil or gas facility or pipeline, the applicant has already determined that the proposed project will meet its business needs. The AER, as the approving authority, is required to evaluate the need for the proposed project. The AER's sour gas proliferation requirements are set out in [ID 2001-03: Sulphur Recovery Guidelines for the Province of Alberta](#) and are summarized below.

- 16) Before filing an application for a new category C, D, or E gas processing plant, the applicant must
 - a) evaluate all existing sour gas plants and pipelines that offer viable alternatives within a 15 km radius of the proposed new sour gas plant, regardless of ownership or interest:
 - i) the applicant must evaluate the feasibility of upgrading an existing facility and of forging commercial partnerships with existing licensees;
 - ii) the applicant must obtain an accurate assessment of the capabilities of existing sour gas plants, including design parameters (e.g., operating pressures and limitations on H₂S content) and capacity available; and
 - iii) the applicant must demonstrate that feasibility of modifying the facilities was evaluated with the licensee if existing plants are not designed to handle the applicant's gas or if there are capacity limitations;
 - high processing fees, in and of themselves, may not be considered sufficient grounds for rejecting the option to use an existing facility;
 - b) assess the area's future production potential to ensure that the proposed facility is designed to meet the regional long-term processing needs;
 - c) contact other sour gas reserve owners within 5 km of a proposed new sour gas plant with a view to inviting these well licensees to participate in the new facility in some manner.
 - 17) The applicant must include information on its assessment as part of the application audit package submitted to the AER.
 - 18) The applicant of a new category C, D, or E gas processing plant must formally contact licensees of existing facilities for required information and be able to document related responses.

The AER expects the parties to share information in a timely manner. If the applicant is unable to obtain the information necessary to conduct an assessment, it should contact the AER.
 - 19) To preclude the unnecessary development of new category C and D facilities, the applicant is expected to investigate the feasibility of using existing facilities and pipelines before submitting an application to the AER.
- 5.6.4 Facility Design Criteria
- 20) The inlet and recovered product rates must represent the total design rates associated with all on-site equipment at the surface location based on a daily maximum.

- 21) For facility licence amendments, the inlet and recovered product rates for the facility must represent the total on-site design rate, not only the design rates of the additional equipment.

For facilities with a sulphur inlet greater than 1 tonne per day (t/d), the raw gas inlet rate and sulphur inlet rate represent the maximum operating limits for the facility. These rates are monitored by the AER.

Heavy oil/oil sands batteries and satellites are also subject to the regulatory requirements detailed in [ID 91-03: Heavy Oil/Oil Sands Operations](#) and [IRP Volume 3: In Situ Heavy Oil Operations](#).

- 22) The applicant must ensure that an oil analysis is available to demonstrate that the gravity of the inlet stream matches the category applied for and that the facility will meet the requirements of these documents for heavy oil facilities.

5.6.5 Sulphur Recovery

Both the AER and AEP have regulatory responsibilities for sulphur recovery. The applicant must be aware of the regulatory requirements of both agencies.

[ID 2001-03: Sulphur Recovery Guidelines for the Province of Alberta](#) sets out the basis for AER's requirements around sulphur recovery and emissions reduction from

- category D and E gas processing plants and
- other types of upstream petroleum industry operations licensed under *Directive 056* where continuous flaring or incineration of gas containing H₂S occurs (e.g., production batteries, dehydration facilities, and compressor stations where the bulk gas stream is not sweetened).

- 23) The applicant must meet the requirements of [ID 2001-03](#).

If the applicant believes a variance to the minimum recovery levels of [ID 2001-03](#) is warranted, the applicant may disclose the request for variance in its application.

- 24) When designing new category D and E gas processing plants, the applicant must

- a) comply with the calendar quarter-year sulphur recovery of [ID 2001-03](#), and
- b) determine the sulphur recovery based on mass (tonnes sulphur equivalent) using the following formula:

$$\text{sulphur recovery} = \frac{\text{sulphur production}}{(\text{sulphur production} + \text{sulphur emissions})}$$

where *sulphur production* is the tonnes of sulphur product and tonnes sulphur equivalent contained in injected sour gas or acid gas streams and *sulphur emissions* is the tonnes sulphur equivalent contained in flared sour and acid gas streams and in the sulphur recovery unit tail gas or incinerator stack emissions.

- 25) For other upstream petroleum industry facilities where sulphur recovery requirements apply, the applicant must
 - a) comply with the calendar quarter-year sulphur recovery of [ID 2001-03](#), and
 - b) determine the sulphur recovery requirements based on the sulphur content of flared or incinerated gas streams (not on the sulphur inlet of the facility), in addition to the sulphur recovery unit tail gas incinerator stack emissions.
- 26) If an applicant is filing a licence amendment application to modify a grandfathered gas plant, the applicant must meet the special provisions set out in [ID 2001-03](#).
- 27) For facilities where subsurface injection is the method of acid gas disposal, a separate AER approval is required for the injection scheme, in accordance with the requirements of [Directive 065: Resources Applications for Conventional Oil and Gas Reservoirs](#). Additional information may be obtained from the AER.

5.6.6 Process-Flow Diagrams

- 28) The applicant must attach a process-flow diagram (PFD) for each facility application.
 - a) The PFD must identify all existing and proposed equipment at the facility.
 - i) For licence amendments, the applicant must identify the new equipment proposed for installation on a full-site PFD; a partial PFD is not acceptable.
 - New equipment must be identified in the legend and annotated on the diagram.
 - Equipment designated for removal by the application must also be clearly identified.
 - b) The applicant must clearly identify the following on the PFD:
 - i) process equipment
 - ii) measurement points
 - iii) storage vessels and tanks (including pop tanks)
 - iv) sources of all inlet, receipts, and deliveries, including all fuel lines, flare lines, and vent points
 - v) safety equipment (i.e., location of emergency shutdown device block valves and depressure points).

Diagrams are acceptable providing that they accurately represent the actual operations of the facility and contain the correct location and applicant name. Piping and instrumentation diagrams (PIDs) should be submitted if available at the time of application.

5.6.7 Total Continuous Emissions

- 29) The applicant must include the volume of gas from all sources on site that is disposed of by burning in a flare or incinerator. This does not include fuel gas used for header purge, pilot fuel, make-up gas to achieve effective combustion, sulphur recovery unit tail gas, or volumes attributed to emergency conditions or maintenance operations.

Applicants proposing to flare or incinerate gas must comply with the requirements of [Directive 060](#).

- 30) The applicant must include the volume of gas vented from all sources on site, including any volumes of CO₂ associated with a sweetening process.

Applicants proposing to vent gas must comply with [Directive 060](#) and section 8.080 of the [OGCR](#).

- 31) The applicant must evaluate the conservation of continuous flared, incinerated, and vented volumes in accordance with [Directive 060](#).

If NO_x emissions are present, it is the applicant's responsibility to ensure that the facility meets the Alberta ambient air quality objectives ([AAAQOs](#)) for NO₂. It is possible that facilities exempt from registration with AEP could exceed the AAAQOs. It is in the company's best interest to conduct modelling to ensure that its facility will meet the AAAQOs. In order to demonstrate that the facility meets the AAAQOs, the AER may require that the applicant provide NO_x modelling.

- 32) In designing its compression needs, the applicant must design the facility to meet the requirements set out by AEP's [Code of Practice for Compressor and Pumping Stations and Sweet Gas Processing Plants](#).
- 33) The applicant must register all compressor stations, pumping stations, and category B gas processing facilities with AEP before commencing operation if the total NO_x emissions are greater than 16 kilograms per hour (kg/h).
- 34) New and additional natural gas-driven reciprocating engines greater than 600 kW at full load must not emit more than 6 grams of NO_x per kilowatt-hour (g/kWh).
- 35) The applicant must meet the following requirements when NO_x emissions are present at facilities that require registration or approval with AEP:
 - a) Dispersion modelling must be conducted in accordance with AEP's [Air Quality Model Guideline](#)
 - b) Based on dispersion modelling, predicted NO₂ concentrations must meet the AAAQOs, using guidance from the [Air Quality Model Guideline](#).

- c) Standby equipment used only for emergency purposes may be excluded from dispersion modelling.
- d) The engine exhaust stack height must be set in accordance with the direction given in AEP's [Code of Practice for Compressor and Pumping Stations and Sweet Gas Processing Plants](#).
- e) NO_x emissions from steam generating units, heaters, and boilers may be excluded from dispersion modelling if their combined contribution is less than 3 per cent of the total NO_x emissions.

5.6.8 Compressor and Pump Additions

Temporary compressors in use for less than 21 consecutive days to test new gas well production as an alternative to flaring do not require a licence under *Directive 056*, provided that

- there is no other compressor on site,
 - the licensee or operator has met the participant involvement requirements in section 3, and
 - the compressor will meet all regulatory requirements, including noise and NO_x requirements.
- 36) If there are any unresolved concerns or objections received, the applicant must disclose this in its application.
 - 37) The use of temporary compressors is limited to a one-time-per-site occurrence. For further information on temporary compressors, see [Directive 060](#). Licensees and operators must notify the AER prior to operation.
 - 38) Licensees are not required to submit a licence amendment application for the purpose of adding one compressor or pump less than 75 kW to an existing licensed facility. In these instances, the licensee must
 - a) provide the landowner with a written description of the project,
 - b) ensure that the participant involvement requirements in section 3 are met, and
 - c) ensure that the facility will meet the NO_x and noise requirements.

This exemption does not apply to acid gas injection compressors, regardless of size, and does not apply to the use of temporary compression greater than 75 kW for any period of time for the purpose of determining permanent compression requirements.

Compressors less than 75 kW that were installed previously as an exempt activity should be indicated the next time an amendment application for the facility is required.

All compressors at a site are to be licensed as part of the facility unless the equipment is used to provide instrument air.

Applications are required for all compressor installations at new facilities regardless of the kW rating if the H₂S content of the inlet gas is greater than 0.01 mol/kmol (not including temporary compressors used for new gas well testing less than 21 consecutive days).

Applications are not required for the installation of process pumps that are not related to the injection or disposal of water or for enhanced oil recovery (EOR) purposes (e.g., glycol or chemical injection pumps, oil or water transfer pumps, recycle pumps, injection booster pumps).

- 39) The applicant must apply for the installation of the pumps associated with the injection or disposal component of a facility, regardless of pump size.
 - a) The applicant must amend the existing facility licence, retaining the original category type, to add an injection or disposal component to an existing licensed facility.
 - b) Third-party injection or disposal facilities must be licensed as waste disposal facilities under [Directive 058](#).

For licensing of compressors or pump stations on transmission pipelines (sales products), see section 6.

Facility licences issued under *Directive 056* do not include the installation of generators whose purpose is to generate power as part of a solution gas conservation process. In such cases, *Directive 056* remains the licensing point for the battery portion of the operations, while the generators require licensing with the AUC.

5.6.9 Setback Requirements

There are specific setback distances between category C, D, and E facilities and permanent dwellings, unrestricted country developments, urban centres, or public facilities.

- 40) The applicant must meet the applicable setback requirements in table 6 based on the calculated H₂S release volume for pipelines associated with the proposed facility.
- 41) The applicant must consider the level designation of inlet and outlet pipelines and use the highest level designation to determine the facility setback requirement.
- 42) Release volumes from on-site equipment must not be totalled to determine the setback requirements of the facility.
- 43) The applicant must meet the participant involvement requirements in section 3.

Table 6. Setback requirements for category C, D, or E facilities with pipelines containing H₂S

Level	H ₂ S release volume (m ³)	Minimum distance
1	<300	Lease boundary
2	≥300 to <2000	0.1 km to individual permanent dwellings and unrestricted country developments 0.5 km to urban centres or public facilities
3	≥2000 to <6000	0.1 km to individual permanent dwellings up to 8 dwellings per quarter section 0.5 km to unrestricted country developments. 1.5 km to urban centres or public facilities
4	≥6000	As specified by the AER, but not less than those given in level 3

5.6.10 Plot Plans and Spacing Requirements

- 44) A plot plan must be submitted with each facility application that clearly indicates the on-lease location of all the equipment (with the exception of valves) and reflects all surface improvements, water bodies, and vegetation for a minimum of 100 m past the edge of the lease, to demonstrate that all off-lease spacing requirements have been met (e.g., distance to a residence, water bodies, forestation, or road allowance).

The following is an abbreviated list of the spacing requirements. A complete list is in section 8 of the [OGCR](#) and [ID 91-03: Heavy Oil/Oil Sands Operations and Clarification](#).

- 45) Unless the AER permits otherwise, the applicant must meet the AER's spacing requirements. If the applicant cannot meet the AER's spacing requirements, the applicant must disclose this in its application.
- a) Tanks containing fluids other than fresh water must be located so that the distance from the outer perimeter of the dike to any surface improvement (other than a public roadway) is not less than 60 m ([OGCR](#) 8.030[4]).
 - b) Facility equipment must maintain a minimum distance of 100 m from a water body ([OGCR](#) 8.060).
 - c) Flare pits and flare line ends must not be located closer than 100 m to a surface improvement, except a surveyed roadway ([OGCR](#) 8.080[3]). Flares and incinerators must be located at least 40 m from a surveyed roadway or road allowance with open public access ([Directive 060](#), section 7.8).
 - d) A flare pit or the open end of a flare line must not be located or remain within 50 m of a well or oil storage tank ([OGCR](#) 8.080[5]).
 - e) A flare pit or open end of a flare line must not be located or remain within 25 m of any oil or gas processing equipment ([OGCR](#) 8.080[5]).
 - f) Oil storage tanks must be at least 50 m from a well ([OGCR](#) 8.090[3]).

- g) Flame-type equipment must not be placed or operated within 25 m of a well, oil storage tank, or other source of ignitable vapour ([OGCR 8.090\[4\]](#)).
- h) Flame-type equipment must not be placed or operated within 25 m of any process vessels unless, where such is applicable, the flame-type equipment is fitted with an adequate flame arrester ([OGCR 8.090\[5\]](#)).
- i) The exhaust pipe from an internal combustion engine, located less than 25 m from a well, process vessel, oil storage tank, or other source of ignitable vapour must be located at least 6 m from the vertical centre of the well and directed away from the well ([OGCR 8.090\[9\]](#)).
- j) The flare, incinerator, and enclosed burner spacing must comply with the requirements defined in the current [Forest and Prairie Protection Regulation](#).
- k) Compressors (electrically or engine driven) that are permanent and housed in a building must be located 25 m or more from wells.

Compressors are considered permanent when placed on pilings or a defined foundation and connected to the facility with rigid piping.
- l) Nonpermanent compressors (on wheels or skid mounted) must be spaced such that the air intakes and exhaust must be no closer than 6 m to a well.

Compressors are considered nonpermanent when they can be quickly disconnected and moved from where they are placed and there is no associated foundation constructed.
- m) Nonpermanent electrically driven compressors must comply with the current edition of [Code for Electrical Installations at Oil and Gas Facilities](#), Safety Codes Council (Alberta).

Location of tanks and flare systems relative to public roadways are not specified in the [OGCR](#). When planning facilities within 100 m of a municipal road, applicants should discuss the placement of tanks with the local authority. Additionally, for facilities planned within 300 m of a major (numbered) highway or within 800 m of an intersection of two major highways, applicants should contact Alberta Transportation for permit requirements.

5.6.11 Vapour Recovery and Odour Control

Trucks are viewed as part of the facility operation when loading, unloading, and transporting fluid containing H₂S gas.

- 46) For facilities where the maximum H₂S content of the inlet gas is greater than 0.01 mol/kmol, the applicant must ensure that there are no off-lease odours from trucking operations and the

transfer of fluids containing H₂S gas by implementing a method to control off-lease odours, such as the use of a pressurized or sealed vessel.

- 47) For facilities where the maximum H₂S content of the inlet or vented gas is greater than 10 mol/kmol, the applicant must include a suitable method to recover and handle vapours from stock tanks or burn the vapours. When designing the facility, the applicant must ensure that stock tank vapours are not discharged to the atmosphere without proper combustion of the sulphur compounds.
- 48) If a vapour recovery unit is required because the composition of the inlet stream has changed and the gas stream now contains more than 10 mol/kmol of H₂S, the licensee must submit an application to change the category type of the facility to category C, D, or E.

Applicants are not required to file a licence amendment application for the purpose of installing a vapour recovery unit at an existing category C, D, or E facility, provided that the participant involvement requirements in section 3 have been met, there are no landowner concerns, and the facility meets the NO_x requirements and the noise requirements at the nearest residence.

- 49) When the maximum inlet H₂S content of the gas is greater than 10 mol/kmol and a vapour recovery unit will not be installed, the applicant must provide an explanation of its proposed method of vapour control in its application.

5.6.12 Noise Requirements

All facilities under the AER's jurisdiction must meet the requirements of [Directive 038: Noise Control](#).

An NIA ensures that the applicant considers possible noise impacts before a facility is constructed or operated. The NIA predicts the expected design sound level from the facility at the nearest or most affected residence.

- 50) An NIA must be completed before submitting a facility application for any new permanent facility or for modifications to existing permanent facilities if there is a reasonable expectation of a continuous or intermittent noise source. (For the purpose of an NIA, a permanent facility is a facility in operation for more than two months.)
- 51) If the NIA indicates that the permissible sound level will be exceeded, the applicant must consider further mitigative measures. Where mitigative measures are not practical the applicant must explain why in its application.
- 52) The AER expects the applicant to use a reasonable technical basis for the values presented in the NIA, such as computer modelling, field measurements of similar equipment, accepted acoustical engineering examples from literature, and calculations.

- 53) If the applicant is using manufacturer's specifications, the sound level ratings must represent free or far-field conditions. Sound level ratings at 1 m are not acceptable for inverse square law calculations.

5.6.13 Production Measurement Guidelines

The AER provides measurement and reporting requirements and guidelines to assist those applying to construct, operate, or modify any upstream oil or gas production, transportation, injection, disposal, or processing facility.

- 54) The licensee must accurately measure and report volumes of produced oil, gas, and water in order to
- a) provide reservoir management information,
 - b) ensure that the appropriate Alberta Crown royalties are paid,
 - c) allow for the accurate assessment of each equity owner's share of production, and
 - d) allow for the detection of escaped substances to the environment.
- 55) Applicants of surface facilities associated with in situ oil sands schemes must ensure that the Measurement, Accounting, and Reporting Plan has been approved by the AER before submitting a *Directive 056* application.

5.6.14 Alberta Environment and Parks

All applicants should be aware that additional licences or approvals might be required from AEP.

If a facility requires both an AER and an AEP licence or approval, and there are unresolved concerns or objections that were received during the participant involvement program, the applicant is encouraged to advertise both applications together through a joint notice. The applicant must meet the participant involvement requirements in section 3.

- 56) Flare stacks must be designed to meet the Alberta Ambient Air Quality Objectives ([AAAQOs](#)) and be in accordance with methods outlined in [Directive 060](#) and AEP's [Air Quality Model Guideline](#).
- 57) Based on dispersion modelling, the ground-level concentration of SO₂ must meet the [AAAQOs](#), based on guidance from the [Air Quality Model Guideline](#) and [Directive 060](#).
- 58) The applicant must ensure that emissions from all combustion sources on site are reviewed in accordance with methods outlined in the [Air Quality Model Guideline](#).

- 59) When dispersion modelling is required by the [Code of Practice for Compressor and Pumping Stations and Sweet Gas Processing Plants](#), predicted ground-level concentrations of NO₂ must meet the AAAQOs, based on guidance from the [Air Quality Model Guideline](#).

5.6.15 Alberta Culture and Tourism

- 60) For proposed new facility licences or licence amendments that require a lease expansion on Freehold lands, the applicant must consult Alberta Culture and Tourism to determine whether the proposed facility site will require Alberta [Historical Resources Act](#) clearance before filing a licence application.

If the proposed new or expanded lease is located on land identified in the list, the applicant must

- a) obtain [Historical Resources Act](#) clearance before submitting a licence application, or
- b) if Alberta Culture and Tourism will not grant clearance, disclose that in its application.

5.6.16 AER Environmental Requirements

In 1993, the AER issued [IL 93-09: Oil and Gas Developments Eastern Slopes \(Southern Portion\)](#), setting guidelines and expectations for oil and gas development in this region.

- 61) If the proposed facility is located within the Eastern Slopes (Southern Portion), the applicant must meet the general expectations described in [IL 93-09](#) by
- a) preparing development plans beyond the initial exploration stage, taking into consideration current stages, such as
 - i) pool delineation (initial),
 - ii) pool delineation (subsequent), and
 - iii) pool development, and
 - b) developing environmental assessments, as outlined in [IL 93-09](#).

5.6.17 Working Interest Participants

- 62) The applicant must be a working interest participant to apply for or hold a facility licence.

5.6.18 Additional Application Requirements

- 63) Applicants must meet the requirements in section 8.3 when planning sour gas activity where residents are located within the EPZ.

6 Pipeline Licence Applications

6.1 Overview

An applicant must apply to

- construct and operate a new pipeline that requires a new pipeline licence;
- construct and operate a new pipeline that is to be added to an existing pipeline licence;
- construct and operate a permanent pipeline, regardless of length, which is not contained wholly within the boundary of a surface facility lease or an adjoining surface facility lease;
- construct and operate a permanent or temporary surface pipeline, except for pipelines for the purpose of well testing that will be in continuous use for less than 21 consecutive days for the purpose of well testing (consent is obtained from the AER; see [Directive 077: Pipelines – Requirements and Reference Tools](#));
- change the operating parameters of an existing pipeline; or
- construct a pipeline installation that includes a
 - compressor station or pump station in continuous use for more than 21 days that is associated with pipelines carrying processed (sales) product located downstream of a facility,
 - tank farm,
 - pipeline oil loading and unloading facility, or
 - pipeline line heater (categories C and D).

An applicant must also notify the AER of a pipeline abandonment and pipeline discontinuation.

[Directive 026: Setback Requirements for Oil Effluent Pipelines](#) introduces setback requirements for oil effluent pipelines containing greater than 10 mol/kmol of H₂S. The requirements set out in [Directive 026](#) must be met when filing a *Directive 056* pipeline licence application for new construction of any pipeline containing greater than 10 mol/kmol H₂S.

Gas utility pipelines and any associated pipeline installations are not under the jurisdiction of the AER. Applicants seeking to acquire or amend a licence for a gas utility pipeline or associated pipeline installation should contact the AUC.

If the applicant cannot meet a technical requirement, chooses to apply for a regulatory relaxation, cannot meet all participant involvements, outstanding concerns or objections exist, or the applicant proposes to implement new technology, the applicant must disclose the situation in its application.

If there are outstanding concerns or objections to an exempt activity, the activity is no longer exempt from licensing, and an application disclosing the situation must be submitted.

6.2 Licences

6.2.1 Licence Expiry

New pipeline construction licences typically expire one year from the date of issue if right-of-way clearing, construction, or operation has not begun on that pipeline. If an amendment is made to a pipeline licence with a “permitted” status, the expiry date remains unchanged.

- 1) The applicant must submit a licence amendment at least 30 days before the licence expiry date informing the AER that a pipeline will not be constructed.
- 2) If an applicant intends to proceed with a project for which a licence has expired, it must reapply. This means fulfilling all applicable regulatory requirements, including participant involvement requirements in section 3, before filing the new application.

Due to the complexity of some developments, it is possible that the applicant may not be able to act on a licence before the expiry date. If licence expiry is imminent, the applicant should contact the AER for further direction.

- 3) Before starting new construction when a licence is nearing licence expiry, the applicant must meet the participant involvement requirements in section 3.
- 4) If a pipeline licence has expired and construction has not started, the applicant must contact the AER for further direction.
- 5) If an applicant does not intend to proceed with the licence, it must notify the AER.

6.2.2 Licence Extensions

The AER typically issues a licence for a term of one year. An applicant may make a request to extend the expiry date of an applied-for licence at the time of application. Requests for extensions will be considered on a case-by-case basis.

- 6) To get an extended licence expiry date, the applicant must meet the participant involvement requirements in section 3 before it acts on the licence.

6.3 Category Type and Consultation and Notification Requirements

The category type and the consultation and notification requirements for pipelines are listed in table 3. The category type of a pipeline is dependent on the pipe diameter and H₂S content of the transported product.

The participant involvement requirements for pipeline activities that require a licence amendment are listed in table 4.

- 7) If a concern or objection is received during the participant involvement process and remains unresolved, the applicant must disclose that in its application.

6.4 Exemptions

- 8) Although no application is required under *Directive 056* for the following pipelines and activities, the company must meet the participant involvement requirements in section 3.

To proceed with a proposal where a concern or objection has been received and remains unresolved, the company must submit an application.

Although applications are not required under *Directive 056*, the company must meet all applicable regulatory requirements. If the company is unable to meet all the regulatory requirements, it must obtain a variance from the requirement from the AER.

6.4.1 Pipeline Installations

The licensing of the following pipeline installations does not occur under *Directive 056*:

- loading racks,
- meter stations,
- regulator stations,
- a temporary pipeline installation that will be in continuous use for less than 21 consecutive days for the purpose of well testing (consent for temporary pipeline installations is obtained from the AER), and
- line heaters associated with category B pipelines.

6.4.2 Pipeline Activities

The licensing of the following pipelines and activities is not required under *Directive 056*:

- a utility cooperative pipeline operated at an MOP of 700 kPa or less (Alberta Agriculture and Forestry);
- a pipeline replacement if each individual section is less than 100 m long and
 - the replaced pipe is removed,
 - the work is carried out within the existing right-of-way, and
 - the replacement sections are identical, of the same material, or evaluated as being equivalent or of a higher grade for the licensed purpose and operating conditions;

- the pipeline or tie-in is wholly within a single surface lease boundary or is wholly within adjacent or abutting facility surface leases (see [Pipeline Rules](#)); and
- category B, C, and D surface pipelines that will be in continuous use for less than 21 consecutive days for the purpose of well testing (consent for surface pipeline is obtained from the AER; see [Directive 077](#)).

6.5 Licence Amendments

- 9) Applicants must follow the requirements set out in [Directive 026](#) when making an application to amend an oil effluent pipeline with greater than 10 mol/kmol H₂S content.
- 10) The licensee must submit a pipeline licence amendment application for
 - a) MOP changes,
 - b) H₂S changes,
 - c) change of substance,
 - d) liner installation or removal,
 - e) resumption,
 - f) discontinuation,
 - g) abandonment or partial removals,
 - h) removal,
 - i) line split,
 - j) flow reversal, and
 - k) a pipeline that is not constructed.

See table 7 for a summary of licence amendment requirements for pipeline and pipeline installations activities

Additional technical evaluation should be considered when the following pipeline activities are proposed: a pipeline resumption, MOP increase, substance change, liner installation, or composite pipeline installation.

Table 7. Licence amendment requirements for pipeline and pipeline installations activities

Activity	Application
Complete removal (including all crossings)	Licence must be obtained before starting the removal operation.
Not constructed	Application is filed 30 days prior to expiry of pipeline licence.
Abandonment or partial removal	Application is filed within 90 days of completing the abandonment operation to advise the AER of the abandonment. Licence must be obtained before starting removal operations.
Discontinuation	Application is filed within 90 days of completing the discontinuation operation to advise the AER of the discontinuation.
H ₂ S change, MOP change, substance change, flow reversal, line split	Licence must be obtained before starting operations.
Resumption of discontinued pipeline	Licence must be obtained before starting resumption operations.
Resumption of abandoned pipeline or pipeline installations	Licence must be obtained before starting operations.
Liner installation or removal	Licence must be obtained before starting liner installation or removal.

6.6 Technical Requirements

6.6.1 Emergency Response Planning

The EPZ for pipelines containing H₂S in the gas phase and operating at pipeline licence conditions is based on the release volume from the pipeline. An EPZ is also calculated for a HVP pipeline.

Applicants are cautioned that it is a violation of privacy legislation to disclose in the public portion of a facility, pipeline, or well licence application, any personal information that was obtained for emergency response planning purposes. Such information must be provided in confidence to the AER in connection with the emergency response planning requirements set out in [Directive 071](#).

6.6.2 Setback Requirements

There are specific setback distances between pipelines containing gas >10 mol/kmol H_2S and permanent dwellings, unrestricted country developments, urban centres, or public facilities.

- 11) The applicant must meet the applicable setback requirements in table 8 based on the calculated H_2S release volume for the proposed pipeline.

Table 8. Setback requirements for gas/oil effluent pipelines containing >10 mol/kmol H_2S

Level	H_2S release volume (m^3)	Minimum distance
1	<300	Pipeline right-of-way
2	≥ 300 to <2000	0.1 km to individual permanent dwellings and unrestricted country developments
		0.5 km to urban centres or public facilities
3	≥ 2000 to <6000	0.1 km to individual permanent dwellings up to 8 dwellings per quarter section
		0.5 km to unrestricted country developments
		1.5 km to urban centres or public facilities
4	≥ 6000	As specified by the AER, but not less than level 3

6.6.3 Pipeline Leak Detection

- 12) The licensee must meet [CSA Z662](#) leak detection requirements for liquid hydrocarbon pipelines, gas, and oilfield water pipelines. For liquid hydrocarbon pipelines the licensee must also meet the leak detection requirements in annex E of [CSA Z662](#).

6.6.4 Steam Distribution Pipelines

Steam distribution pipelines used in the recovery of hydrocarbons from a reservoir or oil sands deposit are regulated under the [Pipeline Act](#) and include pipelines intended to carry steam, steam and produced fluids, or recovered steam. These pipelines require design registration by ABSA under the [Pipeline Rules](#) but are exempt from both the [Safety Codes Act](#) and [Pressure Equipment Safety Regulation](#). There may be situations in other types of pipelines in which produced fluids (emulsion) meet the definition of “expansible fluid” and require steam pipeline design and design registration with ABSA. Refer to [Directive 077](#) for additional information.

- 13) Before submitting a licence application, the design of steam distribution pipelines must satisfy the requirements of [CSA Z662](#) and be registered with ABSA.

6.6.5 Pipeline Discontinuation

Pipeline discontinuation is defined as the temporary deactivation of a pipeline or part of a pipeline.

- 14) An application is not required for pipeline discontinuation; however, the applicant must notify the AER within 90 days of completing the pipeline discontinuation.

- 15) When discontinuing a pipeline, the licensee must ensure that
 - a) proper discontinuation procedures are in place (see [Pipeline Rules](#)),
 - b) cathodic protection will be maintained in working condition and monitored in accordance with the [Pipeline Rules](#), and
 - c) setback distances are retained (table 8).

6.6.6 Pipeline Abandonment

Pipeline abandonment is defined as the permanent deactivation of a pipeline in a manner prescribed by the [Pipeline Rules](#); this includes any measures required to ensure that the pipeline is left in a permanently safe and secure condition. This also includes the removal of related surface equipment no longer in use, including pig traps, risers, block valves, and line heaters, unless they are located within the boundaries of a facility that will continue to have other licensed equipment operating after the pipeline abandonment.

- 16) When abandoning a pipeline, the licensee must
 - a) meet the participant involvement requirements in section 3 before starting any abandonment procedures,
 - b) ensure that proper abandonment procedures are in place (see [Pipeline Rules](#)), and
 - c) notify the AER within 90 days of the pipeline abandonment.

6.6.7 Partial Pipeline Removals

The physical removal of a pipeline where crossings are not being removed is considered a partial removal.

- 17) When applying for a partial pipeline removal and before undertaking any activity, the licensee must
 - a) meet the participant involvement requirements in section 3,
 - b) amend the pipeline licence (line split into multiple segments showing lines to be removed and crossings remaining in place), and
 - c) notify the AER within 90 days of completing the abandonment of the crossings.

6.6.8 Pipeline Resumption

Pipeline resumption is defined as resuming operations on a discontinued pipeline or on a pipeline that has not been in active flowing service within the last 12 months to its original licensed parameters. Abandoned pipelines are not normally candidates for resumption of operation. In rare

and exceptional circumstances, a licence may be granted to resume operation of an abandoned pipeline if the applicant has supported the request with a comprehensive engineering assessment.

- 18) When resuming operation of a discontinued pipeline, the licensee must ensure that
 - a) cathodic protection was maintained in accordance with [CSA Z662](#),
 - b) there is suitable external and internal coating integrity, and
 - c) sour service requirements are met if applicable.
- 19) The licensee must meet the participant involvement requirements in section 3 if the resumption of the discontinued pipeline in conjunction with other activities results in a change to a category D pipeline.
- 20) When resuming operation of an abandoned pipeline, the licensee must file an application and demonstrate the following:
 - a) compliance with the participant involvement requirements in section 3,
 - b) the integrity of the pipeline and the external and internal coating,
 - c) that sour service requirements of the most recent version of [CSA Z662](#) are met if applicable, and
 - d) that a comprehensive engineering assessment supports the resumption.

6.6.9 Pipeline Removal

Pipeline removal is defined as the removal of the entire pipeline, including crossings of roads, railways, and watercourses.

- 21) When applying to remove a pipeline and before undertaking any activity, the licensee must
 - a) meet the participant involvement requirements in section 3,
 - b) amend the pipeline licence, and
 - c) obtain approval before starting removal operations.

6.6.10 Pipeline Replacement

Pipeline replacement is defined as the replacement of an existing pipeline or a pipeline segment. An application is not required for a pipeline replacement if each individual section is less than 100 m long and

- the replaced pipe is removed,
- the work is carried out within the existing right-of-way, and

- the replacement sections are identical, of the same material, or evaluated as being equivalent or of a higher grade for the licensed purpose and operating conditions.

6.6.11 Surface Pipelines

Category B, C, and D surface pipelines that are in continuous use for less than 21 days for well testing purposes do not require a *Directive 056* pipeline licence application.

- 22) The applicant must submit a *Directive 056* pipeline application for
 - a) Category B, C, and D surface pipelines that are in use for less than 21 days for purposes other than well testing and
 - b) all surface pipelines in continuous use for more than 21 consecutive days.
- 23) A *Directive 056* pipeline application is not required for Category B, C, and D surface pipelines in continuous service for less than 21 days for well testing purposes; however, the company must
 - a) meet the participant involvement requirements in section 3, and
 - b) receive AER ([Directive 077](#)) consent to install and operate a surface pipeline for less than 21 days.
- 24) The applicant must meet all requirements of [CSA Z662](#) and the [Pipeline Rules](#).
 For category B surface pipelines, J55 API tubing and threaded joints may be used in some situations; contact the AER for more information.
- 25) For all category C and D surface pipelines for purposes other than well testing, the applicant must provide the following information.
 - a) supporting documentation to address surface pipeline requirements given in the [Pipeline Rules](#);
 - b) a detailed explanation of the pipeline design that includes consideration of the downstream pipeline effects and compatibility with connecting pipelines;
 - c) a description of the measures taken to protect the surface pipeline from third-party damage;
 - d) information of the corrosion control, monitoring program, and mitigation measures for the proposed surface pipeline, including an assessment of any impacts that adding and later removing the flow may have on the flow regimen of the connecting pipelines; and
 - e) an explanation detailing the need for the surface pipeline.

- 26) For all category C surface pipelines associated with a thermal in situ oil sands operation, the applicant is not required to provide the documentation described in the previous requirement if the proposed pipeline will
- a) be a permanent surface pipeline,
 - b) be part of a thermal in situ operation (for example, SAGD or cyclic steam injection) to produce crude bitumen in a designated oil sands area,
 - c) be made of steel,
 - d) be licensed as oil effluent, and
 - e) have an H₂S partial pressure greater than 0.3 kPa but less than or equal to 70.0 kPa.

If all these criteria will be met, the applicant must provide confirmation in writing in place of the documentation.

If any of the criteria will not be met and the pipeline is category C, submit the support documentation outlined in the preceding requirement with the application.

6.6.12 Calgary and Edmonton Transportation and Utility Corridors

- 27) Ministerial consent from Alberta Infrastructure must be obtained prior to any government authority ordering or authorizing any operation or activity that causes a surface disturbance in the transportation/utility corridors.
- 28) The applicant must obtain consent from Alberta Infrastructure prior to submitting an application to the AER.

6.6.13 Line Splits

A line split occurs when one line segment is split into multiple line segments that are each assigned an individual line number.

- 29) The licensee must file a licence amendment application and receive approval before beginning fieldwork to split a line.

6.6.14 Pipeline Spatial Data

The AER uses pipeline spatial data to show the location of licensed pipelines under its jurisdiction.

- 30) Applicants must submit spatial data that
- a) is formatted in a manner acceptable to the AER,

- b) meets the content requirements of either the [Public Lands Act](#) for pipeline rights-of-way located on public land or [Land Titles Act](#) for pipeline rights-of-way located on private land,
- c) shows the right-of-way and the location of the pipeline within the right-of-way being applied for, and
- d) indicates the licensee of any rights-of-way and licence numbers of the pipelines within those rights-of-ways that are adjacent to, or being crossed by, the proposed pipeline.

6.6.15 Maximum Operating Pressure Increase

- 31) The applicant or licensee must determine if any of the following is affected by an increase in MOP and take the appropriate mitigative action to ensure continued compliance:
 - a) pressure-testing requirements
 - b) overpressure protection on upstream and downstream pipelines
 - c) pipeline class designation
 - d) pipeline level classification
 - e) setbacks
 - f) partial pressure of H₂S (categories C and D only)
 - g) material and standard suitability
- 32) The applicant must meet the participant involvement requirements in section 3 for any change in pipeline operation.

6.6.16 Maximum Operating Pressure Decrease

- 33) The applicant or licensee must determine if any of the following is affected by a decrease in MOP and take the appropriate mitigative action to ensure continued compliance:
 - a) pipeline integrity under the new MOP
 - b) pressure compatibility with upstream and downstream pipelines
 - c) pipeline level reclassification

6.6.17 Substance Change

A pipeline licence is substance specific. If a licensee intends to transport a substance other than the substance for which the pipeline is currently licensed, a licence amendment application is required.

- 34) When changing the substance, the applicant or licensee must consider the following and take appropriate mitigative actions to ensure continued compliance:

- a) pressure-testing requirements
- b) pipeline level reclassification
- c) participant involvement requirements in section 3
- d) depth of pipeline cover
- e) pipeline warning sign requirements (the licensee must update pipeline warning signs to reflect the new substance before operations begin)
- f) potential class redesignation
- g) ERP changes ([Directive 071](#))
- h) corrosion monitoring and mitigation (if the substance is corrosive, effective internal corrosion mitigation and monitoring programs must be implemented according to the [Pipeline Rules](#) and [CSA Z662](#))

6.6.18 Connecting Pipelines with Different Substances

For pipelines licensed for sour natural gas, the AER will only approve an application if the connecting pipeline is also licensed for sour natural gas. For pipelines licensed for HVP products, the AER will only approve an application if the connecting pipeline is also licensed for HVP products.

The AER will not approve an application for a pipeline with H₂S that is to tie into an existing pipeline with a lower H₂S content than that of the proposed pipeline unless a blending scheme is proposed.

6.6.19 Liner Type

A liner is defined as a tubular product that is inserted into buried pipeline to form

- a corrosion-resistant barrier, or
- a separate free-standing pressure-containing pipe.

The applicant may choose to install a liner in a pipeline to improve or maintain the integrity of the pipeline.

- 35) The applicant must identify the correct type of liner for the substance transported in the pipeline.
- 36) Unless the AER permits otherwise, the applicant must use one of the following liner types:
 - a) free-standing fibreglass (considered pressure containing)
 - b) certain free-standing reinforced composite liners (considered pressure containing);

- c) free-standing polyethylene liners (considered pressure containing)
 - d) expanded polyethylene liners (considered to be internal corrosion barriers and not pressure containing)
- 37) Expanded polyethylene liners and the supporting pressure-containing pipe must be designed and pressure tested according to current CSA standards. Consideration should be given to temperature design and hydrocarbon absorption. For sour service, the supporting pressure-containing pipe must meet sour service requirements.
- 38) For all other liner types or new technologies, identify the type or technology in the application.

6.6.20 Sour Service Pipelines

There are specific requirements in [CSA Z662](#) for the design, materials, construction, operation, and maintenance of sour service pipelines. Sour service is defined in clause 16 of [CSA Z662](#).

- 39) The applicant must calculate the H₂S partial pressure or effective partial pressure to determine the need to meet [CSA Z662](#) sour service requirements.

6.6.21 Canadian Standards Association

If the [Pipeline Act](#) and [Pipeline Rules](#) differ from CSA requirements, the act and rules govern. CSA states that the materials intended for sour service must comply with the requirements of the sour service clause of the applicable [CSA Z245](#) standard; if no applicable CSA standard exists, the current material requirements of [NACE MR0175/ISO 15156](#) apply. Steel pipe, fittings, flanges, and valves must meet the applicable requirements of a standard or specification given in [CSA Z662](#), with the acceptable materials and limitations indicated.

- 40) For sour service pipelines, the applicant must meet the following CSA material standards:
- CSA Z245.1, “Steel Pipe”
 - CSA Z245.11, “Steel Fittings”
 - CSA Z245.12, “Steel Flanges”
 - CSA Z245.15, “Steel Valves”
- 41) For pipeline installations
- a) piping upstream and downstream of a line heater must meet [CSA Z662](#) standards,
 - b) piping within the line heater must be designed to American Society of Mechanical Engineers [ASME B31.3: Process Piping](#) standards,

- c) compressor and pump stations must meet [CSA Z662](#) standards, and
- d) as indicated in the preface of [CSA Z662](#), [ASME B31.3](#) is only permissible for internal piping for compressor and pump stations.

[Directive 077](#) further discusses the jurisdictional relationships for pipeline, pressure equipment, and pressure piping.

6.6.22 Pipelines Transporting Carbon Dioxide (CO₂)

CO₂ has unique properties that necessitate specific design considerations for pipelines transporting the substance. Because some design considerations are not covered in [CSA Z662](#), the AER reviews all applications to construct or amend pipelines that transport CO₂ to ensure that the design is based on sound engineering practices.

- 42) The applicant must provide the following information with its application:
- a) specific operating pressure ranges and pressure drops to avoid unnecessary phase changes,
 - b) corrosion mitigation and monitoring issues due to water content and other impurities,
 - c) specific material considerations to minimize the risk of fracture propagation,
 - d) ERP and dispersion modelling considerations, and
 - e) safety precautions that will be taken during pipeline operation and repair.

6.6.23 Stainless Steel Pipelines

[CSA Z662](#) does not address the use of stainless steel pipe; if an applicant is intending on using stainless steel pipe, it must discuss this with the AER.

6.6.24 Injecting Natural Gas Containing H₂S into a Producing Reservoir

When a producing reservoir has an approved enhanced recovery scheme that allows the injection of natural gas containing H₂S, the pipeline licensee must review the impact of the scheme operation on the pipeline materials and operating parameters.

- 43) The applicant must evaluate the potential for
- a) gas cap breakthrough,
 - b) reclassification of existing pipeline systems due to an increase in H₂S content,
 - c) reclassification of producing wells as critical wells, and
 - d) licence amendment applications to meet CSA sour service material requirements for the pipelines affected.

6.6.25 Stress Level

Stress level is defined as the stress in the wall of a pipe that is produced by the pressure of the fluids in the pipeline. This section describes the stress level calculation for steel, aluminum, and polyethylene pipeline materials. There is no stress level calculation for fibreglass or composite pipeline materials.

Stress level is calculated as a percentage using the following formulas:

- for steel or aluminum pipe material,

$$\frac{(MOP \text{ kPa}) \times (\text{outside diameter mm})}{(20 \times \text{pipe specified minimum yield strength MPa}) \times (\text{wall thickness mm})}$$

- for polyethylene pipe material,

$$\frac{(MOP \text{ kPa}) \times (\text{outside diameter mm} - \text{wall thickness mm})}{(20 \times \text{pipe long-term hydrostatic strength MPa}) \times (\text{wall thickness mm})}$$

44) The applicant must meet all applicable [CSA Z662](#) design requirements.

a) For steel pipe:

- For any temporary or permanent surface pipeline containing greater than 10 mol/kmol H₂S gas, the stress level must not exceed 50 per cent.
- For buried pipelines containing greater than 10 mol/kmol H₂S gas, the stress level must not exceed 60 per cent.
- For all other steel pipelines, the stress level must not exceed 72 per cent unless otherwise approved by the AER.

b) For aluminum pipe, the stress level must not exceed 72 per cent unless otherwise approved by the AER.

c) For type 3408, 3608, or 3708 polyethylene pipe with a design temperature less than 23°C:

- For wet gas gathering, oil effluent, and low vapour pressure service, the stress level must not exceed 25 per cent.
- For gas distribution, the stress level must not exceed 40 per cent.
- For dry gas gathering and water service, the stress level must not exceed 50 per cent.

These limitations do not apply to type PE80, PE100, 3710, or 4710 polyethylene pipe.

45) For all other pipeline materials and new technologies, identify the pipeline material and new technology in the application.

6.6.26 Pipeline Installation

A pipeline installation is defined as any equipment, apparatus, mechanism, machinery, or instrument incidental to the operation of a pipeline. This includes a compressor station, pump station, tank farm, and pipeline loading and unloading facility associated with pipelines carrying processed (sales) product. These installations would be located downstream of a gas processing facility or battery. Category C and D line heaters are considered pipeline installations, although all other upstream facilities are licensed under section 5 of *Directive 056*.

- 46) When applying for a pipeline installation, the applicant must meet the participant involvement requirements in section 3.
- 47) Where applicable, the applicant must meet
 - a) noise requirements defined in [Directive 038](#),
 - b) AER storage requirements (see [Directive 055](#)), and
 - c) AER spacing requirements as described in the [OGCR](#).

6.6.26.1 Process-Flow Diagrams

- 48) The applicant must attach a process-flow diagram (PFD) for all pipeline installation applications.
 - a) The PFD must identify all existing and proposed equipment at the pipeline installation. Proposed equipment must be identified in the legend and annotated on the diagram.

Diagrams must accurately represent the actual operations of the installation and contain the correct location and applicant name.
 - b) The applicant must clearly identify the following on the PFD:
 - i) process equipment
 - ii) measurement points
 - iii) storage tanks
 - iv) sources of all inlets, receipts, and deliveries, including all fuel lines, flare lines, and vent points
 - v) safety equipment

6.6.26.2 NO_x Emissions

If NO_x emissions are present, it is the applicant's responsibility to ensure that the facility meets the AAAQOs for NO₂. It is possible that facilities exempt from registration with AEP could exceed the AAAQOs. It is in the company's best interest to conduct modelling to ensure that its facility will meet the AAAQOs. In order to demonstrate that the facility meets the AAAQOs, the AER may require that the applicant provide NO_x modelling.

- 49) The applicant must design the pipeline installation to meet the requirements set out in AEP's [*Code of Practice for Compressor and Pumping Stations and Sweet Gas Processing Plants*](#).
- 50) The applicant must register all compressor and pumping stations with AEP before commencing operations if the total NO_x emissions are greater than 16 kg/h.
- 51) New and additional natural gas-driven reciprocating engines greater than 600 kW at full load must not emit more than 6 grams of NO_x per kilowatt-hour (g/kWh).
- 52) The applicant must meet the following requirements when NO_x emissions are present at facilities that require registration or approval with AEP:
 - a) Dispersion modelling must be conducted in accordance with AEP's [*Air Quality Model Guideline*](#).
 - b) Based on dispersion modelling, predicted NO₂ concentrations must meet the AAAQOs using guidance from the [*Air Quality Model Guideline*](#).
 - c) Standby equipment used only for emergency purposes can be excluded from dispersion modelling.
 - d) The engine exhaust stack height must be set in accordance with the direction given in AEP's [*Code of Practice for Compressor and Pumping Stations and Sweet Gas Processing Plants*](#).
 - e) NO_x emissions from steam generating units, heaters, and boilers can be excluded from dispersion modelling if their combined contribution is less than 3 per cent of the total NO_x emissions.

6.6.26.3 Plot Plans

- 53) A plot plan must be submitted with each pipeline installation application that clearly indicates the on-lease location of all the equipment (with the exception of valves) indicated on the process-flow diagram. It must also show at least 100 m past the edge of the lease to demonstrate that all off-lease spacing requirements have been met (e.g., distance to a residence, water bodies, forestation, or road allowance).
- 54) The applicant must meet the spacing requirements of the [*OGCR*](#), as applicable.

6.6.26.4 Noise

All pipeline installations under the AER's jurisdiction must meet the requirements of [Directive 038](#).

An NIA will ensure that the applicant has considered possible noise impacts before a pipeline installation is constructed or operated. The NIA predicts the expected design sound level from the pipeline installation at the nearest or most impacted residence.

- 55) Applicants must discuss noise matters with area residents (see section 3).
- 56) An NIA must be completed before submitting a pipeline installation application for any new permanent pipeline installation or for modifications to existing permanent pipeline installations if there is a reasonable expectation of a continuous or intermittent noise source.

For the purpose of an NIA, a permanent pipeline installation is a pipeline installation in operation for more than 2 months.

- 57) If the NIA indicates the permissible sound level will be exceeded, the applicant must consider further mitigative measures.

Where mitigative measures are not practical, the applicant must explain why in its application.

- 58) The AER expects the applicant to use a reasonable technical basis for the values presented in the NIA, such as computer modelling, field measurements of similar equipment, accepted acoustical engineering examples from literature, and calculations.
- 59) If the applicant is using manufacturer's specifications, the sound level ratings must represent free or far-field conditions. Sound level ratings at 1 m are not acceptable for inverse square law calculations.

6.6.27 Blending of Products

Product blending is defined as the combination of similar products with different H₂S contents for the purpose of maintaining a lower H₂S content in the blended stream. Blending a liquid stream with a gas stream is not permitted.

- 60) The applicant must ensure that the H₂S content in the final blended stream does not exceed the licensed H₂S content of the receiving pipeline.
- 61) The applicant must include a detailed description of the design for
 - a) flow ratio control with or without automatic shutdown and
 - b) H₂S monitoring (or flow ratio control) with automatic shutdown in accordance with the [Pipeline Rules](#), section 14.

6.6.28 Proliferation

As the proponent of a new oil or gas facility or pipeline, the applicant has already determined that the proposed project will meet its business needs. The AER, as the approving authority, is required to evaluate the need for the proposed project in the broader public interest. The AER considers this interest in terms of economic, orderly, and efficient development of Alberta's oil and gas resources.

The AER continues to receive strong input from the public, who are aware of the growth of resource development. The AER accepts the public's view that pipeline proliferation should be avoided whenever possible and practical.

Pipeline development is to be carried out in a manner that minimizes the overall impacts on the environment and public. Proliferation of pipelines occurs when new development results in greater surface disturbances and impact on the public than would be the case if existing infrastructure were used.

6.6.29 AER Environmental Requirements

In 1993, the AER issued [IL 93-09](#): *Oil and Gas Developments Eastern Slopes (Southern Portion)*, setting guidelines and expectations for oil and gas development in this region.

- 62) If the proposed pipeline is to be located within the Eastern Slopes (Southern Portion), the applicant must meet the general expectations described in [IL 93-09](#) by
- a) preparing development plans beyond the initial exploration stage, taking into consideration current stages such as
 - i) pool delineation (initial),
 - ii) pool delineation (subsequent), and
 - iii) pool development, and
 - b) developing environmental assessments, as outlined in [IL 93-09](#).

6.6.30 Conservation and Reclamation Requirements

[EPEA](#) requires that pipelines located in the white area of the province with an index of 2690 or greater (class 1) must have an [EPEA](#) conservation and reclamation approval. Pipelines with an index value lower than 2690 (class 2) do not require the approval.

The index is determined by multiplying the outside diameter of the pipe (in mm) times the length of the pipe (in km).

For class 2 pipelines, notification to AEP is not required; however, AEP conservation and reclamation requirements under the [EPEA](#) must be met. When siting an upstream oil and gas site on

private land, refer to AEP's [R&R/03-2](#): *Siting an Upstream Oil and Gas Site in an Environmentally Sensitive Area on Private Land*.

For class 1 pipelines, the applicant may file an application once the 30-day AEP notification period has expired. The AER will not accept a pipeline application if the notification period has not expired unless there are outstanding concerns and the application is submitted appropriately.

6.6.31 Additional Application Requirements

- 63) The AER does not require applicants to acquire crossing agreements prior to submitting an application. However, they must be in place prior to construction.
- 64) Applicants must meet the requirements in section 8.3 when planning sour gas activity where residents are located within the EPZ.

7 Well Licence Applications

7.1 Overview

An applicant must apply for a well licence for

- a new oil, gas, or crude bitumen well,
- a water well greater than 150 m,
- a new disposal or injection well,
- re-entering a well,
- resuming drilling operations after original rig release,
- an evaluation well or test hole,
- a CBM well,
- drilling a well through a potential hydrocarbon zone for any other purpose,
- amending a previously issued well licence before spud or rig release,
- deepening an existing well while the rig is on hole, or
- changing an oil sands evaluation well to a conventional producing well (within 30 days of drilling).

A licence is also required for wells that will be drilled deeper than 150 m to supply water for domestic or stock watering purposes. Please contact the AER for details and instructions.

If the applicant cannot meet a technical requirement, chooses to apply for a regulatory relaxation, cannot meet all participant involvements, outstanding concerns or objections exist, or the applicant proposes to implement new technology, the applicant must disclose the situation in its application. If there are outstanding concerns or objections to an exempt activity, the activity is no longer exempt from licensing, and an application disclosing the situation must be submitted.

7.2 Licence Expiry

Well licences expire one year from the date of issue if construction or operation has not yet started. After one year, the AER will cancel the expired licence from the active records.

- 1) If the applicant intends to proceed with a project for which a licence has expired, all applicable regulatory requirements, including participant involvement requirements (section 3), must be fulfilled prior to filing a new application.

Due to the complexity of some developments, it is possible that the applicant may not be able to act on a licence before the expiry date. If licence expiry is imminent, the applicant should contact the AER.

- 2) Prior to initiating new construction when a licence is nearing expiry, the applicant must meet the participant involvement requirements in section 3.
- 3) The applicant must advise the AER 30 days before licence expiry if it has commenced lease construction but has not spudded the well. This will ensure that the licence is not automatically cancelled.
- 4) If an applicant does not intend to proceed with the licence, it must notify the AER.

7.2.1 Licence Extensions

The AER typically issues a licence for a term of one year. An applicant may request an extension to the expiry date of an applied-for licence at the time of application. Requests for extensions will be considered on a case-by-case basis.

- 5) To get an extended expiry date for an applied-for licence, the applicant must meet the participant involvement requirements in section 3 before it acts on the licence.
- 6) To get an extended expiry date for an existing licence, the licensee must meet the participant involvement requirements in section 3 before it acts on the licence.

7.3 Category Type and Consultation and Notification Requirements

The category type and the consultation and notification requirements for wells are listed in table 5. The category type of a well is determined by the H₂S content, H₂S release rate, and proximity to the public.

7.4 Cavern Scheme Wells

Before submitting a well licence application for a well drilled for the purpose of producing or injecting into a solution mining cavern or injecting into a hydrocarbon storage or disposal cavern, the applicant must meet the participant involvement requirements in section 3.

7.5 Exemptions

Well licence applications are not required for

- wells drilled to a depth of less than 150 m that are not intended to encounter or produce hydrocarbons,

- wells drilled to discover or evaluate a solid inorganic mineral (e.g., limestone quality test well), and
- oil sands evaluation wells drilled within an approved mine site in accordance with section 4(5) of the [Oil Sands Conservation Rules](#).

7.5.1 Abandoned Well Remediation

Approvals for abandoned well remediation do not require a *Directive 056* application. Companies responsible for the re-entry, repair, and reabandonment of a well must submit a nonroutine abandonment request to the AER, indicating the reason for the re-entry, a plan for resolution of the issue, and a statement about whether the company is the current licensee of the well, holds the mineral rights, and has a current surface lease agreement. If the request is approved, the AER will issue a letter of approval. If the company is not the current licensee, a *Directive 056* application may be required.

Before submitting an application, authorization for re-entry, repair, and reabandonment must be obtained from the Alberta Energy, if applicable.

7.6 Licence Amendments

- 7) The applicant must be the licensee to file a well licence amendment.
- 8) The applicant must meet the participant involvement requirements in section 3 to file a well licence amendment.
- 9) The licensee must amend the well licence if any of the following information changes prior to spudding the well: surface ownership (Freehold and Crown), mineral ownership (Freehold and Crown), surface location, ground elevation, well purpose, surface coordinates, total depth, well type, terminating formation, regulation section, the EPZ, or number of occupied dwellings, public facilities, or places of business inside the EPZ.
- 10) The licensee must amend the well licence while the rig is on hole deepening an existing well with no change in the well category or type if
 - a) the change in total depth is greater than 150 m or
 - b) the terminating formation changes.

If (a) or (b) does not apply, the change in the total depth is captured through the submission of the licensee's drilling records.
- 11) The licensee must amend the well licence to correct inadvertent data entry errors or transposition of numbers.

- 12) The licensee must amend the well licence to change the bottomhole location prior to spudding the well.

Bottomhole location changes after spud date are captured through the submission of the licensee's directional survey.

7.7 Re-entry, Resumption, and Deepening

- 13) The licensee must apply to re-enter an abandoned well. The licensee assumes responsibility for the well and any associated liabilities regardless of whether operations are subsequently conducted at the well.
- 14) The licensee must apply to resume drilling when resuming drilling of a well after rig release. A resumption application is not required if the licensee is resuming drilling within six months of spud to the same terminating formation and the type of drilling operation (e.g., vertical, horizontal) remains the same as originally licensed.
- 15) The licensee must apply to deepen a well when deepening an existing well while the rig is on hole if that will result in an increase in the well category (e.g., from B to C or C to D).

7.8 Technical Requirements

7.8.1 Survey Plans

- 16) The applicant must attach a survey plan that
 - a) meets all requirements stated in section 2.020 of the [OGCR](#);
 - b) provides sufficient detail to accurately identify surface topography, surface improvements, and access roads;
 - c) is formatted in a manner acceptable to the AER;
 - d) is current and valid, meaning
 - i) less than 12 months old from the date of certification or,
 - ii) if more than 12 months from the date of certification, certified as correct by an Alberta Land Surveyor;
 - e) shows the location of the well tied by bearings and distance to a monument or, in the case of a well in unsurveyed territory, the location determined in accordance with the [Alberta Land Surveyors Association Manual of Standard Practice](#);

- f) shows the relation of the well to the boundaries of the quarter section shown by the coordinates from the two boundaries of the quarter section that are also the boundaries of the section (assuming a 20 m wide road allowance) and by calculated distances to the interior boundaries of the quarter section;
 - g) shows the relation of the well location to the surface topography within 200 m of the well, including
 - i) elevation of the corners of the surface lease,
 - ii) elevation of any significant water bodies, and
 - iii) sufficient information to establish the general character of the topography and any predominant drainage patterns;
 - h) in the case of long access roads (i.e., outside the 200 m radius) or where the well is close to survey section lines, shows sufficient information to establish the general character of the topography, predominant drainage patterns, and surface improvements;
 - i) shows the relation of the well location to
 - i) surface improvements,
 - ii) wells,
 - iii) coal mines, whether working or abandoned, and
 - iv) water wells within 200 m of the well; and
 - j) indicates the depth of the water if the proposed well is in a water-covered area.
 - k) For new CBM wells completed above the base of groundwater protection, applicants must meet the requirements found in [Directive 035](#) regarding survey plans and maps.
- 17) The survey plan should also reflect the distance to the nearest
- a) dwelling (whether occupied part time or full time; e.g., house, seasonal cottage, trapper's cabin),
 - b) publicly used development (e.g., church, community centre, campground, curling rink),
 - c) place of business, or
 - d) other surface development where members of the public may gather.
- 18) The AER will accept survey plans based on remotely sensed, three-dimensional survey data like LiDAR if
- a) the survey plan clearly identifies that the data the survey is based on was acquired from remotely sensed data,

- b) the survey plan meets all components of requirement 16 above, and
- c) a final survey plan will be completed by a certified Alberta land surveyor once the proposed surface lease is surveyed for construction within 60 days of the start of construction.

7.8.2 Emergency Response Planning

The EPZ for wells containing H₂S is based on the release rate for the well.

Applicants are cautioned that it is a violation of privacy legislation to disclose in the public portion of a facility, pipeline, or well licence application any personal information that was obtained for emergency response planning purposes. Such information must be provided in confidence to the AER, in connection with emergency response planning requirements set out in [Directive 071](#).

7.8.3 Critical Sour Well

A critical sour well is one that meets any of the following criteria:

- $RR \geq 2.0 \text{ m}^3/\text{s}$
 - $RR \geq 0.3 \text{ m}^3/\text{s}$ but $< 2.0 \text{ m}^3/\text{s}$ and the well is located within 5.0 km of an urban centre
 - $RR \geq 0.1 \text{ m}^3/\text{s}$ but $< 0.3 \text{ m}^3/\text{s}$ and the well is located within 1.5 km of an urban centre
 - $RR \geq 0.01 \text{ m}^3/\text{s}$ but $< 0.1 \text{ m}^3/\text{s}$ and the well is located within 500 m of an urban centre
- 19) If the proposed well is critical or deemed to be category E, the applicant must meet the drilling requirements detailed in [Directive 036: Drilling Blowout Prevention Requirements and Procedures](#), and [IRP Volume 1: Critical Sour Drilling](#).

7.8.4 Minimum Casing Testing Requirements – Re-entry and Resumption of Drilling

The following requirements apply when re-entering an existing wellbore, whether abandoned or not, to deepen, whipstock, recomplete (abandoned well only), or recomplete horizontally.

For the tests set out below, the required pressures are applied at surface and are based on a wellbore fluid density of 1000 kg/m³. The test pressure is adjusted according to the fluid density in the wellbore at the time of the test. For a satisfactory pressure test, a stabilized pressure is maintained over a 10-minute interval.

- 20) For all categories of wells with only surface casing set:
- a) Before starting re-entry or resumption of drilling operations, the licensee must
 - i) ensure that there is sufficient casing set and cemented in the well for well control purposes (see [Directive 008](#)) and
 - ii) pressure test the existing casing to the lesser of 7000 kPa or 50 times the casing setting depth (m).
- 21) For category B, C, or D wells that will be drilled overbalanced or recompleted:
- a) Before starting re-entry or resumption of drilling operations, the licensee must
 - i) ensure that there is sufficient casing set and cemented in the well for well control purposes (see [Directive 008](#)), and
 - ii) pressure test the existing casing to 67 per cent of the bottomhole pressure at the casing setting depth or the depth at which the window will be cut.
 - b) If the existing casing is to be used for production purposes, before placing the well on production, the licensee must
 - i) run a casing inspection log or combination of logs, fully interpreted on a joint-by-joint basis, which
 - determines the percentage penetration of anomalies,
 - distinguishes between internal and external corrosion, and
 - has the ability to detect holes, pits, perforations, metal loss, and metal thickness;
 - ii) use the results of the casing inspection log in the following equation to verify that the minimum internal yield (P_y) of the existing casing meets the minimum required casing burst pressure set out in [Directive 010](#):

$$P_y = \frac{2Y_p t}{D}$$

where P_y is the minimum internal yield (kPa), Y_p is the specified minimum yield strength (kPa), t is the reduced wall thickness (mm; minimum remaining well thickness—not an average), and D is the nominal outside diameter (mm); and
 - iii) pressure test the casing to a pressure of 85 per cent of the minimum required casing burst pressure set out in [Directive 010](#).

- 22) For category B, C, or D wells that are drilled underbalanced and for any category E well:
 - a) before starting re-entry or resumption of drilling operations, the licensee must
 - i) ensure that there is sufficient casing set and cemented in the well for well control purposes;
 - ii) run a casing inspection log or combination of logs, fully interpreted on a joint-by-joint basis, which
 - determines the percentage penetration of anomalies,
 - distinguishes between internal and external corrosion, and
 - has the ability to detect holes, pits, perforations, metal loss, and metal thickness;
 - iii) use the results of the casing inspection log in using the equation in requirement 21(b)(ii) to verify that the minimum internal yield (P_y) of the existing casing meets the minimum required casing burst pressure set out in [Directive 010](#); and
 - iv) pressure test the existing casing to 67 per cent of the highest anticipated formation pressure that will be encountered.
 - b) If the existing casing is to be used for production purposes, prior to placing the well on production, the licensee must
 - i) run another casing inspection log (this casing inspection log may be a log that has regard for internal wall loss and may be compared to the data from the log conducted prior to drilling [see 21(b)(ii) above]),
 - ii) ensure that the formula set out in 21(b)(ii) is now satisfied based on the least wall thickness remaining,
 - iii) ensure that the minimum internal yield (P_y) of the existing casing meets the minimum required casing burst pressure set out in [Directive 010](#), and
 - iv) pressure test the casing to a pressure of 85 per cent of the minimum required casing burst pressure set out in [Directive 010](#).
- 23) To request a waiver from the required casing inspection logs for a re-entry or resumption of well, the licensee must identify the waiver in its application. Note that there are certain situations in which the AER will not consider granting waivers.

7.8.5 Terminating Formation

For the purpose of well licensing, the terminating formation is defined as the deepest formation in which the well will terminate and which the applicant has the right to produce for all intended purposes of the well.

The applicant may drill to a maximum overhole depth of 15 m below the base of the terminating formation. This overhole depth is permitted to accommodate logging tools and casing.

- 24) The applicant must not identify any formations within the 15 m overhole as the terminating formation on a well licence application unless the applicant holds the mineral rights.
- 25) The applicant must have the permission of the mineral rights holder, whether Crown or Freehold owner or lessee, to exceed the 15 m maximum overhole depth.

7.8.6 Lahee Classifications

A Lahee classification is a “pre-spud” assignment given to each well based on the geological complexities and the known existence of hydrocarbon accumulations (pools) in the area where the well is to be drilled. The classification takes into account the general degree of risk of geological failure. Refer to table 9 for individual classification descriptions and to schematic figure 1.

Table 9. Lahee classification

Lahee classification	Description
New Field Wildcat (NFW)	An NFW well is located at a considerable distance beyond the limits of known pools and is outside the boundaries of existing fields. The well is drilled in an area where hydrocarbons have not yet been discovered. The geological risk of this type of well is very high: in the absence of the discovery of a new pool, the well would be deemed unsuccessful.
New Pool Wildcat (NPW)	The objective of an NPW well is the discovery of new pools in all zones that the well encounters. The well is located in an already discovered field. The geological risk of this type of well is very high: in the absence of the discovery of a new pool, the well would be deemed unsuccessful. In circumstances where the well is in relatively close proximity to the limits of known pools, the NPW classification must be based on technical data suggesting that a new pool will be encountered. A well drilled within or in close proximity to the limits of known pools but terminating shallower than the known pools is normally classified as NPW, except in the case where pre-existing wells in close proximity to the well have logs and/or tests that strongly suggest the existence of shallower pools to be penetrated by the well.
Deeper Pool Test (DPT)	A DPT well is located within or in close proximity to known pools and is drilled with the objective of exploring for new, undiscovered pools below the deepest of the known pools. Only the interval below the deepest of the known pools is exploratory and carries a high geological risk. The remaining metreage in a DPT is development, with low geological risk. In circumstances where the exploratory portion of the well is in relatively close proximity to the limits of known pools, the DPT classification must be based on technical data suggesting that a new pool will be encountered.
Outpost (OUT)	An OUT well is drilled with the intention of extending a known pool by a considerable distance. A well in proximity to a known pool but whose outcome is uncertain because of geological complexities might also be classified as OUT. There would be some geological risk associated with drilling an OUT well.
Development (DEV)	The objective of a DEV well is to further exploit or extend known pools. The well may be inside of the established limits of the pool or in close proximity to the edge of the pools. The DEV classification should be used even if the well is drilled slightly deeper than the target pool, especially where the deeper strata to be penetrated have no hydrocarbon-bearing potential. The geological risk of this type of well is low. Wells licensed with a well type of production and substance of bitumen are DEV.

Lahee classification	Description
Re-entry (REN)	A REN classification is assigned to a well that re-enters an existing wellbore for the purpose of recompleting the well as a producer or service well with no new strata being drilled. If new strata are to be drilled (e.g., by deepening, whipstock, or sidetracks), the well is assigned the appropriate Lahee classification.
Development Service Well (DSW)	A DSW well is drilled to introduce fluids into a formation or observe the performance of a reservoir. Water injection, steam injection, and observation wells are examples of DSW wells.
Evaluation Oil Sands (OV)	An OV well is drilled in an oil sands area to evaluate the oil sands and is not intended to produce hydrocarbons. Such wells will be licensed under section 2.030 of the OGCR .
Test Hole (TH)	A TH well is drilled for geological and geophysical stratigraphic evaluation purposes and is not intended to produce or expected to encounter hydrocarbons. Such wells will be licensed under section 2.030 of the OGCR .
Experimental (EX)	An EX well is part of an AER-approved experimental scheme. Such wells will be licensed under section 2.030 of the OGCR .
Other (OTH)	A well drilled for water production, brine production, gas storage, water disposal, or any other purpose not covered by other Lahee classifications is classified as OTH. It may be licensed under section 2.020 or 2.040 of the OGCR .

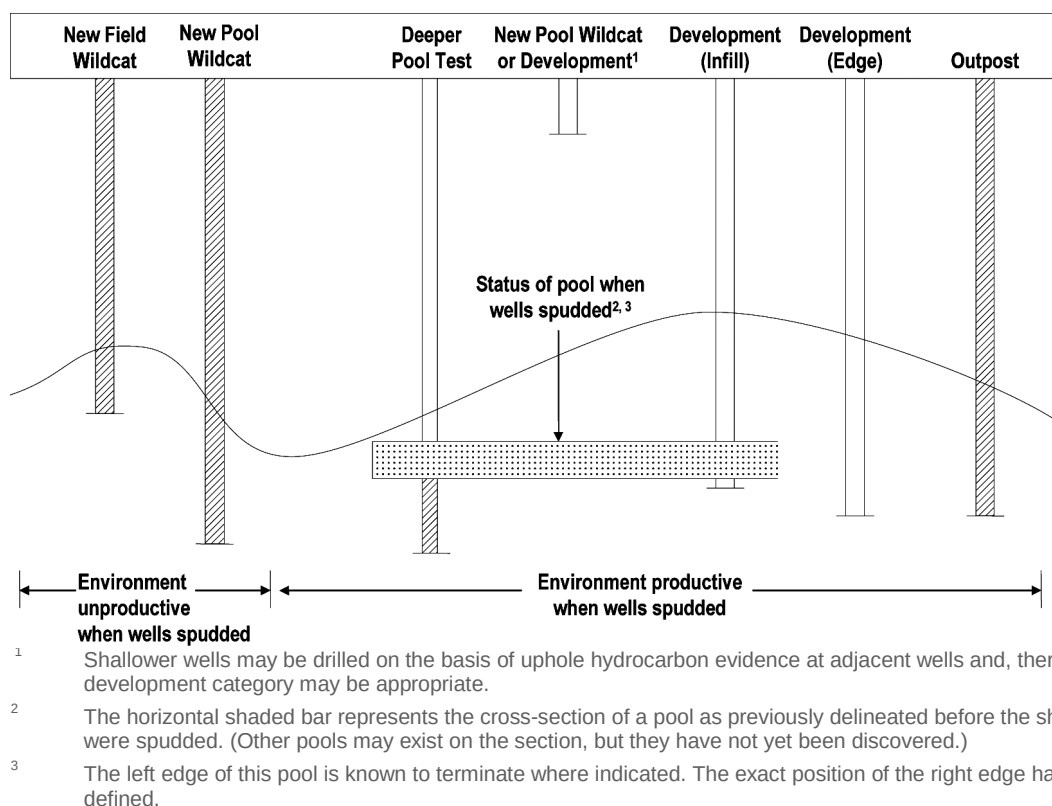


Figure 1. How to classify a well

7.8.6.1 Technical Considerations

The following describes the technical considerations for Lahee classifications:

- The Lahee classification takes into account all zones to be penetrated by the well.
- The Lahee classification takes into account any pre-existing exploited offset pools, as well as pre-existing wells with logs or tests that strongly suggest the presence of pools, although the pools may not have yet been exploited. In both cases, the AER would consider the pools as previously discovered.
- Step-out distances will vary depending upon the size and trend of pools previously encountered in the region.
- The AER's official designation of pool orders (formerly known as G-orders) have no bearing on the Lahee classification. This is because they may not have been issued for nearby pools and because their boundaries may not have been updated to reflect current knowledge regarding areal extent and continuity of pools.

7.8.6.2 Process and Review Information

The following describes the process and review considerations for Lahee classifications:

- Lahee classifications are to be selected by the applicant in accordance with the definitions provided in table 9.
- The Lahee classification is not reviewed by the AER before issuing the well licence.
- It is strongly recommended that the licensee review its well licence to ensure accuracy of the Lahee classification selection. In the event that the licensee detects an incorrect selection, a letter may be sent to the AER requesting a revision. The AER will issue a letter acknowledging the revision. As is the case with new licences issued, the revision request will not be reviewed for correct selection.
- Because the Lahee classification is a risk assessment based upon pre-spud information, it would not be appropriate for a licensee to request a Lahee classification revision after the well has been drilled and results have been obtained.
- The AER may review a well's Lahee classification at any time.
- If the AER requires additional data in support of the licensee's Lahee classification selection, a letter will be sent to the licensee indicating that
 - the licensee has 30 days to file a submission package in support of its Lahee classification selection, and

- in the absence of a submission within 30 days, the AER will revise the classification to the AER planned revision stated in the letter.
- Submission packages in support of a licensee’s Lahee classification should include a covering letter stating the views of the licensee and any pre-spud technical information (maps, seismic, etc.) in support of retaining the original Lahee classification selection.
- The AER will review submissions and issue a written decision. In some cases, meetings to exchange information may be necessary.

The AER records the Lahee classification assignment for all wells drilled in Alberta.

7.8.7 Assigning Initial Confidentiality to New Wells

The initial confidential status on new wells is based on the provisions described in section 12.150 of the [OGCR](#) and section 15 of the [Oil Sands Conservation Rules](#). Table 10 is a guide for determining the appropriate initial confidential status of new wells. Figure 2 provides well scenarios to assist in assigning confidentiality to OUT, DPT, DEV, DSW, and REN wells.

7.8.7.1 Confidentiality Considerations

The following are considerations when assigning confidentiality:

- A confidentiality assignment takes into account all zones to be penetrated by the well.
- The AER’s official designation of pool orders (formerly known as G-orders) has a direct impact on confidentiality assignments. The most recent official pool order boundaries are on the AER website.

Table 10. New well initial confidential status based on Lahee classification

Lahee classification	New well confidential status
NFW,NPW,TH,OV,EX	(C) – CONFIDENTIAL
OUT, DPT, DEV, DSW, REN	(C) – CONFIDENTIAL if all zones penetrated by the well are outside the limits of AER-designated pools (formerly known as G-orders) or inside the boundaries of an existing AER-designated confidential pool. Well No. 1 in figure 2 demonstrates this scenario. (NC) – NONCONFIDENTIAL if the well terminates in or just below an AER-designated nonconfidential pool. Well No. 2 in figure 2 demonstrates this scenario. If the well type and substance are production of crude bitumen in an oil sands area, the well is also nonconfidential. (CB) – CONFIDENTIAL BELOW if one or more uphole zones penetrated by the well is inside an AER-designated nonconfidential pool. The “confidential below” formation name is the name of the deepest designated pool the well penetrates. Well No. 3 in figure 2 demonstrates this scenario.
OTH	(NC) – NONCONFIDENTIAL

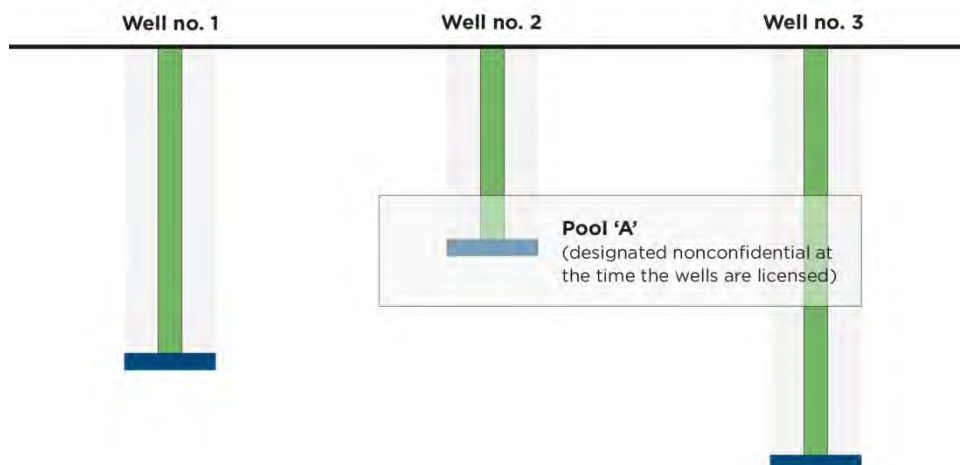


Figure 2. Well scenarios to assist in assigning confidentiality and drill cutting sample requirements

7.8.7.2 Process and Review Information

The following describes the process and review considerations for assigning confidentiality:

- Initial confidentiality statuses are to be selected by the applicant.
- Initial confidentiality selections are not reviewed by the AER before issuing a well licence.
- The AER strongly recommends that the licensee review its well licence to the initial confidentiality status is accurate. If there is an error, the licensee may send a letter to the AER requesting a revision. Included in the AER's mandate is dissemination of information regarding the oil and gas resources of Alberta; a request to revise an initial selection may be subject to review by the AER.
- The AER will review the initial confidentiality status shortly after a well licence is issued.
- In cases where the selection does not appear consistent with the regulations, the AER may issue a letter requesting information to support the confidentiality assignment. The letter will indicate that
 - the licensee has 30 days to file a submission package in support of the licensee's initial confidentiality selection, and
 - in the absence of a submission within 30 days, the AER will revise the initial confidentiality to the AER planned revision stated in the letter.
- Submission packages should include a covering letter stating the views of the licensee and any information in support of retaining the initial confidentiality selection.
- The AER will review submissions and issue a written decision. In some cases, meetings to exchange information may be necessary.

7.8.7.3 Ongoing Confidentiality Maintenance

Ongoing confidentiality maintenance may result in further revisions. After a well has been drilled, a licensee may request a revision to its confidentiality assignment based upon information gained as a result of drilling. If the revision meets the criteria in the regulations, the AER will revise the confidentiality. The AER will provide a written response to the request.

For each well carrying a confidential status, the AER will initially assign an expected confidentiality release date of one year from its finished drilling date. However, the AER may scrutinize a well's confidentiality at any time, and if it meets the conditions for release in accordance with section 12.150 of the [OGCR](#) or section 15 of the [Oil Sands Conservation Regulations](#), its confidential status will be revised by the AER. Notification will not be provided to the licensee.

7.8.8 Drill Cutting Sample Requirements

Drill cutting sample requirements are determined using figure 3 and table 11, which describes the appropriate drill cuttings samples required based upon a well's Lahee classification described in table 9. In addition, figure 2 provides well scenarios to assist in assigning drill cutting sample requirements.

- 26) The applicant must submit drill cuttings in 5 m intervals and in accordance with section 11.010 of the [OGCR](#).

The AER may periodically identify areas where geological complexities dictate that additional samples should be taken. In those cases, the AER will notify the licensee of the revised requirements before drilling commences.

7.8.9 Groundwater Protection

- 27) Applicants must ensure that nonsaline groundwater is protected during drilling operations by
 - a) meeting the requirements of section 6.080 of the [OGCR](#) and [Directive 020: Well Abandonment](#) so that nonsaline aquifers (groundwater containing less than 4000 milligrams per litre [mg/l] total dissolved solids) will be covered by cementing surface casing, cementing the next casing string, or appropriate placement of open-hole abandonment plugs and
 - b) referring to the [Base of Groundwater Protection Query Tool](#) to determine if a reference well or depth below ground level is available to determine the base of groundwater protection.

7.8.10 Surface Casing and Exemptions

[Directive 008](#) sets out the requirements for determining surface casing depth for wells to be drilled and gives specifics on where surface casing is not required.

- 28) To obtain a surface casing exemption in accordance with [Directive 008](#), the applicant must request the exemption in an application and include the following information, where applicable:
- a) Geological data
 - i) Identify all zones from surface to total depth.
 - ii) Identify gas potential in the hydrocarbon-bearing zones and provide an isopach map showing the extent of the productive zones.
 - iii) Identify any nonthermal enhanced recovery schemes within 1 km of the proposed well.
 - iv) Identify any thermal schemes within 1 km of the proposed well.
 - v) Identify the location of any water well within a 200 m radius of the proposed well.
 - b) Operations data
 - i) Review offset wells within a 3 km area from surface to the terminating formation and provide the following for each well:
 - well location (unique well identifier)
 - zones and depths of severe lost circulation
 - zones and depths of artesian water flows
 - zones and depths of kicks and blowouts
 - estimated unstimulated AOF rate
 - H₂S content from surface to set casing depth
 - formation pressures
 - maximum pressure gradient of any formation to the terminating depth
 - c) For horizontal wells, indicate if intermediate casing will be set before drilling the horizontal section.
 - d) Provide the field kick rate.

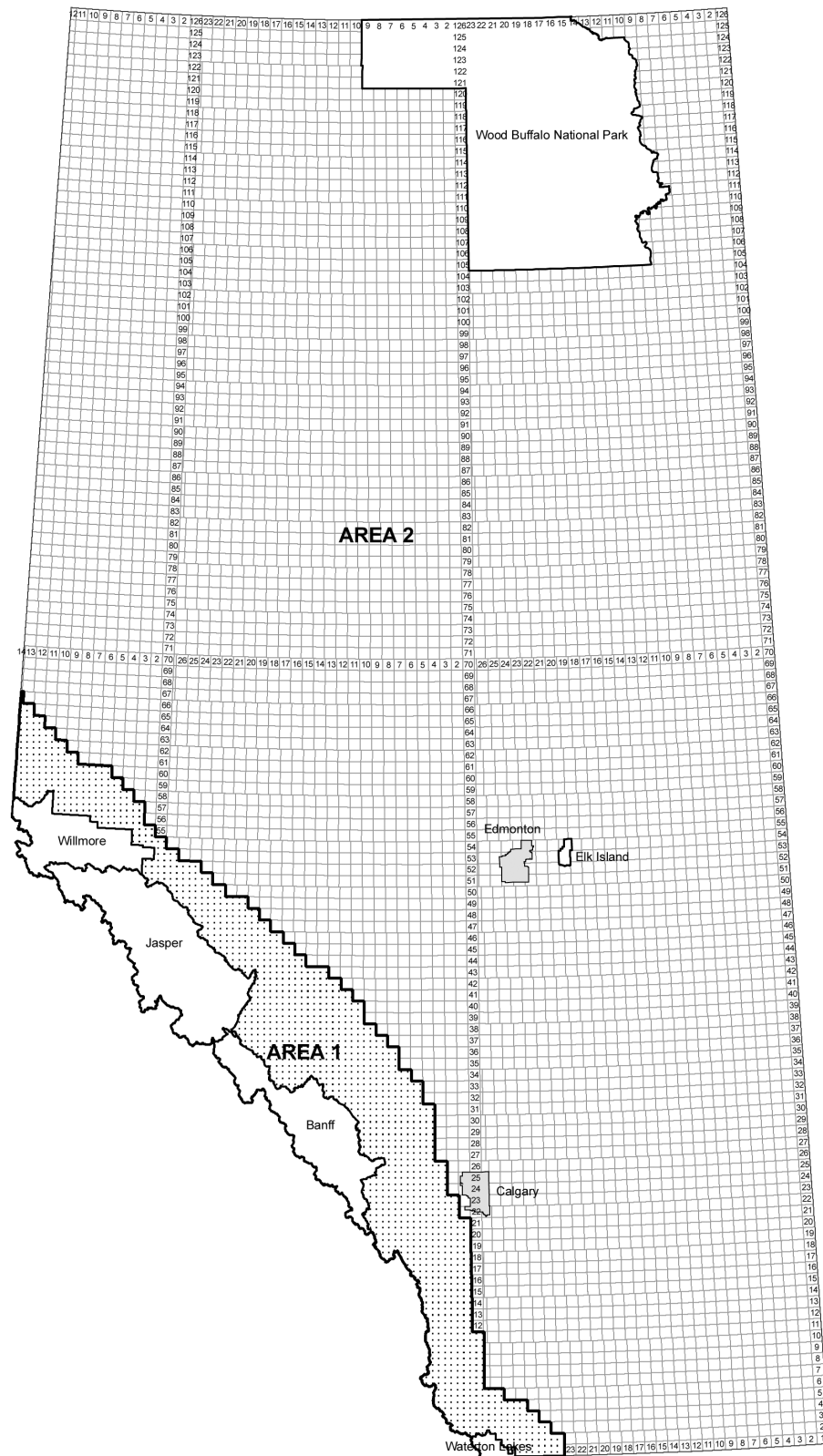


Figure 3. Drill cutting sample requirements by area in Alberta

Table 11. Drill cutting sample requirements

Lahee classification	Well scenario	Drill cutting sample requirement
Area 1 (see figure 3)		
NFW, NPW, EX		Base of surface casing—to-total depth
REN, TH, OTH		No drill cutting samples required
DPT, OUT	Well falls outside all AER-designated pools (formerly known as G-orders) from surface to total depth (see Well No. 1 in figure 2).	Base of surface casing—to-total depth
	Well falls inside an AER-designated pool at total depth (see Well No. 2 in figure 2) or well penetrates an AER-designated pool and is drilling to a deeper horizon (see Well No. 3 in figure 2).	30 m above shallowest potential hydrocarbon-bearing horizon—to-total depth
DEV, DSW	Well meets one of the following exceptions: • The well type is production and well substance is crude bitumen. • The well type of drilling operation is horizontal. • The well projected total depth is less than 600 m.	No drill cutting samples required
	Well does not meet one of the exceptions described above.	Sample requirements as DPT and OUT wells above
Area 2 (see figure 3)		
NFW		Base of surface casing—to-total depth
NPW, EX		30 m above shallowest potential hydrocarbon-bearing horizon—to-total depth
OV, REN, TH, OTH		No drill cutting samples required
DPT, OUT	Well falls outside all AER-designated pools from surface to total depth (see Well No.1 in figure 2).	30 m above shallowest potential hydrocarbon-bearing horizon—to-total depth
	Well falls inside an AER-designated pool at total depth (see Well No. 2 in figure 2).	No drill cutting samples required
	Well penetrates an AER-designated pool and is drilling to a deeper horizon (see Well No. 3 in figure 2).	30 m above the first potential hydrocarbon-bearing horizon to be encountered after the well drills through the deepest AER-designated pool—to-total depth
DEV, DSW	Well meets one of the following exceptions: • The well type is production and well substance is crude bitumen. • The well type of drilling operation is horizontal. • The well projected total depth is less than 600 m.	No drill cutting samples required
	Well does not meet one of the exceptions described.	Same requirements as DPT and OUT wells above

- 29) In addition to the above, the applicant must provide a map that illustrates the area 3 km around the proposed well and shows
- a) surface and bottomhole locations of the proposed well,
 - b) existing wells within 3 km of the proposed well that are drilled to the proposed terminating zone,
 - c) wells with hole problems,,
 - d) AOF gas rates for existing wells,
 - e) proximity to thermal wells,
 - f) proximity to water bodies, and
 - g) if the proposed well is in an “established area” as defined in [Directive 008](#).

7.8.11 Right to Produce or Operate

- 30) Before submitting a well licence application, the applicant must
- a) be a working interest participant;
 - b) be entitled to the right to produce the oil, gas, or crude bitumen from the well or have the right to drill or operate the well for the authorized purpose;
 - c) acquire the right to produce from the intended formation for the complete DSU. Part 4 of the [OGCR](#) gives requirements for normal DSUs and for special DSUs. Applicants need to be aware that fractional sections require a special DSU if the size of the fractional section differs by more than 5 per cent from a normal DSU. The applicant must ensure that it acquires the rights for the entire DSU for the intended purpose of the well prior to submitting the application.
 - d) if applicable, obtain permission from Alberta Energy to produce minerals under water bodies on Freehold mineral lands, as the Crown holds the mineral rights beneath water bodies; and
 - e) because normal DSUs do not include the road allowance, contact Alberta Energy if the bottomhole location of the well is in a road allowance.

7.8.11.1 Mineral Lease Continuation

Alberta Energy does not consider an application for a mineral lease continuation sufficient to demonstrate that an applicant has the rights for all of the intended purposes of the well.

- 31) Before submitting a well licence application with the AER, the applicant must receive a signed approval granting a mineral lease continuation from Alberta Energy.

7.8.11.2 Wellbore Rights for Abandoned Wells

Wellbore rights are separate and distinct from mineral rights and require separate approval before a well licence application can be filed.

- 32) Before filing a well licence application, the applicant must acquire the rights to the abandoned wellbore:
 - a) For Freehold mineral rights, the applicant must obtain the abandoned wellbore rights from the licensee of record. If the applicant is unable to acquire an agreement from the licensee of record, the applicant must identify that in its application.
 - b) For Crown mineral rights, if the mineral rights have not expired, the applicant must obtain the abandoned wellbore rights from the licensee of record; if the mineral rights have expired, the abandoned wellbore rights revert to the Crown. In this case, the applicant must obtain well re-entry approval from the Crown using the Request for Well Re-Entry Approval form available on the Alberta Energy website.

7.8.12 Setback Requirements

There are specific setback distances between wells containing H₂S gas and permanent dwellings, unrestricted country developments, urban centres, or public facilities.

- 33) The applicant must meet the applicable setback requirements in table 12 based on the calculated H₂S release rate for the proposed well.
- 34) The level designation must be based on the suspended or producing H₂S release rate.

Table 12. Setback requirements for wells containing H₂S

Level	H ₂ S release rate (m ³ /s)	Minimum distance
1	≥0.01 to <0.3	0.1 km, as stated in section 2.110 of the OGCR
2	≥0.3 to <2.0	0.1 km to individual permanent dwellings and unrestricted country developments 0.5 km to urban centres or public facilities
3	≥2.0 to <6.0	0.1 km to individual permanent dwellings up to 8 dwellings per quarter section 0.5 km to unrestricted country developments 1.5 km to urban centres or public facilities
4	≥6.0	As specified by the AER, but not less than level 3

7.8.12.1 Water Bodies

A water body may be natural or manmade and contain or convey water continuously, intermittently, or seasonally.

For the purposes of *Directive 056*, a natural water body is defined as any location where water flows or is present, whether the flow or the presence of water is continuous, intermittent, or occurs only during a flood. This includes, but is not limited to, the bed and shore of a river, stream, lake,

creek, lagoon, swamp, marsh, slough, muskeg, and other natural drainage, such as ephemeral draws, wetlands, riparian areas, floodplains, fens, bogs, coulees, and rills.

- 35) For the purposes of *Directive 056*, a manmade water body may include, but is not limited to, a canal, drainage ditch, reservoir, dugout, and other manmade surface feature. The well centre must be sited a minimum of 100 m from a water body.
- 36) Unless the AER permits otherwise, if the well centre is located on Freehold or Crown land but does not meet the 100 m setback requirement, the applicant must
 - a) have a Crown disposition if the well centre is located on Crown land;
 - b) maintain natural drainage if there is intermittent drainage or a spring or artesian flow across the well site or access road on Freehold and Crown land; and
 - c) have acceptable measures in place to protect the water body during drilling and future production operations and mitigate the consequences of a spill on Freehold and Crown land.

Acceptable measures must include one or more of the following as required:

- site and berms constructed using impermeable materials
- synthetic liner
- vacuum truck
- absorption material
- enclosed systems with tankage
- textile mat

The AER expects the measures to comply with all relevant requirements of provincial and federal legislation and regulation (including the [Environmental Protection and Enhancement Act](#), [Water Act](#), [Public Lands Act](#), [Fisheries Act](#), and the [Navigation Protection Act](#) and the regulations thereunder).

An applicant may request a waiver if the applicant cannot meet the requirements above or wishes to propose alternative mitigative measures. The applicant must outline measures to protect the water body from contamination during drilling and future production operations and to mitigate the consequences of a spill.

- 37) If a water body will be disturbed by the well activity, the applicant must submit to the AER the approval received under the [Water Act](#) from AEP.

7.8.12.2 Surface Improvements

For the purposes of *Directive 056*, a surface improvement is defined as a

- railway, pipeline, canal, or other right-of-way,
- road allowance and surveyed roadway,
- dwelling,
- industrial plant,
- aircraft runway or taxiway,
- building used for military purposes,
- permanent farm building,
- school, or
- church.

A surveyed road or road allowance is a surface improvement; however, specific setback requirements are discussed under section 7.8.12.3.

- 38) The well centre must be sited a minimum of 100 m from a surface improvement.
- 39) Unless the AER permits otherwise, the applicant must
 - a) meet the 100 m setback requirement or
 - b) acquire the consent of the surface improvement owner if the well centre does not meet the 100 m setback for a railway, pipeline, gas co-op, or other right-of-way.
- 40) For all other surface improvements, if the surface improvement owner consents to relaxation of the 100 m setback requirement, the applicant must disclose that in its application.
- 41) An applicant may request a waiver from the AER if consent from the surface improvement owner cannot be acquired.

7.8.12.3 Surveyed Road or Road Allowance

A surveyed road or road allowance, whether developed or undeveloped, is considered a surface improvement but is subject to a 40 m setback. A lease or access road located on Crown or Freehold land or a private access road is not considered a surface improvement and is not subject to a setback.

The AER will consider a lesser distance if the applicant demonstrates that special circumstances exist and that the owner or administrator of the surface lands does not object.

- 42) You may request a relaxation from the 40 m setback requirement in your application.

- 43) The applicant is expected to consider other setback restrictions set out by Alberta Transportation and local authorities.

7.8.12.4 Airports

- 44) If the applicant proposes to drill a well within
- a) 5 km of a lighted (registered or unregistered) airstrip or aerodrome or
 - b) 1.6 km of an unlighted (registered) airstrip or aerodrome,
- then before filing the well licence application, the applicant must advise Transport Canada, using the appropriate Transport Canada drilling rig clearance form.
- 45) If the applicant proposes to drill a well within a 1.6 km radius of a private, unregistered, and unlighted airstrip or aerodrome, the applicant must fulfil the participant involvement requirements in section 3.

7.8.12.5 Coal Mines

Sections 6.140 to 6.190 of the [OGCR](#) detail the requirements if a well is proposed within 3 km of a working subsurface mine or within 400 m of an abandoned subsurface mine. If these requirements are applicable and the applicant is unable to meet the requirements, the applicant must provide an explanation of the reason the requirements cannot be met in the application.

If the applicant intends to drill through a bed or seam of coal, see section 3 for notification requirements.

7.8.13 AER Environmental Requirements

- 46) The applicant is expected to assess each well site and access road and to develop plans to conserve, reclaim, and mitigate the effects of its activities. These plans should include measures to contain any spills and prevent and control soil and water contamination, soil erosion, siltation of any drainage courses or water bodies, and slope instability.
- 47) Unless the AER permits otherwise, the applicant must meet the following requirements:
- a) For CBM wells completed above the base of groundwater protection, the applicant must meet the environment requirements listed in [Directive 035](#).
 - b) The applicant must have acceptable measures in place to protect the environment during drilling and future production operations and to mitigate the consequences of a spill.
 - i) Acceptable measures for on-site containment must include one or more of the following as required:
 - site and berms constructed using impermeable materials

- synthetic liner
 - vacuum truck
 - absorption material
 - enclosed systems with tankage
 - textile mat
- ii) The AER expects the measures to comply with all relevant requirements of provincial and federal legislation and regulation (including the [Environmental Protection and Enhancement Act](#), [Water Act](#), [Public Lands Act](#), [Fisheries Act](#), and the [Navigation Protection Act](#) and the regulations thereunder).
- iii) Before constructing or preparing a well lease site or a well-site access road, the licensee is expected to meet the requirements and guidelines in all current and applicable AEP informational letters.
- c) If there is intermittent drainage or a spring or artesian flow across the well site or access road, the applicant must maintain natural drainage.
- d) If the proposed well site is within a caribou range, the applicant must ensure the requirements for development within a caribou range are met. See the AER website and consult with AEP for further information.

In 1993, the AER issued [IL 93-09: Oil and Gas Developments Eastern Slopes \(Southern Portion\)](#), setting guidelines and expectations for oil and gas development in this region.

- 48) If the proposed well site is located within the Eastern Slopes (Southern Portion), the applicant must meet the general expectations described in [IL 93-09](#) by
- a) preparing development plans beyond the initial exploration stage, taking into consideration current stages such as
 - i) pool delineation (initial),
 - ii) pool delineation (subsequent), and
 - iii) pool development, and
 - b) developing environmental assessments.
- 49) The applicant must request a waiver if it cannot meet the requirements immediately above or if it proposes alternative mitigative measures to protect the environment.

An AER well licence does not relieve the applicant or licensee from meeting the legislative or regulatory requirements of the following:

- [Environmental Protection and Enhancement Act](#) and *Regulations*
- Other relevant acts, including provincial and federal legislation and regulation (including the [Water Act](#), [Public Lands Act](#), [Fisheries Act](#), and the [Navigation Protection Act](#) and the regulations thereunder).

7.8.14 Alberta Culture and Tourism

- 50) For proposed projects on Freehold lands, the applicant must consult Alberta Culture and Tourism to determine whether a proposed well site will require Alberta [Historical Resources Act](#) clearance before filing a well licence application.
- a) If the proposed well site is to be located on land identified in the list, the applicant must
- i) obtain [Historical Resources Act](#) clearance before submitting a well licence application or,
 - ii) if Alberta Culture and Tourism has not granted clearance, disclose this in the application.

7.8.15 H₂S Release Rate Assessments

The AER requires the applicant to conduct an H₂S release rate assessment for each category C, D, or E well to ensure public safety when developing projects containing H₂S gas. The H₂S release rate assessment determines the minimum EPZ for the proposed project and dictates the minimum radius used in the applicant's participant involvement program.

- 51) If the producing or completion H₂S release rate is greater than the drilling release rate, the applicant must fulfil the participant involvement requirements applicable to the higher rate.

Pursuant to section 12.150(8.1) of the [OGCR](#), the AER will normally consider interpretative data submitted in support of release rate assessments as confidential, provided that the data are indicated as confidential at the time of filing.

Test data used for H₂S release rate assessments are available in area summary format or individual well format from AER Information Services.

An applicant may file an H₂S release rate assessment with the AER before submitting a well licence application.

- 52) Before filing a well licence application, the applicant must also do the following:
 - a) The applicant must prepare an adequate H₂S release rate assessment that meets the outlined requirements.
 - b) The applicant must evaluate all formations up to and including the 15 m overhole interval and incorporate this information into the H₂S release rate assessment.
 - c) Upon request, the applicant must provide documentation to demonstrate that the H₂S release rate assessment was conducted before filing the well licence application.
 - d) The applicant must include related H₂S details for a well that may encounter H₂S gas. This information forms the basis for the applicant's participant involvement program for the proposed well project.
- 53) Each H₂S release rate assessment must consist of the following four components (described in more detail later in this section) but may include additional components as circumstances warrant:
 - a) geological well prognosis with a comprehensive geological discussion,
 - b) geological mapping,
 - c) engineering discussion, and
 - d) tabulated data.
- 54) The applicant must support the H₂S release rate assessment with the proper documentation, as detailed in this section. This information must be available before filing a presubmission or well licence application and upon request. Its immediate availability is crucial in an emergency situation.

The AER expects that the documentation package will be prepared under the supervision of a member of the Association of Professional Engineers, Geologists, and Geophysicists of Alberta (APEGGA) or other technical designation.

7.8.15.1 Geological Discussion

- 55) The applicant must provide a geological well prognosis and a comprehensive geological discussion to address the hydrocarbon and H₂S potential of all formations encountered by the well. There are two basic cases for reviewing H₂S potential:
 - a) shallow wells – wells planned to reach total depth before the top of the Mannville Group (or equivalent zone)
 - b) deep wells – wells planned to be drilled deeper than the top of the Mannville Group

Shallow Wells

Reservoirs in shallow horizons may develop very low concentrations of H₂S gas during their operational life. In these cases, the calculated H₂S release rate may result in an emergency planning radius that is less than the total radius of the well-site lease; however, this needs to consider safety of personnel and the public.

- 56) The applicant must plan for the potential to encounter H₂S gas if gas analysis data in the public domain demonstrate that a reservoir originally not containing H₂S gas has evolved to gas containing H₂S.

Deep Wells

These wells have the potential to encounter H₂S gas horizons throughout the Mannville Group and deeper. However, H₂S gas zones may be encountered at shallower depths. Reservoirs in shallow zones may develop very low concentrations of H₂S gas during their operational life; one example is the Cardium Formation.

If a well encounters H₂S gas in the Mannville Group or deeper, the estimated H₂S release rate derived from the deeper zones usually overwhelms the small contribution from shallower zones. In this case, the contribution from shallower zones need not be considered in the cumulative H₂S assessment for the proposed well.

- 57) Should the assessment reveal that gas containing H₂S will not be encountered in formations or at depths greater than the top of the Mannville Group, the applicant must revisit the well prognosis and provide an H₂S release rate assessment for any shallow zones that have any concentrations of H₂S gas.
- 58) Should either proprietary data or data in the public domain on H₂S gas concentrations indicate that the H₂S release rate for shallow zones significantly affects the cumulative H₂S release rate for the proposed well, the applicant must include this information in the review.

Geological Considerations

- 59) The geological discussion must indicate the basis for the interpretation of the potential to encounter gas containing H₂S for each horizon (e.g., open-hole log interpretation, cross-sections, or pool isopachs derived from open-hole logs or seismic information, drillstem test recoveries, production, or any other appropriate information).

The geological review must support the applicant's choice of data used in the H₂S release rate calculation. The CAPP document [*H₂S Release Rate Assessment and Audit Forms*](#) is one possible reference for the types of calculation adjustments or corrections that may be required.

- 60) The applicant is expected to consider the following examples (or other situations where they apply) of geological interpretations that may affect the H₂S release rate calculation for the proposed well:
- a) Wells near potentially productive reservoirs containing H₂S gas that are located along erosional edges (e.g., the Elkton member) should be evaluated for the potential for a reduced reservoir thickness beyond the limits of seismic resolution and for the potential to encounter productive outliers.
 - b) Different geological environments may lead to different potential reservoir trends. These trends sometimes exhibit a bias in H₂S concentration or AOF rates for wells completed in the different geological environments. This bias should be considered when reviewing data for geologically analogous pools.
 - i) Because of the potential differences in AOF rates and H₂S concentrations, the applicant should identify and discard data obtained from a Nisku pinnacle reef reservoir in the West Pembina Basin if the target is the Nisku bank facies.
 - ii) H₂S concentration and AOF rate data for wells in the Foothills area must be segregated by structural trend for evaluation, since the geological analogue may be a pool on the same structural trend as the proposed well.
 - iii) If multiple sands within a formation are potentially productive (e.g., Ellerslie #1 and #2 sandstone), the H₂S release rate must be adjusted to reflect this scenario.
 - c) If offsetting well data or seismic interpretation indicate that a substantially thickened reservoir is potentially present, this information must be used to determine the H₂S release rate.

7.8.15.2 Geological Mapping

The AER recommends that the applicant begin its geological assessment using a three-township by three-range map plot to examine the well penetration data appropriate for each zone that it identifies as its primary and secondary zones that may contain H₂S gas. The mapped data may assist in the determination of geological trends, the identification of applicable geologically analogous pools, and the estimation of the potential availability of H₂S concentration and AOF rate data for the geologically analogous area.

The results of this initial review may indicate that the map area should be expanded to identify the geological trend (e.g., reef platform or thrust sheet) or needs to be reduced due to a high well data density capable of providing sufficient data for review (e.g., oil pools with reduced spacing).

- 61) The applicant must submit geological maps for all formations that it identifies as its primary and secondary zones that may contain H₂S gas.

For other potential H₂S zones the AER expects the applicant to implement the process outlined below in the “Tabulated Data” section. Mapping of these zones is not required.

- 62) The applicant must submit schematic dip-oriented cross-sections for all proposed wells located in the Foothills geological area based on existing well control or seismic information. The schematic cross-section must illustrate the relationship and the structural style of the prospective zones that may contain H₂S gas.
- 63) For map presentations relying on net pay or porosity interpretations, the applicant must provide the basis for the interpretation (e.g., gross pay, shale cutoffs, log porosity cutoffs, water saturation cutoffs) where applicable.
- 64) All map and schematic cross-section presentations must be completed before filing a well licence application.

The applicant may choose the map type that best illustrates its geological interpretation. The following are examples of appropriate maps types:

- net pay isopach
- gross pay isopach
- structure contour
- show or bubble maps denoting test or production information
- porous thickness isopach
- isochron maps

- 65) Maps must show the following:
- a) township, range, meridian (sections where appropriate)
 - b) map scale
 - c) geologically analogous area or pool
 - d) date prepared and company name
 - e) existing well control and proposed well location

The applicant may choose the map annotations that best illustrate its geological interpretation. Map annotations should be applicable to the map type submitted. The following are some examples of annotations on a net pay isopach map:

- presence or absence of porosity (e.g., tight, shale)
- fluid content (e.g., water, gas, or oil) of the zone
- absence of the zone otherwise anticipated (e.g., eroded)
- estimate of net pay/pay:
 - where the zone is productive
 - at the proposed well location
 - by using contouring at the proposed location

The following are some examples of annotations on a structure contour map:

- presence or absence of porosity (e.g., tight, shale)
- fluid content (e.g., water, gas, or oil) of the zone
- absence of the zone otherwise anticipated (e.g., eroded)
- structural elevations and source (e.g., zone top or porosity top)
- structural contouring

7.8.15.3 Engineering Discussion

- 66) The applicant must provide an engineering assessment for each potentially productive zone that may contain H₂S gas that includes
 - a) constraints that geological interpretation places on data gathering and review,
 - b) corrections to H₂S concentration data, and
 - c) corrections to AOF rate data.
- 67) Data must be from an analogous geological area or pool. Use of data from an arbitrary search area without consideration of the geological similarity of the pools is appropriate only when
 - a) a review of the geological interpretation reveals that analogous geological pools exist within the search area or
 - b) no demonstrated pattern or trend can be established and therefore the maximum H₂S concentration data and AOF rate data should be used.

- 68) The applicant must summarize the logic used to determine the release rate for each formation. The summary could be as simple as a statement indicating that the pay, pressure, and deviation for the proposed well and analogue well are comparable and, therefore, the highest values have been used; or it could be an in-depth account of the logic used for any data discounting or adjustments made.

Engineering Considerations

The CAPP document [*H₂S Release Rate Assessment and Audit Forms*](#) is one reference for many of the engineering formulas required to adjust the H₂S release rate. This document may also be used as a reference for the types of calculation adjustments or corrections that may be required as a result of the geological interpretation of the potential zones that may contain H₂S gas encountered by the proposed well.

Determining Release Rates

- 69) The applicant must determine three H₂S release rates:
- a) drilling release rate
 - b) completion or servicing release rate
 - c) suspended or producing release rate
- 70) To determine the cumulative H₂S release rate for the proposed well, the applicant must consider the development or exploratory nature of each zone that may contain H₂S gas.
- The maximum H₂S content and the maximum AOF rate are based on the information from the surrounding geological analogue pools or area completed in the same or similar zones.

The H₂S release rate for each potential zone that may contain H₂S gas is determined by multiplying the maximum H₂S content and AOF rate as determined by the geological and engineering review of the available data. The paired data points need not be from the same well.

The drilling release rate for each intermediate hole and main hole is the sum of the release rates from each zone that will be open to the wellbore during the drilling operations.

To calculate the release rate for each zone that may be encountered, AOF rate data may be adjusted to reflect the different flow scenarios appropriate for each zone. If preferred, post-stimulation data, without adjustment for tubing or casing friction loss, may be used for all scenarios.

The applicant may calculate the maximum drilling release rate by totalling the unstimulated release rate for each formation. The discounting of flow data due to stimulation is not appropriate. Post-stimulation data may be adjusted to reflect a zero skin.

The completion or servicing release rate for the targeted formation relies on post-stimulation AOF data. These AOF data may be adjusted for the effects of friction loss using the configuration of the casing cemented in the hole.

The suspended or producing release rate also relies on post-stimulation AOF data and may include an adjustment calculation for flow to surface to account for tubing friction loss. The suspended or producing release rate is used to determine the level classification and the minimum distance or setback requirement for the proposed well (see table 12). Communication of this minimum setback distance is a key component of the applicant's participant involvement plan for the proposed well (see section 3).

- 71) A summary of the engineering review, identifying adjustments, corrections, and discounted data as appropriate, must be included with presubmission materials or in the H₂S release rate assessment package and must be made available to the AER upon request.

Release Rate Scenarios

- 72) Each proposed well must be evaluated with its unique circumstances in mind. These calculations must be documented and included with an H₂S release rate presubmission request and made available to the AER upon request.

The following list gives common release rate calculation corrections and comments on appropriate methodology and is not exhaustive:

- H₂S samples – H₂S samples must not be discounted simply because the sample point source is listed as “other.” A review of the gas analysis is required to determine if the sample point is reasonable for use. If the review indicates that the sample point is not representative (e.g., it is a second-stage separator sample source for a gas well release rate), it may be discounted and an annotated analysis describing the reason for discounting must be included.
- Potential for both gas and oil production – If a formation has potential for both gas and oil production, the applicant must calculate both release rates and use the higher value.
 - H₂S release rates for oil should be calculated using the maximum gas rate from inflow performance relationship (IPR) tests and the maximum H₂S concentration from solution gas samples.
 - For H₂S release rates based on analogous oil wells, the oil rate from the IPR test and the gas-oil ratio (GOR) measured during that test should be used to calculate the maximum gas rate for analogous wells. Combining a maximum IPR rate with a maximum GOR that is not from the same test may result in an unreasonable release rate and is therefore not recommended.

- Extended AOF data – When both extended and stabilized AOF rates are reported, the extended AOF must be used for release rate purposes. A production rate for a well that is higher than the AOF for the same well is often an indication that the reported AOF might be the stabilized value. In this case, a review of the AOF test is required.
- Single-point AOF – If the “n” value used for a single-point AOF test is not 1.0, a calculated AOF assuming an “n” of 1.0 must be used, unless a review is undertaken to determine a more appropriate value. A summary of this review must be included with a presubmission and made available to the AER upon request.
- Potential producing zones – If the estimated potential pay for the primary and secondary zones that the applicant identifies are estimated to be higher than the pay for the analogue wells used for each zone, the AOF rates must be adjusted for each zone affected.
- Multiple sands – If multiple sands within a formation are potentially productive (e.g., Ellerslie #1 and #2 sandstone), the release rate must be adjusted to reflect this scenario. This can be done by multiplying the maximum release rate calculated for a single sand by the number of potential sands or by totalling the pay estimated for each of the sands and adjusting for the pay of the analogue well. If significant differences in performances can be documented between sands, a release rate based on individual sands is acceptable.
- AOF pressure – If the pressure reported for the AOF from an analogue well is lower than the pressure expected at the proposed location, an adjustment of the AOF to the expected pressure is required. Due to the potential impact an adjustment can have on the revised AOF, the viscosity of the gas at each pressure is required to be used in the formula. If a well has multiple AOF tests performed at declining reservoir pressure, only those performed at close to the initial pressure should be used unless some type of stimulation has been performed since the first tests.
- Pool development – In a pool development scenario, it is reasonable to use the existing wells in the pool as analogues. If the proposed well is the second well in the pool, the H₂S concentration from the first well in the pool may be used; however, because of the variance of AOFs within pools, the flow potential should be estimated from all analogous pools in the area. If the pool is under any type of scheme (e.g., acid gas disposal or injection), the release rate must address the current pool characteristics. If the proposed well will penetrate a pressure depleted pool, the AOF may be adjusted to reflect the current expected reservoir pressure.

- Commingled pools – Commingled pools present additional complexity when reviewing the release rate. Analogous wells must not be discounted because the pool name indicates it is commingled. In many instances, test data are obtained before commingling. Although the pools may have approval for commingling, only a few wells in the pools may actually be commingled. A review of the test or completion data is necessary to determine the actual formation tested and the appropriate data for the formations in question.

7.8.15.4 Tabulated Data

- 73) The applicant must provide the results of H₂S concentration and AOF rate reviews in a tabular format. The CAPP document [H₂S Release Rate Assessment and Audit Forms](#) provides examples. Regardless of the table format used, the basic data elements as described in the CAPP tables must be provided, along with an indication as to whether the AOF rate data are from a single or multipoint test.
- 74) The applicant must select a minimum of five H₂S gas analyses and five AOF data points that are representative of each potential zone that may contain H₂S gas. Data points are representative if they are from a geologically analogous area or pool and are not discounted for technical reasons. In situations where multiple data points exist for the same well, only one value is considered representative. If any of the five data points encounter an AER-defined pool, the applicant must assess all of the wells within the pool boundary.

If higher values are discounted, the applicant must support the decision in the geological or engineering discussion.

7.8.16 Working Interest Participants

- 75) The applicant must be a working interest participant to apply for or hold a well licence.

7.8.17 Additional Application Requirements

- 76) If the applicant has obtained a zero-flaring agreement (see [Directive 060](#)), a copy must be submitted with the well licence application.
- 77) The AER does not require applicants to acquire road-use agreements before submitting its application; however, they must be in place before construction.
- 78) Applicants must meet the requirements in section 8.3 when planning sour gas activity where residents are located within the EPZ.

8 Additional Application Requirements (Special Circumstances)

8.1 Overview

This section sets out application-related requirements that address specific locations or circumstances. It is included to avoid creating multiple directives on specific matters that primarily relate to the applications process.

8.2 Battle Lake Area Application Requirements

8.2.1 Background

Battle Lake is a unique environment in that it remains essentially a wilderness lake convenient to major population centres (one hour from Edmonton and Red Deer and two-and-a-half hours from Calgary). In 1974, the County of Wetaskiwin commissioned a study about Battle Lake and gave the lake a protected status, with overwhelming support from area residents. That status was later modified by the county's general plan and a watershed protection district was formed instead. The provincial government also recognized the merit of protecting the area by creating the Mount Butte and South Battle Lake Natural areas, which now protect about one-third of the shoreline and riparian zones, as well as some of the upland habitat.

Subsequent to [Decision 2005-129: Ketch Resources Ltd.; Review of Well Licence No. 0313083 and Application for Associated Battery and Pipeline, Pembina Field](#), the AER engaged Battle Lake area stakeholders in a pilot project to address upstream oil and gas development issues. After a detailed review, the area stakeholders recommended and the AER concurred that further disturbance by oil and gas development close to Battle Lake and surface water features in the contributing watershed (designated as the Tier 1 area) should be avoided where practical. In particular, lands within the Tier 1 area are closely linked to Battle Lake. Should spills or leaks occur, contaminants would quickly enter Battle Lake, giving limited opportunity to implement effective emergency measures. The Tier 1 areas include bald eagle nesting sites, fish spawning grounds, and unique vegetation communities (fern meadows), as well as natural upland wildlife habitat areas. Battle Lake community residents hold very strong views that further development within Tier 1 areas is not acceptable.

As a result, the AER has determined that licence applications for oil and gas facilities located in the designated Tier 1 area will be considered through the *Directive 056* application licensing process. The designated Tier 1 area as of May 1, 2007, includes Townships 45 and 46, Ranges 2 and 3, West of the 5th Meridian, and is illustrated in figure 4. Note that the current mapping of the area may not have identified and designated all water features, notably springs in the area. It is intended that water features in the watershed be protected. Therefore, potential development sites need to be

assessed to verify whether unmapped water features are present. If unmapped water features are identified, these areas are to be protected consistent with Tier 1 practices.

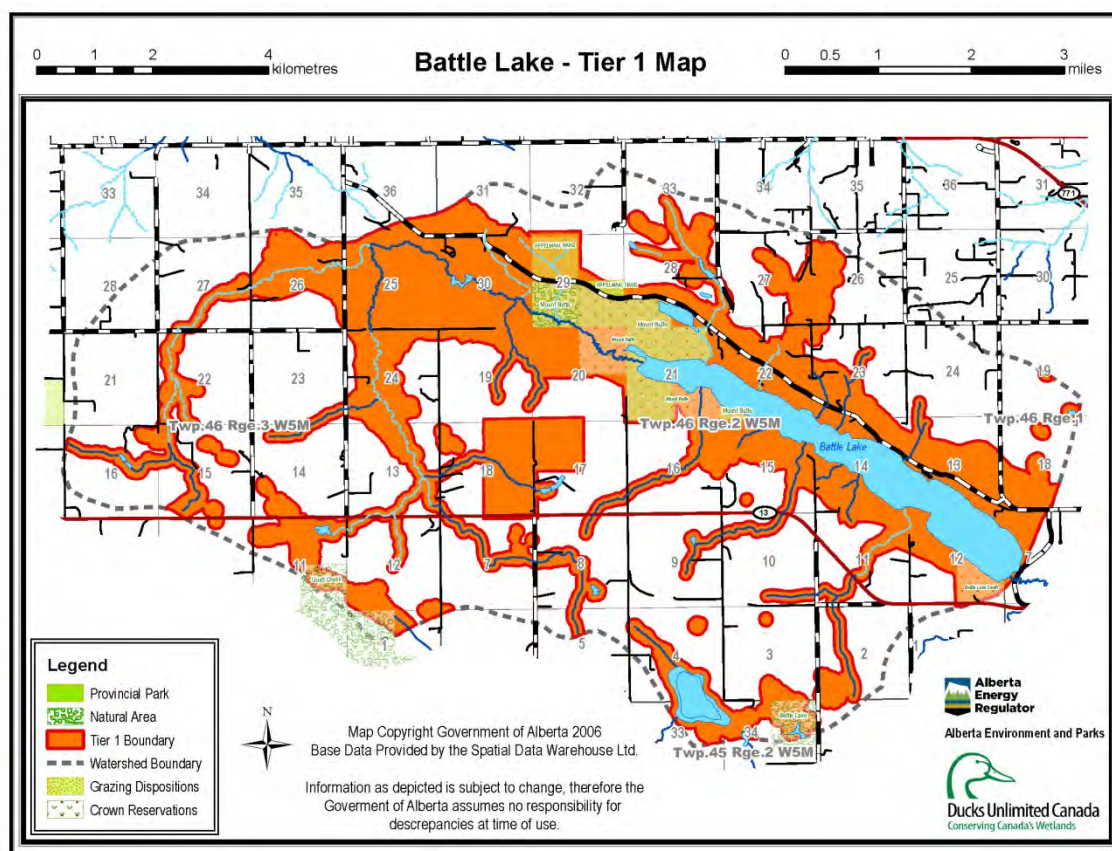


Figure 4. Battle Lake Tier 1

8.2.2 Battle Lake Tier 1 Area Definition

The Tier 1 area is defined as surface lands within

- 100 m of water features that feed into Battle Lake (water features for the purpose of this criterion include permanent and recurring streams, springs, and wetlands [fens, bogs, muskeg, marshes]; these include water bodies and wetlands as defined by the more stringent or comprehensive designations in the [Water Act](#) and the [Alberta Wetland Policy](#));
- 100 m of the 900 m (2950 foot) elevation contour along the shoreline of Battle Lake (top of the escarpments that parallel the lake); and
- the Mount Butte natural area, County natural areas, South Battle Lake Natural Area, and remaining undisturbed natural areas on public lands.

8.2.3 Application Requirements for the Tier 1 Area

- 1) Proponents must investigate alternative approaches for oil and gas development and, where feasible, are expected to select those that avoid further disturbance of Tier 1 areas.
- 2) If development within Tier 1 area is viewed as unavoidable, proponents must
 - a) assess opportunities to use existing facilities, road access, pipeline rights-of-way, and other pre-existing disturbances and to minimize incremental disturbances in Tier 1 areas;
 - b) ensure that well, production battery, compressor, and gas plant sites located in Tier 1 have appropriate mitigative measures to prevent fluid spills and contaminated runoff from entering wetlands, streams, or the lake during construction and operational phases (e.g., runoff containment berms and retention ponds, catch-pans or devices for equipment seal leaks); and
 - c) incorporate mitigative measures to maintain the integrity of pipelines and provide for early detection of and response to leaks for new hydrocarbon liquid and produced water pipelines traversing Tier 1 lands.
- 3) Proponents must conduct a preapplication on-site assessment to determine site, pipeline, and road locations that will
 - a) avoid sensitive habitats that may include bald eagle nesting sites, fern meadow sites, and other unique ecological features that may be identified;
 - b) identify and avoid steep slopes where construction could require significant surface disturbance or aggravate erosion problems; and
 - c) avoid disturbance of springs, streams, and wetlands.

A primary purpose of the site assessment is to verify whether unmapped water features are present. If unmapped water features are identified, these areas are to be protected.

The AER encourages applicants to

- participate in the Battle Lake Watershed Synergy Group,
- review their plans and explain their rationale for their proposed development in Tier 1 areas at a regular meeting of the synergy group, and
- consult with the Battle Lake Preservation Society and seek its advice on locations and mitigative measures for new development in Tier 1 areas.

- 4) In addition to the required documentation, all *Directive 056* applications for development in the Tier 1 area must be accompanied with justification that includes the following information:
 - a) a cover letter that identifies that the proposed development is within the Battle Lake Tier 1 area;
 - b) an explanation of the alternatives involving development outside Tier 1 areas that have been investigated and an explanation of why these are not technically feasible; the alternatives are to be compared with the application case in terms of potential land disturbance and other watershed effects, impacts on the public, resource recovery, and feasibility;
 - c) a description of the proposed site that describes existing cover, habitat features, and presence of surface water features (springs, streams, and wetlands);
 - d) an explanation of how existing facilities and disturbances have been incorporated into the project;
 - e) an explanation of mitigation measures the proponent will undertake to prevent contamination of surface water bodies from leaks and spills; and
 - f) a description of any feedback on the proposed development as a result of discussions with the Battle Lake Watershed Synergy Group and the Battle Lake Preservation Society.

The AER expects that any new disturbance will be limited to the minimum area feasible and that cleanup, regrading, and establishment of natural cover similar to predisturbance conditions on unused portions of rights-of-way and lease sites will occur as soon as possible following construction.

8.2.4 Non-Tier 1 Areas

The Battle Lake pilot project also addressed facility application considerations for other parts of the watershed, including the adoption of recommended practices for areas not designated as Tier 1. Proposed surface facility development within Battle Lake Tier 2 (undisturbed and forested lands) and Tier 3 (lands disturbed by agricultural, residential, or other industrial development) areas must meet all *Directive 056* requirements.

8.3 Sour Gas Planning and Proliferation Application Requirements

- 5) Effective June 30, 2008, all applicants must follow the [*Recommended Practices for Sour Gas Development Planning and Proliferation Assessment*](#) when proposing sour gas development (i.e., facilities, pipelines, and wells) in areas where residents are located within the EPZ.

8.3.1 Background

In December 2000, the Provincial Advisory Committee on Public Safety and Sour Gas produced a final report that contained 87 recommendations for addressing public safety and sour gas. In recommendations 7, 32, and 33, the committee noted that a greater effort was required to reduce the proliferation of sour facilities near people and that more information regarding future development plans should be provided to people near sour gas developments as part of the AER's application and licensing process. In response to these recommendations, an oversight committee consisting of public, industry, and regulatory participants monitored sour gas development applications over a two-year trial period to determine if the *Recommended Practices* would be effective in responding to recommendations 7, 32, and 33.

In 2007 the oversight committee provided [its report](#). The report noted that when the *Recommended Practices* were followed, the effect was consistent with the intent of recommendations 7, 32, and 33 and that the *Recommended Practices* were an effective approach to developing and maintaining good relations with the public.

However, because industry participation during the two-year trial was less than expected, the oversight committee subsequently recommended that a requirement to follow the *Recommended Practices* was necessary to meet recommendations 7, 32, and 33.

8.3.2 Application Requirements for Sour Gas Development

Applicants must meet the following additional application requirements when preparing applications for sour gas development near people.

- 6) Before submitting an application, the applicant must follow the *Recommended Practices* when planning sour gas development in areas where there will be residents located within the calculated EPZ. At a minimum, the applicant must
 - a) conduct an assessment of any existing facility or pipeline to determine if it can be used;
 - b) expand the project-specific information package requirements in section 3 to include
 - a detailed description of the full project, including future wells, pipelines, and facilities,
 - the results of the applicant's assessment for the use of existing infrastructure,
 - a map that illustrates the assessment area, including proposed wells, pipelines, and/or facilities, existing land use (e.g., roads, residences), and existing infrastructure investigated, and
 - the anticipated timing for the project from the licensing stage through to production operations; and

- c) meet all participant involvement requirements set out in section 3.
- 7) An applicant that is required to conduct an assessment of the existing infrastructure must
- a) review all existing sour gas facilities and sour gas pipelines within a 15 km radius of the proposed facility;
 - b) evaluate the feasibility of upgrading an existing facility and of forging commercial partnerships with existing licensees (for example, contact area operators for information required to conduct the assessment: operating pressure, available capacity, H₂S limitations, future production potential for the area); and
 - c) document the evaluation for application and audit purposes.

8.3.3 Addressing Concerns and Objections

If a concern or objection has been received and remains unresolved, the applicant is subject to the following additional requirements specific to sour gas planning and development.

- 8) If there are residents located in the calculated EPZ and there are unresolved concerns or objections, the applicant must
- a) submit an application that includes documentation to demonstrate that the requirements of section 8.3.2 were met; and
 - b) consider preparing an area development plan, as set out in the *Recommended Practices*.

If an area development plan has been developed, see section 3 for further requirements.

In some circumstances the AER may request that an area development plan be prepared in accordance with the *Recommended Practices* for distribution before submitting or during the processing of the application.

- 9) An applicant proposing sour gas development where there are residents located in the EPZ and about which unresolved concerns or objections exist may be required to submit all applications associated with the proposed sour gas project (i.e., wells, facilities, and pipelines) at the AER's request.

8.3.4 Application Submission

- 10) If there are no unresolved concerns or objections, the applicant must confirm that none exist and that the application meets the requirements of the *Recommended Practices*. Applicants are not required to attach the documentation that demonstrates they met *Recommended Practices* but must retain the documentation for audit purposes.

- 11) In those cases where there are one or more surface developments within the EPZ but none of those surface developments is a residence, the *Recommended Practices* would not apply. Applicants must identify the type of surface developments and confirm that section 8.3 of does not apply.

8.3.5 Audit

The audit review process will ensure that the sour gas development requirements summarized in section 8.3.2 were fulfilled before submitting the application.

8.4 Peace River Area Application Requirements

8.4.1 Background

In January 2014, a panel of AER hearing commissioners conducted an inquiry on odours and emissions from heavy oil operations in the Peace River area of Alberta. On March 31, 2014, the panel released [*Decision 2014 ABAER 005: Report of Recommendations on Odours and Emissions in the Peace River Area*](#). The AER accepted all of the panel's recommendations within its jurisdiction. Among the commitments that the AER made in its response to the report were to require

- existing heavy oil and bitumen operations in the Peace River area to capture and flare, incinerate, or conserve all casing gas and tank-top gas and
- new heavy oil and bitumen operations in the Peace River area to capture and flare, incinerate, or conserve all casing gas and tank-top gas effective May 15, 2014.

Licensees of existing operations and applicants for new developments in the Peace River area will need to demonstrate that their projects meet these requirements when submitting facility licence applications under *Directive 056*.

8.4.2 Peace River Area Definition

The Peace River area covers the Three Creeks, Reno, Seal Lake, and Walrus areas (see figure 5).

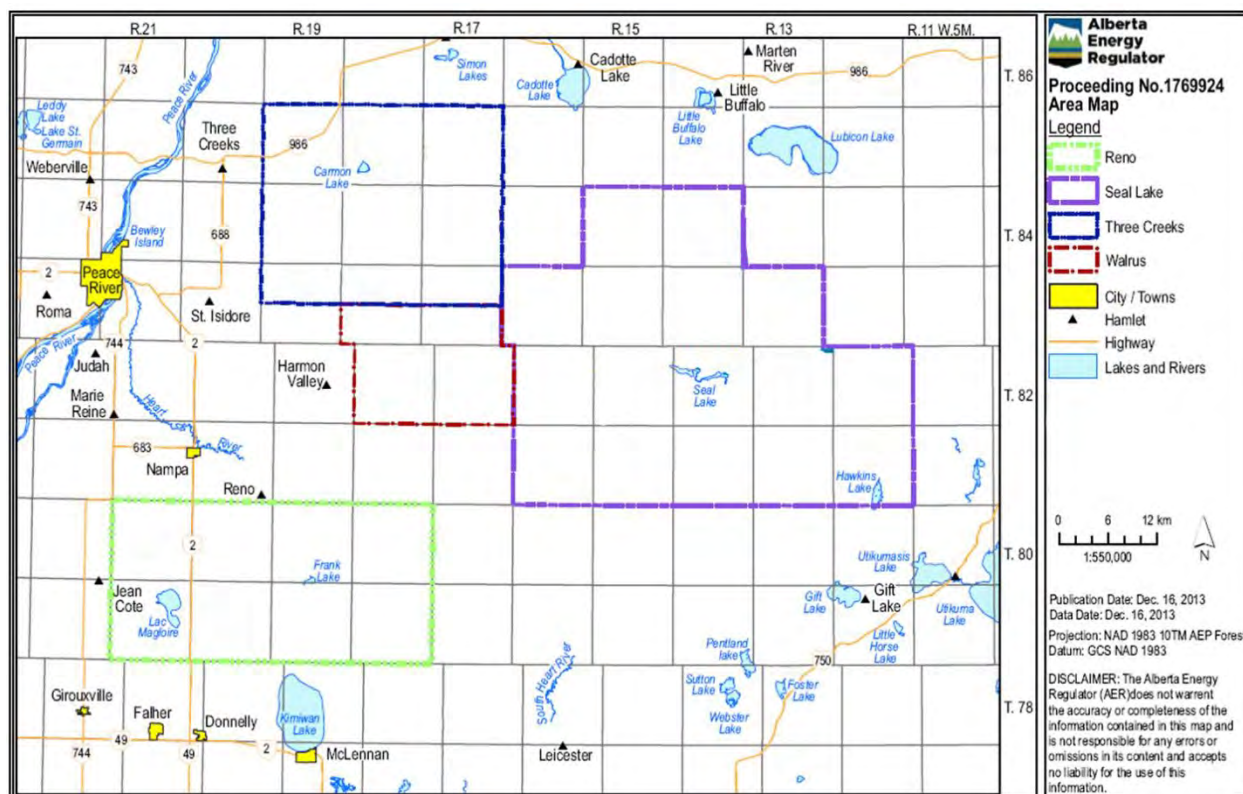


Figure 5. Peace River area

8.4.3 Application Requirements for the Peace River Area

- 12) Effective May 15, 2014, applicants for new heavy oil and bitumen operations in the Peace River area must submit documentation with their facility licence application that includes
 - a) a process-flow diagram that shows that all casing gas and tank-top gas will be captured and flared, incinerated, or conserved;
 - b) confirmation that there is no total continuous venting;
 - c) details on any compressor associated with the vapour recovery unit regardless of its size; and
 - d) any other information requested by the AER.
- 13) In order to be compliant with [Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting](#), licensees of existing heavy oil and bitumen facilities in the Peace River area that are currently venting casing gas or tank-top gas must amend the facility licence.

Heavy oil and bitumen operations in the Peace River area that are exempt from *Directive 056* licensing must still meet the Peace River–area requirements in [Directive 060](#) for the capture and flaring, incinerating, or conserving of all casing gas and tank-top gas.

8.5 Application Requirements for Activities Within the Boundary of a Regional Plan

The AER is legally obligated to act in compliance with any approved regional plans under the [Alberta Land Stewardship Act](#). To ensure this compliance, the AER requires any applicant seeking approval for an activity that would be located within the boundary of an approved regional plan to meet the requirements below.

- 14) For an activity to be located within the boundary of an approved regional plan, the applicant must assess
 - a) whether the activity would also be located within the boundaries of a designated conservation area, a provincial park, a provincial recreation area, or public land area for recreation and tourism and, if so, whether the mineral rights associated with the activity are subject to cancellation;
 - b) whether the activity is consistent with the land uses established in the applicable regional plan or with any of the outcomes, objectives, and strategies in that same plan; and
 - c) how the activity is consistent and complies with any regional trigger or limit established under the management frameworks detailed under the applicable regional plan or any notices issued in response to the exceedance of a regional trigger or limit.
- 15) The applicant must retain the information for requirement 14 at all times and provide it on request unless otherwise indicated below. The information must be sufficient to allow the AER to assess an application under the applicable regional plan.
- 16) The applicant must submit the information from requirement 14 if the proposed activity to be located within the boundary of an approved regional plan
 - a) is also within the boundaries of a designated conservation area, a provincial park, a provincial recreation area, or a public land area for recreation and tourism;
 - b) is inconsistent with the land uses established in the applicable regional plan or any of the outcomes, objectives, and strategies in that same plan;
 - c) may result in the exceedance of a trigger or limit or contravene a notice issued in response to an exceedance of a trigger or limit; or
 - d) is “incidental” to previously approved and existing activities.
- 17) If the applicant believes that its proposed activity is permitted under the applicable regional plan because it is incidental to previously approved and existing activities, the applicant must provide information to support its position.

The AER has no authority to waive compliance with or vary any restriction, limitation, or requirement regarding a land area or land use under a regional plan. Applicants that wish to seek this type of relief must apply directly to Alberta's Land Use Secretariat established under the [Alberta Land Stewardship Act](#). The stewardship minister may, on application and by order, vary the requirements of a regional plan.

Appendix 1 Definitions

abandoned well	A well that has been drilled, abandoned, cut, and capped at surface.
abandonment	The permanent dismantlement of a well, pipeline, or facility in the manner prescribed by the regulations; includes any measures required to ensure that the well, pipeline, or facility is left in a permanently safe and secure condition.
acid gas	Gas that is separated in the treating of solution or nonassociated gas that contains hydrogen sulphide (H ₂ S), totally reduced sulphur compounds, or carbon dioxide (CO ₂).
applicant/licensee	The company responsible for the accuracy and completeness of the application and all supporting information. Upon licence approval, the applicant becomes the licensee and bears responsibility for the construction and safe operation of the facility, pipeline, or well. The licensee is also responsible for the decommissioning, abandonment, and reclamation of the facility, pipeline, or well.
battery	<i>See gas battery and oil/bitumen battery.</i>
bitumen	Bitumen may be defined by specific gravity or API units or by the well's location within the designated oil sands areas.
blending	The combination of similar products with different H ₂ S contents for the purpose of maintaining a lower H ₂ S content in the blended stream. Blending of liquids with gases is not permitted for pipelines.
blowout	A well where there is an unintended flow of wellbore fluids (oil, gas, water, or other substance) at surface that cannot be controlled by existing wellhead or blowout prevention equipment, or a well that is flowing from one formation to other formations (underground blowout) that cannot be controlled by increasing the fluid density. Control can only be regained by installing additional or replacing existing surface equipment to allow shut-in or to permit the circulation of control fluids, or by drilling a relief well.
coalbed methane gas	Natural gas that is found in coal.
coalbed methane well	Any well intended to produce or producing coalbed methane.
compressor station/site	Service equipment intended to maintain or increase the flowing pressure of the gas that it receives from a well, battery, or gathering system before delivery to market or other disposition.
condensate	A hydrocarbon liquid recovered either from a natural gas well or at some point in the field handling system consisting primarily of pentane and heavier hydrocarbons.

construction (facilities)	When any equipment associated with a licence for the facility is brought to the site or when a ground disturbance required for the facility equipment is initiated.
consultant	A person or corporation authorized by an applicant to prepare its application. The applicant is still responsible for the accuracy and completeness of the application if filed on its behalf by a consultant.
confirmation of nonobjection	A statement made by a person that confirms there is no objection to the AER granting a licence for the proposed energy development.
critical sour well	The AER designation of a well for drilling purposes with an H ₂ S release rate greater than or equal to 2.0 m ³ /second or other wells with a lesser H ₂ S release rate in close proximity to an urban centre.
Crown disposition	The administrative and operating conditions assigned for use of public lands in the form of a lease, licence, permit, or letter of authority; administered by AEP.
Crown disposition holder	A person or party that has been assigned use of public lands (e.g., lease, licence, or permit) issued under the provisions of the Public Lands Act .
custom treating plant	A system or arrangement of tanks and other surface equipment receiving oil/water emulsion exclusively by truck for separation prior to delivery to market or other disposition.
dehydrator	Equipment designed to remove water from raw gas.
design capacity	The maximum capable throughput of volumes based on the engineering design of all on-site equipment associated with the facility.
directionally drilled well	A well drilled on an angle from a surface location to a subsurface location some lateral distance away from the surface location of the well.
drilling spacing unit	The drilling spacing unit for a well is - the surface area of the drilling spacing unit and the subsurface vertically beneath that area or, - where the drilling spacing unit is prescribed with respect to a specified pool or geological formation, member, or zone, the pool, geological formation, member, or zone vertically beneath that area. The normal drilling spacing unit for an oil well is one quarter-section. The normal drilling spacing unit for a gas well is one section. A drilling spacing unit does not include the area of a road allowance.
emergency planning zone (EPZ)	A geographic area surrounding a well, pipeline, or facility containing hazardous product that requires specific emergency response planning by the licensee.

emergency response plan (ERP)	A comprehensive plan to protect the public, including criteria for assessing an emergency situation and procedures for mobilizing response personnel and agencies and establishing communications and coordination.
emulsion	A combination of two immiscible liquids or liquids that do not mix together under normal conditions.
energy development	Any construction or operation of wells, pipelines, or facilities to extract or deliver energy resources.
expectations	Recommended best practices or guidelines.
environment	All components of the earth, including air, land, and water; all layers of the atmosphere; all organic and inorganic matter and living organisms; and interacting natural systems.
facility	Any building, structure, installation, equipment, or appurtenance (excluding wells and pipelines) over which the AER has jurisdiction and that is connected to or associated with the recovery, development, production, handling, processing, treatment, or disposal of hydrocarbon-based resources or any associated substances or wastes.
flame-type equipment	Any electric or fired heating equipment using an open flame, electric arc, or element—includes a space heater, torch, heated process vessel, boiler, electric arc, open flame welder, and open element electric heater or appliance.
gas battery	A system or arrangement of tanks and other surface equipment (including interconnecting piping) that receives the effluent from one or more wells that might provide measurement and separation, compression, dehydration, dew point control, H ₂ S scavenger where <0.1 t/d of sulphur is being treated, line heater or other gas handling functions before the delivery to market or other disposition. This does not include gas processing equipment that recovers more than 2 m ³ /d of liquids or processes more than 0.1 t/d of sulphur.
gas fractionating plant	An arrangement of equipment to reprocess a natural gas liquid (NGL) inlet for the extraction of liquids.
gas processing	The changing of the composition of raw natural gas either at processing facilities at the gas field or at straddle plants located on pipeline systems.
gas processing plant	A system or arrangement of equipment used for the extraction of hydrogen sulphide, helium, ethane, natural gas liquids, or other substances from raw gas; does not include a wellhead separator, treater, dehydrator, or production facility that recovers <2 m ³ /day of hydrocarbon liquids without using a liquid extraction process (e.g., refrigeration, desiccant). In addition, does not include an arrangement of equipment that removes small amounts of sulphur (<0.1 tonne/day) through the use of nonregenerative scavenging chemicals that generate no hydrogen sulphide or sulphur dioxide.

gas well	A well that produces primarily gas from a pool or portion of a pool wherein the hydrocarbon system is gaseous or exhibits a dew point reduction of pressure, or any well so designated by the AER.
hand delivered	Delivering documents directly to a participant at their place of residence or place of business.
high-vapour-pressure (HVP) pipeline	A pipeline system conveying hydrocarbons or hydrocarbon mixtures in the liquid or quasi-liquid state with a vapour pressure greater than 110 kPa absolute at 38°C, as determined using the Reid method (see ASTM D323). Some examples are liquid ethane, ethylene, propane, butanes, and pentanes plus.
hydrogen sulphide (H₂S)	A naturally occurring gas found in a variety of geological formations and also formed by the natural decomposition of organic matter in the absence of oxygen. H ₂ S is colourless, has a molecular weight that is heavier than air, and is extremely toxic. In small concentrations it has a rotten egg smell and causes eye and throat irritation.
injection/disposal facility	A system or arrangement of surface equipment associated with the injection or disposal of any substance through one or more wells for the purpose of water disposal or enhanced oil recovery.
landowner	The person in whose name a certificate of title has been issued pursuant to the Land Titles Act or, if no certificate of title has been issued, the Crown or other body administering the land. In the case of Métis land, the person registered in the Métis Settlements Land Registry as owner of the Métis title pursuant to the Métis Settlements Land Registry Regulation.
large diameter/high pressure hydrocarbon pipeline	A hydrocarbon pipeline with both an outside diameter equal to or greater than 323.9 mm and an MOP equal to or greater than 3475 kPa.
level designation	A designation that stipulates different separation or setback distances for wells, pipelines, and facilities for land-use and public-safety purposes.
licensee	The holder of a facility, pipeline, or well licence according to the records of the AER—includes a trustee or receiver-manager of property of a licensee (also see Applicant).
line heater	Equipment installed at either the well-site lease or along a pipeline right-of-way to prevent the formation of gas hydrates.
liner	A tubular product that is inserted into buried pipelines to form a corrosion-resistant barrier or separate free-standing pressure-containing pipe.

local authority	Council of a city, town, village, or municipal district, or in the case of an improvement district or special area, the Minister of Municipal Affairs, the council of a settlement under the Métis Settlements Act , or the band council of a First Nations reserve.
location exemption (LE) code	A code that identifies cases when there is more than one wellbore or facility on the smallest land area described by the Dominion Land Survey system.
lost circulation	The loss of drilling fluids from the wellbore into permeable formations penetrated during drilling of the well.
minimum information requirements	The project-specific details that an applicant must provide to all parties in accordance with the participant involvement guidelines.
multiwell facility	A battery (oil, gas, or bitumen) or satellite handling the production from multiple zones being produced in segregation from one wellbore; inlets for more than one well are located and being produced at a battery or satellite at one surface location; multiple single-well batteries or satellites are operated within one surface lease.
nonobjection	The party has been personally consulted or notified of the project, has fully understood the details, has no outstanding concerns or objections, and does not oppose the AER issuing a licence for the proposed energy development.
nonroutine	An application is nonroutine if the applicant cannot meet requirements or chooses to apply for a regulatory relaxation; all participant involvement requirements have not been met; outstanding concerns or objections exist; the applicant proposes to implement new technology; the application is designated nonroutine (i.e., a new category C or D plant, any category E application).
notification	The distribution of project-specific information to participants.
occupant	A person other than the owner who is in actual possession of land; a person who is shown on a certificate of title or by contracts as having an interest in the land that confers a right to occupy the land; in the case of Métis land, a person having a right or interest in land recorded on the Métis title register pursuant to the Métis Settlements Land Registry Regulation ; the holder of a permit for a coal mine.
oil/bitumen battery	A system or arrangement of tanks or other surface equipment or devices receiving the effluent of one or more wells for the purpose of separation and measurement prior to the delivery to market or other disposition.
oil effluent	Oil, gas, and water in any combination produced from one or more oil wells or recombined oil well fluids that may have been separated in passing through surface facilities.

oil and gas energy development	Any category type of facility, pipeline, and well requiring licensing under <i>Directive 056</i> .
oil well	A well that produces primarily liquid hydrocarbons from a pool or a portion of a pool wherein the hydrocarbon system is liquid or exhibits a bubble point on reduction of pressure, or any well so designated by the AER.
oil loading/unloading facility (truck terminal)	A system or arrangement of tanks and other surface equipment receiving crude oil by truck for the purpose of delivering crude oil into a pipeline.
oil sands scheme approval number	The number assigned an approval of a scheme or operation for the recovery of oil sands or crude bitumen under the Oil Sands Conservation Act .
oil satellite	An arrangement of surface equipment (not including oil storage tanks) located some distance between a number of wells and the main battery that will receive the effluent and separate and measure the production from each well, after which the fluids are recombined and piped to the main battery for further treatment; water handling equipment may be included.
oilfield waste	An unwanted substance or mixture of substances generated from the construction, operation, or reclamation of wells, facilities, and pipelines.
oilfield waste management facility	A facility whose operation is approved by the AER. Includes a waste processing facility, a waste storage facility, a waste transfer station, a surface facility associated with a disposal well, a biodegradation facility, an oilfield landfill, a thermal treatment facility, and any other facility for the processing, treatment, storage, disposal, or recycling of oilfield waste.
operator	A person or company that has control of or undertakes the day-to-day operations and activities of a facility, pipeline, or well, whether or not that person is also the licensee for the facility, pipeline, or well.
partial pressure	The pressure exerted by one component of a natural gas mixture when isolated in a container.
participant	An organization, community, group, or individual with a stake in the discovery, development, and delivery of Alberta's resources.
participant involvement	Participant involvement encompasses all aspects of public, industry, and regulator interactions and communications. It means that each organization, community, group, and individual with a stake in the discovery, development, and delivery of Alberta's resources may be a participant.
perforation	The holes placed through the casing and cement into the formation using a perforation gun or by cutting the casing and cement using sand-laden fluids to expose a formation.
personal consultation	Consultation through face-to-face visits or telephone conversations with identified parties and providing the required information packages.

pipeline abandonment	The permanent deactivation of a pipeline, whether it is left in place or removed.
pipeline base map	The plan produced by the AER on a township or smaller geographic area basis that shows pipelines currently licensed under the Pipeline Act .
pipeline discontinuation	The temporary deactivation of a pipeline or part of a pipeline.
pipeline installation	Any equipment, apparatus, mechanism, machinery, or instrument incidental to the operation of the pipeline. This includes compressor stations, pump stations, line heaters (categories C and D), oil loading/unloading facilities, and tank farms associated with pipelines carrying process sales product.
pipeline leak	The escape of substance from a pipeline.
pipeline right-of-way plan	A scaled sketch plan of the pipeline right-of-way that includes Alberta township survey (ATS) detail and identifies land ownership, water body crossing, and other directly adjacent or affected rights-of-way.
pipeline removal	The removal of an entire pipeline, including crossings of roads, railways, and watercourses.
primary containment device	A device used to physically contain materials produced, generated, and used by the upstream petroleum industry, including single-walled tanks and containers.
processing equipment	Equipment used for the extraction of components such as water, H ₂ S, and liquids from gas or oil.
process vessel	A heater, dehydrator, separator, treater, and any vessel used in the processing or treatment of produced gas or oil.
project	A network of facilities, pipelines, and wells that connects to a common facility.
public facility	A public building, such as a hospital, rural school, or major recreational facility, situated outside of an urban centre that can accommodate more than 50 individuals or that requires additional transportation to be provided during an evacuation.
public notice	In accordance with the Alberta Energy Regulator Rules of Practice , the delivery, circulation, or advertising by the AER of a notice stating that the AER might take action in a proceeding specified in the notice. The cost of advertising public notices is borne by the applicant.
publicly used development	Places where the presence of 50 individuals or fewer can be anticipated (e.g., places of business, campgrounds, cottages, churches, and other locations created for use by the nonresident public).

pump station	A system of equipment located at intervals along a main pipeline to maintain flow to the receipt point.
re-entry	The re-entry of an abandoned wellbore by a company other than the original licence holder.
refer status	A corporate status indicator noting the licensee's inability or unwillingness to comply with requirements. This status will be considered by the AER when deciding to approve or deny any pending or future applications to the AER involving the licensee.
release	Any unintended discharge of product to the environment from a well, facility, or pipeline.
requirement	A rule that industry has an obligation to meet.
residence	A dwelling that is occupied full time or part time.
resident	A person occupying a residence on a temporary or permanent basis.
resumption of drilling operations	Re-entry of an existing wellbore by the licensee, whether abandoned or not, for the purpose of deepening, whipstocking, recompleting (abandoned well only), or horizontal recompletion.
right-of-way	The land upon which a legal right-of-way is granted over another person's property. This right can be acquired by means of an easement or by a right-of-entry order.
routine application	One where the applicant met all requirements (including participant involvement), there are no outstanding public or industry concerns, and regulatory waivers or relaxations are not requested.
setback distance	The minimum required distance between a well, pipeline, or other facility and land-use development such as a surface improvement, permanent dwelling, unrestricted country development, urban centre, or public facility.
solution gas	Gas that is dissolved in solution with produced oil or bitumen.
stock tank vapours	The small volume of dissolved gas present in storage tanks.
straddle plant	Surface equipment intended to reprocess marketable gas for the purpose of ethane extraction.
sulphur emissions	The release of sulphur-containing compounds, including SO ₂ , H ₂ S, and total reduced sulphur compounds.

surface development	Dwellings that are occupied full time or part time, publicly used development, public facilities such as campgrounds and places of business, and any other surface development where the public may gather on a regular basis. Includes residences immediately adjacent to the EPZ and those from which dwellers are required to egress through the EPZ.
surface improvement	A railway, pipeline, canal, or other right-of-way, road allowance, surveyed roadway, dwelling, industrial plant, aircraft runway or taxiway, buildings used for military purposes, permanent farm buildings, school, or church.
suspension	The temporary cessation of operations at a well, pipeline, or facility in the manner prescribed by the regulations or directed by the AER—includes any measures required to ensure that the well, pipeline, or facility is left in a safe and secure condition.
tank	A device designed to contain materials produced, generated, and used by the petroleum industry that is constructed of impervious materials.
tank farm	A system or arrangement of tanks or other surface equipment associated with the operation of a pipeline and that may include measurement equipment and line heaters but does not include separation equipment or storage vessels at a battery approved under the Oil and Gas Conservation Act .
temporary facility or pipeline	A facility or pipeline that will be in use for a period of 12 months or less.
terminating formation	For the purpose of well licensing, the deepest formation in which the well will terminate and which the applicant has the right to produce for all intended purposes of the well.
unrestricted country development	Any collection of permanent dwellings situated outside of an urban centre and having more than eight permanent dwellings per quarter section.
unsatisfactory event	A contravention of a regulation or requirement.
urban authority	The administrator of a city, town, new town, village, summer village, or hamlet with not fewer than 50 separate buildings, each of which must be an occupied dwelling or other incorporated centre.
urban centre	A city, town, village, summer village, or hamlet with no fewer than 50 separate buildings, each of which must be an occupied dwelling, or any similar development the AER may designate as an urban centre.

water body	Natural or manmade; contains or conveys water continuously, intermittently, or seasonally. A natural water body is any location where water flows or is present, whether the flow or the presence of water is continuous, seasonal, intermittent, or occurs only during a flood. This includes the bed and shore of a river, stream, lake, creek, lagoon, swamp, marsh, slough, muskeg, or other natural drainage, such as ephemeral draws, wetlands, riparian areas, floodplains, fens, bogs, coulees, and rills. Examples of a manmade water body include a canal, drainage ditch, reservoir, dugout, or other manmade surface feature.
well spacing	The normal drilling spacing unit for a gas well is one section (1 well per 256 hectares); for an oil well it is one quarter-section (4 wells per 256 hectares).
working interest participant	A person who owns a beneficial or legal undivided interest in a well or facility under agreements that pertain to the ownership of that well or facility.

Draft Directive XXX

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Public Involvement

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1 Introduction

1.1 Purpose and Scope

This directive is part of a regulatory framework that seeks to ensure that members of the public are informed about proposed and existing energy resource developments and have the opportunity to provide input regarding those developments. This directive sets out requirements regarding

engaging and informing members of the public throughout the life cycle of an energy resource development, from preapplication to closure.

This directive casts a wide net in terms of who is to be engaged or informed about energy resource developments. This directive does not define or draw conclusions about who may or may not be directly and adversely affected by an energy resource activity. That is a matter of law and fact and is not circumscribed by this directive.

The requirements of this directive supplement the notice requirements and statement of concern process set out in the *Responsible Energy Development Act (REDA)* and the *Alberta Energy Regulator Rules of Practice*.

Unless otherwise directed by the Alberta Energy Regulator (AER), and subject to the exceptions listed in this directive, this directive applies to all AER-regulated energy resource activities and any specified enactment activities in respect of energy resource activities, and all proponents, applicants, or approval holders of those activities.

This directive does not address requirements related to obtaining consent for use of or access to land, which are addressed in legislation such as the *Public Lands Act*, the *Water Act*, and the *Surface Rights Act*.

In the event of conflict between this directive and any other requirements administered by the AER, contact the AER for further direction.

1.2 Definitions

For the purposes of this directive:

- a) “applicant” means a person who files an application with the AER;
- b) “approval” means any permit, licence, registration, authorization, disposition, certificate, allocation, declaration, or other instrument or form of approval, consent, or relief issued by the AER under an energy resource enactment or specified enactment;
- c) “closure” means the phase of the energy resource development lifecycle that involves the permanent end of infrastructure operation, and includes decommissioning, abandonment, remediation and reclamation;
- d) “construction” means the phase of the energy resource development life cycle that begins with a physical change to the landscape and extends to the creation of infrastructure;
- e) “energy resource activity” means:
 - i) an activity that may only be carried out under an approval issued under an energy resource enactment; or

- ii) an activity described in the regulations under *REDA* that is directly linked to (or incidental to) the carrying out of an activity that may only be carried out under an approval issued under an energy resource enactment;
- f) “energy resource development” means a related group of one or more proposed or existing energy resource activities, specified enactment activities in respect of the energy resource activities, and associated infrastructure, conducted by a proponent, applicant or approval holder in a specific area;
- g) “energy resource enactment” means:
 - i) the *Coal Conservation Act*;
 - ii) the *Gas Resources Preservation Act*;
 - iii) the *Oil and Gas Conservation Act*;
 - iv) the *Oil Sands Conservation Act*;
 - v) the *Pipeline Act*;
 - vi) the *Turner Valley Unit Operations Act*; or
 - vii) a regulation or rule under any of the above enactments;
- h) “engage” means to initiate two-way communications to provide information and the opportunity for thorough understanding and feedback, and includes follow-up responses;
- i) “Indian reserve” means a reserve as represented by the council of the band as defined in the *Indian Act* (Canada);
- j) “inform” means to provide information through one-way communications;
- k) “landowner” means:
 - i) the person in whose name a certificate of title has been issued pursuant to the *Land Titles Act*, or, if no certificate of title has been issued, the Crown or other body administering the land; or
 - ii) in the case of this land, the person registered in the this Settlements Land Registry as owner of the this title pursuant to the *M tis Settlements Land Registry Regulation*;
- l) “occupant” means:
 - i) a person other than the owner who is in actual possession of land;
 - ii) a person who is shown on a certificate of title or by contract as having an interest in the land that confers a right to occupy the land;

- iii) in the case of *M* is land, a person having a right or interest in land recorded on the *M* is Settlements Land Registry Regulation; or
- iv) a person occupying a residence on a temporary or permanent basis;
- m) “operation” means the phase in the energy resource development life cycle that is associated with the use of infrastructure, excluding construction and closure;
- n) “proponent” means an entity that plans to submit, but has not yet submitted, an application for an energy resource activity or specified enactment activity that is part of an energy resource development;
- o) “public” includes landowners, occupants, approval holders, holders of an authorization under a specified enactment, municipal authorities, indigenous peoples, and other individuals, organizations, communities or groups;
- p) “public involvement” means the informing and engaging of the public by a proponent, applicant, or approval holder of an energy resource development, throughout the life cycle of the development;
- q) “public involvement area” refers to the geographical area within and surrounding an energy resource development, in which public involvement must be carried out under this directive;
- r) “specified enactment” means:
 - i) the *Environmental Protection and Enhancement Act*;
 - ii) the *Public Lands Act*;
 - iii) the *Water Act*; or
 - iv) a regulation under any of the above enactments; and
- s) “specified enactment activity” means an activity that may only be carried out under an approval issued by the AER under a specified enactment.

1.3 AER Requirements

Requirements are mandatory. The term “must” indicates a requirement. For ease of reference, requirements are numbered.

Recommended practices are included in *Manual XXX: Public Involvement*. The AER expects that recommended practices will be followed, but they are not required. However, failure to follow recommended practices may result in delays in the processing of applications or approvals, and may require the submission of additional information.

2 Public Involvement Area

- 1) A proponent, applicant, or approval holder must define the energy resource development for which public involvement will be required.
- 2) A proponent, applicant, or approval holder of an energy resource development must define an associated public involvement area.
- 3) At minimum, a public involvement area must include the following:
 - a) the legal subdivisions upon which any infrastructure necessary for the energy resource development is or will likely be located;
 - b) a 200 metre distance around any legal subdivisions identified under (a);
 - c) any emergency planning zones, as set out in *Directive 071*;
 - d) if *Directive 038* requires one or more noise impact assessments to be completed, the smallest of the following:
 - i) a 5 kilometre radius from any noise sources;
 - ii) any area that is expected to experience a noise contribution of 30 decibels absolute (dBA), as calculated by a model that meets the requirements of section 3.5.1 of *Directive 038*; or
 - iii) any area that is expected to experience a noise contribution of 30 dBA, as calculated by a model that meets the method described in section 3.5 of appendix 3 of *Directive 038*;
 - e) a 1.6 kilometre radius from any water well that is planned to be used to divert groundwater for the purposes of the energy resource development; and
 - f) any additional area as the AER directs in writing.

3 Application

3.1 Informing the Public of an Application

- 4) The proponent must prepare an application information package that includes, at minimum, the following items, in the order provided below:
 - a) the proponent's name and contact information, including a phone number and at least one other means by which members of the public can contact the proponent;
 - b) an emergency contact number for the proponent;
 - c) a summary of the energy resource development, including a description of
 - i) the nature and purpose of the energy resource development;

- ii) the existing and proposed energy resource activities, specified enactment activities, and associated infrastructure within the development; and
 - iii) how the existing and proposed activities and infrastructure within the energy resource development are expected to be decommissioned, abandoned, remediated, and reclaimed;
- d) a summary of the proposed application, including the legislative provisions under which the application would be filed;
- e) maps that clearly illustrate the public involvement area and include
 - i) legal land descriptions;
 - ii) boundaries of the public involvement area;
 - iii) the location of all existing roads, wells, pipelines, facilities, in situ oil sands schemes, and mines, regardless of whether they are owned or operated by the proponent;
 - iv) the anticipated location of all of the proponent's proposed roads, wells, pipelines, facilities, in situ oil sands schemes, mines and associated infrastructure;
 - v) identification of any existing roads that are expected to be used in the energy resource development;
 - vi) the scale of each map;
 - vii) the date each map was prepared; and
 - viii) any other information as the AER directs in writing;
- f) a description of any setbacks that may affect land use or development;
- g) a summary of planned mitigation measures for potential air, biodiversity, community, land, and water effects arising from the proposed application;
- h) a summary of the air, biodiversity, community, land, and water effects that are expected to remain following the mitigation measures identified above, including discussion of both magnitude and duration;
- i) if *Directive 038* requires that one or more noise impacts assessments be completed,
 - i) a description of the duration and character of any noise that is expected as a result of the energy resource activities for which the noise impact assessment is required;
 - ii) a schedule of when the noise may be noticeable; and
 - iii) any noise mitigation measures that are planned for the energy resource development;
- j) an anticipated schedule, including

- i) submission of applications;
 - ii) receipt of required regulatory approvals;
 - iii) start and end of construction;
 - iv) start and end of operations; and
 - v) start and end of closure; and
 - k) any other information as the AER directs in writing.
- 5) The application information package must provide sufficient detail to reasonably enable members of the public to assess whether the proposed energy resource activities, specified enactment activities, or associated infrastructure may affect them.
 - 6) The proponent must distribute a copy of the application information package, in a manner acceptable to the AER, to all landowners, occupants, disposition holders, approval holders, holders of an authorization under a specified enactment, municipal authorities, and indigenous peoples within the public involvement area at least 30 days prior to submitting an application to the AER.
 - a) Distributing a copy of the application information package to the Chief and Council of an Indian band, or delegate, satisfies the distribution of copies in relation to that Indian reserve.
 - b) Distributing a copy of the application information package to the Chair and Council of a Métis Settlement, or delegate, satisfies the distribution of copies in relation to that Métis Settlement.
 - 7) Unless otherwise provided to the appropriate Chief, Chair, Council, or municipal authority, the proponent must distribute a copy of the application information package, in a manner acceptable to the AER, to any Indian reserve, Métis settlement, and municipal authority within 2000 metres from where the proposed energy resource activities are or are likely to be located.
 - 8) The proponent must distribute a hard copy of the application information package if requested by
 - a) a landowner, occupant, disposition holder, approval holder, holder of an authorization under a specified enactment, municipal authority, or indigenous person within the public involvement area or
 - b) an Indian reserve, Métis settlement, or municipal authority within 2000 metres from where the proposed energy resource activities are or are likely to be located.
 - 9) The proponent must make the application information package available to any additional member of the public who requests it, within 10 days of receiving the request.

- 10) Where an application information package is being prepared for an application to amend an approval, to renew an approval, or for an addition to an existing energy resource development, the content of the application information package need only be specific to the proposed application.

3.2 Engaging the Public on an Application

- 11) At least 30 days before submitting an application to the AER, the proponent must engage with the following members of the public:
 - a) any landowners of any private land upon which infrastructure associated with the application may exist; and
 - b) any occupants of land upon which infrastructure associated with the application may exist.
- 12) Where directed by the AER in writing, the proponent or applicant must also engage with any other member of the public within any such timeframe as specified by the AER.
- 13) For the purposes of this directive:
 - a) engaging the Chief and Council of an Indian band, or delegate, satisfies requirements to engage in relation to that Indian reserve, and
 - b) engaging the Chair and Council of a Métis Settlement, or delegate, satisfies requirements to engage in relation to that Métis Settlement.
- 14) If, after reasonable efforts have been made, the proponent has been unable to engage with a member of the public, the proponent must inform that member of the public, before submitting the application, that reasonable efforts have been made to engage and that no further engagement under section 3.2 will be attempted.

4 Life Cycle Public Involvement

4.1 Public-Initiated Engagement

- 15) If any member of the public raises a question or concern directly with a proponent, applicant, or approval holder about their energy resource development at any point in the life cycle of the development, the proponent, applicant, or approval holder must respond, in a reasonable manner, no later than 30 days after the question or concern has been raised.
- 16) If a proponent, applicant, or approval holder has already responded to a particular member of the public about a question or concern they raised, the proponent, applicant, or approval holder may, instead of addressing the question or concern again, inform the member of the public in writing that a response has already been provided and that no further response will be provided on the question or concern.

- 17) If a member of the public has been informed that no further response will be provided on a particular question or concern, the proponent, applicant, or approval holder is not obliged to respond to further communications on that question or concern from that member of the public.

4.2 Regular Updates

- 18) A proponent, applicant, or approval holder must regularly inform all landowners, occupants, disposition holders, approval holders, holders of an authorization under a specified enactment, municipal authorities, and indigenous peoples within the public involvement area of the ongoing progress of the relevant energy resource development.
- 19) Regular updates must occur in a manner acceptable to the AER and, unless otherwise directed by the AER in writing, must occur at least once every 12 months.
 - a) If no material changes have occurred during the previous 12 months, an approval holder that has commenced operations is not required to provide a regular update for the energy resource development, unless otherwise directed by the AER in writing.
- 20) Regular updates provided by proponents and applicants must include the following information:
 - a) current contact information for the proponent or applicant;
 - b) current emergency contact number for the proponent or applicant;
 - c) the status of the application;
 - d) a summary of any material changes to the information required in the application information package since the last regular update; and
 - e) any other information as the AER directs in writing.
- 21) Regular updates provided by approval holders must include the following information:
 - a) current contact information for the approval holder;
 - b) current emergency contact number for the approval holder;
 - c) an overview of any significant differences with respect to the energy resource development that have occurred since the last update;
 - d) an updated schedule for the energy resource development;
 - e) a summary of any incidents reportable to the AER since the last update;
 - f) a summary of any AER enforcement actions that have occurred since the last update;
 - g) a list of any upcoming approval expiry or renewal dates; and

- h) any other information as the AER directs in writing.
- 22) Proponents, applicants, and approval holders must make any previous regular update generated under this directive available to any member of the public who requests it, within 10 days of receiving the request.
- 23) For the purposes of section 4.2:
 - a) informing the Chief and Council of an Indian band, or delegate, satisfies requirements to inform in relation to that Indian reserve; and
 - b) informing the Chair and Council of a Métis Settlement, or delegate, satisfies requirements to inform in relation to that Métis Settlement.

4.3 Industry-Initiated Public Involvement

- 24) A proponent or applicant must inform any members of the public within the public involvement area of any material changes or corrections to the information previously provided to those members of the public.
- 25) Where a public involvement area changes and a member of the public is no longer within the public involvement area, the proponent, applicant, or approval holder must
 - a) inform that member of the public of the change within 12 months of the last regular update and
 - b) provide a rationale for the change.
- 26) Where a proponent, applicant, or approval holder changes, the new proponent, applicant, or approval holder must provide its contact information to all members of the public within the public involvement area defined by the previous applicant or approval holder, within 7 calendar days of the change taking effect.
- 27) Following an incident, an approval holder must inform any members of the public as the AER directs in writing.
- 28) For the purposes of section 4.3:
 - a) informing the Chief and Council of an Indian band, or delegate, satisfies requirements to inform in relation to that Indian reserve; and
 - b) informing the Chair and Council of a Métis Settlement, or delegate, satisfies requirements to inform in relation to that Métis Settlement.

5 Exemptions

- 29) This directive does not apply to geophysical exploration activities as governed by Part 8 of the *Mines and Minerals Act*.

- 30) Sections 2, 3, 4.2, and 4.3 of this directive do not apply to the following applications or approvals:
- a) applications or approvals solely regulated by a code of practice under the *Environmental Protection and Enhancement Act*;
 - b) applications or approvals solely regulated by a code of practice under the *Water Act*;
 - c) applications or approvals solely concerned with the short-term diversion and use of water authorized by a temporary diversion licence under the *Water Act*; and
 - d) applications or approvals solely concerned with temporary, short-term activities on vacant public land, as identified in tables C and D of the *PLAR Approvals and Authorizations Administrative Procedures*, 2014, as amended.
- 31) An application for an amendment to or renewal of an approval does not require the public involvement activities set out in section 3 unless
- a) there is an expected increase in the magnitude or duration of an adverse effect on air, biodiversity, community, land, water, or noise;
 - b) the use of different or additional land is proposed; or
 - c) changes to any setback distances, as defined in *Directive 056*, are proposed.
- 32) An application for the addition of energy resource activities or specified enactment activities to an existing energy resource development does not require the public involvement activities set out in section 3 unless
- a) there is an expected increase in the magnitude or duration of an adverse effect on air, biodiversity, community, land, water, or noise;
 - b) the use of different or additional land is proposed; or
 - c) changes to any setback distances, as defined in *Directive 056*, are proposed.

6 Record Keeping

- 33) Proponents, applicants, and approval holders must keep complete and accurate records of the information required by this directive and of the public involvement undertaken pursuant to this directive, including:
- a) information supporting the definition of the energy resource development;
 - b) information supporting the definition of the public involvement area, including any calculations;
 - c) application information packages and regular updates;

- d) logs of public involvement activities, including:
 - i) who was engaged or informed;
 - ii) how, when, and what materials were provided; and
 - iii) any actions and outcomes that arose from the public involvement;
 - e) questions and concerns received from the public, and correspondence and responses provided to the public; and
 - f) any other information as the AER directs in writing.
- 34) Upon request by the AER, a proponent, applicant, or approval holder must produce any records required to be kept under this directive.

7 Implementation

- 35) Within 12 months of this directive coming into effect, or within 12 months of the AER issuing the relevant approval (whichever is later), approval holders must begin providing regular updates in accordance with section 4.2.
- 36) On the coming into effect of this directive, all applications that have already been submitted to the AER
- a) are not obliged to meet the requirements set out in this directive until a decision on the application has been made by the AER; and
 - b) must continue to operate in accordance with the participant involvement requirements applicable immediately prior to this directive coming into effect until a decision on the application has been made by the AER.
- 37) Where an application submitted to the AER before this directive comes into effect is withdrawn, closed, or denied, any resubmission of the application is subject to this directive.

Draft Directive on Public Involvement Comment Form

Feedback will be accepted until August 25, 2019



Submit form by email to Public.Involvement@aer.ca or by mail to the AER, IDA Integration, Suite 1000, 250 – 5 Street SW, Calgary, AB T2P 0R4. To create a new row, place your cursor at the end of the text in the last box and hit tab.

Section and page number	Issue	Possible solution or recommendation	Rationale to support solution or recommendation

Section and page number	Issue	Possible solution or recommendation	Rationale to support solution or recommendation

Public Involvement

[Date]

Alberta Energy Regulator

Draft Manual [\[XXX\]](#): Public Involvement

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1 Introduction

1.1 About This Manual

Ensuring that members of the public are informed about energy resource development and have sufficient opportunity to provide input regarding those developments is beneficial to the public, industry, and the AER. Early and frequent public involvement has a number of potential benefits:

- improved understanding of the public's interests and priorities,
- positive relationships between members of the public and industry, and
- early resolution of potential concerns.

This manual is intended to provide guidance on the requirements outlined in *Directive XXX: Public Involvement* and to help build a common understanding of those requirements. This manual also sets out the AER's expectations regarding public involvement. The AER's expectations identify recommended practices for both industry and the public to consider.

This manual does not alter the requirements contained in *Directive XXX* or the other regulatory instruments published by the AER. The public, industry, and the AER should refer to both *Directive XXX* and this manual to understand the requirements and expectations relevant for public involvement.

In the event of conflict between *Directive XXX* and any other requirements administered by the AER, contact the AER for further direction.

1.2 Purpose and Scope

The scope of *Directive XXX* informs the scope of this manual. As such, this manual does not address:

- obtaining consent to use or access land, as that is addressed in legislation such as the *Public Lands Act*, the *Water Act* and the *Surface Rights Act*;
- geophysical exploration, as governed by Part 8 of the *Mines and Minerals Act*, and all proponents, applicants, and approval holders of those activities;
- certain applications, approvals, amendments, additions, and renewals identified in section 5 of *Directive XXX*; and
- requirements contained in instruments other than *Directive XXX* that may lead to discussions between the public, industry, and the AER.

As with *Directive XXX*, this manual also does not define or draw any conclusions regarding who may or may not be directly and adversely affected by an energy resource activity or specified enactment activity. That is a matter of law and fact, and cannot be circumscribed by an AER directive. A member of the public's inclusion in a public involvement area, or a specific requirement for a proponent to inform or

engage with a member of the public, does not predetermine that the member of the public will be directly and adversely affected.

2 Public Involvement

2.1 What is Public Involvement?

In order for members of the public to effectively engage with proponents, applicants, and approval holders, they must first understand the relevant energy resource developments. Public involvement provides an opportunity to gain that understanding.

Public involvement can also provide opportunities for input. This input is typically most useful before an application is filed. However, meaningful public involvement continues throughout the life cycle of energy resource developments.

Early engagement allows proponents to better understand the interests, priorities, and concerns of members of the public and supports mutually beneficial decision making before an application is submitted.

The requirements are intended to support interactions and the building of quality relationships between industry and the public.

2.2 Roles

The AER, industry, and the public each have a role to play in the public involvement process.

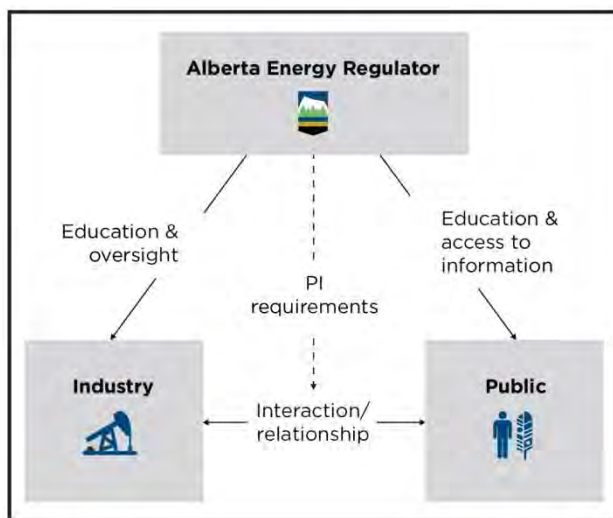


Figure 1. Roles of the public, industry, and AER in the public involvement process

2.2.1 Role of the AER

The process to develop oil, natural gas, oil sands, or coal resources is complex. Every energy resource development—no matter what resource is involved—has a life cycle consisting of four stages: initiate,

construct, operate, and close. As Alberta's sole regulator of oil, natural gas, oil sands, and coal development, the AER regulates activities at all of these stages.

In the context of public involvement, this includes

- setting the requirements contained in *Directive XXX*;
- providing education, including through the guidance outlined in this manual;
- providing public access to information; and
- maintaining regulatory oversight to ensure that desired outcomes are achieved.

The AER's public involvement requirements provide flexibility for proponents, applicants, and approval holders. However, industry should always keep in mind the intended outcomes of public involvement, which include both informing members of the public about energy resource developments and ensuring that they have sufficient opportunity to provide input. Where these outcomes are not being achieved, the AER can direct proponents, applicants, and approval holders to modify or supplement their public involvement activities.

The AER will consider many factors before modifying or supplementing public involvement requirements, including

- the purpose of the public involvement requirements;
- the interests and concerns of members of the public and industry;
- the nature, location, and complexity of the energy resource development;
- public safety;
- orderly development; and
- the environment.

In some cases, the AER may also use its authority to include approval conditions related to public involvement. These approval conditions may, for example, include requirements for additional content, more-frequent updates, or new public involvement triggers (such as when a particular event occurs).

The AER is responsible for providing public access to useful information regarding energy resources. Industry and the public are encouraged to access the AER's many information resources for further information on the AER's processes, regulatory oversight, and jurisdiction.

Matters that are not within the AER's jurisdiction may still be of interest or concern to members of the public that are considering the impact of energy resource developments. The AER encourages

proponents, applicants, and approval holders to discuss such matters with the public, where appropriate. However, the AER's processes and requirements only apply to matters within the jurisdiction of the AER.

2.2.2 Role of Industry

Industry must comply with all AER requirements, including *Directive XXX*. Additionally, the AER expects proponents, applicants, and approval holders to build positive relationships with members of the public throughout the life cycle of their energy resource developments.

Proponents who put more time and effort into public involvement activities may experience quicker processing times for their applications and fewer questions or complaints from members of the public. In particular, earlier commencement of the public involvement process can provide greater opportunity to accommodate public interests, priorities, and concerns before an application is filed. This can avoid delays in the AER's processes and improve the predictability of application outcomes.

2.2.3 Role of the Public

Relationship building is a shared responsibility. Members of the public should be proactive and take full advantage of the reasonable opportunities made available to them for engagement with proponents, applicants, and approval holders.

Where members of the public feel that they are not receiving relevant information on their interests or concerns, they are first encouraged to engage with the proponent, applicant, or approval holder.

Directive XXX requires that industry be responsive to questions or concerns raised by members of the public. If this engagement does not resolve the issues raised, members of the public may file statements of concern or complaints with the AER.

3 Key Concepts

3.1 Energy Resource Development

A proponent, applicant, or approval holder chooses the related activities and infrastructure in a specific area to include in an energy resource development. It may choose to include any number of energy resource activities or specified enactment activities in one development, as well as the associated infrastructure required to conduct those activities.

The AER encourages industry to group together as many related activities and infrastructure as would be practical. When defining an energy resource development, consideration should be given to the following:

- potential impacts to the public resulting from the development;
- the potential public involvement area for the defined energy resource development;
- expected interests and concerns of the public; and

- proximity of the activities and infrastructure to the public.

The AER recognizes that the activities and infrastructure that make up an energy resource development may change over time. As such, approval holders may choose to add new activities or infrastructure to a previously approved energy resource development.

3.2 Public Involvement Area

Every energy resource development has an associated public involvement area, which is the area most likely to contain interested members of the public. Public involvement areas may change over the life cycle of developments as approval holders modify, add, or remove activities and infrastructure.

Proponents, applicants, and approval holders are expected to consider the potential impacts of their energy resource developments beyond the limits of the public involvement area defined by *Directive XXX*. Where such impacts are identified, proponents, applicants, and approval holders should expand their public involvement areas.

Expanding a public involvement area may be particularly appropriate when members of the public outside the public involvement area have already voiced questions or concerns. By engaging with these questions or concerns through the public involvement process, the likelihood of future statements of concern or complaints can be lessened.

An example of how to define a public involvement area is included in appendix 1.

3.3 Inform and Engage

When directed to inform a member of the public, a proponent, applicant, or approval holder is being directed to share information. Informing will occur throughout the life cycle of an energy resource development and is intended to enable members of the public to be knowledgeable about, and to provide relevant input on, energy resource developments.

Where a member of the public does not feel they are sufficiently informed about an issue, engagement may occur. While engagement typically arises from proactive enquiries by members of the public, the AER also directs the initiation of two-way communication in certain situations.

In addition to achieving the outcomes of public involvement, ongoing engagement is also expected to build stronger relationships and more meaningful opportunities for members of the public to share their interests and concerns with proponents, applicants, or approval holders. Strong relationships and meaningful opportunities act to minimize the likelihood of future concerns, complaints, and delays.

4 During the Application Process

4.1 Application Information Packages

Application information packages provide general information regarding proposed (or proposed changes to) energy resource developments. In particular, application information packages provide the context necessary for members of the public to seek additional details from proponents, if they so choose. The AER expects that application information packages will be concise and written in plain language so that the information can be easily and quickly understood.

4.1.1 Contact Information

Different members of the public may have different communication preferences or limitations. In addition to a phone number, the AER expects proponents to provide multiple other reliable methods of contact (e.g., mailing address, email address, and fax number).

4.1.2 Summary of the Development

A summary of the energy resource development provides members of the public with a high-level description of the activities that are expected to occur over the life cycle of the development, as well as the infrastructure that is expected to be constructed and used during those activities. In the case of an amendment application, the summary should include any existing activities and infrastructure, as well.

Summaries should discuss the major stages of development (i.e., initiate, construct, operate, and close) and how the activities and infrastructure are expected to change over time. This information provides a foundational knowledge base to members of the public, allowing them to assess whether and when they may be concerned by a proposed development. As such, it is important that the details be explained in a way that people without a technical background can understand.

4.1.3 Summary of the Proposed Application

A summary of the proposed application is distinct from a summary of the energy resource development.

The summary of the application explains precisely what is being applied for and how the particular application is expected to fit into the overall energy resource development. This is particularly important for amendment applications, where the effect of the amendment on the energy resource development may not be immediately apparent.

4.1.4 Maps

Maps are intended to convey meaningful, easily understood visual information regarding energy resource developments. Maps are expected to be presented in formats and scales that allow members of the public to practically understand how they could be affected by a development. Proponents are encouraged to include as many maps as necessary to convey all relevant information.

4.1.5 Setbacks

Setbacks are established by the AER and other governing agencies to protect safety, the environment, and local infrastructure. Because setbacks can have impacts on land use and development, it is important that they be clearly identified and explained in application information packages.

4.1.6 Planned Mitigation Measures

There are requirements that industry must meet related to mitigating certain potential effects. However, it is expected that industry will mitigate all potential effects, as far as is feasible. An understanding of what mitigation measures are planned will help the public understand what effects may be expected.

Proponents may therefore find it beneficial to include significant detail in their summary.

4.1.7 Expected Effects

Expected effects on air, biodiversity, community, land, and water will vary depending on the nature, location, and life cycle phase of an energy resource development, as well as the planned mitigation measures. Some applications, particularly those related to amendments, may result in little or no expected incremental effects.

Summaries of expected effects should clearly identify the means by which members of the public in the public involvement area may be affected by development, as these can differ based on location, development phase, and nature of the expected effect.

Potential effects include the following:

- Air – changes to ambient air quality and the quantity of released substances (including odours, dust, and other emissions).
- Biodiversity – changes to species, habitats, landscapes, and ecosystems.
- Community – impacts to the local experience, including changes to noise, light, traffic, land usage (e.g., traditional and recreational), and infrastructure usage, as well as economic costs and benefits.
- Land – changes to land use, land quality, and the amount of land that is expected to be used for the development.
- Water – impacts to the aquatic environment, changes to water quality, and the quantity of water that is expected to be used for the development.

4.1.8 Noise Impact Assessments

Some noise is expected from most energy resource developments, and this is a concern frequently raised by members of the public. The requirements that govern noise limitations and impact assessments are contained in *Directive 038*.

The *Directive 038* requirements have influenced the approach taken in *Directive XXX* to the noise information required for application information packages. Where noise impact assessments are not required under *Directive 038*, a proponent should still address expected noise effects as part of its summary of community effects.

4.1.9 Anticipated Schedule

The AER recognizes that schedules can change over time, depending on the duration, complexity, and evolution of a project. However, including anticipated schedules in the application information clearly informs the public of the significant dates or time periods expected for the energy resource development, as currently understood by the proponent.

As identified in *Directive XXX*, specific dates that must be included in the application information package include those relevant to application submission, expected approvals, and the transitions between the different life cycle stages (i.e., initiate, construct, operate, and close). However, the proponent should also identify any other dates of particular relevance.

4.1.10 Other Information

In addition to the application information package components outlined in *Directive XXX* and discussed above, the AER encourages proponents to include other information that may be useful for members of the public.

Such information could, for example, include a description of the proponent's operations, their experience in Alberta, and their experience with the activities and infrastructure that make up the proposed energy resource development.

4.2 Distribution of Application Information Packages

4.2.1 Method

In general, proponents can choose the method by which their application information packages are distributed. Proponents are, however, expected to work with members of the public to ensure that the chosen distribution methods are suitable. Moreover, members of the public located within a public involvement area are always entitled to receive a hard copy of the application information package upon request.

Members of the public located outside a public involvement area are also entitled to request application information packages. These requests must be honored by proponents, but the application information packages do not need to be provided as hard copies.

Application information packages do not, in general, need to be sent to the AER. As such, the AER is not best positioned to provide application information packages to members of the public. However, upon

request, the AER can assist with providing contact information for proponents, applicants, and approval holders.

4.2.2 Timing

As stated in *Directive XXX*, application information packages must be distributed at least 30 days before submitting an application to the AER.

However, the AER encourages proponents to start their public involvement activities as early as possible. In particular, the AER expects proponents to consider the amount of time that may be required for

- members of the public to understand the activities in the application and
- proponents to engage in substantive discussions with members of the public.

4.2.3 Reasonable Efforts

The AER recognizes that proponents may not be able to fulfil engagement requirements with absent or nonresponsive members of the public. In such cases, *Directive XXX* permits proponents to file their applications after reasonable efforts have been made to meet engagement obligations.

However, the AER will not consider proponents to have exhausted reasonable efforts until the proponent has made several attempts to engage over a sustained period of time and using a variety of communication methods.

5 Throughout the Life Cycle

The AER requires approval holders to engage and inform over the life cycle of an energy resource development. The requirements outlined in *Directive XXX* are intended to ensure that members of the public remain informed about an energy resource development from start to finish.

5.1 Amendments, Renewals, and Additions

Public involvement requires time from both industry and members of the public. Informing and engaging members of the public too frequently can result in fatigue and lack of interest.

While changes to activities and infrastructure can, and often do, occur over the life cycle of an energy resource development, many of these changes will be minor and need not result in public involvement. In particular, *Directive XXX* does not require public involvement for amendments, renewals, or additions to applications where the changes are not expected to substantively impact members of the public.

5.2 Public-Initiated Engagement

Members of the public may initiate discussions with industry for many reasons, such as information gathering and offering input into decisions being made regarding energy resource developments. While the AER anticipates that members of the public will typically choose to pursue engagement in response to

information they have been provided (e.g., an application information package or a regular update), a member of the public may also choose to engage with a proponent, applicant, or approval holder at any time.

Under *Directive XXX*, proponents, applicants, and approval holders have 30 days to respond to questions or concerns raised by members of the public. However, the AER expects that responses will be as timely as is feasible given the circumstances and the nature of the question or concern that has been raised. If a member of the public is seeking confirmation of easily accessible information, the AER expects that proponents, applicants, and approval holders should typically be able to respond well before the 30 day period expires.

Occasionally, members of the public may pose questions or concerns that are impossible or inappropriate for a proponent, applicant, or approval holder to answer. Responses provided by proponents, applicants, and approval holders should be as helpful as possible given the circumstances. This could include, for example, directing the member of the public to a more appropriate information source (such as the AER).

Some examples of questions or concerns that a proponent, applicant, or approval holder may be unable to answer include questions about energy resource developments operated by other approval holders, the legal interpretation of provincial or federal policies, or AER regulatory requirements or processes.

The AER also recognizes that proponents, applicants, or approval holders may occasionally receive questions or concerns from members of the public that have already been addressed by prior responses. The AER expects that all reasonable efforts will be made to resolve questions or concerns, even if doing so requires multiple communications.

However, once all reasonable efforts have been made, proponents, applicants, and approval holders have the option, as described in *Directive XXX*, to inform the member of the public in writing that a response has already been provided and that no further responses will be provided regarding that particular question or concern.

That being said, this option does not absolve proponents, applicants, and approval holders from the responsibility of responding to members of the public regarding different concerns to those previously addressed. Members of the public can contact the AER for further information regarding these procedures, or where they believe that proponents, applicants, or approval holders have not met their obligations.

5.3 Regular Updates

5.3.1 Method

Regular updates allow members of the public to remain informed regarding the progress of applications and energy resource developments. Industry can choose the method by which their regular updates are

provided (e.g., written report, open house, audiovisual tool). Industry is, however, expected to work with members of the public to ensure that the chosen methods are suitable.

Under *Directive XXX*, regular updates must be provided to members of the public within the public involvement area for an energy resource development. This includes any members of the public who have arrived in the public involvement area since the previous regular update. Industry may also choose to regularly inform members of the public outside of the public involvement area or to initiate engagement with any members of the public regarding its regular updates. Members of the public may choose to not engage on regular updates, but proponents, applicants, and approval holders remain obligated to provide regular updates to those members of the public.

Members of the public located outside a public involvement area are entitled to request any updates already provided by industry.

Although nothing prohibits members of the public located outside the public involvement area from making standing requests for future regular updates, industry is not obligated to process those requests. If a member of the public located outside of the public involvement area wants to continue receiving regular updates, the request may need to be repeated following each new update.

Regular updates do not, in general, need to be sent to the AER. As such, the AER is not best positioned to provide the regular updates to members of the public. However, upon request, the AER can assist with providing contact information for proponents, applicants, and approval holders.

5.3.2 Timing

As outlined in *Directive XXX*, regular updates must typically be provided by proponents, applicants, and approval holders at least once every 12 months. Industry can choose to increase the frequency of updates, or can be directed to do so by the AER. Where there is a significant amount of activity occurring over a 12 month period, more-frequent updates can be particularly beneficial.

Directive XXX allows approval holders to forgo regular updates where an approval holder has commenced operation of the energy resource development and there have been no material changes since the previous update.

The AER nonetheless encourages such approval holders to continue the practice of regularly updating members of the public, particularly when previously planned and communicated activity becomes imminent (e.g., planned construction). Members of the public are also reminded of their ongoing ability to obtain answers to questions or concerns from approval holders.

5.3.3 Content

5.3.3.1 Significant Differences

The intent of regular updates is to inform members of the public of the progress made by industry on applications and energy resource developments. Consequently, the AER expects that an overview of significant differences since the last update would include, at a minimum, the identification of any

- submitted or approved applications that did not require public involvement activities,
- amended or renewed approvals that did not require public involvement activities, and
- additions of energy resource activities or specific enactment activities to existing energy resource developments that did not require public involvement activities.

Industry may also choose to highlight any expected decreases in the magnitude or duration of adverse effects, or any positive steps taken to engage with local communities since the last update.

5.3.3.2 Schedule

Members of the public are often interested in the major life cycle milestones (e.g., start and end of construction, operation, and closure) associated with energy resource developments, because these milestones can affect when members of the public choose to engage with industry. As such, updated schedules are required as part of regular updates. The content of these updated schedules is expected to be similar to those schedules included in application information packages.

5.3.3.3 Additional Information

Industry may choose to provide more information than is required with regular updates. The AER encourages industry to include additional information where that information provides members of the public with greater awareness, understanding, and context for energy resource developments.

In particular, the AER encourages industry to provide the following additional information:

- recent benefits to the community;
- progress towards any commitments made;
- summaries of planned applications or significant activities for the upcoming year, including the initiation or completion of closure; and
- mitigation efforts resulting from incidents reportable to the AER or AER enforcement actions.

5.4 Industry-Initiated Public Involvement

As discussed in more detail below, *Directive XXX* identifies specific situations that require proponents, applicants, and approval holders to proactively initiate public involvement activities.

5.4.1 Material Changes

Proponents and applicants may modify their plans during the application process. If a material change occurs to information previously provided to members of the public, *Directive XXX* requires the proponent or applicant to communicate this to the members of the public previously informed or engaged as soon as is feasible.

Timeliness is critical in these communications to ensure that members of the public are able to make engagement decisions based on accurate and up-to-date information. Material changes could, for example, include updated contact information, modified schedules, or significant regulatory developments.

5.4.2 Incidents

Information on incidents can be found on the AER's website. Different regulatory instruments, such as the *Environmental Protection and Enhancement Act* and *Directive 071*, identify who must be informed when an incident occurs.

However, sometimes there is no regulatory instrument that directs industry to inform members of the public after an incident. The AER is available to provide assistance in these situations to help identify members of the public who may wish to be informed, and, if warranted, can direct additional public involvement activities to occur. When considering whether to exercise this discretion, the AER will consider many factors, including geographic location, the magnitude and duration of the incident, and the effects of the incident on land use.

The AER expects that, when approval holders are informing members of the public about an incident, they are describing the nature and extent of expected effects resulting from the incident. The public may initiate further engagement to better understand these expected effects and the approval holder's mitigation of those effects.

6 Record Keeping

The record keeping requirements outlined in *Directive XXX* exist to facilitate compliance assurance. Under *Directive XXX*, public involvement records must be kept by industry participants while they are a proponent, applicant, or approval holder for the relevant energy resource development.

Manual 013 and the *Integrated Compliance Assurance Framework* provide additional information on the AER's approach to compliance assurance.

Appendix 1 Public Involvement Area

The figure below illustrates a possible public involvement area associated with an energy resource development comprising a well and a short pipeline.

This example only includes areas based on requirements 3(a), 3(b), and 3(c) of *Directive XXX*. As such, this example assumes the following:

- No noise impact assessment is required under *Directive 038*, rendering requirement 3(d) unnecessary.
- The well is not a groundwater diversion well for the purposes of requirement 3(e).
- The AER has not directed that any additional areas be included in the public involvement area, under requirement 3(f).

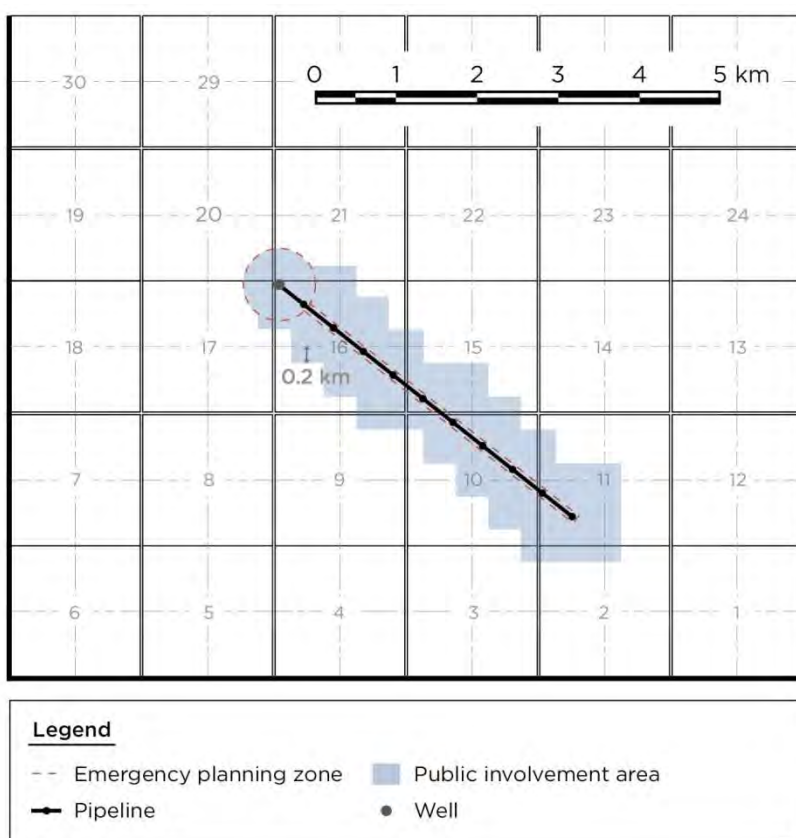


Figure 2. Example of a public involvement area



Province of Alberta

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Note

All persons making use of this consolidation are reminded that it has no legislative sanction, that amendments have been embodied for convenience of reference only. The official Statutes and Regulations should be consulted for all purposes of interpreting and applying the law.

Amendments Not in Force

This consolidation incorporates only those amendments in force on the consolidation date shown on the cover. It does not include the following amendments:

RSA 2000 c24 (supp) (repealed by 2013 cS-19.3 s3 - effective December 31, 2017) s5 amends s1.

Regulations

The following is a list of the regulations made under the *Mines and Minerals Act* that are filed as Alberta Regulations under the Regulations Act

	Alta. Reg.	<i>Amendments</i>
Mines and Minerals Act		
Ammonite Shell	152/2004	305/2009, 177/2016
Bitumen Valuation Methodology (Ministerial)	232/2008	341/2009, 38/2017
Carbon Sequestration Tenure	68/2011	89/2013, 56/2016
Coal Royalty	295/92	20/93, 356/93, 262/97, 10/2000, 251/2001, 27/2002, 203/2003, 89/2013, 56/2015, 169/2015, 197/2015

Crown Minerals Registration	264/97	251/2001, 329/2002, 354/2003, 108/2004, 156/2004, 82/2014 85/2016, 245/2018
Deep Oil Exploratory Well	225/2008	41/2009, 135/2009, 89/2013, 159/2013, 156/2014
Emerging Resources Royalty	209/2016	
Energy Regulations Repeal	21/2015	
Enhanced Hydrocarbon Recovery Royalty	210/2016	
Enhanced Oil Recovery Royalty	156/2014	210/2016, 212/2016
Exploration	284/2006	35/2007, 68/2008, 187/2011, 170/2012, 56/2018
Incremental Ethane Extraction	150/2007	43/2011
Innovative Energy Technologies	250/2004	254/2007, 222/2008, 223/2008, 22/2011, 170/2012, 89/2013, 172/2017, R & S 52/2019
<i>NOTE: AR 52/2019 come into force on Sept 30, 2019</i>		
Innovative Energy Technologies Repeal Regulation	52/2019	
<i>NOTE: AR 52/2019 come into force on Sept 30, 2019</i>		
Metallic and Industrial Minerals Exploration	213/98	206/2001, 251/2001, 27/2002, 63/2003, 227/2003, 35/2007, 68/2008, 189/2009, 104/2011, 31/2012, 170/2012, 62/2013, 206/2013, 198/2014, 183/2015, 178/2017
Metallic and Industrial Minerals Royalty	350/93	262/97, 140/98, 183/99, 221/2004, 56/2015
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MINES AND MINERALS ACT

Chapter M-17

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HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

Interpretation

1(1) In this Act,

- (a) “agreement” means an instrument issued pursuant to this Act or the former Act that grants rights in respect of a mineral or subsurface reservoir, but does not include a notification, a transfer referred to in section 12, a unit agreement or a contract under section 9(a);
- (a.1) “captured carbon dioxide” means a fluid substance consisting mainly of carbon dioxide captured from an emissions source;
- (b) “certificate of record” means a certificate of record within the meaning of the regulations;
- (c) “certificate of title” means a certificate granted pursuant to the *Land Titles Act*;
- (d) “crude bitumen” means a naturally occurring viscous mixture, mainly of hydrocarbons heavier than pentane, that may contain sulphur compounds and that, in its naturally occurring viscous state, will not flow to a well;
- (e) “Department” means the Department administered by the Minister;
- (f) “disposition” means a grant, a transfer referred to in section 12 or an agreement;
- (g) “estate in a mineral” means an estate in fee simple in a mineral or an estate for a life or lives in being in a mineral;
- (h) “fluid mineral substance” means a fluid substance consisting of a mineral or of a product obtained from a mineral by processing or otherwise;

- (i) “former Act” means any predecessor of this Act;
- (j) “grant” means letters patent under the Great Seal of Canada or a notification issued pursuant to *The Provincial Lands Act*, RSA 1942 c62, the former Act or this Act;
- (k) “issue”, with reference to a disposition, means to issue the disposition in accordance with the regulations;
- (l) “lessee” means, except in section 82.1, the holder according to the records of the Department of an agreement;
- (m) “location” means, except in section 82.1, the tract described in an agreement;
- (n) “mine” means any opening or excavation in, or working of, the surface or subsurface for the purpose of working, recovering, opening up or proving any mineral or mineral-bearing substance, and includes works and machinery at or below the surface belonging to or used in connection with the mine;
- (o) “mineral claim” means the tract described in a certificate of record;
- (p) “minerals” means all naturally occurring minerals, and without restricting the generality of the foregoing, includes
 - (i) gold, silver, uranium, platinum, pitchblende, radium, precious stones, copper, iron, tin, zinc, asbestos, salts, sulphur, petroleum, oil, asphalt, bituminous sands, oil sands, natural gas, coal, anhydrite, barite, bauxite, bentonite, diatomite, dolomite, epsomite, granite, gypsum, limestone, marble, mica, mirabilite, potash, quartz rock, rock phosphate, sandstone, serpentine, shale, slate, talc, thenardite, trona, volcanic ash, sand, gravel, clay and marl, but
 - (ii) does not include
 - (A) sand and gravel that belong to the owner of the surface of land under section 58 of the *Law of Property Act*,
 - (B) clay and marl that belong to the owner of the surface of land under section 57 of the *Law of Property Act*, or
 - (C) peat on the surface of land and peat obtained by stripping off the overburden, excavating from the

surface, or otherwise recovered by surface operations;

- (q) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act;
- (r) “notification” means a notification in the prescribed form;
- (s) “oil sands” means
 - (i) sands and other rock materials containing crude bitumen,
 - (ii) the crude bitumen contained in those sands and other rock materials, and
 - (iii) any other mineral substances, other than natural gas, in association with that crude bitumen or the sands and other rock materials referred to in subclauses (i) and (ii),and includes a hydrocarbon substance declared to be oil sands under section 7(2) of the *Oil Sands Conservation Act*;
- (t) “owner” when used in connection with a mineral claim means the holder according to the records of the Department of a certificate of record;
- (u) “quarry” means a pit or excavation in the ground for the purpose of removing, opening up or proving any mineral other than coal or oil sands, and includes works and machinery belonging to or used in connection with the quarry;
- (v) “record” means a record as defined in the *Financial Administration Act*;
- (w) “registered” means
 - (i) registered under Division 1 of Part 6, in relation to a transfer, or
 - (ii) registered under Division 2 of Part 6, in relation to a security notice or any other document registrable under that Division;
- (x) “Registrar” means the Registrar within the meaning of the *Land Titles Act*;

- (y) “royalty compensation” means money payable to the Crown in right of Alberta as compensation pursuant to regulations made under section 36(2)(i);
- (y.1) “sequestration” means permanent disposal;
- (z) “storage rights” means the right to inject fluid mineral substances into a subsurface reservoir for the purpose of storage;
- (aa) “subsurface cavern” means a subsurface space created as a result of operations for the recovery of a mineral;
- (bb) “subsurface reservoir” means the pore space within an underground formation or a subsurface cavern;
- (cc) “transfer”, in relation to an agreement, means
 - (i) a transfer of the agreement, a part of the location of the agreement or a specified undivided interest in the agreement made by the lessee of the agreement or the interest, as the case may be,
 - (ii) a transfer of the agreement or a specified undivided interest in the agreement made by the Minister pursuant to section 23(3), or
 - (iii) a transfer of the agreement, a part of the location of the agreement or a specified undivided interest in the agreement made by the Minister pursuant to a judgment or order of a court;
- (dd) “Transfer Agreement” means the agreement in the Schedule to *The Alberta Natural Resources Act*, SA 1930 c21, and all amendments to that agreement;
- (ee) “unit agreement” means an agreement entered into by the Minister under section 102(1);
- (ff) “unit operation order” means an order under the *Turner Valley Unit Operations Act*;
- (gg) “well” means a well within the meaning of the *Oil and Gas Conservation Act*.

(2) If any mineral or any product obtained from a mineral is injected into a subsurface reservoir and a question arises between the Minister and the lessee under an agreement, or any person claiming under the lessee, as to the purpose for which the mineral

or mineral product was injected, then, for the purposes of this Act, the question is to be decided by the Minister.

(3) A reference in this Act to a township, section, half section, quarter section and legal subdivision means a township, section, half section, quarter section and legal subdivision, respectively, within the meaning of the *Surveys Act*.

(4) For the purposes of this Act, a reference to a township, section, half section, quarter section or legal subdivision is, in respect of land in unsurveyed territory, deemed to refer to what would be a township, section, half section, quarter section or legal subdivision if the land were surveyed in accordance with the *Surveys Act*.

(5) The references in sections 8(1)(a), 9(a)(i), 36(2)(j) and (3.1), 50(4) and (5) and 52(1) to a product obtained from a mineral, and in section 36(2)(a) and (b) to a product obtained from a royalty share include

- (a) any product obtained from a mineral or the royalty share of a mineral by processing, reprocessing or otherwise, and
- (b) any product obtained directly or indirectly, and in whole or in part, in exchange for a mineral, a royalty share of a mineral or a product referred to in clause (a).

RSA 2000 cM-17 s1;2003 c28 s2;2006 c21 s26;
2008 c36 s2;2010 c14 s2

Application of Act

Application of Act

2 This Act applies

- (a) to all mines and minerals, pore space and related natural resources vested in or belonging to the Crown in right of Alberta, and
- (b) where the context so permits or requires, to all wells, mines, quarries and minerals in Alberta.

RSA 2000 cM-17 s2;2010 c14 s2

Agreements subject to Act

3 This Act applies to an agreement made, entered into or renewed under the former Act notwithstanding anything in the agreement.

RSA 1980 cM-15 s4;1983 c36 s5

Grants

4 If regulations under section 5(1)(m) authorize the payment of grants relating to exploratory drilling, development drilling, geophysical exploration or well servicing, the grants shall be paid

from the General Revenue Fund where there is no supply vote for the purpose.

RSA 2000 cM-17 s4;2013 cF-14.5 s27

Part 1 Administration

General Powers of the Lieutenant Governor in Council

Regulations

5(1) The Lieutenant Governor in Council may make regulations

- (a) respecting
 - (i) exploration for minerals,
 - (ii) working and development of minerals,
 - (iii) development and operation of mines and any other matters incidental to mining,
 - (iv) exploration for, and use of, subsurface reservoirs, and
 - (v) development and operation of injection wells and facilities and any other matters incidental to the use of subsurface reservoirs;
- (b) respecting applications for agreements;
- (c) respecting the issuing of dispositions;
- (d) respecting the terms and conditions of agreements;
- (e) prescribing annual rentals for agreements;
- (f) respecting the rights and obligations of lessees;
- (g) respecting deposits or forms of security to the Government furnished or to be furnished under this Act and providing for
 - (i) the form and amounts of the deposits or other security, or the fixing of those amounts by the Minister,
 - (ii) the circumstances under which the deposits or security become payable or forfeited,
 - (iii) the purposes for which the deposits or security so paid or forfeited may be expended by the Government,

- (iv) the circumstances under which, and the persons to whom, the deposits or security may be refunded or returned, and
- (v) any other matter relating to the deposits or other security;
- (g.1) respecting the type and amount of insurance that must be carried by the lessee of an agreement under Part 9;
- (h) providing for any matter relating to the duration and extension of the terms of agreements, renewals of agreements, the size, shape and boundaries of the locations of agreements, the amendment of agreements by the Minister and the grouping, surrender, cancellation or expiry of agreements;
- (i) respecting the keeping of records for any purpose under this Act and the persons required to keep them;
- (j) respecting information to be furnished to the Minister, the persons required to furnish that information, the form in which that information must be furnished and the time within which that information must be furnished;
- (k) prescribing the kinds of information required to be furnished pursuant to any other Act under the Minister's administration that are deemed to be required to be furnished pursuant to this Act;
- (l) respecting the confidentiality of, and the communication of and access to, reports, returns, estimates, declarations, plans, maps, surveys, records and other information obtained under this Act;
- (l.1) respecting investigations and inspections under section 52, including, without limitation, the powers and duties of a person conducting an investigation or inspection and the responsibilities of lessees and other persons in respect of investigations and inspections;
- (l.2) respecting the measurement, calculation or estimation of the quantity, quality or composition of minerals, of products obtained by processing minerals or by reprocessing such products, or of captured carbon dioxide, including, without limitation, regulations
 - (i) requiring or authorizing measurement, calculation or estimation,

- (ii) respecting the purposes for which measurements obtained or calculations or estimates made pursuant to regulations made under this clause are to be used, notwithstanding the provisions of any other enactment,
 - (iii) respecting the persons required to undertake measurement, calculation or estimation and the responsibilities of those persons in respect of measurement, calculation or estimation,
 - (iv) governing the kinds and specifications of tools, equipment and materials that may be used for measurement, and the standards and other requirements respecting the installation, operation and maintenance of those tools, equipment and materials,
 - (v) governing the methods to be used for measurement, calculation or estimation and the standard conditions to which those measurements, calculations or estimates are to be converted, and
 - (vi) governing methods and procedures for conducting sampling, analyses, tests, verification and monitoring in relation to measurement, calculation or estimation;
- (m) respecting the payment of money or the granting of other incentives relating to the exploration for or recovery or processing of a mineral and the termination of such payments or other incentives before
- (i) any dates specified in the regulations up to which, or
 - (ii) the expiry of any time periods specified in the regulations during which,
- such payments or incentives are to be provided;
- (n) respecting the application of money paid to the Crown in right of Alberta, in respect of an agreement or otherwise, under this Act;
- (o) respecting the circumstances in which and the conditions on which credits may be established and applied against any liability to the Crown in right of Alberta under an agreement or under this or any other Act under the administration of the Minister, and respecting the payment to persons whose credits exceed their liability to the Crown of amounts not exceeding the excess credits;

- (p) respecting the cancellation of all or part of an agreement by the Minister at the request of the lessee of the agreement where all or part of the location is within the boundaries of patented land as defined in the *Metis Settlements Act* and respecting the determination and payment of compensation for the cancellation;
- (q) respecting the imposition of pecuniary penalties payable to the Crown, the circumstances in which the penalties may be imposed, the person liable to pay the penalties and the time by which the penalties must be paid;
- (r) respecting transfers or surrenders of agreements or of parts of the locations of agreements, and divisions or consolidations of agreements;
- (s) respecting the review or reconsideration of decisions of the Minister under this Act, the regulations or an agreement;
- (t) respecting the determination of the circumstances under which persons may be regarded as not dealing with each other at arm's length for any purpose under this Act or as being associated with each other for any purpose under this Act;
- (u) respecting the liability of lessees and others for the payment of interest on amounts owing to the Crown in right of Alberta under this Act and on the value of arrears of royalty deliverable to the Crown in kind under this Act, the rates of interest payable and the computation of interest payable;
- (v) respecting the liability of the Crown in right of Alberta for the payment of interest on overpayments under this Act, the rates of interest payable and the computation of interest payable, and defining "overpayment" for the purposes of the regulations under this clause;
- (w) establishing a tariff of fees
 - (i) pertaining to applications, agreements and renewals or reinstatements of agreements,
 - (i.1) pertaining to objections under section 39,
 - (ii) for the filing of any documents that may be filed with the Minister under the *Builders' Lien Act*,
 - (iii) for copies of maps, plans, field notes, documents, papers or other records of the Department, and

- (iv) for any other service provided by the Department;
- (w.1) governing the development, use and retention of documents and information in electronic form by
 - (i) the Department, and
 - (ii) persons dealing with the Departmentin carrying out the business processes of the Department, including, without limitation, regulations
- (iii) requiring that documents or types or classes of documents be in an approved electronic format and respecting the manner in which that format is determined or approved,
- (iv) governing the methods and means of transmission of approved electronic documents or classes of approved electronic documents, including the establishment of rules, procedures and guidelines for their transmission,
- (v) governing the means by which the identity and authority of persons who create, submit or send approved electronic documents are verified, and
- (vi) respecting electronic signatures on approved electronic documents and the legal effect of such signatures;
- (w.2) providing that a provision in a regulation made under any of clause (w.1)(iii) to (vi) supersedes and applies in place of another enactment of Alberta in respect of the same subject-matter;
- (w.3) governing the legal effect and enforceability of approved electronic documents, certified copies of approved electronic documents and endorsements made on approved electronic documents, including
 - (i) giving an approved electronic document the same effect as if it were in writing and signed, and
 - (ii) exempting an approved electronic document from any requirement at law that a document must be in writing or signed;
- (w.4) authorizing the Minister to refuse to accept documents that are not approved electronic documents or do not meet the requirements of or created under the regulations under clauses (w.1) to (w.3) in respect of the documents;

- (w.5) authorizing the Minister to establish rules respecting the acknowledgment of receipt of approved electronic documents;
- (w.6) authorizing the Minister to exempt a document or type or class of document from any requirement of or created under a regulation under clauses (w.1) to (w.5), subject to any terms and conditions the Minister considers appropriate;
- (w.7) generally governing the applicability of regulations under clauses (w.1) to (w.6) to the business processes administered by divisions, branches, units or parts of the Department;
- (x) prescribing anything required to be prescribed under this Act;
- (y) respecting any matter related to a provision of this Act where the provision
 - (i) is expressed to be subject to the regulations or to exceptions provided for by the regulations, or
 - (ii) contemplates the making of regulations for purposes related to that provision.

(2) A deposit or security required to be furnished pursuant to regulations under subsection (1)(g) shall be held by the Minister in accordance with the regulations and shall not be paid into the General Revenue Fund.

(3) The Lieutenant Governor in Council may make any regulations and orders that may be necessary to carry out the provisions of this Act according to their intent, to carry out the Transfer Agreement, or to meet cases that may arise and for which no provision is made by this Act.

RSA 2000 cM-17 s5;2003 c28 s3;2003 c18 s7;
2008 c36 s3;2009 c20 s5;2010 c14 s2;2014 c8 s6

Publication of orders

6 Orders made by the Lieutenant Governor in Council pursuant to this Act, other than orders prescribing regulations within the meaning of the *Regulations Act*, shall be published in The Alberta Gazette.

1983 c36 s6

Terms or conditions

7 An order, decision or determination of the Lieutenant Governor in Council under this Act may be made subject to any terms or conditions that the Lieutenant Governor in Council considers warranted.

1983 c36 s6

General Powers of the Minister**Ministerial powers**

8(1) The Minister may

- (a) exchange any Crown mineral or a product obtained from a Crown mineral for another mineral or another product obtained from a mineral;
- (b) acquire by expropriation any estate or interest in minerals, if the Minister is of the opinion that any or any further exploration for or development of those minerals is not in the public interest;
- (c) accept the surrender of, cancel or refuse to renew an agreement as to all or part of a location when the Minister is of the opinion that any or any further exploration for or development of the mineral to which the agreement relates within that location or part of it is not in the public interest, subject to the payment of compensation determined in accordance with the regulations for the lessee's interest under the agreement;
- (d) order the remission of all or part of any rental, fee or other sum payable under this Act or a disposition;
- (e) reinstate an agreement, a part of the location of an agreement or a zone in the location of an agreement that has been surrendered or cancelled, if
 - (i) an application for reinstatement is received in the Department within 60 days after the prescribed effective date of the surrender or cancellation,
 - (ii) the Minister has not already issued another agreement in respect of the location, the part of the location or the zone in the location, as the case may be, in respect of which the application is made, and
 - (iii) the Minister considers that the circumstances warrant the reinstatement;

- (f) if the Minister considers that the circumstances warrant it, agree with a lessee to grant an agreement to the lessee in substitution for an agreement held by the lessee;
- (g) if any provision of this Act, the regulations or an agreement requires or permits the doing of any act within a fixed period or at a fixed time, extend that period or fix another time by or at which that act is to be done, whether the period within which or the time by or at which the act ought to be done has or has not expired or arrived, as the case may be;
- (h) if the Minister is satisfied that it is in the public interest to do so, agree from time to time with the lessee to extend the term of the lessee's agreement for an additional period or periods, whether or not the term has expired when the extension is agreed to;
- (i) determine the form of any document to be used in connection with the administration of this Act, or adopt a variation of any form so determined that the Minister considers applicable to any special case;
- (j) delegate, in writing, to any person any of the Minister's powers or duties under this Act or an agreement.

(2) Within 60 days of the completion of an exchange under subsection (1)(a), the Minister shall publish in The Alberta Gazette a notice stating the particulars of the exchange and the reason for the exchange.

(3) An order, authorization, direction, determination or other decision made by the Minister under this Act may be made subject to any terms or conditions that the Minister considers warranted.

(4) For the purpose of applying subsection (1)(h) to a lease granting rights to petroleum or natural gas, or both, the expression "term" in that clause includes the period during which the lease is continued under Part 4.

RSA 2000 cM-17 s8;2008 c36 s4

Ministerial powers

9 Notwithstanding anything in this Act or any regulation or agreement, the Minister, on behalf of the Crown in right of Alberta and with the authorization of the Lieutenant Governor in Council, may

- (a) enter into a contract with any person or the government of Canada or of a province or territory respecting

- (i) the recovery of a mineral and the processing, sale or other disposition of the mineral or of a product obtained from the mineral;
 - (ii) the development of mines or quarries for the recovery of minerals;
 - (iii) the storage or sequestration of substances in subsurface reservoirs;
 - (iv) the royalty reserved to the Crown in right of Alberta on the minerals recovered;
 - (v) the provision for a consideration payable to the Crown in right of Alberta instead of royalty on the minerals recovered;
 - (vi) any matter that the Minister considers to be necessarily incidental to, in relation to or in connection with any of the matters referred to in subclauses (i) to (v);
- (b) issue an agreement
- (i) containing a provision that is a variation of a provision of this Act or the regulations that would otherwise apply to the agreement, or
 - (ii) making inapplicable a provision of this Act or the regulations that would otherwise apply to the agreement;
- (c) issue an agreement containing a provision providing for the waiver by the lessee of a benefit under this Act or any other Act under the administration of the Minister.

RSA 2000 cM-17 s9;2008 c36 s5;2010 c14 s2

Title to Minerals

Gold and silver

10 It is hereby declared that no grant from the Crown, whether relating to land, minerals in land or otherwise, has operated or will operate as a conveyance of gold and silver unless gold and silver are expressly named and conveyed in the grant.

1983 c36 s6

Coalbed methane

10.1(1) Coalbed methane is hereby declared to be and at all times to have been natural gas.

(2) Subsection (1) does not affect any conveyance, agreement, agreement for sale, lease, joint venture or any other contract that

specifically grants, leases, excludes, excepts or reserves rights in land in respect of coalbed methane and that was entered into before the coming into force of this section by

- (a) the owner of the title to natural gas in the land, or any person holding natural gas rights through that owner, and
- (b) the owner of the title to coal in the land, or any person holding coal rights through that owner.

(3) The owner of the title to natural gas in any land, and any person holding natural gas rights through that owner, has no right of action and shall not commence or maintain proceedings against the Crown, the owner of the title to the surface of the land or the coal in the land, or any person holding coal rights through the owner of the title to the coal for damages or compensation because of extraction, production or removal of coalbed methane from the land if that extraction, production or removal occurred before the coming into force of this section.

(4) It is deemed for all purposes, including for the purposes of the *Expropriation Act*, that no expropriation occurs as a result of the enactment of this section.

(5) No person has a right of action and no person shall commence or maintain proceedings

- (a) to claim damages or compensation of any kind, including, without limitation, damages or compensation for injurious affection, from the Crown, or
- (b) to obtain a declaration that the damages or compensation referred to in clause (a) are payable by the Crown,

as a result of the enactment of this section.

2010 c20 s2

Authorized disposition

11(1) No disposition may be made of an estate in a mineral owned by the Crown in right of Alberta unless the disposition is specifically authorized by this or another Act.

(2) Subsection (1) does not preclude

- (a) the Lieutenant Governor in Council from transferring the administration and control of minerals to the Crown in right of Canada, or
- (b) the Minister from executing and delivering a transfer under the *Land Titles Act* in favour of the Crown in right of

Canada of an estate in minerals of which the Crown in right of Alberta is the registered owner.

1983 c36 s6;1985 c39 s3

Transfer

12(1) When a person is entitled to receive from the Crown in right of Alberta a title for an estate in a mineral for which a certificate of title is registered under the *Land Titles Act*, a transfer shall be issued by the Minister.

(2) Before the issue of the transfer, the registration fee payable under the *Land Titles Act* shall be paid to the Minister.

(3) The Minister shall forward the fee paid and the transfer to the Registrar for registration of the transfer under the *Land Titles Act*.

1983 c36 s6

Notification

13(1) When a person is entitled to receive from the Crown in right of Alberta a title for an estate in a mineral for which no certificate of title is registered under the *Land Titles Act*, a notification shall be issued by the Minister accordingly in favour of that person.

(2) Before the issue of the notification, the fee payable under the *Land Titles Act* shall be paid to the Minister.

(3) The Minister shall forward the fee paid and the notification to the Registrar for registration of the notification under the *Land Titles Act*.

(4) When a notification issues to or in the name of a person who is dead, the notification is not void for that reason but the title to the minerals granted or intended to be granted forms part of the estate of the deceased person on registration of the notification.

(5) When a notification or other grant has issued to or in the name of an incorrect person or contains any clerical error, misnomer or incorrect or defective description of the minerals intended to be granted, or when any of the conditions of the notification or grant have been omitted, the Minister, if there is no adverse claim, may direct the defective notification or grant to be cancelled and a correct notification or grant to be issued in its stead.

(6) The correct notification or grant referred to in subsection (5) shall relate back to the date of the notification or grant cancelled and has the same force and effect as if issued at the date of the cancelled notification or grant.

(7) If a certificate of title has not been issued under the *Land Titles Act* for any minerals vested in or belonging to the Crown in right of

Alberta, the Minister may issue a notification respecting those minerals in favour of Her Majesty in right of Alberta as represented by the Minister.

(8) When a notification is issued under subsection (7), it shall be forwarded to the Registrar who shall, without fee, forthwith issue a certificate of title.

1983 c36 s6

Minerals underlying roads

14(1) When, by letters patent,

- (a) the surface of land and any mineral in the land were granted, and
- (b) an area or strip of land was excepted or reserved for a road, roadway or trail,

the letters patent are deemed for all purposes to have conveyed that mineral underlying the road, roadway or trail.

(2) Subsection (1) does not apply to any mineral granted

- (a) by other letters patent before October 1, 1930, or
- (b) by notification pursuant to an Ordinance of the North-West Territories or an Act of the Legislature before May 1, 1951,

whether before or after the letters patent referred to in subsection (1).

(3) When, under subsection (1), doubt arises as to whether an exception or reservation of an area or strip of land was for a road, roadway or trail, the Minister shall rule on the matter and the Minister's ruling when delivered in writing to the Registrar is final.

1983 c36 s6

Return of expropriated minerals

15(1) If land that included any minerals was transferred to or expropriated by the Crown and the land was used or intended to be used for a road diversion or roadway or for the purposes of obtaining gravel or any other road material, the Minister, on application to the Minister for the acquisition of the minerals or any of them, may approve the application on payment of any sum that the Minister may determine.

(2) When an application is approved pursuant to subsection (1), the applicant is entitled to receive a title for an estate in fee simple in the minerals in respect of which the application was made.

1983 c36 s6

Pore Space

Pore space

15.1(1) It is hereby declared that

- (a) no grant from the Crown of any land in Alberta, or mines or minerals in any land in Alberta, has operated or will operate as a conveyance of the title to the pore space contained in, occupied by or formerly occupied by minerals or water below the surface of that land,
- (b) the pore space below the surface of all land in Alberta is vested in and is the property of the Crown in right of Alberta and remains the property of the Crown in right of Alberta whether or not
 - (i) this Act, or an agreement issued under this Act, grants rights in respect of the subsurface reservoir or in respect of minerals occupying the subsurface reservoir, or
 - (ii) minerals or water is produced, recovered or extracted from the subsurface reservoir,

and

- (c) the exception of pore space under this section is deemed to be an exception contained in the original grant from the Crown for the purposes of section 61(1) of the *Land Titles Act*.

(2) Subsection (1) does not operate to affect the title to land that, on the date on which this section comes into force, belongs to the Crown in right of Canada.

(3) The Minister may enter into agreements with respect to the use of pore space.

(4) It is deemed for all purposes, including for the purposes of the *Expropriation Act*, that no expropriation occurs as a result of the enactment of this section.

(5) No person has a right of action and no person shall commence or maintain proceedings

- (a) to claim damages or compensation of any kind, including, without limitation, damages or compensation for injurious affection, from the Crown, or
- (b) to obtain a declaration that the damages or compensation referred to in clause (a) is payable by the Crown,

as a result of the enactment of this section.

2010 c14 s2

Agreements

Issue of agreements

16 Subject to this Act and the regulations and any express provision in any applicable ALSA regional plan limiting mineral development within a geographic area, the Minister may issue an agreement in respect of a mineral or subsurface reservoir

- (a) on application, if the Minister considers the issuance of the agreement warranted in the circumstances,
- (b) by way of sale by public tender conducted in a manner determined by the Minister, or
- (c) pursuant to any other procedure determined by the Minister.

RSA 2000 cM-17 s16;2009 cA-26.8 s82;
2010 c14 s2

Restrictions on disposition

17(1) The Minister may, in respect of any specified area and in any manner that the Minister considers warranted,

- (a) restrict the issuance of agreements granting rights to minerals or pore space;
- (b) withdraw any or all minerals or pore space from disposition.

(2) During the period that a mineral or pore space is withdrawn from disposition pursuant to subsection (1)(b), no person has the right to acquire an agreement granting rights to that mineral or pore space in all or any part of the area specified.

RSA 2000 cM-17 s17;2010 c14 s2

Refusal to grant and cancellation of agreement

18(1) The Minister may

- (a) refuse to issue or may withhold the issuance of an agreement, or
- (b) cancel an agreement issued in error and refund money paid in connection with that agreement.

(2) Without restricting the generality of subsection (1)(a), the Minister may refuse to issue an agreement to a person who is indebted to the Crown in right of Alberta, the Alberta Energy Regulator or the Alberta Utilities Commission.

RSA 2000 cM-17 s18; 2007 cA-37.2 s82(16);2012 cR-17.3 s94

Form of agreement

19(1) An agreement shall be in the form determined by the Minister.

(2) The Minister may in the case of any particular agreement vary the form determined for that class of agreement under subsection (1).

(3) The form of an agreement may confer or impose rights and obligations on the Minister or the lessee in addition to those provided for under this Act.

1983 c36 s6

Agreements

20(1) An agreement shall be issued in the manner and in the medium provided for in the regulations.

(2) An agreement issued in accordance with subsection (1) is binding on the Crown in right of Alberta and the lessee.

(2.1) Where 2 or more persons are recorded with the Department as lessees of an agreement,

- (a) those lessees in relation to the Crown are jointly responsible for the obligations and liabilities that arise under that agreement, notwithstanding that the agreement was issued before, on or after the coming into force of this subsection, and
- (b) a judgment in favour of the Crown against one or more of those lessees or a release by the Crown in favour of one or more of those lessees does not preclude the Crown from obtaining judgment against the other lessees in the same or a separate proceeding.

(3) The date of commencement of the term of an agreement shall, subject to the regulations, be the date specified by the Minister.

(4) When an agreement that is required to be executed by the holder is issued, the person in whose favour it is made

- (a) subject to subsection (5), is deemed to be the holder of it as against the Crown and all other persons as of the term commencement date, and
- (b) is bound by the agreement as if it were fully executed.

(5) When an agreement that is required to be executed by the holder is issued and the holder does not execute the agreement and return it to the Minister within 90 days from the prescribed date,

- (a) the Minister may cancel the agreement in the records of the Department, and
- (b) the holder is deemed to have been the holder of the agreement only as to any liability incurred under it by the holder.

RSA 2000 cM-17 s20;2003 c18 s8

Duplication in grant

21 If an agreement purports to grant rights in respect of a mineral and those rights are included in any disposition issued previously, the agreement is void insofar as it interferes with the previous disposition.

1983 c36 s6

Interpretation of agreement

22(1) Wherever the singular or masculine or neuter is used in an agreement, it shall be construed as meaning the plural or feminine or a corporation where the context or the parties to the agreement so require.

(2) A reference in an agreement to an enactment shall be construed as a reference to

- (a) that enactment, as amended from time to time, and
- (b) any replacement of all or part of that enactment, as amended from time to time.

(3) In subsection (2), “enactment” means an Act, regulation, order, directive, bylaw or other subordinate legislation.

1983 c36 s6

Ineligible persons

23(1) Subject to the regulations, an individual under the age of 18 years is ineligible to be the lessee or one of the lessees of an agreement.

(2) A corporation is ineligible to be the lessee or one of the lessees of an agreement unless the corporation is

- (a) registered under the *Companies Act*,
- (b) registered, incorporated or continued under the *Business Corporations Act*,
- (c) incorporated or continued under the *Bank Act* (Canada),
- (d) a railway company incorporated under an Act of Canada,

- (e) a loan corporation or trust corporation,
- (f) an insurer licensed under the *Insurance Act*, or
- (g) in any other case, approved by the Minister as a corporation that may hold an agreement.

(3) If the lessee or one of the lessees of an agreement is a person who is ineligible under subsection (1) or (2), the Minister may, subject to subsections (4) and (5),

- (a) where the ineligible person is the sole lessee of the agreement or one of the lessees otherwise than as the holder of a specified undivided interest in the agreement,
 - (i) cancel the agreement, or
 - (ii) transfer the agreement to an eligible person who, in the opinion of the Minister, is entitled to it;
- (b) where the ineligible person is the holder of a specified undivided interest in the agreement, transfer the interest to an eligible person who, in the opinion of the Minister, is entitled to it or, in the absence of such a person,
 - (i) to the holder of the other specified undivided interest if that holder is then an eligible lessee, or
 - (ii) proportionately to those eligible persons who are the holders of the other specified undivided interests in the agreement,

as the case may be.

(4) The Minister may not exercise any of the powers under subsection (3) unless

- (a) the Minister gives a notice in accordance with subsection (5) to the ineligible person and to any persons or class of persons specified in the regulations,
- (b) if the ineligibility is the result of the dissolution of a corporation, the Minister gives a notice in accordance with subsection (5) and the regulations, and
- (c) the notice has not been complied with before the deadline specified in the notice.

(5) A notice referred to in subsection (4)

- (a) must be given in a prescribed manner,
- (b) must describe the powers that may be exercised by the Minister under subsection (3) if the notice is not complied with, and
- (c) must state that the Minister may exercise those powers unless, before the deadline specified in the notice, either
 - (i) the agreement or the specified undivided interest in the agreement, as the case may be, is transferred to an eligible person and the transfer is registered under Division 1 of Part 6, or
 - (ii) there is provided to the Minister proof satisfactory to the Minister that the person concerned has ceased to be ineligible under subsection (1) or (2), as the case may be.

(6) No agreement shall be issued to or otherwise acquired by an unincorporated syndicate or association or other unincorporated group of persons in the name of the syndicate, association or group.

RSA 2000 cM-17 s23;RSA 2000 cI-3 s863

Misdescription of zone

24 If, in the opinion of the Minister, an agreement contains a misdescription of a zone, the Minister may

- (a) with the consent of the lessee, amend the agreement to correct the description without the payment of compensation to the lessee, or
- (b) if the lessee does not consent as provided in clause (a),
 - (i) cancel the agreement as to all or part of its location, or
 - (ii) amend the agreement to remove a misdescribed zone from the whole or part of its location,

subject to the payment of compensation in accordance with the regulations.

RSA 2000 cM-17 s24;2003 c18 s9

Replacement of mineral agreements

25(1) Subject to the regulations, where, as a consequence of the enactment of regulations under section 5(1) after June 25, 1991, called in this section the “new regulations”, any mineral comes under the administration of the new regulations, the Minister may, without compensation, cancel an agreement granting rights to that mineral and shall issue a replacement agreement to the same lessee in conformity with the new regulations.

(2) This section does not apply to agreements granting rights to coal, petroleum, natural gas or oil sands.

1991 c20 s4;1997 c17 s12

Surveys

26(1) If for any reason the Minister considers it necessary or advisable to have a survey or re-survey made of any location to determine the exact position of the location or in order to settle any dispute that may arise respecting it, the Minister may direct that the survey or re-survey be made by an Alberta land surveyor.

(2) The Minister may require the lessee of the location to be surveyed to pay, in advance, all or part of the costs of the survey or re-survey.

(3) If the lessee fails to make the payment in advance when required to do so by the Minister, the Minister may cancel the lease.

(4) The surveyor shall file with the Department plans, notes and any other information that may be required to determine the exact position of the location and the Department shall forward a copy of the information to the lessee.

1983 c36 s6

Amendment of land description

27(1) As soon as any area of land that includes a location, or any part of a location, becomes surveyed, the Minister after consultation with the lessee may amend the description by describing the area as surveyed land.

(2) The decision of the Minister as to the surveyed land to be included in the lease is final.

1983 c36 s6

Size of location

28(1) In determining the size of a location, all measurements must be taken horizontally, irrespective of the inequalities of the surface of the ground, and the boundaries beneath the surface must be the vertical planes in which the surface boundaries lie.

(2) In calculating distances, the widths of road allowances are not to be considered unless expressly included in the agreement.

1983 c36 s6

Representative of lessee

29(1) Where an agreement is held by 2 or more lessees, those lessees shall, in accordance with the regulations,

- (a) designate one of their number or any other person as their representative for the purposes of this Act in relation to that agreement, and
 - (b) give a notice of the designation to the Minister.
- (2) Where an agreement is held by only one lessee, the lessee
- (a) may, in accordance with the regulations, designate another person as the lessee's representative for the purposes of this Act in relation to that agreement, and
 - (b) on doing so shall give a notice of the designation to the Minister.
- (3) The lessee or lessees of an agreement are bound by the acts and omissions of their designated representative with respect to all matters arising under the agreement, or under this Act in relation to the agreement, while the designation is in effect.
- (4) A designation of a representative under this section in relation to an agreement remains in effect until
- (a) it is replaced in accordance with the regulations by another designation under this section and a notice of the replacement designation is given to the Minister, or
 - (b) in the case of a designation under subsection (2), it is revoked in accordance with the regulations without being replaced and a notice of the revocation is given to the Minister.

1997 c17 s13

Official service address**30(1)** If a person

- (a) is designated as a representative in relation to an agreement pursuant to section 29, or
- (b) is the sole lessee of one or more agreements and has not designated a representative in relation to any of those agreements pursuant to section 29,

that person shall, in accordance with the regulations, give to the Minister a notice containing that person's official service address for the purposes of this Act.

- (2) The address shown in a notice given by a person under this section continues to be that person's official service address for the

purposes of this Act until it is replaced by another notice given under subsection (1).

(3) The address shown in a notice given by a person under this section does not cease to be that person's official service address for the purposes of this Act merely because that person subsequently ceases to be within either of the classes of persons described in subsection (1)(a) or (b).

1983 c36 s6;1997 c17 s13

Giving of notices

31(1) Except as otherwise provided by the regulations, any notice or other document that the Minister is required or authorized to give or furnish to a lessee pursuant to this Act or the lessee's agreement may be given or furnished

- (a) to the person who is designated under section 29 as the representative of the lessee or lessees in relation to that agreement according to the records of the Department at the time the notice or other document is given or furnished, or
- (b) to the person who is the lessee of the agreement, if that person is the sole lessee of the agreement and, according to the records of the Department at the time the notice or other document is given or furnished, the lessee either
 - (i) has not given a notice under section 29(2) of the designation of a representative in relation to that agreement, or
 - (ii) has revoked the lessee's last designation made pursuant to section 29(2) in relation to that agreement.

(2) Any notice or other document that is required or authorized to be given or furnished to the Minister or any other person pursuant to this Act or an agreement may be given or furnished in any manner provided for in the regulations.

1997 c17 s13

Forfeiture of well, mine or quarry

32(1) Except as otherwise provided in the regulations, when an agreement expires or is surrendered or cancelled, the ownership of

- (a) any well in the location and the installations and equipment, including casing, incidental to the well, and
- (b) any mine or quarry in the location,

vests in the Crown in right of Alberta free and clear of all interests, charges and liens.

- (2) Subsection (1) applies whether or not
- (a) the well or its installations, equipment or casing or the mine or quarry, as the case may be, was the property of the former lessee, and
 - (b) any notice has been given or sent to any person owning or having an interest, charge or lien on the well or its installations, equipment or casing or in the mine or quarry, as the case may be, immediately before the vesting.
- (3) Subsection (1) does not apply if
- (a) the agreement expires but is renewed, or
 - (b) the agreement is terminated by reason of the exercise by the lessee of a right to apply for a lease that contains in its location the same well, mine or quarry.
- (4) The Minister may give a written authorization to a former lessee of an agreement to which subsection (1) applies or to any other person to enter on the location of the former agreement for the purpose of
- (a) removing any installations, equipment or casing incidental to the well,
 - (b) removing any installations or equipment incidental to the mine or quarry, or
 - (c) doing any act specified in the authorization in relation to the well, mine or quarry.
- (5) If a well, mine or quarry becomes the property of the Crown under this section, the Minister has the same rights and duties that the former lessee had in respect of any right of entry order or surface lease relating to the land on which the well, mine or quarry is located.
- (6) Notwithstanding subsection (5), the Minister is not subject to any penalty, debt or other obligation incurred by the former lessee under the right of entry order or surface lease.
- (7) In subsections (5) and (6),
- (a) “right of entry order” means a right of entry order as defined in the *Surface Rights Act* and a right of entry order under Part 4 of the *Metis Settlements Act*;

- (b) “surface lease” means a lease or other instrument under which the surface of land is held for any purpose for which a right of entry order may be made under the *Surface Rights Act* or Part 4 of the *Metis Settlements Act*, and that provides for the payment of compensation.

1983 c36 s6;1990 cM-14.3 s276;1997 c17 s15

Royalty and Other Revenues

Royalty on mineral

33 A royalty determined under this Act is reserved to the Crown in right of Alberta on any mineral recovered pursuant to an agreement.

1983 c36 s6

Royalty to be prescribed

34(1) The royalty reserved to the Crown in right of Alberta on a mineral recovered pursuant to an agreement shall be the royalty prescribed from time to time by the Lieutenant Governor in Council.

(2) If a royalty has been reserved to the Crown in right of Canada in any letters patent that convey a mineral, there is reserved to the Crown in right of Alberta

- (a) the royalty prescribed from time to time by the Lieutenant Governor in Council in accordance with the Transfer Agreement, or
- (b) if no royalty is prescribed under clause (a), the royalty at the rate in effect immediately before the coming into force of the Transfer Agreement.

(3) Except as otherwise provided by the regulations,

- (a) the royalty reserved to the Crown in right of Alberta shall be deliverable in kind,
- (b) the quantity of the royalty reserved to the Crown in right of Alberta shall be calculated at the place where the mineral is first measured after it is recovered, and
- (c) the royalty reserved to the Crown in right of Alberta shall be delivered to the Crown at the place at which the quantity of the royalty is calculated.

1983 c36 s6

Crown as owner

35(1) The Crown in right of Alberta is the owner of its royalty share of the mineral at all times until that royalty share is disposed

of by or on behalf of the Crown or until the Crown's title to that royalty share is transferred to a lessee or other person pursuant to the regulations, notwithstanding that its share is commingled with and indistinguishable from the lessee's share prior to or at the time of the disposal or transfer of title.

(2) If, at the place where the Crown's royalty share of a mineral is to be delivered to the Crown in right of Alberta, the Crown's royalty share of the mineral is commingled with the lessee's share of the mineral so that the Crown's royalty share cannot be identified, the Crown in right of Alberta is entitled to the quantity of the mineral of equivalent quality that is equal to the Crown's royalty share.

(3) If under the regulations or a contract or agreement under section 9 the quantity of the royalty on a mineral is calculated on the basis of all or any of the products obtained by processing that mineral or by reprocessing the products obtained by processing that mineral, unless otherwise provided a reference to the mineral in any provision in this Act or the regulations respecting the royalty on the mineral shall be read as a reference to the product obtained by the processing or reprocessing, as the case may be.

RSA 2000 cM-17 s35;2008 c36 s6

Regulations

36(1) The Lieutenant Governor in Council may make regulations

- (a) prescribing the royalty on a mineral;
- (b) prescribing that the quantity of the royalty on a mineral be calculated at a place other than the place where the mineral is first measured after it is recovered;
- (c) prescribing that the royalty on a mineral be delivered to the Crown in right of Alberta at a place other than that at which its quantity is calculated;
- (d) authorizing the Minister to determine any component or value in the calculation of the royalty on a mineral;
- (e) respecting the circumstances under which the quantity of the royalty on a mineral shall be calculated on all or any of the products obtained by processing the mineral or by reprocessing any of those products instead of on the mineral;
- (f) respecting the waiver or variation of all or part of the royalty on a mineral and the termination of any such waiver or variation before any date, or before the passing of any time

period, specified in the regulations by which the waiver or variation is to expire.

(2) The Lieutenant Governor in Council may make regulations

- (a) respecting the Crown's royalty share of a mineral, including, without limitation, the delivery of the royalty share in kind and the undertaking of any action in relation to the royalty share so delivered for any purpose leading directly or indirectly to and including the disposal of the royalty share or of any product obtained from the royalty share;
- (b) respecting the circumstances under which the lessee, the Alberta Petroleum Marketing Commission or any other person may be required to act, or requiring the lessee, the Alberta Petroleum Marketing Commission or any other person to act, as agent of the Crown in right of Alberta for any purpose leading directly or indirectly to and including the disposal of the Crown's royalty share or of any product obtained from the royalty share;
- (c) respecting the conditions of any agency relationship created pursuant to clause (b) and the powers, rights and duties of the Minister and of the lessee, the Alberta Petroleum Marketing Commission or any other person under the agency relationship;
 - (c.1) respecting goods and services that may be required by the Minister or the Alberta Petroleum Marketing Commission to be provided to the Crown or the Alberta Petroleum Marketing Commission for any purpose in relation to the Crown's royalty share of a mineral, the persons required to provide those goods and services, and the consideration to be paid by the Crown or the Alberta Petroleum Marketing Commission for those goods and services;
 - (c.2) respecting the determination by the Minister or the Alberta Petroleum Marketing Commission of the consideration referred to in clause (c.1) or the determination by the Alberta Utilities Commission of charges instead of consideration;
 - (c.3) respecting the rights, powers, liabilities and obligations of the Minister, the Alberta Petroleum Marketing Commission and others in relation to the provision of goods and services referred to in clause (c.1) and the payment of consideration, or charges instead of consideration, for those goods and services;

- (d) respecting the determination of the amount of money payable to the Crown in respect of the Crown's royalty share of a mineral when disposed of by a person required by the regulations to be an agent of the Crown for that purpose, notwithstanding the consideration actually received for the Crown's royalty share when it is disposed of by the agent, and respecting the liability of that agent for the payment of that amount;
 - (e) respecting the determination of the value of a mineral or of the Crown's royalty share of a mineral for any purpose under the regulations;
 - (f) respecting the costs and allowances for which the Crown may consent to be liable in relation to the Crown's royalty share of a mineral;
 - (g) respecting the respective rights, powers, liabilities and obligations of the Minister, the lessee and others in the event that the quantity of a mineral delivered to the Crown under the lessee's agreement in a month is less than or greater than the quantity of the Crown's royalty share of the mineral actually payable in respect of that month;
 - (h) respecting the transfer of title to the Crown's royalty share of a mineral to the lessee or any other person after the recovery of the mineral;
 - (i) respecting the determination and payment to the Crown of compensation in respect of the Crown's royalty share of a mineral, where the Crown's title to that share is transferred pursuant to regulations under clause (h);
 - (j) respecting the delivery of a mineral or of a product obtained from a mineral in exchange for, or on account of, or in lieu of, the Crown's royalty share of a mineral or of a product obtained from a mineral.
- (3)** Without limiting the powers of the Lieutenant Governor in Council under subsection (2)(g), regulations may be made under that clause
- (a) respecting the powers of the Minister, in the event of a deficiency in deliveries of the quantity of the Crown's royalty share of a mineral under an agreement in a month, to require that the default under the agreement resulting from the deficient delivery be remedied in a subsequent month by either

- (i) the delivery in kind to the Crown of the deficient quantity in that subsequent month, or
- (ii) the payment to the Crown in that subsequent month of an amount of money determined in accordance with the regulations as the value to the Crown of the deficient quantity,

whichever the Minister directs;

- (b) respecting the powers of the Minister, in the event of deliveries of a mineral to the Crown in excess of the quantity of the Crown's royalty share of the mineral in a month, to act as the agent of the owner of the excess quantity for the sale and delivery of the excess quantity to a purchaser in accordance with the regulations.

(3.1) Without limiting the powers of the Lieutenant Governor in Council under subsection (2)(j), regulations may be made under that clause

- (a) authorizing or requiring, or providing for the authorizing or requiring, of deliveries referred to in subsection (2)(j);
- (b) respecting the persons authorized or required to participate in a delivery referred to in subsection (2)(j);
- (c) respecting the terms governing deliveries referred to in subsection (2)(j);
- (d) respecting the rights, powers, duties, functions, liabilities and obligations of the Minister, the Alberta Petroleum Marketing Commission, a lessee or any other person in relation to deliveries referred to in subsection (2)(j), including, without limitation, in relation to excess or deficient deliveries of a mineral, a product obtained from a mineral, the Crown's royalty share of a mineral or the Crown's royalty share of a product obtained from a mineral, for the purposes of such deliveries;
- (e) respecting estimation by the Minister or the Alberta Petroleum Marketing Commission of the Crown's royalty share of a mineral or of a product obtained from a mineral for the purposes of deliveries referred to in subsection (2)(j);
- (f) respecting the acquisition by the Minister or the Alberta Petroleum Marketing Commission of anything required for the purposes of, or in connection with, deliveries referred to in subsection (2)(j);

- (g) respecting the specifications applicable to any mineral or product obtained from a mineral to be provided to the Crown in deliveries referred to in subsection (2)(j);
- (h) respecting the determination or prescribing of adjustments and prices and the application of adjustments and prices for any purpose in relation to deliveries referred to in subsection (2)(j);
- (i) respecting the establishment and operation of a market for the purposes of deliveries referred to in subsection (2)(j).

(4) The Lieutenant Governor in Council may make regulations

- (a) prescribing a money royalty on a mineral instead of a royalty in kind;
- (b) authorizing the Minister to determine any component or value in the calculation of a money royalty on a mineral;
- (c) authorizing the Minister to determine the costs and allowances that may be deducted in computing a money royalty on a mineral.

(5) Regulations made under this section may relate to

- (a) a specified mineral or class of minerals, or
- (b) a specified agreement or class of agreements.

(5.1) The Minister may make regulations

- (a) respecting the determination of any component or value in the calculation of the royalty on a mineral;
- (b) respecting the determination of any component or value in the calculation of
 - (i) a money royalty,
 - (ii) amounts owing to the Crown in respect of the Crown's royalty share of a mineral when the Crown's royalty share is disposed of by an agent, or
 - (iii) royalty compensation.

(5.2) The Lieutenant Governor in Council may make regulations

- (a) prescribing an amount, item or matter for the purpose of section 38(1)(b);

- (b) respecting the examination of a record under section 38;
- (c) respecting, for the purpose of section 38(3), the amending of a record and the submission of additional documents or information;
- (d) respecting the determination of the calendar years for the purpose of section 38;
- (e) respecting the period for making an amendment, conducting an examination and making a calculation of costs, charges, expenses, interest and penalties for the purpose of section 38(10);
- (f) respecting persons who are authorized to make an objection under section 39;
- (g) respecting the making, reviewing and resolving of an objection under section 39;
- (h) respecting the application of amendments made by section 6(4), (5) and (6) of the *Statutes Amendment Act, 2014*.

(6) If regulations are made under this section respecting the calculation of royalty on a mineral recovered pursuant to an agreement subject to a unit agreement or unit operation order, the regulations operate notwithstanding anything in the unit agreement or unit operation order.

(7) Repealed 2008 c36 s7.

(8) A regulation made under this section, or an order made pursuant to a regulation made under this section, may be made effective with reference to a period occurring before it is made.

(9) No compensation is payable for goods or services provided pursuant to regulations under subsection (2)(c.1) other than the consideration, or charges instead of consideration, determined under the regulations.

RSA 2000 cM-17 s36;2008 c36 s7;2014 c8 s6

Artificial or undue reduction in royalty

37 If, in the opinion of the Minister, the result of one or more acts, agreements, arrangements, transactions or operations is to artificially or unduly reduce

- (a) the Crown's royalty share in respect of a mineral,
- (b) the amount owing on account of a money royalty,

- (c) the amount owing in respect of the disposal of the Crown's royalty share by an agent, or
- (d) the amount owing on account of royalty compensation,

the royalty share or the amount owing shall be calculated as if the act, agreement, arrangement, transaction or operation had not taken place.

1983 c36 s6;1992 c20 s3;1994 c22 s7

Examinations, amendments and calculations

38(1) In this section and section 39,

- (a) "calculation" includes a recalculation or additional calculation, as applicable;
- (b) "prescribed matter" means an amount, item or matter prescribed by the regulations;
- (c) "record" means a record, submission, filing or other reporting, whether in written or electronic form;
- (d) "reporting person" means a person responsible under the regulations for providing a record in relation to a prescribed matter.

(2) The Minister may, in accordance with this section and the regulations, examine any record submitted by a reporting person or any other person authorized by the reporting person in respect of a calculation of a prescribed matter.

(3) In accordance with this section and the regulations, the reporting person, or any other person authorized by the reporting person,

- (a) may amend any submitted record referred to in subsection (2), and
- (b) shall submit any additional documents or information required by and satisfactory to the Minister in support of any amendment made under clause (a).

(4) An amendment made under subsection (3) must be made no later than 3 years after the end of the calendar year determined under the regulations.

(5) The Minister may, in examining a record, conduct an audit of the submitted records or conduct any other form of examination determined by the Minister.

(6) An examination referred to in subsection (5) must be completed no later than 5 years after the end of the calendar year determined under the regulations.

(7) If, after the completion of an examination under subsection (5), the Minister determines that a calculation in respect of a prescribed matter is required, the Minister shall provide a notice of the Minister's determination to the reporting person whose record is the subject of the examination.

(8) A calculation referred to in subsection (7), including any related interest and penalties, must be made no later than 5 years and 6 months after the end of the calendar year determined under the regulations.

(9) Notwithstanding subsections (3) to (8), the Minister may at any time conduct an examination under this section and make a calculation under subsection (7) if a reporting person or any other person authorized by the reporting person has made any misrepresentation that is attributable to neglect, carelessness or wilful default or has committed a fraud in providing any record or other information under this Act or the regulations.

(10) Notwithstanding anything in this section, the period for making an amendment, conducting an examination and making a calculation of costs, charges, expenses, interest and penalties relating to reclamation in respect of a mine or mining operations is to be determined under the regulations.

RSA 2000 cM-17 s38;2003 c18 s10;2008 c36 s8;
2010 c14 s2;2014 c8 s6

Objections

39(1) In this section, "authorized person" means a person who

- (a) is provided a notice under section 38(7), or
- (b) is authorized by the regulations to make an objection.

(2) An authorized person may, in accordance with the regulations, object

- (a) to a determination made by the Minister referred to in a notice provided under section 38(7), and
- (b) to a calculation referred to in section 38(7), but only as to the mathematical correctness of the calculation.

(3) On receipt of an objection under subsection (2), the Minister shall, in accordance with the regulations, review the objection.

(4) After a review of an objection, the Minister may make any calculation in respect of any prescribed matter referred to in the objection, including any related interest and penalties, and shall provide a notice of the calculation to the authorized person.

(5) The Minister, in reviewing an objection under subsection (3) or making a calculation under subsection (4), may only consider

- (a) in respect of an objection referred to in subsection (2)(a), information previously provided in respect of
 - (i) an amendment made under section 38(3) completed for the same period to which the objection relates,
 - (ii) an examination under section 38 completed for the same period to which the objection relates, or
 - (iii) a record completed in accordance with the regulations for the same period to which the objection relates,
- and
- (b) in respect of an objection referred to in subsection (2)(b) or a calculation made under subsection (4), information in respect of the mathematical correctness of a calculation, and of any interest or penalty levied with respect to the calculation.

RSA 2000 cM-17 s39;2003 c18 s10;2008 c36 s9;
2014 c8 s9

Limitation of actions

39.1(1) In this section,

- (a) “calculation period” means, in respect of a prescribed matter referred to in section 38(2), the applicable period of time under section 38, including any extensions of that period permitted by this Act, to calculate, recalculate or make additional calculations in respect of that prescribed matter;
- (b) “claim” means claim as defined in section 1(a) of the *Limitations Act*;
- (c) “remedial order” means remedial order as defined in section 1(i) of the *Limitations Act*.

(2) The *Limitations Act* does not apply to a claim

- (a) in respect of a prescribed matter referred to in section 38(2) or in respect of an overpayment of a prescribed matter;

- (b) in respect of an amount payable to the Crown under section 55 or in respect of an overpayment of that amount;
- (c) by the Crown to establish or confirm the Crown's ownership of any mines or minerals;
- (d) by the Crown for an accounting in relation to any benefit derived by someone other than the Crown from any mines or minerals the Crown's ownership of which is established or confirmed in relation to a claim under clause (c).

(3) No proceedings may be commenced by the Crown or any other person for a remedial order in respect of a claim for an amount or an overpayment of an amount referred to in subsection (2)(a) more than 3 years after the end of the calculation period for that amount.

(4) Subsection (3) does not apply in respect of a claim by the Crown for an amount or an overpayment of an amount referred to in subsection (2)(a) where the calculation period for the amount arises under section 38(9).

(5) No proceedings may be commenced by the Crown or any other person for a remedial order in respect of a claim for an amount or an overpayment of an amount referred to in subsection (2)(b) more than 2 years after the date on which the direction to pay was issued under section 55 in respect of the amount.

2003 c18 s10;2009 c20 s5;2014 c8 s6

Annual rental

40 Where the annual rental provided for in an agreement differs from the annual rental prescribed for the agreement by the regulations, the annual rental prescribed by the regulations prevails.

1990 c28 s4

Application of payment

41 Where a person owes more than one amount under this Act, in respect of agreements or otherwise, and payment is made in respect of any of those amounts, the Minister may, subject to the regulations, determine the order in which, and the extent to which, the payment will be applied among those amounts, whether or not the person specifies how the payment is to be applied.

RSA 2000 cM-17 s41;2003 c18 s11

Failure to pay interest

42 The Minister has the same remedies and powers in relation to the failure to pay interest owing to the Crown in right of Alberta under this Act that the Minister has in relation to the failure to pay the principal amount on which the interest is computed.

1983 c36 s6

Notice to pay Crown

43(1) In this section, “debtor” means a person indebted to the Crown in right of Alberta for any amount owing under this Act or any other enactment under the administration of the Minister.

(2) If the Minister has knowledge or suspects that a person is or is about to become indebted or liable to make any payment to a debtor, the Minister may, by a notice, require that person to pay the money otherwise payable to the debtor to the Minister on account of the debtor’s liability referred to in subsection (1).

(3) If a notice is given to a person pursuant to subsection (2), the requirement to pay is applicable to all future payments by that person to the debtor until the debtor’s liability referred to in subsection (1) is fully satisfied.

(4) The receipt by the Minister of money paid as required under subsection (2) or (3) is a good and sufficient discharge of the liability to the debtor to the extent of the payment.

(5) A person who discharges any liability to the debtor without complying with a notice given to the person pursuant to subsection (2) is liable to pay to the Minister an amount equal to the liability discharged or the amount the person was required to pay to the Minister, whichever is the lesser.

(6) If a person carries on business under a name or style other than the person’s own name, a notice to that person under subsection (2)

- (a) may be addressed to the name or style under which the person carries on business, and
- (b) is validly given if it is left with an adult person employed at the place of business of the addressee.

(7) If 2 or more persons carry on business as a partnership, a notice to those persons under subsection (2)

- (a) may be addressed to the partnership name, and
- (b) is validly given if it is given to one of the partners or left with an adult person employed at the place of business of the partnership.

1983 c36 s6;1992 c20 s5;1994 c22 s11;1997 c17 s17

General

Implied reservations to Crown

44 There is implied in every disposition any and all reservations that are required to be made on the disposal of any mineral rights owned by the Crown in right of Alberta.

1983 c36 s6

Cancellation of agreement

45(1) The Minister may cancel an agreement if

- (a) there is a breach of any condition contained in the agreement and the breach by its nature is not capable of being remedied,
- (b) the lessee has not complied with a notice given under this Act with respect to the agreement or with a notice given under the agreement, or
- (c) subject to subsection (2), the lessee has not complied with
 - (i) this Act or the regulations in relation to the agreement,
 - (ii) a covenant under the agreement, or
 - (iii) a condition contained in the agreement, where the default in complying with the condition is by its nature capable of being remedied.

(2) The Minister may not cancel an agreement pursuant to subsection (1)(c) unless

- (a) the Minister has given a notice to the lessee stating the nature of the default and that the Minister will cancel the agreement if the default is not remedied before the expiration of the 30-day period following the date on the notice, and
- (b) the default is not remedied within the 30-day period.

(3) The right of the Minister to cancel an agreement pursuant to the terms of the agreement is in addition to any power of the Minister to cancel the agreement under this Act.

(4) This section does not preclude the making of regulations conferring on the Minister the power to cancel an agreement as to part of its location or as to any zone or subsurface area underlying all or part of its location.

RSA 2000 cM-17 s45;2016 c18 s12

Remedy of Crown

46(1) The existence or exercise of any remedy that the Crown in right of Alberta has under this Act or an agreement does not affect any other remedy that the Crown has at law in respect of a mineral or mineral right or a subsurface reservoir that is the property of the Crown in right of Alberta.

(2) Notwithstanding the provisions of an agreement, a demand for or acceptance of rental or royalty deliverable or payable under the agreement or of an amount owing on account of a money royalty or royalty compensation or in respect of the disposal of the Crown's royalty share of a mineral by an agent is not deemed a waiver of the right of the Minister

- (a) to enforce compliance with a regulation or a term or condition of the agreement, or
- (b) to cancel the agreement for breach of a regulation or a term or condition of the agreement.

(3) Notwithstanding anything in this Act or an agreement, a waiver on behalf of the Crown in right of Alberta of a breach of a term or condition of the agreement

- (a) shall be made by the Minister in writing, and
- (b) does not limit or affect the rights of the Crown in respect of any other breach.

(4) Where any amount is owing by any person to the Crown in right of Alberta or a Provincial agency as defined in the *Financial Administration Act*, whether under this Act or otherwise, the Minister may recover that amount by way of set-off against any amount owing to that person by the Crown in right of Alberta in respect of an agreement or pursuant to this Act or any other enactment under the administration of the Minister.

RSA 2000 cM-17 s46;2003 c18 s12;2010 c14 s2

Deposits

46.1(1) Any money paid by a person to the Crown in right of Alberta under this or any other enactment under the administration of the Minister as a deposit or to increase a deposit

- (a) is to be paid into the General Revenue Fund, and
- (b) is to be refunded to that person when that person is no longer required to maintain the deposit.

(2) Notwithstanding subsection (1)(b), any amount to be refunded to a person under subsection (1) is subject to any rights of the Crown in right of Alberta to set off against the refundable amounts any amount owing by that person to the Crown in right of Alberta.

2003 c18 s13

Records

47(1) A person required to do so by the regulations shall keep records in accordance with the regulations.

(2) The records shall be kept

- (a) at the person's place of business in Alberta,
- (b) if the person has no place of business in Alberta, at a place in Alberta prescribed by the regulations, or
- (c) subject to any terms and conditions the Minister may impose, at a place in Alberta or elsewhere approved in writing by the Minister.

(3) The records must be kept until the expiration of the period referred to in the regulations.

(4) Repealed 2014 c8 s6.

(5) The Minister may at any reasonable time enter any place where a business is carried on by a person required to keep records under this Act, if the Minister does so for the purpose of auditing or examining records that are required to be kept under this Act.

(6) A person having possession of any records referred to in subsection (5) shall, for the purposes of an audit or examination under that subsection,

- (a) provide access to that place by the Minister or any persons conducting the audit or examination on the Minister's behalf,
- (b) give all reasonable assistance to the Minister and those persons,
- (c) provide or make available information and records required by the Minister or any of those persons, including information in the possession of agents or employees of that person and located elsewhere, and answer questions relating to those records, and

- (d) provide a copy of any information or records required by the Minister or those persons.

RSA 2000 cM-17 s47;2014 c8 s6

Return of information

48(1) The Minister may, by notice in writing, require any person to submit to the Minister, within the time stated in the notice,

- (a) a written return showing in detail any information required by the notice if it relates to or is incidental to
 - (i) any operations that are or were conducted on the location of an agreement,
 - (ii) the minerals recovered from the location or any products obtained by processing those minerals or by reprocessing the products obtained by processing those minerals, or the disposal of those minerals or products, or
 - (iii) the costs of recovering any minerals from the location or of obtaining any products by processing those minerals or by reprocessing the products obtained by processing those minerals,

or

- (b) a return containing or pertaining to any records if the records relate to anything mentioned in clause (a)(i), (ii) or (iii) and are sufficiently described in the notice to enable them to be identified.

(2) The Minister may waive compliance with a notice given under this section to the extent that the notice relates to records that are no longer required to be retained under section 47 and have been destroyed.

(3) The person to whom a notice is given under subsection (1) shall comply with the notice but may comply with a notice under subsection (1)(b) by permitting any person designated by the Minister to audit the records to which the notice relates and, on the request of that person, to take them away for further examination or copying.

(4) Any record taken away under subsection (3) shall be returned to the person from whose custody it was taken within 21 days after it was taken or within any longer period that the Court of Queen's Bench directs for cause or if agreed to by a person who is entitled to its return.

(5) An application to the Court of Queen's Bench under subsection (4) shall be made on notice to the lessee or former lessee of the agreement concerned and, if the person from whom the record was taken was not the lessee or former lessee of the agreement, to that person.

(6) A document purporting to be certified by an employee of the Department responsible for its custody to be a copy of a record made pursuant to subsection (3) is admissible in evidence in any judicial proceeding and is, in the absence of evidence to the contrary, proof of the contents of the record without proof of the employee's signature or appointment or of the employee's responsibility for custody of the document.

1983 c36 s6

Application to Court of Queen's Bench

49(1) The Minister may apply ex parte to the Court of Queen's Bench for an order that the Minister or a person authorized by the Minister may, for any purpose related to the administration of this Act,

- (a) enter at all reasonable times into any place where a business of a person required to keep records under this Act specified in the application or of an agent or employee of that person is carried on,
- (b) examine or seize and take away a record that is part of the records of that person required to be kept under this Act,
- (c) examine or seize and take away a record that, in the opinion of the Minister or person authorized by the Minister, will assist the Minister or authorized person in determining the accuracy of the records that are required to be kept under this Act, and
- (d) require a person at the place of business to give the Minister or person authorized by the Minister all reasonable assistance in carrying out the Minister's or authorized person's powers under clauses (b) and (c),

and the Court, on being satisfied that an order is necessary for the proper administration of this Act, may make any order it considers appropriate.

(2) The Minister or any person authorized by the Minister may make copies of records seized under subsection (1) and may, instead of returning the original of a record, provide the person from whom it was seized or the person's agent or employee with a copy of the record.

1983 c36 s6

Confidential information

50(1) Except as provided under the regulations, no person shall communicate or allow to be communicated any record, return or information obtained under this Act to a person not legally entitled to that information or allow any person not legally entitled to that record, return or information to have access to any record, return or information obtained under this Act.

(1.1) For the purposes of subsection (1), a person is not legally entitled to a record, return or other information simply because the person has a right of access to it under the *Freedom of Information and Protection of Privacy Act*.

(2) A person who knowingly receives records or information obtained under this Act holds the records or information subject to the same restrictions under subsection (1) that apply to the person from whom the records or information were received.

(3) With respect to any record, return or information obtained under this Act that would reveal geological work or geophysical work, subsection (1) prevails despite the *Freedom of Information and Protection of Privacy Act* for a period of 15 years following the end of the year in which the record, return or information was obtained.

(4) With respect to information that

- (a) was obtained on a royalty return,
- (b) appears on a royalty account, invoice or statement,
- (c) was obtained for the purposes of determining or verifying royalty liability or collecting or forecasting royalty,
- (d) was obtained for the purposes of determining, prescribing or verifying an amount, factor or other component that is used to calculate royalty, or
- (e) was obtained for the purposes of, or in connection with, the collecting, managing, processing, reprocessing, transporting, storing or disposing of the Crown's royalty share of a mineral, or of a product obtained from a mineral, taken in kind,

subsection (1) prevails despite the *Freedom of Information and Protection of Privacy Act* for a period of 5 years following the end of the year to which the information relates.

(5) In this section,

- (a) “geological work” means reporting on, advising on, evaluating, interpreting, geological surveying, sampling or examining lithological, palaeontological, petrophysical or geochemical information related to any activity
 - (i) that is aimed at the discovery or development of minerals or water, or
 - (ii) that is aimed at the investigation of geological conditions,and that requires the application of the principles of the geological sciences;
- (b) “geophysical work” means geophysical reporting on, advising on, acquiring, processing, evaluating or interpreting geophysical data or geophysical surveying that relates to any activity
 - (i) that is aimed at the discovery or development of minerals or water, or
 - (ii) that is aimed at the subsurface investigation of the earth,and that requires the application of the principles of the geophysical sciences;
- (c) “royalty” means royalty reserved to the Crown in right of Alberta on a mineral or a product obtained from a mineral, and includes royalty proceeds as defined in the regulations;
- (d) “royalty return” means a report or other record obtained under this Act or under an agreement authorized by an order in council under section 9 of this Act that is used to determine or verify royalty liability or to collect or forecast royalty.

RSA 2000 cM-17 s50;2002 c12 s3;
2008 c36 s10;2014 c8 s6

Evidence

51 Notwithstanding any other Act or law, no Minister of the Crown and no person who is or was employed or engaged in the administration or enforcement of this Act shall be required, other than in proceedings relating to the administration or enforcement of

this Act, to give evidence relating to any record, report, return, estimate, declaration, plan, map, survey or other information that is obtained under this Act or to produce anything containing that record, report, return, estimate, declaration, plan, map, survey or other information.

1983 c36 s6

Investigation and inspection

52(1) The Minister or a person designated by the Minister for the purpose may, from time to time or on a periodic basis, conduct an investigation or inspection in relation to any of the following:

- (a) any well, battery, mine, quarry, installation, equipment or other facility used or formerly used for or in connection with the recovery of a mineral pursuant to an agreement, or any plant or other facility used or formerly used for the processing of a mineral recovered pursuant to an agreement or of any product obtained from that mineral;
- (b) any well, installation, equipment or other facility used or formerly used for or in connection with the injection of a substance into a subsurface reservoir for the purpose of storage or sequestration;
- (c) a mineral recovered pursuant to an agreement or any product obtained from such a mineral;
- (d) the Crown's royalty share of a mineral or of any product obtained from a mineral.

(2) An investigation or inspection under this section may, without limitation, be conducted whether or not any mineral or product referred to in subsection (1) is or was commingled with any mineral recovered other than pursuant to an agreement or with any product obtained from such a mineral.

(3) A person conducting an investigation or inspection may enter into and have access to the site of the well, battery, mine, quarry, installation, equipment, plant or other facility to which the investigation or inspection relates, and the lessee or other person in charge of it, and any person performing any operation or function in relation to it, shall

- (a) render whatever assistance is requested by the person conducting the investigation or inspection,
- (b) supply any information and samples requested by the person conducting the investigation or inspection, and

- (c) provide access to any reports, plans, logs, data, designs, process control and engineering documents or other records requested by the person conducting the investigation or inspection,

if it is, in the opinion of the person conducting the investigation or inspection, relevant to the investigation or inspection.

RSA 2000 cM-17 s52;2008 c36 s11;2010 c14 s2

Bidding at sales

53 No person shall, before or at the time of a sale by public tender of the right to an agreement, by intimidation, combination, unfair management or otherwise, hinder or prevent, or attempt to hinder or prevent, any other person from bidding on or making an offer for the agreement.

1983 c36 s6

Prohibition

54(1) No person shall

- (a) win, work or recover a mineral, or
- (b) inject any substance into a subsurface reservoir

that is the property of the Crown in right of Alberta unless the person is authorized to do so under this Act or by an agreement.

(2) The Minister, if the Minister has grounds to believe that a person has contravened subsection (1)(a), may order that the mineral and any installations and equipment used in connection with winning, working or recovering the mineral are forfeited to the Crown in right of Alberta free and clear of all interests, charges and liens.

(2.1) The Minister may, if the Minister has grounds to believe that a person has contravened subsection (1)(b), order that any installations and equipment used in connection with injecting a substance into a subsurface reservoir are forfeited to the Crown in right of Alberta free and clear of all interests, charges and liens.

(3) An order made under subsection (2) or (2.1) may direct a person to seize, remove and sell any mineral, installations and equipment so forfeited in the manner and subject to the terms and conditions in the order.

(4) The Minister may order any mineral and any installations and equipment seized pursuant to this section to be returned to the person in whose possession they were at the time of seizure.

(5) The Minister may authorize in writing the conducting of operations in respect of a mineral or subsurface reservoir that is the property of the Crown in right of Alberta and that is not the subject of an agreement issued under this Act where the Minister is of the opinion that the operations are desirable in respect of the exploration for or the development, processing or recovery of minerals or the sequestration of captured carbon dioxide.

RSA 2000 cM-17 s54;2010 c14 s2

Compensation for unauthorized taking

55(1) Where the Minister has grounds to believe that a person has contravened section 54(1), the Minister may do one or more of the following:

- (a) in writing impose a penalty on that person and direct that person to pay the penalty to the Minister within the time specified in the direction in an amount determined under the regulations;
- (a.1) in writing direct that person to pay to the Minister within the time specified in the direction compensation in an amount determined under the regulations;
- (b) in writing require that person to forfeit to the Crown in right of Alberta any information or data obtained as a result of the contravention;
- (c) disqualify that person from bidding on an agreement if the Minister is of the opinion that information or data obtained as a result of the contravention may give that person an advantage over others in bidding for the agreement;
- (d) cancel any agreement to which that person is a party where the Minister is of the opinion that information or data obtained as a result of the contravention may have given that person an advantage over others in acquiring the agreement.

(2) The Minister must refund the money paid to acquire an agreement that is cancelled under subsection (1)(d).

(3) Any compensation payable or penalty imposed pursuant to a direction under subsection (1) is recoverable by the Minister in an action in debt.

(4) Section 43 applies to any compensation or penalty owing under this section in the same way as if it were liability in respect of royalty on a mineral.

RSA 2000 cM-17 s55;2003 c18 s14;2005 c28 s5

Injection wells

56(1) Subject to section 57, a person has, as against the Crown in right of Alberta,

- (a) the right to use a well or drill a well for the injection of any substance into an underground formation, if the person is required by or has the approval of the Alberta Energy Regulator to do so, and
- (b) the right to remove and withdraw any machinery, tool, plant, building, erection and fixture used in or in connection with the operation of that well, if the removal or withdrawal is approved by the Regulator.

(2) A person who exercises a right referred to in subsection (1)(a)

- (a) shall indemnify the Crown in right of Alberta for loss or damage suffered by the Crown in respect of any claims or demands made by reason of anything done by that person or any other person on that person's behalf in the exercise or purported exercise of that right, and
- (b) shall abandon the well when so directed or authorized by the Alberta Energy Regulator, in accordance with the directions of the Regulator.

RSA 2000 cM-17 s56;2005 c28 s8;2007 cA-37.2 s82(16);
2012 cR-17.3 s94

Ownership of storage rights, etc.

57(1) Subject to subsection (2),

- (a) where a person owns the title to petroleum and natural gas in any land, that person is the owner of the storage rights with respect to every underground formation within that land, and
- (b) where one person owns the title to petroleum in any land and another person owns the title to natural gas in the same land, those persons are co-owners of the storage rights with respect to every underground formation within that land.

(2) Where a person owns the title to a mineral in any land and operations for the recovery of the mineral result or have resulted in the creation of a subsurface cavern in that land, that person is the owner of the storage rights with respect to that subsurface cavern to the extent that it lies within that land.

(3) A person who has storage rights in respect of a subsurface cavern within any land has the right to recover any fluid mineral

substance stored in that cavern, to the exclusion of any other person having the right to recover a mineral from the same land.

(4) In subsections (1) to (3), “person” includes the Crown in right of Alberta.

(5) Where the Crown in right of Alberta owns storage rights in respect of a subsurface reservoir pursuant to subsection (1) or (2), no person has, as against the Crown, any storage rights in respect of that reservoir except under

- (a) a unit agreement to which the Crown is a party,
- (b) a contract entered into under section 9(a), or
- (c) an agreement issued
 - (i) with the authorization of the Lieutenant Governor in Council, or
 - (ii) under the regulations,

that expressly conveys storage rights in respect of that reservoir.

RSA 2000 cM-17 s57;2010 c14 s2;2014 c8 s6

Right to work through the pore space and other minerals

58(1) Any person who has the right to any mineral or the right to work it may work through the pore space and any other mineral in the same tract to the extent necessary to obtain the person’s mineral, without permission from or compensation to any other person for the right to work through the pore space or the other mineral, subject, however, to this Act and the provisions of any other Act affecting the exercise of that right.

(2) Any person who has storage rights in respect of a subsurface reservoir may work through the pore space and any mineral in the same tract to which the storage rights relate to the extent necessary to exercise those storage rights, without permission from or compensation to any other person for the right to work through the pore space or that mineral, subject, however, to this Act and the provisions of any other Act affecting the exercise of that right.

(3) A person who has entered into an agreement with the Minister under Part 9 may work through the pore space and any mineral in the same tract to which the agreement relates to the extent necessary to exercise the rights granted in that agreement, without permission from or compensation to any other person for the right to work through the pore space or that mineral, subject, however, to this Act and the provisions of any other Act affecting the exercise of that right.

RSA 2000 cM-17 s58;2010 c14 s2

Right to work through the pore space and minerals outside tract

59(1) Any person who has the right to any mineral or the right to work it in a tract and who has obtained a licence under the *Oil and Gas Conservation Act* to drill a well for the recovery of the mineral may, if the orifice of the well is located outside the tract, work through the pore space and all minerals outside the tract to the extent necessary to obtain the person's mineral for the recovery of which the licence was granted, without permission from or compensation to any other person for the right to work through the pore space or the minerals outside the tract, subject, however, to this Act and the provisions of any other Act affecting the exercise of that right.

(2) A person who has storage rights in respect of a subsurface reservoir and who has obtained a licence under the *Oil and Gas Conservation Act* to drill a well completed or to be completed in that reservoir may, if the orifice of the well is located outside the tract to which the storage rights extend, work through the pore space and all minerals outside the tract to the extent necessary to drill, complete and operate the well, without permission from or compensation to any other person for the right to work through the pore space or the minerals outside the tract, subject, however, to this Act and the provisions of any other Act affecting the exercise of that right.

RSA 2000 cM-17 s59;2010 c14 s2

Right to enter to remedy defaults

60(1) If the Minister has reason to believe that operations on any location are being conducted in such a manner as to expose others to the risk of damage or loss, the Minister may authorize any person to enter the mine, quarry, works, plant, buildings and structures on the location and to remain for any period or periods that the Minister considers necessary, for the purpose of enforcing compliance with any safety provisions required to eliminate the risk of damage or loss and remedying existing defaults.

(2) The Minister may charge and collect from the lessee the expenses incurred in connection with the supervision authorized by the Minister under subsection (1).

1983 c36 s6

Safety measures

61(1) The Minister may order any mining or quarrying in Alberta to be carried on so as not to interfere with or endanger the safety of any person or property.

(2) The Minister may order any person either to fill up or to guard any mine or quarry or any part of a mine or quarry in any manner that the Minister considers proper.

1983 c36 s6

Mineral accretions

62(1) If

- (a) a mineral in, on or under a parcel of land is or was the subject of a certificate of title under the *Land Titles Act* issued to a person other than the Crown in right of Alberta,
- (b) the certificate of title described the parcel by reference to a natural boundary, and
- (c) the area of the parcel, as described in the certificate of title, increased by reason of a natural accretion to the land constituting the parcel,

the area of the accretion is a “mineral accretion” for the purposes of this section.

(2) Where a mineral accretion is or has been the subject of an agreement, no claim or action may be made or brought after January 1, 1991 against the Crown in right of Alberta or the lessee of the agreement to recover

- (a) any royalty or money paid or payable to the Crown in right of Alberta under the agreement in relation to the mineral accretion,
- (b) any mineral recovered by the lessee of the agreement from the mineral accretion or the consideration paid or payable in respect of the sale or other disposition of a mineral so recovered,
- (c) any damages arising out of the Minister’s purported exercise of the power to issue the agreement in respect of the mineral accretion, or

- (d) any damages arising out of the purported exercise by the lessee of rights under the agreement in relation to the mineral accretion,

except in respect of royalty or amounts paid or payable, minerals recovered or damages arising, as the case may be, after the first day of the month in which the certificate of title referred to in subsection (1) is amended pursuant to the *Land Titles Act* to reflect the mineral accretion in the description of the parcel.

(3) In this section, a reference to the lessee of an agreement includes

- (a) a former lessee of the agreement, and
- (b) any person claiming through the lessee or a former lessee of the agreement an interest in
 - (i) the agreement,
 - (ii) a mineral recovered pursuant to the agreement or a product obtained by processing a mineral so recovered or by reprocessing such a product, or
 - (iii) any consideration paid or payable in respect of the sale or other disposition of a mineral recovered pursuant to the agreement or of a product obtained by processing a mineral so recovered or by reprocessing such a product.

1991 c20 s6

Offences

63(1) A person who contravenes

- (a) section 47, 48(3), 50, 52(3), 53, 54, 79, 107 or 117, or
- (b) a regulation made under section 5(1)(j) or (l.2)

is guilty of an offence and is liable to a fine of not more than \$100 000.

(1.1) A person who is guilty of an offence under the regulations is liable to a fine of not more than \$100 000.

(2) Every person who, under this Act, files or submits any report, return, estimate, declaration, plan, map, survey, record or other information or makes any statement or answers any question, whether in connection with an agreement or otherwise, knowing that the report, return, estimate, declaration, plan, map, survey, record, other information, statement or answer is false or

misleading or misrepresents or fails to disclose a material fact, is guilty of an offence and liable

- (a) to a fine of not more than an amount of money equal to the value of the Crown's royalty share of a mineral or the amount of money, as the case may be, of which the Crown in right of Alberta was deprived by reason of the commission of the offence, or
- (b) to a fine of not more than \$100 000,

whichever is the greater.

(3) In any prosecution for an offence under this Act, it is sufficient proof of the offence to establish that it was committed by an employee or agent of the accused, whether or not the employee or agent is identified or has been prosecuted for the offence, unless the accused establishes that the offence was committed without the accused's knowledge or consent and that the accused took all reasonable measures to prevent its commission.

(4) If a corporation is guilty of an offence under this Act, an officer, director or agent of the corporation who directed, authorized, assented to, acquiesced in or participated in the commission of the offence is a party to and guilty of the offence and liable to the punishment provided for the offence, whether or not the corporation has been prosecuted or convicted.

(5) A prosecution for an offence under section 54(1) may be commenced within 60 months from the date on which the subject-matter of the prosecution arose, and not afterwards.

RSA 2000 cM-17 s63;2002 c4 s3;2008 c36 s12;
2010 c14 s2

Vicarious responsibility

63.1 For the purposes of this Act, an act or thing done or omitted to be done by a director, officer, official, employee or agent of a corporation in the course of that person's employment or in the exercise of that person's powers or the performance of that person's duties is deemed also to be an act or thing done or omitted to be done by the corporation.

2002 c4 s3

Part 2 Coal

Leases

Coal rights

64 Except as provided in section 72, this Part applies to coal rights that are the property of the Crown in right of Alberta.

1983 c36 s7

Fee and rental

65(1) The rental fee for the first year and the prescribed fee shall accompany an offer or application for a coal lease.

(2) The fee and rental shall be refunded if the application or offer is refused or the granting of a lease is refused.

RSA 1980 cM-15 s63;1990 c28 s7

Area of location

66(1) The area of the location of a coal lease shall consist of sections, quarter sections or legal subdivisions or, in the discretion of the Minister, may comprise any part of a legal subdivision, but the parcels in the location shall adjoin or corner.

(2) In unsurveyed territory the area of a location may include what would be road allowances if the land were surveyed under the *Surveys Act*.

(3) If the boundaries of a tract applied for in unsurveyed territory may be difficult to determine on the ground because of terrain or distance from a survey monument, the Minister before granting the lease may require that the location be defined on the ground in accordance with instructions given by the Minister.

RSA 1980 cM-15 s64

Rights granted by lease

67(1) A coal lease grants the right to the coal that is the property of the Crown in the location in accordance with the terms and conditions of the lease but, subject to subsection (2), does not grant any rights to any natural gas, including coalbed methane.

(2) The Minister, on the recommendation of the Alberta Energy Regulator that it is necessary to do so for safety or conservation reasons, may authorize the lessee of a coal lease to recover natural gas, including coalbed methane, contained in a coal seam in the location of the coal lease.

RSA 2000 cM-17 s67;2003 c18 s15;2005 c28 s8;
2007 cA-37.2 s82(16);2012 cR-17.3 s94

Term of coal lease

68(1) Subject to subsection (2), the term of a coal lease shall be 15 years.

(2) The term of a coal lease granted prior to July 1, 1976 shall be 21 years.

(3) A coal lease, whether granted before, on or after July 1, 1976, is renewable for further terms of 15 years each subject to this Act and the regulations and, in the case of any particular renewal, to any terms and conditions prescribed by order of the Minister.

RSA 1980 cM-15 s66

Coal supply for local residents

69(1) The lessee of a coal lease who operates a coal mine shall, unless otherwise directed by the Minister, make available for sale at the lessee's mine to Alberta residents the coal they require for their own domestic household needs at a price per tonne not exceeding the average price per tonne for the last month during which the lessee sold similar coal otherwise than for domestic household needs.

(2) This section does not apply to a lessee with respect to a mine where all the coal obtained from that mine is sold for domestic household needs only.

RSA 2000 cM-17 s69;2003 c18 s16

Regulations

70 The Lieutenant Governor in Council may make regulations authorizing the Minister to give notice to the lessee of a coal lease requiring work to be done by the lessee including, without limitation, work with respect to one or more of the following:

- (a) exploratory programs for coal in the location;
- (b) the development of a coal mine site or coal mine in the location;
- (c) the commencement or resumption of coal mining operations in the location;
- (d) the mining from the location of a specified amount of coal within a specified period,

and prescribing the circumstances under which the Minister may or may not give a notice.

RSA 1980 cM-15 s68

Royalty

Royalty on federal patents

71 When the payment of a royalty has been reserved to the Crown in right of Canada in any patent or agreement for sale that conveys coal or the right to mine, win or work coal, the royalty to be computed, levied and collected and paid to the Crown in right of Alberta on the coal mined shall be

- (a) \$0.077 per tonne, or
- (b) any other royalty that may be prescribed from time to time by the Lieutenant Governor in Council in accordance with the Transfer Agreement.

RSA 1980 cM-15 s70

General Coal Barrier

General coal barrier

72(1) Notwithstanding the terms and provisions of any certificate of title, conveyance, agreement for sale, lease, licence, permit or other contract under which the person has, before, on or after June 1, 1962, acquired coal or the right to mine, win or work coal, no person shall, without the consent of the Minister,

- (a) mine coal, or
- (b) make or cause or permit to be made any opening,

within 10 metres of a boundary line of the tract or parcel of land described in the certificate of title, conveyance, agreement for sale, lease, licence, permit or other contract.

(2) In this section, “boundary line” means the vertical plane or line in which the surface boundary of the tract or parcel lies.

RSA 1980 cM-15 s71;1983 c36 s10

Part 3 Minerals in Road Allowances

Coal Mining Leases

Coal leases in road allowances

73 Except as hereinafter provided, Part 2 relating to the leasing of coal rights applies as far as is practicable to leases of coal rights in road allowances.

RSA 1980 cM-15 s82

Coal rights lease

74(1) The term of a lease of coal rights in a road allowance on or after July 1, 1978 shall not exceed 15 years.

(2) A lease of coal rights in a road allowance, whether granted before, on or after July 1, 1978, is renewable for further terms of 15 years each, subject to this Act, and, in the case of a particular renewal, to any terms or conditions required by the Minister.

RSA 1980 cM-15 s83;1983 c36 s14;1990 c28 s7

Coal Conservation Act requirements

75(1) A lease of coal rights in a road allowance must not be issued unless the applicant satisfies the Minister that the applicant has obtained a licence under the *Coal Conservation Act* authorizing the applicant to conduct mining operations in the proposed location.

(2) When a lessee ceases to hold the licence referred to in subsection (1) or the licence is amended with respect to the area on which the mining operations may be conducted, the Minister may cancel or amend the lease as the circumstances warrant.

RSA 1980 cM-15 s84;1983 c36 s15

Reports

76(1) When coal rights in a road allowance are held under lease and adjoin the location of a coal lease to which Part 2 applies, a report required by the regulations in respect of the amounts of coal obtained during any month from the road allowance and dispositions and sales during any month of coal obtained from the road allowance may be included in the report for the same month for that adjoining location.

(2) When coal rights in a road allowance are held under lease but do not adjoin the location of a coal lease to which Part 2 applies,

- (a) the lessee shall, at least every 12 months, have a mine surveyor survey the workings of the mine insofar as they relate to the area included in the road allowance, and
- (b) within 30 days after each survey, the lessee or the lessee's agent authorized in writing shall supply to the Department, on forms prescribed by the Minister, a report accounting for the full quantity of coal mined during that period.

RSA 1980 cM-15 s86;1983 c36 s17

Other Leases**Other road allowance leases**

77 No lease may be granted for the right to any mineral in a road allowance, other than coal, petroleum, natural gas, oil sands or any

minerals defined under the regulations as metallic and industrial minerals, unless with the approval of the Lieutenant Governor in Council.

RSA 2000 cM-17 s77;2003 c18 s17

General

Damage by operations

78(1) If in conducting operations the road allowance is damaged in any way, the lessee shall immediately remedy the damage and is responsible for the damage and any other loss arising from it.

(2) If the lessee fails to remedy the damage immediately, the Minister may have any repairs made that the Minister considers necessary and the costs of the repairs constitute a debt payable by the lessee to the Crown in right of Alberta on demand by the Minister.

RSA 1980 cM-15 s88

Orders of Minister of Infrastructure

79(1) Without compensation of any nature whatsoever a lessee shall, at all times during the term of a lease of mineral rights in a road allowance and any renewal of it, perform, observe and comply with the orders or directions of the Minister of Infrastructure or a person that Minister appoints and, without restricting the generality of the foregoing, those orders or directions may require the construction and maintenance of a temporary road and any reconstruction and surfacing of the road allowance that Minister considers necessary.

(2) Without compensation of any nature whatsoever the lessee shall, at all times during the term of a lease of a road allowance and any renewal of it, perform, observe and comply with the orders and directions of the Minister of Infrastructure affecting underground operations and, without restricting the generality of the foregoing, those orders or directions may require any measures that that Minister considers necessary to prevent any subsidence.

RSA 1980 cM-15 s89;1983 c36 s18;1986 c15 s9

Part 4 Petroleum and Natural Gas

Interpretation

80(1) In this Part,

- (a) “lease” means a lease granting rights to petroleum or natural gas, or both, and issued under this Act or the former Act;

- (b) “licence” means a licence granting rights to petroleum or natural gas, or both, issued under this Act
 - (i) before January 1, 1998, if its term expires on or after January 1, 1998, or
 - (ii) on or after January 1, 1998;
 - (c) “term” means,
 - (i) in relation to a lease, the period of years stated in the lease as its term, or
 - (ii) in relation to a licence, the period of years prescribed by the regulations as its term for the purposes of sections 82 and 83.
- (2) Subject to the regulations, in this Part and in an agreement granting rights to petroleum or natural gas, or both,
- (a) “natural gas” means the production from any well that, in the opinion of the Minister, initially produces gas either alone or with oil at a gas-oil ratio of 1800:1 or higher, but does not include any production that may be recovered from any well that, in the opinion of the Minister, initially produces gas with oil at a lower gas-oil ratio;
 - (b) “petroleum” means the production from any well that, in the opinion of the Minister, initially produces oil either alone or with gas at a gas-oil ratio of less than 1800:1, but does not include any production that may be recovered from any well that, in the opinion of the Minister, initially produces oil with gas at a higher gas-oil ratio.
- (3) Subsection (2) does not apply for any purpose related to royalties.

1997 c17 s22

Petroleum and Natural Gas Leases

Lease tenure

81(1) The term of a lease issued under this Act after July 1, 1976 shall be 5 years.

(2) Subsection (1) does not apply to a lease having a term of 10 or 21 years and issued after July 1, 1976

- (a) as a result of a division of a lease or the registration of a transfer of part of the location of a lease, or

- (b) pursuant to a reservation or permit of petroleum and natural gas rights issued before July 1, 1976.

1997 c17 s22

Continuation of lease or licence

82(1) When the term of a lease or licence expires, the lease or licence continues beyond its term only to the extent that it is approved for continuation by the Minister under the regulations.

(2) Where a lease or licence is approved for continuation pursuant to subsection (1), the Minister may, subject to the regulations and after the giving of notice to the holder of the lease or licence in accordance with the regulations,

- (a) cancel the lease or licence if the whole of its location has ceased to qualify for continuation under the lease or licence in accordance with the regulations, or
- (b) cancel the lease or licence as to
 - (i) any part of its location, or
 - (ii) any zone or any subsurface area underlying all or part of its location,

that has ceased to qualify for continuation under the lease or licence in accordance with the regulations.

1997 c17 s22

Shallow non-productive rights reversion

82.1(1) In this section,

- (a) “determination date” means a date on which the Minister makes a decision as to the shallowest productive zone in the location of a lease or licence or in an individual spacing unit comprising a portion of the location of a lease or licence which, for the purposes of this section, may be any one of the following:
 - (i) the date of a notice given under subsection (3),
 - (ii) the date of a response given under subsection (8),
 - (iii) the date of an offer made under subsection (10), or
 - (iv) the date of a final decision under subsection (12);
- (b) “lease” means a lease as defined in the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97) that

- (i) is issued before January 1, 2009, and
- (ii) has been approved for continuation by the Minister after the expiration of its term pursuant to section 15(1) of the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97);
- (c) “lessee” means the holder of a lease or licence or the holder’s designated representative as indicated in the Department’s records;
- (d) “licence” means a licence as defined in the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97) that
 - (i) is issued before January 1, 2009, and
 - (ii) has been approved for continuation by the Minister after the expiration of its intermediate term pursuant to section 15(1) of the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97);
- (e) “location” has the same meaning as in the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97);
- (f) “notice expiry date” means the date that coincides with the end of
 - (i) the 3-year period from the date of a notice given to a lessee under subsection (3), or
 - (ii) an extension of that period allowed under subsection (6);
- (g) “shallow non-productive rights” means those petroleum and natural gas rights granted by the lease or licence that are stratigraphically above a shallowest productive zone;
- (h) “shallowest productive zone” means the zone that the Minister determines, from among the following zones, to be the stratigraphically shallowest zone in the location of a lease or licence, or in an individual spacing unit comprising a portion of the location of a lease or licence, as at the determination date:
 - (i) the shallowest zone from which, in the opinion of the Minister, a well is capable of producing petroleum or natural gas in paying quantity;
 - (ii) the shallowest zone that is subject to a unit agreement;

- (iii) the shallowest zone that is subject to a gas storage agreement as defined in the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97);
 - (iv) the shallowest offset zone from which a freehold well as defined in the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97) is producing petroleum or natural gas, if
 - (A) the holder of a lease or licence, the location or part of the location of which is within a spacing unit adjoining the freehold well, has notified the Minister in writing before the notice expiry date that the lessee elects to pay offset compensation, in accordance with the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97), in respect of the location or the part of the location within the adjoining spacing unit, and
 - (B) offset compensation is being paid in respect of the location or the part of the location within the adjoining spacing unit;
 - (v) the shallowest zone considered by the Minister to be capable of producing petroleum or natural gas in paying quantity;
 - (i) “spacing unit” has the same meaning as in the *Petroleum and Natural Gas Tenure Regulation* (AR 263/97);
 - (j) “zone” means a stratum or series of strata considered by the Minister to be a zone for the purposes of this section.
- (2)** The Minister may determine
- (a) the shallowest productive zone in respect of the location of a lease or licence;
 - (b) the shallowest productive zone in respect of each individual spacing unit comprising a portion of the location of a lease or licence;
 - (c) the extent of the location of a lease or licence that no longer qualifies for continuation under the regulations.
- (3)** Where a determination is made pursuant to subsection (2), the Minister shall give a written notice to the lessee, which
- (a) must state the shallowest productive zone in respect of the location of the lease or licence, or in respect of each

individual spacing unit comprising a portion of the location of the lease or licence,

- (b) may specify or indicate the extent of the location of the lease or licence that no longer qualifies for continuation under the regulations,
 - (c) must state that
 - (i) the shallow non-productive rights, and
 - (ii) the petroleum and natural gas rights in the whole or a portion of the location, if specified or indicated pursuant to clause (b),
- will revert to the Crown at the end of a 3-year period from the date of the notice,
- (d) must state that the lessee may respond to the Minister's notice by way of an application, and
 - (e) must be given in accordance with section 31(1).

(4) The lessee may request an extension of the 3-year period referred to in subsection (3).

(5) A request under subsection (4) must be in the form prescribed by the Minister and must be received by the Minister on or before the notice expiry date.

(6) The Minister may extend the 3-year period referred to in subsection (3) if the lessee satisfies the Minister that the extension is warranted in the circumstances.

(7) An application under subsection (3)(d) must be in the form prescribed by the Minister and must be received by the Minister on or before the notice expiry date.

(8) If an application is made by the lessee in accordance with subsection (7) and the Minister agrees with its contents, the Minister

- (a) shall respond in writing to the lessee and advise that the Minister agrees with the contents of the application,
- (b) shall as part of the response to the lessee confirm the shallowest productive zone in respect of the location of the lease or licence, or in respect of each individual spacing unit comprising a portion of the location of the lease or licence, and

- (c) may confirm as part of the response to the lessee the extent of the location of the lease or licence that no longer qualifies for continuation under the regulations.

(9) When the Minister gives a response to the lessee under subsection (8),

- (a) the shallow non-productive rights shall be severed from the location of the lease or licence and revert to the Crown effective as of the notice expiry date, and
- (b) the petroleum and natural gas rights in the whole or a portion of the location of the lease or licence that is confirmed in the Minister's response as no longer qualifying for continuation under the regulations revert to the Crown as of the notice expiry date.

(10) If an application is made by the lessee in accordance with subsection (7) and the Minister disagrees in whole or in part with its contents, the Minister shall make an offer to the lessee.

(11) An offer under subsection (10)

- (a) must contain, in respect of the location of the lease or licence, or in respect of each individual spacing unit comprising a portion of the location of the lease or licence, a description of the shallowest productive zone,
- (b) may specify or indicate the whole or any portion of the location of a lease or licence that no longer qualifies for continuation under the regulations and in which the petroleum and natural gas rights revert to the Crown as of the notice expiry date,
- (c) must state that the lessee has until the end of one month from the date of the offer or until the notice expiry date, whichever occurs later, in which to respond to the offer,
- (d) must be in the form prescribed by the Minister, and
- (e) must be given in accordance with section 31(1).

(12) After the expiry of the period specified in subsection (11)(c), the Minister

- (a) may consider any response to the offer made by the lessee that is received by the Minister by the end of that period,
- (b) shall make a final decision as to the shallowest productive zone in respect of the location of the lease or licence, or in

respect of each individual spacing unit comprising a portion of the location of the lease or licence,

- (c) shall make a final decision as to the extent of the location of the lease or licence that no longer qualifies for continuation under the regulations, if the whole or any portion of the location of the lease or licence no longer so qualifies, and
- (d) shall advise the lessee in writing of the decision made pursuant to clause (b) and, if applicable, the decision made pursuant to clause (c).

(13) When the Minister makes a final decision pursuant to subsection (12)(b) and, if applicable, subsection (12)(c),

- (a) the shallow non-productive rights shall be severed from the location of the lease or licence and revert to the Crown effective as of the notice expiry date, and
- (b) the petroleum and natural gas rights in the whole or any portion of the location of the lease or licence in respect of which the Minister has made a final decision under subsection (12)(c) revert to the Crown as of the notice expiry date.

(14) If no application is received by the Minister in accordance with subsection (7),

- (a) the shallow non-productive rights referred to in the notice shall be severed from the location of the lease or licence and revert to the Crown effective as of the notice expiry date, and
- (b) the petroleum and natural gas rights, to the extent of the location of the lease or licence that is specified or indicated under subsection (3)(b) as no longer qualifying for continuation under the regulations, revert to the Crown as of the notice expiry date.

2008 c36 s13

**Regulations respecting petroleum and
natural gas agreements**

83(1) The Lieutenant Governor in Council may make regulations

- (a) respecting applications for approval of the continuation of leases or licences beyond their terms, the Minister's powers and duties in relation to those applications and the Minister's powers and duties where an application is not made within the prescribed time;

- (b) respecting the circumstances in which and the extent to which
 - (i) the location of a lease or licence,
 - (ii) any part of the location of a lease or licence, or
 - (iii) any zone or any subsurface area underlying the location or part of the location of a lease or licence,may be approved or refused for continuation beyond the term of the lease or licence;
- (c) respecting the fees payable in connection with the granting of approvals for the continuation of leases or licences;
- (d) respecting the circumstances in which and the conditions on which the Minister may exercise the powers of cancellation under section 82(2) and respecting the notices required to be given under that subsection;
- (e) respecting the obligations of lessees and the powers of the Minister in cases where petroleum or natural gas is being produced from a freehold well in a spacing unit adjoining a spacing unit containing the location or part of the location of a lease or licence;
- (f) defining “freehold well” and “spacing unit” for the purposes of regulations under clause (e).

(2) Regulations made under this section respecting the continuation of leases or licences shall not provide for the reversion to the Crown of rights to petroleum or natural gas in any subsurface area of any portion of the location of a lease or licence unless the reversion is referable

- (a) to the portion of that subsurface area lying stratigraphically above the top of the shallowest of the zones to which the approval for continuation extends in that portion of the location, and
- (b) to the portion of that subsurface area lying stratigraphically below the base of the deepest of the zones to which the approval for continuation extends in that portion of the location.

RSA 2000 cM-17 s83;2003 c18 s18;2008 c36 s14

Royalty

Void provisions

84 Any provision contained in a lease of petroleum and natural gas rights, natural gas rights or petroleum rights granted by the Minister before December 14, 1973 and stating

- (a) that the maximum royalty on the petroleum during the first term of the lease shall not exceed $\frac{1}{6}$ of the gross recovery from the land described in the lease,
- (b) that the maximum royalty payable on the petroleum and natural gas during the initial 10-year term of the lease shall not exceed $\frac{1}{6}$ of the production obtained from the location,
- (c) that the maximum royalty payable on natural gas during the first term of the lease shall not exceed $\frac{1}{6}$ of the production obtained from the location, or
- (d) that the maximum royalty on petroleum during the first term of the lease shall not exceed $\frac{1}{6}$ of the production obtained from the location,

is void, and any provision to a like effect contained in such a lease is void.

RSA 1980 cM-15 s113;1983 c36 s25

Regulations Respecting Production

Regulations

85(1) The Lieutenant Governor in Council may, if the Lieutenant Governor in Council considers it in the public interest to do so, make regulations fixing the maximum amount of petroleum that may be produced under Crown agreements during any month specified in the regulations.

(2) For the purpose of ensuring that the maximum amount fixed pursuant to subsection (1) for any month is not exceeded, the Minister may make regulations

- (a) respecting the maximum amount of petroleum that may be produced during that month under Crown agreements from the pools specified in the regulations;
- (b) in relation to any pool, respecting the maximum amount of petroleum that may be produced during that month under Crown agreements from any drilling spacing unit, block or project specified in the regulations.

(3) If there is an inconsistency between

- (a) a regulation made under subsection (1) or (2), and
- (b) an order of the Alberta Energy Regulator made under the *Oil and Gas Conservation Act*,

insofar as it is inconsistent, the regulation under subsection (1) or (2), as the case may be, prevails.

(4) In this section,

- (a) “Crown agreement” means an agreement granting petroleum and natural gas rights or petroleum rights;
- (b) “block”, “drilling spacing unit” and “project” mean a block, drilling spacing unit and project, respectively, as defined in the *Oil and Gas Conservation Act*;
- (c) “pool” means a pool designated by the Alberta Energy Regulator under the *Oil and Gas Conservation Act*.

RSA 2000 cM-17 s85;2007 cA-37.2 s82(16);2012 cR-17.3 s94

The Alberta Petroleum Marketing Commission

Marketing of Crown’s share

86(1) Every agreement to which this section applies is subject to the condition that the Crown’s royalty share of a mineral to which this section applies recovered pursuant to the agreement must be delivered to the Alberta Petroleum Marketing Commission.

(2) This section applies only to those agreements and minerals to which it is made applicable by the regulations under subsection (3).

(3) The Lieutenant Governor in Council may make regulations specifying the agreements and minerals to which this section applies.

(4) The Minister may, with respect to any agreement to which this section applies and in any special case when the Minister considers it warranted by circumstances to do so, waive compliance with subsection (1) for any period of time and on any conditions the Minister may prescribe.

RSA 2000 cM-17 s86;2008 c36 s15

Part 5 Oil Sands

McMurray formation

87(1) A lease of bituminous sands rights granted before July 1, 1978 is deemed for all purposes to be a lease of oil sands rights with respect to the McMurray formation.

(2) For the purposes of this Act, the McMurray formation is deemed to be and to have always been a zone designated by the Alberta Energy Regulator.

(3) If any question arises under a disposition or in the administration of this Act or the regulations as to whether

- (a) any stratigraphic formation is or is not the McMurray formation, or
- (b) any mineral occurring in a stratigraphic formation is or is not oil sands,

the question must be referred to the Minister whose decision on the question is final.

(4) The Minister may, on the application of the lessee of a bituminous sands lease, accept the surrender of the bituminous sands lease and grant to the lessee in substitution for it a lease of oil sands rights with respect to the McMurray formation and having the same location.

(5) Repealed 2007 cA-37.2 s82(16).

RSA 2000 cM-17 s87; 2005 c28 s8; 2007 cA-37.2 s82(16);
2012 cR-17.3 s94

Solution gas

87.1(1) In this section, “solution gas” means a gas that is dissolved in crude bitumen under initial reservoir conditions and includes any of that gas that evolves as a result of changes in pressure or temperature, or both, due to human disturbance.

(2) An agreement granting rights in respect of oil sands that is issued on or after January 1, 2000, grants the right to solution gas.

(3) Nothing in this section is to be construed so as to affect in any manner any agreements issued before January 1, 2000 with respect to any rights granted in respect of oil sands.

2003 c18 s19; 2005 c28 s5

Operations to recover bituminous or oil sands

88 The Minister may grant, on any terms the Minister may prescribe, a deferment of any obligation to conduct operations under a lease of oil sands rights to a lessee who has entered into an agreement satisfactory to the Minister with the holder of other oil sands rights to contribute to or assist in the performance of similar operations of that other holder.

RSA 1980 cM-15 s124;1997 c17 s25

Void provisions

89 Any provision contained in

- (a) a lease of oil sands rights granted before August 31, 1956 and providing that the royalty on each of the products derived from oil sands shall not exceed 1/10 of the products, or
- (b) a lease of oil sands rights granted after August 31, 1956 and providing that the royalty on each of the products derived from oil sands shall not exceed 1/6 of the products,

is void, and any provision to a like effect contained in such a lease is void.

RSA 1980 cM-15 s125;1983 c36 s31

90 Repealed 2008 c36 s16.

Part 6 Registration of Transfers and Security Notices

Division 1 Transfers

Registration of transfer

91(1) A transfer with respect to an agreement that the lessee is not prohibited from transferring or agreeing to transfer by any provision of this Act or any regulation or by the terms of the agreement, may be registered by the Minister if the regulations respecting registration of the transfer are complied with and if the transfer conveys

- (a) the whole of the agreement,
- (b) a specified undivided interest in the agreement, or
- (c) a part of the location contained in the agreement.

(2) A transfer made by the Minister pursuant to section 23(3) or a judgment or order of a court

- (a) shall be registered by the Minister, and
- (b) is as effective as if it were a valid transfer registered under subsection (1).

(3) The Minister may cancel any registration made under this Division if the registration was made in error.

(4) On the registration of a transfer, the transferee becomes the lessee with respect to the agreement, the undivided interest in the agreement or the part of the location so transferred.

(5) A transfer registered under this Part is valid against and prior to any unregistered transfer.

(6) Insofar as a transfer affects the Crown, the transfer is deemed to take effect from the time of its registration.

RSA 1980 cM-15 s136;1994 c22 s21;1997 c17 s28

Obligations to run with agreement, etc.

91.1(1) Where a transfer is registered under section 91 with respect to the whole of an agreement, a specified undivided interest in an agreement or a part of the location contained in an agreement,

- (a) any obligation or liability arising under the agreement that existed before the transfer was registered continues, on and after the registration of the transfer, to run with the agreement, interest or part of the location transferred, and
- (b) the transferee and the transferor and any other person recorded with the Department as a lessee of the agreement prior to the transfer are jointly responsible for any obligation or liability referred to in clause (a).

(2) With respect to any obligation or liability referred to in subsection (1),

- (a) any judgment in favour of the Crown in respect of that obligation or liability against one or more of the persons referred to in subsection (1)(b), or
- (b) any release by the Crown in respect of that obligation or liability in favour of one or more of the persons referred to in subsection (1)(b)

does not preclude the Crown from obtaining judgment against any of the other persons referred to in subsection (1)(b) in the same or a separate proceeding.

2003 c18 s20

Judgment or order directing transfer

92(1) If in a proceeding before a court a claim is made for an order or judgment relating to the ownership of an agreement, any interest in an agreement or part of the location of an agreement, the claimant shall give written notice of the claim to the Minister at least 14 days before the date on which the claim is heard by the court.

(2) A notice referred to in subsection (1) shall be accompanied with copies of all documents filed with the court before the notice is given.

(3) The Minister is entitled to be heard, notwithstanding that the Crown is not a party to the proceeding.

(4) If the Minister appears in a proceeding referred to under subsection (1), the Minister is deemed to be a party to the proceeding for the purposes of an appeal from the adjudication in respect of the proceeding and has the same rights with respect to an appeal as any other party to the proceeding.

(5) The Minister is not bound by any order or judgment of the court in a proceeding referred to in subsection (1) unless

- (a) the order or judgment directs the Minister to make a transfer that conveys the whole of the agreement, a specified undivided interest in the agreement or part of the location of the agreement to the person named in the order or judgment, and
- (b) the transfer would, if made by the lessee concerned, be registrable under section 91.

1983 c36 s36;1997 c17 s29

Regulations

93 The Lieutenant Governor in Council may make regulations

- (a) respecting the registration of transfers;
- (b) prescribing the fees payable to the Minister for
 - (i) registration of a transfer, and

- (ii) any other service provided by the Department under this Division.

1981 c55 s6

Division 2 Security Notices

Interpretation

94(1) In this Division,

- (a) “collateral” means
 - (i) the interest of the lessee or of any of the lessees in an agreement, or
 - (ii) an interest in an agreement derived directly or indirectly from the lessee or any of the lessees of the agreement or from a former lessee or any of the former lessees of the agreement;
- (b) “operator’s lien” means an interest in or charge on collateral if
 - (i) the interest or charge arises under a contract to which an owner of the collateral is a party,
 - (ii) the contract provides for the conduct by a person, called in this clause the “operator”, other than that owner, of exploration, mining, drilling, development, production, processing or abandonment operations in respect of the mineral to which rights are granted by the agreement concerned,
 - (iii) the contract requires that owner to make payments to the operator to cover all or part of the advances made by the operator in respect of the cost of those operations, and
 - (iv) the interest or charge secures the payments referred to in subclause (iii);
- (c) “secured party” means a person who has a security interest;
- (d) “security instrument” means a contract or instrument that creates a security interest;
- (e) “security interest” means an interest in or charge on collateral if the interest or charge secures
 - (i) the payment of an indebtedness arising from an existing or future loan or advance,

- (ii) bonds or debentures of a corporation, or
- (iii) the performance of the obligations of a guarantor under a guarantee given in respect of all or any part of the indebtedness referred to in subclause (i) or all or any part of amounts owing on bonds or debentures referred to in subclause (ii),

but does not include an operator's lien;

- (f) "security notice" means a security notice in the form determined by the Minister.

(2) For the purposes of this Division,

- (a) the registration of a notice of financial transaction under this Part during the period commencing October 1, 1980 and ending immediately before December 16, 1981, and
- (b) the registration of an instrument giving a security under section 82 of the *Bank Act* (Canada), SC 1953-54 and RSC 1970, as that section was in force between April 6, 1955 and October 1, 1980, a copy of such an instrument, or a caution, caveat or memorial in respect of the rights of a bank under that section, if it was registered under this Part before October 1, 1980,

continue under this Division as the registration of a security notice in respect of the same security interest.

(3) On the registration of a notice of assignment pursuant to section 96, a reference in this Division to the secured party under a registered security notice shall, with respect to the security notice to which the assignment relates, be read as a reference to the assignee named in the notice of assignment.

1981 c55 s7;1997 c17 s31

Registration of security notice

95(1) A security notice in respect of a security interest may be submitted to the Minister for registration.

(2) The Minister shall register a security notice submitted to the Minister for registration unless

- (a) the regulations are not complied with, or
- (b) it shows on its face that it relates to a security interest acquired by a person other than a bank prior to December 16, 1981.

(3) If a security interest was acquired before December 16, 1981 by a person other than a bank, the registration of a security notice is void to the extent that it relates to that security interest.

(4) A security interest in respect of which a security notice is registered has priority

- (a) over any other security interest acquired before the registration of that security notice unless a security notice in respect of that other security interest is registered before the registration of the first-mentioned security notice,
- (b) over any transfer acquired before the registration of that security notice unless that transfer is registered before the registration of that security notice,
- (c) over any builder's lien acquired before the registration of that security notice unless that builder's lien is registered before the registration of that security notice, and
- (d) over any interest, right or charge acquired after the registration of that security notice.

(5) Notwithstanding subsection (4), if a security interest is acquired by a person other than a bank and a security notice is registered in respect of that security interest, the priority of that security interest is, in relation to a builder's lien, subject to the *Builders' Lien Act*.

(6) If a security interest was acquired before December 16, 1981 otherwise than pursuant to section 426 of the *Bank Act* (Canada) or section 177 of the *Bank Act* (Canada), RSC 1985 cB-1, as that section was in force prior to June 1, 1992, and after December 1, 1980 or section 82 of the *Bank Act* (Canada), RSC 1970 cB-1, as that section was in force prior to December 1, 1980,

- (a) subsection (4) does not apply to that security interest, and
- (b) any priority of the secured party in relation to that security interest
 - (i) is not affected by the secured party's inability to obtain a valid registration of a security notice relating to that security interest, and
 - (ii) must be determined as if this Division had not been enacted.

(7) A security notice shall provide for an address for service for the secured party named in it for the purposes of this Division.

(8) The secured party under a registered security notice may submit to the Minister for registration a notice of any change of the secured party's address for service under the security notice.

(9) If a security notice is registered against an agreement, the registration

- (a) does not restrict or in any manner affect any right or power of the Crown or the Minister under this Act or the regulations or the agreement, and
- (b) does not derogate from the proprietary rights of the Crown in the minerals in respect of which rights are granted by the agreement.

(10) If a security notice is registered against an agreement and the Minister, as a consequence of the exercise by the lessee of a right of lease selection conferred on the lessee, issues one or more leases for all or part of the location of the agreement, the registration of the security notice shall be continued in respect of the lease or leases as though the security notice referred to them and as though they had been issued prior to the registration of the security notice.

(11) If a security notice is registered against an agreement and

- (a) a transfer of part of the location of the agreement is registered and a new agreement is issued for the part of the location so transferred,
- (b) the agreement is divided into 2 or more agreements and one or more new agreements are issued to effect the division, or
- (c) the agreement and one or more other agreements are consolidated into one agreement,

the registration of the security notice shall be continued in respect of each of the new agreements or the consolidated agreement, as the case may be, as though the security notice referred to it and as though the issuance of the agreement or the consolidation had occurred prior to the registration of the security notice.

(12) When an agreement is reinstated pursuant to section 8(1)(e), the agreement is subject to all the security notices registered against the agreement when it was surrendered or cancelled, as though the agreement had not been surrendered or cancelled.

(13) When the term of an agreement is extended pursuant to section 8(1)(h) after the expiration of the term, the agreement is subject to all security notices registered against the agreement

immediately before the expiration of the term so extended as though the term had not expired.

1981 c55 s7;1990 c28 s8;1992 c21 s28;1997 c17 s32

Discharges

96(1) There may be submitted to the Minister for registration

- (a) a notice of the discharge or partial discharge of the security interest that is the subject of a registered security notice,
- (b) a notice of the assignment of all or part of the security interest that is the subject of a registered security notice,
- (c) a notice of the postponement of a registered security notice, or
- (d) a notice of the discharge or partial discharge of a postponement that is the subject of a registered notice of postponement.

(2) The Minister shall register a notice submitted for registration under subsection (1) unless the regulations are not complied with.

(3) A notice of assignment shall provide for an address for service for the assignee named in it for the purposes of this Division.

1981 c55 s7;1997 c17 s33

Demand for information

97(1) A person may serve a demand under this section if the person is

- (a) the lessee or one of the lessees of an agreement against which a security notice is registered,
- (b) the person named in a security notice as the person who gave the security instrument,
- (c) the secured party under another security notice registered against the same agreement,
- (d) a person who has obtained the permission of the Court of Queen's Bench to do so, or
- (e) a person who is a member of a class of persons designated by the regulations for the purposes of this clause.

(2) A person within any of the classes enumerated in subsection (1) may serve on the secured party under a registered security notice a written demand requiring the secured party

- (a) to inform that person, within 15 days after being served with the demand, of the place where the security instrument that is the subject of the security notice, or a copy of that instrument, is located and available for examination and of the normal business hours during which the examination may be made, and
- (b) to make the security instrument or a copy of it available for examination at that place during normal business hours by that person or a person authorized by that person within a reasonable time after the demand is served.

(3) Whether or not a demand under subsection (2) is served or complied with in relation to the same security instrument, a person within any of the classes enumerated in subsection (1) may serve on the secured party under a security notice a written demand requiring the secured party to mail or deliver to that person a true copy of the security instrument that is the subject of the security notice.

(4) A reference in this section to a security instrument includes amendments to the security instrument.

(5) A demand referred to in subsection (2) or (3) is sufficiently served if it is sent by registered mail or delivered to the secured party's address for service according to the records of the Department.

(6) A demand referred to in subsection (3)

- (a) shall contain an address for the person serving the demand to which the copy of the security instrument is to be mailed or delivered, and
- (b) shall be complied with by sending the copy by registered mail to, or delivering the copy to, the address referred to in clause (a) within 15 days after the day on which the demand is served.

(7) A person served with a demand under subsection (3) may refuse to mail or deliver the copy of the security instrument unless the person serving the demand first pays to the person served a charge for making the copy that is reasonable in the circumstances but not in excess of the maximum charge prescribed by the regulations.

(8) If a secured party on whom a demand is served under this section fails without reasonable excuse to comply with the demand, the person who served the demand may apply to the Court of

Queen's Bench for an order requiring the secured party to comply with the demand within the time and in the manner prescribed in the order.

(9) If a secured party fails to comply with an order of the Court under subsection (8), the Court may, on the application of the person who obtained the order,

- (a) make any further order the Court considers necessary to ensure compliance with the order made under subsection (8), or
- (b) make a further order directing the Minister to cancel the registration of the security notice of the secured party in its entirety or in relation to the agreement or agreements specified in the order.

(10) Notwithstanding anything in this section, a person served with a demand under subsection (2) or (3) is excused from complying with the demand if

- (a) the person has, at the time the demand is served on the person, assigned the person's security interest and the person is not one of the assignees, and
- (b) the person informs the person serving the demand, within 15 days after being so served, of the name and address of the assignee.

(11) If a person served with a demand complies with subsection (10), the person who served the demand may serve another demand under subsection (2) or (3) on the assignee at the address furnished pursuant to subsection (10) as though the assignee had registered a notice of assignment and as though the address so furnished were the assignee's address for service under a registered notice of assignment.

RSA 2000 cM-17 s97;2014 c13 s34

Notice to take proceedings

98(1) In this section,

- (a) "notice to take proceedings" means a notice served under subsection (2)(a);
- (b) "show-cause notice" means an application under subsection (2)(b).

(2) A person within any of the classes enumerated in subsection (3) may

- (a) serve on the secured party under a registered security notice a notice directing that person to commence an application in the Court of Queen's Bench, returnable within 60 days after the date on which the notice is served, for an order substantiating the security interest that is the subject of the registered security notice either
 - (i) in its entirety, or
 - (ii) in relation to any specified agreement or agreements to which it applies,
- or
- (b) apply to the Court of Queen's Bench requiring the secured party under a registered security notice to show cause why
 - (i) the registration of the security notice should not be cancelled, or
 - (ii) the registration of the security notice against any specified agreement or agreements should not be cancelled.

(3) A person may serve a notice to take proceedings or apply under subsection (2)(b) if the person is

- (a) the lessee or one of the lessees of an agreement against which the security notice is registered,
- (b) the person named in a registered security notice as the person who gave the security instrument,
- (c) the secured party under another security notice registered against the same agreement that is the subject of the notice to take proceedings or the show-cause notice,
- (d) a person who has obtained the permission of the Court of Queen's Bench to do so, or
- (e) a person who is a member of a class of persons designated by the regulations for the purposes of this clause.

(4) If proceedings are commenced as a result of a notice to take proceedings, the person serving the notice to take proceedings is to be the only respondent in the proceedings unless the Court, after the proceedings are commenced, orders that one or more other persons are to be added as respondents.

(5) The Court may, on ex parte application by a person who proposes to serve a notice to take proceedings, by order shorten the 60-day period referred to in subsection (2)(a) and, if the order is made,

- (a) subsection (2)(a) is, in relation to that notice, deemed to refer to the shorter period, and
- (b) a certified copy of the order shall be served with that notice.

(6) The Court, on the application of a person served with a notice to take proceedings, may extend the period for commencing the application to the Court under subsection (2)(a), whether or not that period has been shortened pursuant to subsection (5).

(7) For the purposes of this section,

- (a) a show-cause notice may be served in any manner in which an originating notice in the Court of Queen's Bench may be served, and
- (b) a notice to take proceedings or a show-cause notice is sufficiently served if it is sent by registered mail to the secured party under the registered security notice at the address that is, at the time of mailing, that person's address for service in relation to the security notice according to the records of the Department.

(8) If the Minister is provided with a statutory declaration satisfactory to the Minister showing

- (a) that a notice to take proceedings was served in accordance with this section on the secured party under a registered security notice, and
- (b) that no application was commenced in accordance with the notice to take proceedings or that an application so commenced was dismissed or discontinued,

the Minister shall cancel the registration of the security notice in its entirety or in relation to the agreement or agreements specified in the notice to take proceedings, as the case may be.

(9) If the registration of a security notice is cancelled in its entirety or in relation to any specified agreement or agreements pursuant to subsection (8), no person may submit for registration another security notice relating to

- (a) the same security interest or purported security interest that was the subject of the security notice whose registration was cancelled in its entirety, or
- (b) the same security interest or purported security interest in relation to the specified agreement or agreements,

as the case may be, except with the permission of the Court of Queen's Bench.

RSA 2000 cM-17 s98;2009 c53 s116;2014 c13 s34;
2016 c18 s12

Court order to Minister

99(1) The Minister shall

- (a) cancel the registration of a security notice in its entirety or in relation to any specified agreement or agreements against which it is registered if there is submitted to the Minister for registration a certified copy of an order or judgment of the Court of Queen's Bench directing the Minister to do so whether as a consequence of proceedings under section 97 or 98 or otherwise, or
- (b) register a certified copy of an order or judgment of the Court of Queen's Bench submitted to the Minister for registration that directs the Minister to do any act in relation to the registration of a security notice or a notice referred to in section 95(8) or 96.

(2) The Minister may cancel any registration made under this Division if the registration was made in error.

1981 c55 s7;1997 c17 s36

Regulations

100 The Lieutenant Governor in Council may make regulations

- (a) respecting the registration of security notices, notices referred to in sections 95(8) and 96 and certified copies of orders or judgments referred to in sections 97(9)(b) and 99(1);
- (b) respecting the cancellation of registrations;
- (c) prescribing the fees payable to the Minister for
 - (i) registration of a security notice, a notice referred to in section 95(8) or 96 or a certified copy of an order or judgment referred to in section 97(9)(b) or 99(1),

- (ii) the cancellation pursuant to section 98(8) of the registration of a security notice in its entirety or in relation to any specified agreement or agreements, and
- (iii) any other service provided by the Department under this Division;
- (d) designating classes of persons for the purposes of section 97(1)(e) or 98(3)(e) or both;
- (e) prescribing a maximum charge for the purposes of section 97(7).

1981 c55 s7;1997 c17 s37

Part 7

Unit Operation of Minerals

Definition

101 In this Part, “tract” means

- (a) the whole or part of a location, or
- (b) a parcel or part of a parcel containing any minerals owned by a person other than the Crown in right of Alberta.

RSA 1980 cM-15 s145;1983 c36 s38;1994 c22 s22

Unit agreement

102(1) The Minister may on behalf of the Crown enter into an agreement providing for the combining of interests in a mineral occurring in a subsurface reservoir underlying one or more tracts to facilitate the co-ordinated management of operations for any one or more of the following:

- (a) the recovery of the mineral from the subsurface reservoir;
- (b) the use of the subsurface reservoir for the purposes of storage of fluid mineral substances and the combining of interests in the storage rights in respect of that subsurface reservoir;
- (c) the recovery of fluid mineral substances injected into or stored in the subsurface reservoir.

(2) The Minister shall cause to be published in The Alberta Gazette a notice respecting the Minister’s execution of a unit agreement within 60 days after the date the Minister becomes aware that the unitization provided for in the unit agreement has become effective in respect of minerals of the Crown.

(3) Notwithstanding this Act or an agreement but subject to section 36(6), a unit agreement may provide

- (a) for the appointment of a person as the unit operator,
- (b) for participation in the development of the mineral,
- (c) for compensation for interests adversely affected,
- (d) that any provision or condition of an agreement, whether statutory or otherwise, will be nullified, changed or varied to the extent necessary to give effect to the unit agreement,
- (e) that so long as operations are conducted in accordance with the unit agreement the operational requirements with respect to each location insofar as they relate to the location or part of the location within the unit operation will be deemed to have been met,
- (f) that the product allocated by the unit agreement to a tract will be deemed to have been produced from the tract,
- (g) that production or extraction of a mineral or a stored substance in accordance with the unit agreement will be deemed to be production in commercial quantity from any tract covered by the agreement when that production is necessary to entitle the lessee of an agreement to an extension or renewal of the lessee's agreement, and
- (h) for any other matters the Minister considers necessary or advisable.

RSA 2000 cM-17 s102;2003 c18 s21

Royalty contract re unit operation

103 Notwithstanding this Act or an agreement, the Lieutenant Governor in Council may authorize the Minister to enter into a contract respecting the royalty on the mineral produced under a unit agreement or unit operation order in respect of any tract that is subject to a royalty to the Crown in right of Alberta.

RSA 1980 cM-15 s147;1983 c36 s40;1997 c17 s39

Minerals subject to terms of agreement

104(1) When a unit agreement is entered into by the Minister, the minerals that are the property of the Crown and affected by the agreement, and any interest in the minerals, are subject to the terms and conditions of the agreement so long as the Crown is a party to the unit agreement.

(2) Where a unit agreement provides for the use of the subsurface reservoir for the purpose of storage of fluid mineral substances,

storage rights that are the property of the Crown and affected by the unit agreement are subject to the terms and conditions of the unit agreement so long as the Crown is a party to the unit agreement.

RSA 1980 cM-15 s149;1994 c22 s24

Regulations

105(1) The Lieutenant Governor in Council may make regulations

- (a) respecting the withdrawal by the Crown as a party to a unit agreement where no unit operations have been conducted under the unit agreement for a prescribed period;
- (b) respecting the powers and duties of the Minister with respect to a withdrawal referred to in clause (a) and the procedures to be followed by the Minister before a withdrawal can be effected;
- (c) defining “unit operations” for the purposes of the regulations.

1994 c22 s25

Part 8 Exploration

Definitions

106 In this Part,

- (a) “approved exploration program” means a program of exploration under a preliminary plan for the program approved under the regulations;
- (b) “exploration” means,
 - (i) in relation to petroleum and natural gas or subsurface reservoirs,
 - (A) any operations on or over land or water to determine geologic conditions underlying the surface of land or water, and
 - (B) any operations that are preparatory to or otherwise connected with the operations described in paragraph (A) that, in the opinion of the Minister, have the potential to cause surface disturbance,
 - and
 - (ii) in relation to minerals other than petroleum and natural gas,

- (A) any investigation, work or act to determine the presence of a mineral that, in the opinion of the Minister, results in a disturbance of the surface of land, and
- (B) any operations that are preparatory to or otherwise connected with the operations described in paragraph (A) that, in the opinion of the Minister, have the potential to cause surface disturbance,

but does not include operations exempted from this Part by the Minister under section 109(2);

- (c) “exploration approval” means an approval under the regulations of a preliminary plan for a program of exploration;
- (d) “exploration equipment” means any equipment used or employed in exploration, but does not include any type of equipment exempted from this Part by the Minister;
- (e) “exploration licence” or “licence” means a licence to conduct exploration issued pursuant to the regulations;
- (f) “exploration permit” or “permit” means a permit to operate exploration equipment issued pursuant to the regulations;
- (g) “licensee” means the holder of an exploration licence;
- (h) “permittee” means the holder of an exploration permit;
- (i) “private land” means land that is owned by a person other than
 - (i) the Crown, or
 - (ii) an agent of the Crown;
- (j) “unique identification number” means
 - (i) in relation to exploration equipment owned or leased by a licensee or a permittee, the licence number of that licensee or the permit number of that permittee, as the case may be,
 - (ii) in relation to exploration equipment under contract to a permittee or otherwise being operated under the authority of a permittee’s permit, the permit number of that permittee, or

- (iii) an identification number assigned to the owner of exploration equipment in accordance with the regulations.

RSA 2000 cM-17 s106;2003 c28 s4;2010 c14 s2

Prohibitions

107(1) No person shall conduct exploration in Alberta unless

- (a) that person is the holder of a subsisting exploration licence that is not under suspension or is a person who is authorized by the holder to conduct exploration on the holder's behalf,
- (b) the exploration is conducted under the licence referred to in clause (a), and
- (c) subject to section 109(3), the exploration is conducted in accordance with an approved exploration program.

(2) No person shall operate exploration equipment in Alberta unless

- (a) that person is the holder of a subsisting exploration permit that is not under suspension or is a person who is authorized by the holder to operate exploration equipment under the holder's permit,
- (b) the exploration equipment is operated under the permit referred to in clause (a), and
- (c) a unique identification number is displayed on the exploration equipment in accordance with the regulations.

RSA 2000 cM-17 s107;2003 c28 s5

Regulations

108 The Lieutenant Governor in Council may make regulations

- (a) respecting the circumstances and conditions under which, the methods by which, the manner in which and the areas of Alberta in which exploration may be conducted;
- (b) respecting the circumstances and conditions under which, the methods by which, the manner in which and the areas of Alberta in which exploration equipment may be operated;
- (b.1) respecting the research, testing, authorization or approval for use in the conduct of exploration or of approved exploration programs of products described, referred to or defined in the regulations;

- (c) respecting applications for and the issuing of exploration approvals, exploration licences and exploration permits;
- (d) prescribing the fees payable in respect of applications for, or for the issuing of, exploration approvals, exploration licences or exploration permits;
- (d.1) governing the assignment and use of unique identification numbers in respect of exploration equipment for the purposes of section 107(2)(c);
- (e) respecting the furnishing of deposits, bonds or other forms of security to the Government by applicants for exploration approvals, exploration licences or exploration permits or by licensees or permittees, and providing for
 - (i) the amounts of the deposits, bonds or other security, or the fixing of those amounts by the Minister,
 - (ii) the circumstances under which the deposits, bonds or security become payable or forfeited,
 - (iii) the purposes for which the deposits, bond proceeds or security so paid or forfeited may be expended by the Government,
 - (iv) the circumstances under which the deposits, bonds, bond proceeds or security may be returned or refunded, or
 - (v) any other matter relating to the deposits, bonds or other security;
- (f) establishing systems and procedures for the submission, referral, evaluation and review of applications for exploration approvals;
- (g) respecting the filing of reports, plans, maps, surveys and other documents and materials associated with the conduct of exploration with a person authorized by the Minister to receive them;
- (g.1) respecting the submission for examination of rock samples, drill cuttings, core samples, logs or the data obtained as a result of the conduct of exploration to a person authorized by the Minister to receive them;
- (h) prescribing the nature of the content of the reports, plans or maps and the condition of samples, cuttings, logs or other data referred to in clauses (g) and (g.1);

- (i) authorizing the Minister to examine rock samples, drill cuttings and core samples at a drill site and to select and take all or any part of those rock samples, drill cuttings or core samples for storage or further evaluation at a place designated by the Minister;
- (j) respecting the retention, confidentiality, release, disposition and publication of
 - (i) information contained in applications, approvals, authorizations, reports, plans, maps, surveys and other documents and materials associated with the conduct of exploration, and
 - (ii) rock samples, drill cuttings, core samples and logs or the data obtained as a result of the conduct of exploration;
- (k) respecting remedial measures to be taken in relation to property damaged or destroyed in the course of exploration;
- (k.1) respecting the powers and duties of a person conducting an investigation or inspection under section 108.3 and the responsibilities of licensees, permittees and other persons in respect of such investigations and inspections;
- (l) repealed 2003 c28 s6;
- (m) prescribing, for the purposes of section 112, maximum administrative penalties in respect of the contravention of this Part or the regulations or a failure of compliance with a condition of an exploration approval, licence or permit;
- (m.1) respecting appeals from notices of administrative penalty issued under section 112 including, without limitation, regulations respecting
 - (i) the composition and manner of appointment of the appeal body;
 - (ii) the evidence to be considered by the appeal body and the factors that the appeal body is to consider in reaching its decision;
 - (iii) the powers of the appeal body to confirm or reverse a notice of administrative penalty and to vary the amount of an administrative penalty;
 - (iv) the procedure to be followed in the appeal and the procedure before the appeal body;

- (n) authorizing a permittee to enter on a public highway or road for the purpose of operating exploration equipment, if the highway or road is located in an incorporated municipality or special area and is closed pursuant to any Act, whether or not it is also leased, and prescribing the conditions on which the entry may be made;
- (o) providing, with respect to any provision of the regulations under this section, that its contravention constitutes an offence.

RSA 2000 cM-17 s108;2003 c28 s6;2002 c4 s3

Adoption of codes

108.1(1) The Minister may prescribe rules, directives, codes, standards and guidelines in respect of the conduct of exploration and matters related to the conduct of exploration.

(2) A regulation under section 108 may adopt or incorporate in whole or part or with modifications

- (a) a rule, directive, code, standard or guideline prescribed by the Minister under subsection (1), or
- (b) a rule, code, standard or guideline in respect of the conduct of exploration or matters related to the conduct of exploration that is published by the Government of Alberta or another jurisdiction, a board or agency of such a government or a person or association.

(3) Where a rule, directive, code, standard or guideline is adopted or incorporated under subsection (2), the Minister shall ensure that a copy of the rule, directive, code, standard or guideline is made available to a person on request.

2003 c28 s7

Minister's directions

108.2(1) The Minister may by notice in writing give directions to a licensee or permittee in respect of exploration operations or the operation of exploration equipment in order to effect the purposes of this Part.

(2) A person who receives a direction under subsection (1) shall comply with it.

2003 c28 s7

Investigations and inspection

108.3(1) The Minister or a person designated by the Minister for the purpose may conduct an investigation or inspection in relation

to a program of exploration on any land in Alberta, including private land.

(2) A person conducting an investigation or inspection may enter and have access to any land on which exploration is being or has been conducted, and the licensee or permittee, any person performing any operation or function under the authority of a licence or permit and the person in possession or occupation of the land shall

- (a) give whatever assistance is requested by the person conducting the investigation or inspection, and
- (b) supply any information that is requested by the person conducting the investigation or inspection and is relevant to the investigation or inspection.

(3) A person who contravenes subsection (2) is guilty of an offence and liable to a fine of not more than \$100 000.

2003 c28 s7

Stop order

108.4(1) Where the Minister determines that a licensee or permittee or any person performing any operation or function under the authority of a licence or permit

- (a) contravenes this Part or the regulations, or
- (b) fails to comply with any conditions of an exploration approval, licence or permit,

the Minister may by an order in writing given to the licensee, permittee or person order the licensee, permittee or person to cease operations under the licence or permit for the length of time and subject to the terms and conditions referred to in the order.

(2) A licensee, permittee or other person to whom an order under subsection (1) is given shall comply with it.

2003 c28 s7

Powers of Minister

109(1) The Minister may refuse to grant an exploration approval or to issue an exploration licence or exploration permit

- (a) where the applicant is indebted to the Crown, or
- (b) where the Minister considers that for any other reason it would be appropriate to refuse to grant the exploration approval or issue the exploration licence or exploration permit.

- (1.1)** The Minister may make an exploration approval, exploration licence or exploration permit subject to any conditions the Minister prescribes.
- (2)** The Minister may exempt from this Part any kind of operations and any equipment used or employed in exploration.
- (3)** The Minister may exempt a person who proposes to conduct exploration from the requirement of section 107(1)(c).
- (4)** The Minister may make an exemption under subsection (2) or (3) subject to any terms and conditions that the Minister considers necessary in order to ensure that the purposes of this Part are met.
- (5)** A person to whom an exemption is granted under subsection (2) or (3) shall ensure that all applicable terms and conditions to which the exemption is subject are complied with.

RSA 2000 cM-17 s109;2002 c4 s3;2003 c28 s8

Cancellation of licence or permit

110(1) The Minister may cancel an exploration licence or an exploration permit if the licensee or permittee, as the case may be, or any person performing any operation or function under the authority of a licence or permit,

- (a) contravenes this Part or the regulations, or
- (b) fails to comply with any condition of an exploration approval, licence or permit.

(1.1), (1.2) Repealed 2002 c4 s3.

(2) The Minister may cancel a licence or permit

- (a) if the licence or permit was issued in error, or
- (b) if the licensee or permittee, as the case may be, requests the cancellation.

(2.1) The Minister may cancel or suspend a licence or permit if the licensee or permittee is indebted to the Crown.

(2.2) Where the Minister suspends a licence or permit under subsection (2.1), the Minister may exercise the same powers that the Minister has under subsections (3) and (4).

(3) If a permittee or any person authorized by a permittee to operate exploration equipment contravenes this Part or a regulation under this Part, or fails to comply with a condition of an exploration approval, the Minister may, with or without conditions

and either indefinitely or for a specified period, suspend the permittee's permit

- (a) generally with respect to all programs of exploration being conducted under the authority of the permit or with respect to one or more specified programs, or
- (b) with respect to all or specified exploration equipment being operated under the authority of the permit.

(4) If a licensee or any person performing an operation or function under the authority of the licensee's licence contravenes this Part or a regulation under this Part or fails to comply with a condition of an exploration approval, the Minister may, with or without conditions and either indefinitely or for a specified period, suspend the licensee's licence generally with respect to all programs of exploration being conducted under the authority of the licence or with respect to one or more specified programs.

(5) The Minister may, with or without conditions and either indefinitely or for a specified period, suspend a licence if no exploration has been conducted under the licence for a period of 2 years or more.

(6) The Minister may reinstate a licence or permit that was cancelled or suspended under this section, subject to any conditions the Minister considers appropriate.

RSA 2000 cM-17 s110;2002 c4 s3;2003 c28 s9

Effect of withdrawal

111(1) When a licensee

- (a) withdraws from Alberta and discontinues carrying on business in Alberta, or
- (b) being a corporation
 - (i) is struck off the register of companies under the *Companies Act* or is wound up or dissolved, or
 - (ii) has its registration cancelled or is dissolved or liquidated and dissolved under the *Business Corporations Act*,

all reports, plans, maps, surveys, logs and other data filed with or surrendered to the Department pursuant to the regulations become the property of the Crown in right of Alberta and may be made available to the public by the Minister after the expiration of one year of the termination or cancellation of the licence.

(2) The right of the Minister to refuse to disclose a report, plan, map, survey, log or other data referred to in subsection (1) until the expiration of the one-year period referred to in that subsection prevails despite the *Freedom of Information and Protection of Privacy Act*.

RSA 2000 cM-17 s111;2002 c12 s3

Protection from prosecution

111.1 A person who pays an administrative penalty under section 112 in respect of a contravention may not be charged under this Act with an offence in respect of that contravention.

2003 c28 s10

Administrative penalty

112(1) If a person

- (a) contravenes this Part or the regulations, or
- (b) fails to comply with any condition of an exploration approval,

the Minister may order that person to pay to the Crown an administrative penalty not exceeding the maximum amount prescribed by the regulations in relation to that contravention or failure to comply.

(2) When the contravention or failure to comply is of a continuing nature, the administrative penalty ordered to be paid under subsection (1) may, subject to the regulations, be a penalty payable for each day on which the contravention or failure to comply occurs.

(3) When the Minister orders a person to pay an administrative penalty under subsection (1), the Minister shall serve on that person personally or by mail a notice demanding payment of the amount of the penalty and stating the grounds on which the penalty was ordered.

(4) A person who has been served with a notice pursuant to subsection (3) shall pay to the Minister the amount of the administrative penalty within 30 days from the date of the service of the notice on the person.

(5) Subject to the right to appeal a notice of administrative penalty, where a person fails to pay an administrative penalty in accordance with the notice of administrative penalty and the regulations, the Minister may file a copy of the notice of administrative penalty with the clerk of the Court of Queen's Bench and, on being filed, the notice has the same force and effect and may be enforced as if it were a judgment of the Court.

(6) A notice of administrative penalty may not be issued more than 2 years after the later of

- (a) the date on which the contravention to which the notice relates occurred, or
- (b) the date on which evidence of the contravention first came to the notice of the Minister.

RSA 2000 cM-17 s112;2002 c4 s3

Publication of information

112.1 Subject to the regulations, the Minister shall publish particulars of enforcement action taken in respect of this Part.

2002 c4 s3

Regulations

112.2 The Minister may make regulations governing the publication of particulars of enforcement action for the purposes of section 112.1 including, without limitation, what information must or may be published and the times at which and the manner in which it is to be published.

2002 c4 s3

Transitional

113(1) A licence issued under this Part before August 1, 1978 is deemed to be an exploration licence.

(2) A permit to operate geophysical equipment issued under the regulations before August 1, 1978 is deemed to be an exploration permit.

RSA 1980 cM-15 s157

Part 9 Sequestration of Captured Carbon Dioxide

Definitions

114 In this Part,

- (a) repealed 2012 cR-17.3 s94;

- (b) “facility” means any building, structure, installation, equipment or appurtenance over which the Regulator has jurisdiction and that is connected to or associated with the injection or sequestration of captured carbon dioxide pursuant to an agreement under this Part;
- (c) “Fund” means the Post-closure Stewardship Fund established under section 122;
- (d) “orphan facility” means a well, facility, facility site or well site designated by the Regulator under section 123 as an orphan well, facility, facility site or well site for the purposes of this Part;
- (e) “Regulator” means the Alberta Energy Regulator.

2010 c14 s2;2012 cR-17.3 s94

Rights to drill evaluation wells

115(1) Notwithstanding section 57, the Minister may enter into an agreement with a person that grants that person the right to evaluate the geological or geophysical properties of a subsurface reservoir in a location to determine its suitability for use for the sequestration of captured carbon dioxide.

(2) The lessee of an agreement referred to in subsection (1) shall obtain a well licence and approval of the Regulator under the *Oil and Gas Conservation Act* prior to drilling or using a well for the purposes of this section.

(3) A lessee of an agreement under this section shall in accordance with the regulations

- (a) submit a monitoring, measurement and verification plan for approval;
- (b) comply with the monitoring, measurement and verification plan that has been approved;
- (c) provide reports with respect to the lessee’s compliance with the monitoring, measurement and verification plan;
- (d) fulfil the work requirements with respect to the location of the agreement.

2010 c14 s2;2012 cR-17.3 s94

Rights to inject captured carbon dioxide for sequestration

116(1) Notwithstanding section 57, the Minister may enter into an agreement with a person that grants that person the right to inject captured carbon dioxide into a subsurface reservoir for sequestration.

(2) The lessee of an agreement referred to in subsection (1) shall obtain a well licence and approval of the Regulator under the *Oil and Gas Conservation Act* prior to drilling or using a well for the purposes of this section.

(3) A lessee of an agreement under this section shall in accordance with the regulations

- (a) submit a monitoring, measurement and verification plan for approval;
- (b) comply with a monitoring, measurement and verification plan that has been approved;
- (c) provide reports with respect to the lessee's compliance with the monitoring, measurement and verification plan;
- (d) fulfil the work requirements with respect to the location of the agreement;
- (e) submit a closure plan for approval;
- (f) comply with a closure plan that has been approved;
- (g) pay fees into the Fund.

2010 c14 s2;2012 cR-17.3 s94

Prohibition

117 No person may inject captured carbon dioxide into a subsurface reservoir pursuant to an agreement under this Part unless the injection is conducted in accordance with that agreement, the regulations and the *Oil and Gas Conservation Act*.

2010 c14 s2

Restriction on transfer of agreement

118(1) A lessee may not transfer an agreement under this Part without the consent in writing of the Minister.

(2) The Minister may in the Minister's discretion refuse to consent to a transfer of an agreement under this Part.

2010 c14 s2

Duties on cessation of injection

119 The lessee of an agreement under this Part shall monitor all wells and facilities and perform all closure activities in accordance with the regulations.

2010 c14 s2

Closure certificate

120(1) A lessee of an agreement under section 116 may apply to the Minister for a closure certificate in accordance with the regulations.

(2) The Minister may refuse to accept an application for a closure certificate if, in the Minister's opinion, the application is not complete and accurate.

(3) The Minister may issue a closure certificate to a lessee in respect of the lessee's wells and facilities within the location of the agreement if the Minister is satisfied that

- (a) the lessee has complied with section 119,
- (b) the lessee has abandoned all wells and facilities in accordance with the requirements under the *Oil and Gas Conservation Act* and the regulations under this Part,
- (c) the lessee has complied with the reclamation requirements under the *Environmental Protection and Enhancement Act*,
- (d) the closure period specified in the regulations has passed,
- (e) the conditions specified in the regulations have been met, and
- (f) the captured carbon dioxide is behaving in a stable and predictable manner, with no significant risk of future leakage.

(4) On issuing a closure certificate to a lessee the Minister shall notify the Regulator and any other person as required by the regulations.

2010 c14 s2;2013 cR-17.3 s94

Assumption of liability

121(1) On the Minister issuing a closure certificate to a lessee in respect of an agreement under this Part, the Crown

- (a) becomes the owner of the captured carbon dioxide injected pursuant to the agreement,
- (b) assumes all obligations of the lessee
 - (i) as owner and licensee under the *Oil and Gas Conservation Act* of the wells and facilities covered by that agreement,

- (ii) as the person responsible for the injected captured carbon dioxide under the *Environmental Protection and Enhancement Act*,
 - (iii) as the operator under Part 6 of the *Environmental Protection and Enhancement Act* in respect of the land within the location of the agreement used by the lessee in relation to the injection of captured carbon dioxide, and
 - (iv) under the *Surface Rights Act*,
- and
- (c) releases the lessee from any obligations under section 56(2)(a) with respect to the wells within the location of the agreement used by the lessee in relation to the injection of captured carbon dioxide.
- (2)** The Crown shall indemnify a lessee referred to in subsection (1) against liability for damages in an action in tort brought by another party if
- (a) the liability is attributable to an act done or omitted to be done by the lessee in the lessee's exercise of rights under the agreement in relation to the injection of captured carbon dioxide, and
 - (b) any other conditions specified in the regulations are met.
- (3)** If prior to the issuing of a closure certificate to a lessee of an agreement under this Part the lessee ceases to exist, the Crown may in accordance with the regulations assume ownership of the captured carbon dioxide injected pursuant to that agreement.
- (4)** On issuing a closure certificate to a lessee the Minister shall notify the Regulator and any other person as required by the regulations.

2010 c14 s2;2012 cR-17.3 s94

Post-closure Stewardship Fund

122(1) The Post-closure Stewardship Fund is established.

(2) The Fund may be used

- (a) for the purposes of monitoring the behaviour of captured carbon dioxide that has been injected pursuant to an agreement under this Part;

- (b) for the purposes of fulfilling any obligations that are assumed by the Crown pursuant to section 121(1)(b);
 - (c) for the purposes of paying for suspension costs, abandonment costs and related reclamation or remediation costs in respect of orphan facilities where the work is carried out
 - (i) by the Regulator,
 - (ii) by a person authorized by the Regulator, or
 - (iii) by a Director or a person authorized by a Director in accordance with the *Environmental Protection and Enhancement Act*;
 - (d) for the purposes of paying for costs incurred in pursuing reimbursement for the costs referred to in clause (c) from the lessee responsible for paying them;
 - (e) for any other purpose prescribed in the regulations.
- (3) Fees must be paid by a lessee into the Fund in accordance with the regulations.
- (4) The Fund is to be held and administered by the Minister in accordance with this Act and the regulations.
- (5) The Minister may be a participant under section 40 of the *Financial Administration Act* with respect to the Fund.
- (6) The Minister may make payments out of the Fund for the purposes of the Fund.
- (7) Income earned by the Fund accrues to and becomes part of the Fund.
- (8) The Minister must maintain a separate accounting record of the Fund.

2010 c14 s2;2012 cR-17.3 s94

Orphan facilities**123(1)** The Regulator may

- (a) designate wells and facilities, facility sites and well sites used by a lessee under this Part for the injection of captured carbon dioxide as orphan wells, facilities, facility sites or well sites for the purposes of this Part;

- (b) deem to be a defaulting working interest participant a lessee of an agreement under this Part who
 - (i) has an obligation under the *Oil and Gas Conservation Act* to contribute toward suspension costs, abandonment costs or related reclamation costs,
 - (ii) has not contributed to those costs as required by the *Oil and Gas Conservation Act*, and
 - (iii) in the opinion of the Regulator, does not exist, cannot be located or does not have the financial means to contribute to those costs as required by this Act.

(2) Where the Minister makes a payment from the Fund to a person in respect of a defaulting working interest participant's share of suspension, abandonment or reclamation costs,

- (a) the defaulting working interest participant is not released from any liability under this Act in respect of those costs, and
- (b) if the person who receives the payment later recovers all or a part of the costs from the defaulting working interest participant, the person shall forthwith pay to the Minister an amount equal to the amount recovered, less the reasonable costs of recovery as determined by the Minister.

(3) A debt to the Minister to the account of the Fund is recoverable by the Minister in an action in debt.

2010 c14 s2;2012 cR-17.3 s94

Regulations

124 The Lieutenant Governor in Council may make regulations

- (a) respecting requirements for applicants for agreements under this Part to conduct risk assessments before being granted an agreement;
- (b) respecting closure plans and monitoring, measurement and verification plans, including regulations respecting
 - (i) the form and contents of plans,
 - (ii) the submission and approval of plans,
 - (iii) the amendment of plans, and
 - (iv) the reporting requirements contained in a plan;

- (c) respecting the minimum annual work requirements that must be undertaken by a lessee;
- (d) respecting the injection of captured carbon dioxide;
- (e) respecting remedial actions that a lessee shall undertake, including regulations respecting
 - (i) the circumstances under which a remedial action plan must be prepared and submitted,
 - (ii) the form and contents of a plan,
 - (iii) the submission and approval of a plan,
 - (iv) the amendment of a plan, and
 - (v) the reporting requirements contained in a plan;
- (f) respecting the monitoring of wells and facilities that must be conducted before and after a closure certificate is issued;
- (g) respecting the closure activities that a lessee shall undertake;
- (h) respecting applications for closure certificates, including regulations respecting the form and contents of applications and the closure period that must have passed before a lessee is eligible to apply;
- (i) specifying conditions for the purposes of sections 120(3)(e) and 121(2)(b);
- (j) respecting the assumption of ownership of injected captured carbon dioxide for the purposes of section 121(3);
- (k) respecting notices for the purposes of sections 120(4) and 121(4);
- (l) respecting the Fund, including regulations
 - (i) respecting the administration of the Fund;
 - (ii) limiting, regulating and controlling the exercise of the Minister's discretion with respect to the Fund;
 - (iii) respecting the establishment of fees and payment of fees into the Fund;
 - (iv) prescribing purposes for which the Fund may be used;

- (v) prescribing limits on the value of the Fund to be held and administered by the Minister;
- (m) prescribing provisions of the regulations under this Part as provisions the contravention of which is an offence.

2010 c14 s2



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MUNICIPAL DISTRICT OF GREENVIEW No. 16

COUNCIL MEMBERS BUSINESS REPORT

Ward 2 Councillor Dale Gervais		
DATE	BOARD/COMMITTEE	RELEVANT INFORMATION
7/8/2019	Regular Council Meeting	
7/8/2019	DeBolt Ratepayer BBQ	
7/9/2019	Municipal Planning Commission	
7/9/2019	5 Year Capital Plan	



MUNICIPAL DISTRICT OF GREENVIEW No. 16

COUNCIL MEMBERS BUSINESS REPORT

Ward 5 Reeve Dale Smith		
DATE	BOARD/COMMITTEE	RELEVANT INFORMATION
7/8/2019	Regular Council Meeting	
7/8/2019	DeBolt Ratepayer BBQ	
7/9/2019	Municipal Planning Commission	
7/9/2019	5 Year Capital Plan	
7/12/2019	Tri-Municipal Industrial Park Partnership	
7/15/2019	Committee of the Whole	
7/15/2019	Grande Cache Ratepayer BBQ	
7/18/2019	Heart River Housing Foundation	Conference Call Re: Fox Creek Project



MUNICIPAL DISTRICT OF GREENVIEW No. 16

COUNCIL MEMBERS BUSINESS REPORT

Ward 6 Councillor Tom Burton		
DATE	BOARD/COMMITTEE	RELEVANT INFORMATION
7/8/2019	Regular Council Meeting	Agenda was posted on the website
7/8/2019	DeBolt Ratepayer's Appreciation Event	Great event, good turnout of people, very few clarification of concerns
7/9/2019	Municipal Planning Commission	Dealt with subdivisions and development permits
7/9/2019	Community Services and CAO Corporate Services 5 Year Capital Project Workshop	Reviewed the 5 year capital plans for Protective Services, Recreation, Economic Development, Information Systems, Community Services, Agriculture Services
7/12/2019	Tri-Municipal Industrial Partnership	Reviewed and updated information from AEP, Stakeholder Engagement Plan, Bill 7 overview, Entity Structure and establishing a Financial Reserve, Engagement/Awareness of the project with the new government
7/15/2019	Committee of the Whole	Presentations from: - AEP about a Little Smoky Caribou Rearing Facility - Canadian Fibre Optic - Grande Cache Wayfinding Program - Grande Cache Assessment - Northwest Regional Fire Training Centre - Letter of support for speed reduction on highway #43 through Fox Creek
7/15/2019	MD of Greenview Library Board	Reviewed storage concerns and possible solutions at the Grande Cache Municipal Library
7/15/2019	East Smoky Recreation Board	Reviewed: - the progress for the August 17, 2019 DeBolt Fair - report on the swim program held - report on the minor ball program, that wrapped up for the summer - applications for grant funding from local organizations



MUNICIPAL DISTRICT OF GREENVIEW No. 16

COUNCIL MEMBERS BUSINESS REPORT

Division 9 Councillor Duane Didow		
DATE	BOARD/COMMITTEE	RELEVANT INFORMATION
7/8/2019	Regular Council Meeting	Highlights on MD website
7/15/2019	Committee of the Whole	Highlights on MD website
7/15/2019	Other	Grande Cache Rate Payers BBQ
7/22/2019	Regular Council Meeting	Highlights on MD website



MUNICIPAL DISTRICT OF GREENVIEW No. 16

COUNCIL MEMBERS BUSINESS REPORT

Division 9 Councillor Tyler Olsen		
DATE	BOARD/COMMITTEE	RELEVANT INFORMATION
7/8/2019	Regular Council Meeting	
7/8/2019	DeBolt Ratepayer BBQ	
7/9/2019	Municipal Planning Commission	
7/9/2019	5 Year Capital Plan	
7/12/2019	Tri-Municipal Industrial Partnership	
7/22/2019	Committee of the Whole	
7/22/2019	Grande Cache Ratepayer BBQ	