

Farmers' Advocate Office

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About Us

- **Established in 1973 by Minister of Agriculture.**
- **Ensure that the rights and interests of rural Albertans are:**
 - **Recognized**
 - **Understood**
 - **Protected**

Mission

...to create value for rural Albertans & our stakeholders by:

- **empowering rural Albertans through awareness on key issues;**
- **providing objective, unbiased ideas and advice for resolving disputes;**
- **representing the rural Alberta perspective on matters of concern;**
- **and facilitating interaction on strategic matters among key stakeholders.**

Advocacy

The FAO helps bridge the gap between rural Alberta and the provincial government, bringing the concerns of farmers and ranchers to decision-makers and advocating for legislative and policy change on behalf of rural communities and groups.

Rural Disputes

Farmers and ranchers who are experiencing conflicts may contact the FAO for assistance. In the past, the FAO has engaged on a broad range of rural issues, providing objective and unbiased ideas for resolving disputes.

Water Well Restoration or Replacement Program (WWRRP)

- If you suspect that your water well was damaged as a result of energy activities and settlement negotiations with the company have been unsuccessful, you can apply to the FAO for reimbursement of the costs of replacing or restoring the water source.
- Applicants must first obtain an investigation report from the Alberta Energy Regulator (AER). This program is funded by levies paid by the energy industry to the AER.

Farm Implement Act

- The Farm Implement Act helps protect the investment farmers make in their machinery. FAO staff, the Farm Implement Inspector, and the Farm Implement Board work to settle warranty complaints, mediate disputes, and address situations where machinery has not performed or lease/sale agreements have been breached. The FAO also licenses Alberta's farm implement dealers and distributors.

Nuisance Complaints

Under Part 1 of the Agricultural Operation Practices Act, an appointed panel can review complaints related to odour, dust, noise, or smoke arising from an agricultural operation.

Agriculture Financial Services Corporation (AFSC) Reviews & Appeals

Upon request, the FAO can conduct appeals under AFSC's AgriInsurance program and reviews of AgriStability decisions.

Energy, Utilities and Surface Rights

The FAO is a resource for farmers and ranchers who are affected by energy and utility developments. The FAO helps empower Alberta landowners with knowledge by providing information and advice on legislation and policy, and landowner rights and responsibilities. When disputes arise between landowners and industry, the FAO can assist with mediation and dispute resolution services.

Negotiations

Landowners have the right to stand their ground, however we encourage them to seek common ground with their neighbor, the energy company.

Trending Issues for Energy, Utilities and Surface Land

- **Rental Reductions**
- **Companies Failing to Pay Annual Rentals**
- **Surface Rights Board (SRB) Application Process**
- **Incorrect Registration of Builders Liens**

Rental Reductions

- **Landowners are being informed that the annual compensation for their surface leases will be decreased due to clauses relating to change of use or reclamation/surrender. This is occurring both on the surface lease agreement anniversary date and mid-term.**
- **Companies are stating economic hardship and believe reducing annual surface lease rentals will contribute to a strong economic health of the company**
- **Companies have stopped paying full annual rentals upon beginning (or claiming to begin) the reclamation process.**

Landowners Should Be Aware That:

- A landowner has recourse to obtain compensation for unpaid or reduced rentals through the Surface Rights Board (SRB) under section 36 of the Surface Rights Act at any time during the 5 year term.
- A landowner has the right to a 5 year review of the rate of compensation. Section 27 (6) of the *Surface Rights Act* entitles landowners to the opportunity to negotiate with industry in good faith.

Annual Compensation and the Surface Rights Act

- The amount of compensation paid to a landowner in the annual rental is clearly negotiated at the time of signature during negotiations of the surface lease or ROW.
- The *Surface Rights Act* supersedes any clause in a negotiated agreement.
- Cashing a cheque of a reduced amount does not necessarily imply acceptance of the amount.
- A landowner is under no obligation to accommodate the changing financial circumstances of a company.

Annual Compensation

- The amount provided for annual rental is based on a landowner's *Adverse Effect* and *Loss of Use*, not the state of the industry. Adverse Effect reflects the alterations made to a landowner's business practices as well as the time, stress, and inconvenience experienced by a landowner as a result of the presence of a surface disturbance. Loss of Use is provided to compensate a landowner for the inability to use and benefit from a portion of their land on an ongoing basis.

Annual Compensation

- **Companies are responsible for paying the annual rental on a surface lease until a Reclamation Certificate is issued under section 144 of the *Environmental Protection and Enhancement Act*. Prior to a company making their application for reclamation to the Alberta Energy Regulator (AER), they must disclose the full application to the landowner and provide 30 days to review. The reclamation process will not be complete without industry consultation being initiated with the landowner.**

What to Do When a Company Fails to Make Annual Surface Lease Payments

Under section 36 of the *Surface Rights Act*, a landowner may apply to the Surface Rights Board (SRB) for a Recovery of Rentals when an operator fails to make its annual rental payments or offers a unilaterally reduced payment under a private surface agreement or Right of Entry order.

(3) Where any money payable by an operator under a compensation order or surface lease has not been paid and the due date for its payment has passed, the person entitled to receive the money may submit to the Board written evidence of the non payment.

Section 36 Process

- **Annual rental payment is past due or unilaterally reduced**
- **Landowners applies to SRB for recovery of rentals under Section 36**
- **SRB serves notice to Operator with a deadline to respond**
- **Operator does not respond within deadline**
- **Landowner signs statutory declaration with SRB in the presence of Commissioner of Oaths**

Section 36 continued

- **SRB holds a hearing to demand payment, suspend and terminate Operator's right to enter the sight** (*This action does not terminate the lease and its associated responsibilities for abandonment and reclamation*).
- **Operator does not respond to suspension within deadline**
- **SRB panel holds hearing to decide whether to direct Minister to pay the outstanding rental**
- **Minister of Environment and Parks directs payment from General Revenue**

Repeat Section 36 Process

Entitled person(s) must apply each year if annual rental goes unpaid.

- **Each site requires an application**
- **2nd year application does not require a statutory declaration in the presence of a Commissioner of Oaths**

Incorrect Registration of Builders' Liens

- Builders' liens are specific, limited registrations against Certificates of Title. To help ensure payment for supplies purchased or services rendered, the *Alberta Builders' Lien Act RSA 2000, c B-7* permits any person who has provided work or materials for an improvement on land to register a lien against the estate or interest of the owner in the land.
- For the purposes of a lien, an owner can include a lessee under an oil and gas surface lease.

Builders' Liens continued

A landowner is not directly liable for the amount claimed under a lien related to a company's energy interest. A landowner will be able to check if the builders' lien is registered properly by:

- Reviewing the *Statement of Lien (Form A)* that they have received. The second box should list the name of the company that holds the interest in the energy development on the land.
- Obtaining a current copy of their Certificate of Title through Alberta Land Titles. A properly registered builders' lien should specify which caveat is affected by the lien, stating "AFFECTING CAVEAT XXXX"

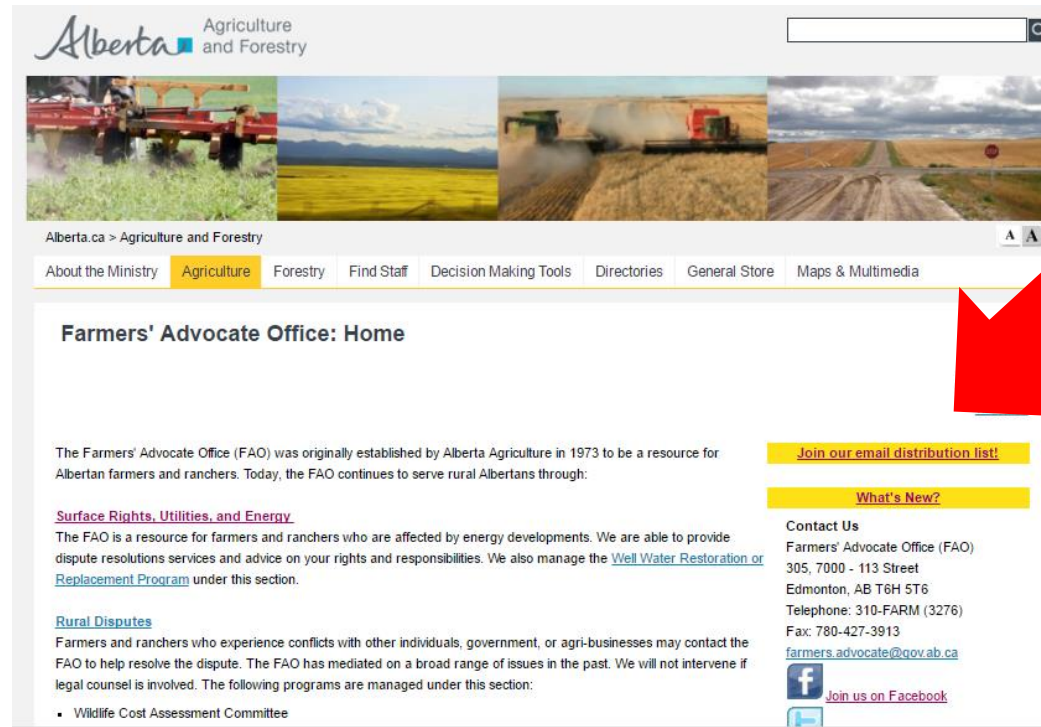
Publications

- **Pipelines in Alberta: What Landowners Need to Know**
- **Surface Material Extraction Pits in Alberta (Sand and Gravel)**
- **Engaging your Municipality**
- **Renewable Energy in Alberta**

Keep in Touch

www.farmersadvocate.gov.ab.ca

Sign up for our email distribution list.



The screenshot shows the homepage of the Farmers' Advocate Office website. At the top, there is the Alberta Agriculture and Forestry logo and a search bar. Below the logo are four images: a red combine harvester in a field, a yellow field under a blue sky, a green combine harvester in a field, and a dirt road leading through a field. The navigation menu includes 'About the Ministry', 'Agriculture', 'Forestry', 'Find Staff', 'Decision Making Tools', 'Directories', 'General Store', and 'Maps & Multimedia'. The main heading is 'Farmers' Advocate Office: Home'. The text describes the office's history and mission. There are three highlighted sections: 'Surface Rights, Utilities, and Energy', 'Rural Disputes', and 'Join our email distribution list!'. The 'Join our email distribution list!' link is highlighted in yellow and has a red arrow pointing to it. Below this is the 'What's New?' section, followed by 'Contact Us' information, including the address, phone number, fax number, and email address. There is also a Facebook link and a 'Join us on Facebook' button.

Alberta Agriculture and Forestry

Alberta.ca > Agriculture and Forestry

About the Ministry Agriculture Forestry Find Staff Decision Making Tools Directories General Store Maps & Multimedia

Farmers' Advocate Office: Home

The Farmers' Advocate Office (FAO) was originally established by Alberta Agriculture in 1973 to be a resource for Albertan farmers and ranchers. Today, the FAO continues to serve rural Albertans through:

[Surface Rights, Utilities, and Energy](#)

The FAO is a resource for farmers and ranchers who are affected by energy developments. We are able to provide dispute resolutions services and advice on your rights and responsibilities. We also manage the [Well Water Restoration or Replacement Program](#) under this section.

[Rural Disputes](#)


Farmers and ranchers who experience conflicts with other individuals, government, or agri-businesses may contact the FAO to help resolve the dispute. The FAO has mediated on a broad range of issues in the past. We will not intervene if legal counsel is involved. The following programs are managed under this section:

- Wildlife Cost Assessment Committee

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[What's New?](#)

Contact Us
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Call of the Land

Alberta  Agriculture
and Forestry



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Farmers' Advocate of Alberta

Keep in Touch

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Questions ?