

IN THIS ISSUE

What's Standing?..... 1
 Regulators Split on Common Mandate... 3
 Fair's Fair..... 5
 Public Interest Access..... 7

WHAT'S STANDING AND WHY SHOULD YOU CARE?

By Cindy Chiasson, *Executive Director*

Mention standing in most conversations and people might think of teens hanging around outside the local convenience store or maybe how the Oilers or Flames are doing this season. Legally speaking, however, standing refers to the right to participate in a proceeding, such as a trial or hearing. Standing is effectively how someone gets a say before a judge or regulatory decision-maker. Historically, standing has been reserved for those with specific legal rights in question, consistent with the nature of private disputes that have been before courts for centuries. Over the last half-century, though, Canadian law has evolved to recognize some rights to “public interest” standing, enabling persons or groups with no private right to protect but with a genuine interest in a serious issue to participate, where there is no other reasonable way to bring the issue before the courts.

One of the main reasons that standing arises so frequently in environmental matters is the inherently public nature of the environment. Where decisions can potentially affect the air, water, land and other elements that we depend on for life, it's not surprising that broad interest is aroused. In Alberta, the three regulators dealing with developments that may impact the environment, namely the Energy Resources Conservation Board (ERCB), Natural Resources Conservation Board (NRCB) and Alberta Utilities Commission (AUC), are all required by law to decide whether proposed developments are in the public interest. Put yourself in their shoes – how hard can public interest decision-making be?

You may be surprised to discover that making decisions in the public interest is harder than it appears. The public interest can be defined in many ways. Academic theories have defined it as any interest common to all members of society, the interests of the majority, a balancing of competing interests, a determination based on the “best” ethics or science, shared values held by most



Photo by Ian Britton
<http://www.ianbritton.co.uk/>

of society, or any decision arrived at by following an appropriate process. In most jurisdictions where the public interest must be considered, government has put guiding principles in legislation to assist decision makers. Many commentators agree that there is no one expert, person or organization that can bring forward the full range of views and values that are relevant to assessing the public interest. As a result, an important part of making public interest decisions is to hear from a wide range of interests.

As administrative tribunals, the ERCB, NRCB and AUC gain all their powers and authority, as well as the limits of their decision-making, from legislation created by the Alberta government. This legislation also gives these bodies the duty, when holding hearings on proposed projects, to decide whether those projects are in the public interest, taking into consideration environmental, social and economic effects. Based on that limited direction, it is up to these tribunals to determine the public interest.

Now step back into their shoes. Given the limited direction and broad discretion these tribunals have, as a Board or Commission member are you hearing all the voices, viewpoints and values you need to help you decide whether proposed projects are in the public interest? The primary goal of corporations is to make money for their shareholders. Can industry operators fully and fairly provide all the evidence required to help you decide on the public interest? Does economic benefit automatically ensure social well-being and environmental protection? Landowners near proposed developments have a wide range of concerns, including possible effects on their property values, health and businesses, particularly where agricultural operations are involved. Are their concerns and the evidence they may provide extensive enough to help you determine whether a project is in the public interest, or are their concerns mainly personal in nature and not necessarily representative of Albertans as a whole?

Another question that runs beneath

(continued on page 2)

**ENVIRONMENTAL LAW CENTRE
NEWS BRIEF
VOLUME 26 NUMBER 1 2011**

News Brief (ISSN 1712-6843) is published a minimum of four times a year by the Environmental Law Centre (Alberta) Society.

EDITORS

Cindy Chiasson
Leah Orr

ASSISTANT EDITORS

Jason Unger

PRODUCTION EDITOR

Debra Lindskoog

ADVISORY COMMITTEE

Roger Bryan
Elaine Hughes
Ron Kruhlik
Glen Semenchuk
Marta Sherk

Copyright© 2011 All Rights Reserved

The opinions in News Brief do not necessarily represent the opinions of the members of the News Brief Advisory Committee or the Environmental Law Centre Board of Directors. In addition, the opinions of non-staff authors do not necessarily represent the opinions of Environmental Law Centre staff.

ABOUT THE ELC

The ELC's vision is a clean, healthy and diverse environment protected through informed citizen participation and sound law and policy, effectively applied. Services include legal research, law reform recommendations, lawyer referrals, an extensive library and public education and information programs.

#800, 10025 - 106 Street
Edmonton, AB T5J 1G4
Tel: (780) 424-5099
Fax: (780) 424-5133
Toll Free: 1-800-661-4238
elc@elc.ab.ca
www.elc.ab.ca
www.facebook.com/environmentallawcentre
www.environmentallawcentre.wordpress.com
Twitter: @ELC_Alberta

WHAT'S STANDING?
(continued from page 1)

standing disputes in environmental regulatory proceedings, but has not been discussed in great detail, is whether the government is or should be the sole guardian and advocate of the public interest. While there is a need to maintain efficiency and order in regulatory systems and avoid unnecessary delays, similarly there is a need to balance and take into account relevant interests that make up the public interest. In many instances, government may not have the expertise and resources to represent those interests as well or as effectively as individuals or groups. As well, participation from these individuals and groups helps to minimize the possibility of "agency capture" by regulated interests. Agency capture can arise where the ongoing interaction between government regulators and affected industries means the industry voice is the one most strongly and frequently heard by regulators. This becomes even more of a concern where regulators have limited resources to gather and review information on their own.

Standing in environmental legal matters is important because it dictates who has a say and thus an opportunity to present their position and make their case before the decision-makers. The scope and quality of information available to these decision-makers will affect the quality and strength of decisions to be made, particularly where the public interest is involved, and reflect a truer balance of our society. Ultimately, standing is in all our interests. •



Cindy Chiasson
Executive Director

Cindy studied political science and law at the University of Alberta. She has practiced law since 1987, and since 1990 has concentrated her practice on environmental law and policy. Cindy has a keen interest in public participation and engagement. Her earlier work at the ELC includes Community Action on Air Quality and Community Action on Industrial Facilities.

FROM THE EDITOR



When the lawyers were figuring out a theme for this issue of *News Brief*, I couldn't bring myself to tell them I didn't know what they meant by "standing." I'm sure I'm not the only person who isn't clear on the concept.

After reading and editing these articles, I think I get it. My hope is that after reading this issue those of you who, like me, aren't lawyers will understand too; and that those of you who have legal training will learn a few things too.

The ELC publishes *News Brief* four times a year, but this definitely isn't all the research and commentary ELC staff members produce. To keep up on the latest happenings around the ELC, sign up for our email updates on our website at www.elc.ab.ca.

Our blog is also a great resource for timely, easy-to-read information on emerging and ongoing issues. You can find it at www.environmentallawcentre.wordpress.com.

We're also on Facebook (www.facebook.com/environmentallawcentre) and Twitter (www.twitter.com/ELC_Alberta).

Feel free to send us your thoughts, comments or questions via any of those sites, or contact me directly

Leah
lora@elc.ab.ca



Photo by Ian Britton
<http://www.ianbritton.co.uk/>

ALBERTA'S ENERGY REGULATORS SPLIT ON COMMON MANDATE

By Adam Driedzic, *Staff Counsel*

As the Heartland Transmission Project hearing progresses, many Albertans will be wondering how the province's energy regulators are treating "the public interest" in the context of a major industrial project application. The Heartland hearing will be largest to date held by the Alberta Utilities Commission (AUC).

The AUC is one of two boards derived from the 2008 split of the Energy and Utilities Board (EUB). The other is today's Energy Resources Conservation Board (ERCB). When conducting hearings, the two boards share the same ill-defined mandate, which is to: "give consideration to whether [the project] is in the public interest, having regard to the social and economic effects of [the project] and the effects of [the project] on the environment."¹

In 2009, the Canadian Institute of Resources Law (CIRL) published findings that having two boards could produce "non-uniformity in public interest considerations."² In 2010, an expert roundtable hosted by CIRL identified two competing views of the public interest test.³

A narrow view holds that the public interest is met where project applications comply with regulations both procedurally and substantively. It relies on policy debate having been disposed of elsewhere. A broad view considers further concerns with the project or

the industry in general. It notes that the test requires balancing multiple considerations. That is a rough theory, but it can be seen when comparing 2011 decisions from the two boards.

The broad view is apparent in the AUC's recent refusal to rescind a greenhouse gas condition on the Genesee 3 coal-fired power plant (GP3).⁴ The condition in question was a voluntary commitment to offset emissions that the EUB made part of the original project approval. This commitment was made prior to the enactment of provincial emissions regulations, which use a different type of offset system. In dismissing the argument that the regulations should oust the commitment, the AUC held that:⁵

[t]o accept Capital Power's argument that the *Specified Gas Emitters Regulation* is now the measure of the public interest with respect to curtailing GHG emissions from coal-fired power plants renders meaningless the environmental aspect of the public interest considerations in section 17, and limits the Commission's power to impose conditions which supplement current standards to mitigate environmental impacts, or to address the lack of an environmental standard. Furthermore, the Commission is tasked with assisting the government in controlling pollution and ensuring environmental conservation. . . as one of the purposes of the *Hydro and Electric Energy Act*.

This mandate requires the board to consider the environmental impacts of a specific project and gives it the power to impose higher standards than any regulations. The AUC developed this theory of broad public interest considerations with reference to the original decision:⁶

The Commission finds that, in EUB Decision 2001-111, the Board considered the environmental issues relating to coal fired power plant applications generally, and to the application for GP3, specifically. The Board concluded that, in the circumstances, the public interest would be served if the commitment . . . was included as a condition of the approval.

For the narrow view on a similar issue, consider the ERCB's 2011 decision on the Joslyn North Mine. At the Joslyn hearing, the Oil Sands Environmental Coalition basically

made the same argument made to the AUC in GP3: that compliance with general emissions regulations is not sufficient to determine the public interest respecting project-specific emissions.⁷ In the *Joslyn* decision, however, the public interest was found in the fact that the project would meet provincial air quality objectives, which in turn met federal guidelines. It is worth noting that the *Joslyn* decision came from a joint federal-provincial panel, which must determine significant adverse environmental affects as well as whether the project is in the public interest. If using a narrow public interest test, environmental considerations could be disposed of by a prior finding of no significant adverse effects.

Significance for hearing participants

A broad or narrow view of the public interest test can facilitate correspondingly broad or narrow public participation. The AUC's GP3 decision demonstrated why a broad view of the public interest test makes broad participation rational. If environmental regulations are just a starting point or cannot be assumed to exist, then the board has reason to hear environmental concerns. The original Genesee proceedings involved public interveners including the Clean Energy Coalition and the Mewassin Community Council. When the interveners returned to the AUC, it revisited concerns raised at the original hearings.⁸ The AUC found that the proponent's public commitment served to mitigate the interveners' concerns and those of the board and was therefore a key provision of the approval.⁹

Currently neither the boards nor the Alberta Court of Appeal consider the public interest mandate when determining standing. The above mentioned interveners were granted standing because they were found to be directly affected. However, the "directly affected" provision in both boards' legislation provides that such persons must receive a hearing, not that no other persons may have standing once a hearing is called.¹⁰



Photo by Ian Britton
<http://www.ianbritton.co.uk/>

COMMON MANDATE
(continued from page 3)

The current practice of reading the standing provision in isolation from the public interest mandate cannot be explained simply by the fact that standing decisions are made before the actual hearing through which the board determines the public interest. The Supreme Court of Canada prescribes a contextual approach to statutory interpretation, meaning that a provision must be read harmoniously with the legislation and intention of the legislature.¹¹ A recent development in this approach, as noted by the AUC in the GP3 decision, requires considering the

purpose of the Act as a routine matter.¹² The purposes of securing safe and efficient practices, controlling pollution and ensuring environmental conservation in energy development are features shared by the legislation governing the AUC and the ERCB.¹³ Such purposes can provide content to the public interest mandate, warrant hearing from public interveners and are now featured in the AUC's jurisprudence. Albertans following the first major transmission line hearing since the end of the EUB may come to value today's non-uniformity in public interest considerations. •

Standing

The right to prosecute a claim or seek legal remedy or compensation

Costs

Allowances made to a party to a legal proceeding for expenses incurred in the proceeding; can include legal fees, expert reports and witnesses. In court activities costs are typically awarded to the winning party. In administrative proceedings, costs are often awarded based on a party's contribution to the proceeding, rather than on a winner-loser basis.

1 *Energy Resources Conservation Act*, R.S.A. 2000, c. E-10, s. 3 [ERCA]; *Alberta Utilities Commission Act*, S.A. 2007, c. A-37.2, s. 17(1) [AUCA].

2 Cecilia Low, *The Provincial Energy Strategy—An Integrated Approach: The Challenges Raised by a Two-Board Model for Energy and Utility Regulation* (Calgary: Canadian Institute of Resources Law, 2009).

3 Nickie Vlavianos, "The Issues and Challenges with Public Participation in Energy and Natural Resources Development in Alberta" (2010) 108 *Resources* 1, online: University of Calgary, <<http://dspace.ucalgary.ca/bitstream/1880/47996/1/Resources108.pdf>>.

4 *Capital Power Management Inc. and Capital Power Generation Services Inc., Amendment to Genesee 3 Power Plant Approval No. U2010-32* (27 January 2011), AUC Decision 2011-026, online: AUC <<http://www.auc.ab.ca/applications/decisions/Decisions/2011/2011-026.pdf>>.

5 *Ibid.* at para. 49.

6 *Ibid.* at para. 45.

7 *Report of the Joint Review Panel: Joslyn North Mine Project, Total E&P Joslyn Ltd.* (27 January 2011), ERCB Decision 2011-005, CEAA Reference No. 09-05-37519, online: ERCB <<http://www.ercb.ca/docs/documents/decisions/2011/2011-ABERCB-005.pdf>>, CEAA <<http://www.ceaa.gc.ca/050/05/documents-eng.cfm?evaluation=37519&type=3>>.

8 *Supra* note 4, at para. 42 and 43.

9 *Ibid.* at para. 73.

10 *Supra* note 1, ERCA, s. 26(2); AUCA, s. 9(2).

11 *Rizzo & Rizzo Shoes Ltd. (Re)* [1998] 1 S.C.R. 27; Elmer Driedger, *Construction of Statutes*, 2d ed (Toronto: Butterworths, 1993).

12 Ruth Sullivan, *Sullivan on the Construction of Statutes*, 5th ed, (Markham, ON: LexisNexis, 2008).

13 *Supra* note 1, ERCA, c. E-10, s. 2(d); *Hydro and Electric Energy Act*, R.S.A. 2000, c. H-16, s. 2(c).



Photo by Suat Eman
http://www.freedigitalphotos.net/images/view_photog.php?photogid=151

FAIR'S FAIR: IS THE ERCB BEING CONSISTENT IN ITS APPROACH TO AWARDING COSTS?

By Jason Unger, Staff Counsel

Drainage! Drainage, Eli! Drained dry, you boy! If you have a milkshake and I have a milkshake and I have a straw and my straw reaches across the room and starts to drink your milkshake. I drink your milkshake! I drink it up!

Daniel Plainview
There Will Be Blood

Using Daniel Day-Lewis's dark portrayal of a greed driven man in the oilfields of the U.S. is undoubtedly provocative in the Alberta context, where oil and gas play such a significant role in money and politics. But as a metaphor for those landowners who participate in and object to resource extraction activities in the province, it seems appropriate. There is a sense that the "milkshake," representative of your family's health, your land, your finances or the environment, is having the life sucked out of it by a trespassing straw. You want to defend your milkshake, but at what cost?

The emotional and social costs of objecting to development are one thing but the provincial system recognizes, to a significant degree, that financial costs of participating in administrative processes, for those directly and adversely affected at least, should be borne by the proponent of an activity. This is particularly true in energy extraction activities where the applicant pays a significant portion of costs of participating in a hearing, including hiring a lawyer and other experts to provide evidence to the Energy Resources Conservation Board (ERCB). Unfortunately, the costs that are covered are limited to the hearing process, leaving participants who go the route of mediation holding the bag in terms of their own costs, but that is for another article.

Providing intervener costs to offset some of the expense of participation is a cornerstone to producing informed decisions. It is also a recognition that oil and gas extraction activities, insofar as the Crown owns the majority of mines and minerals, is an imposition on the surface owner, with the potential for real harm to occur to persons or property. Central to the premise of granting intervener costs is the fact that administrative processes, particularly those with decisions that have

significant impacts on the rights of others, should proceed within a framework of procedural fairness and natural justice. This notion of procedural fairness was used recently by the ERCB in the case of *Dalhousie Oil Company Limited, Section 40 Review of Abandonment Cost Order No. 2008-1 (Dalhousie)*.¹ This case involved a costs award related to dispute around an Abandonment Cost Order (ACO). The ACO was contested by the company, Dalhousie, asserting that two other companies (Signalta and CanEra) were liable as "parties having an interest in the well."²

Typically cost orders arise by virtue of section 28 of the *Energy Resources Conservation Act*, which empowers the Board to award costs to a "local intervener" as defined by the Act.³ This definition is the subject of some recent disputes and relates to a person having an interest in or occupation of "land that is or may be directly and adversely affected by a decision of the Board."

In the *Dalhousie* Cost Order decision the ERCB disagreed that Signalta and CanEra had interests in land that would qualify them as "local interveners" and allow for a costs award under section 28:⁴

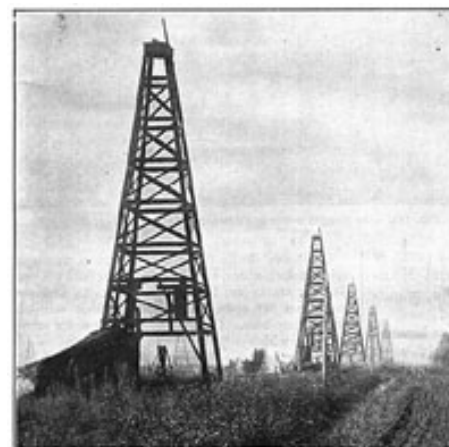
The Board finds that it was their financial or economic interest that could have been affected by the Board's decision regarding abandonment costs and not their interests in land per se. A decision by the Board finding Signalta or CanEra liable for abandonment costs of this well would not have affected their interests in land.

The Board found that justice and fairness required the payment of costs as the companies were required to participate in the hearing with legal counsel. In addition, the Board wanted to send a message to deter other parties from pursuing Dalhousie's course of action in an attempt to avoid abandonment liability, which the Board found to be an abuse of process. Costs were granted pursuant to sections 20 and 21 of the Act, which provide the Board, working in conjunction with the Lieutenant Governor in Council, broad discretion to pursue orders or directions that are needed to uphold the purposes of the legislation.

This can be contrasted with the cost decision in *Grizzly Resources Ltd., Section 39 and 40 Review of Well Licences No. 0404964 and 0404965, Pembina Field (Grizzly)*. The *Grizzly* Cost Order was unusual because there were majority and minority opinions in the decision, with one Board member finding that costs should have been awarded. The intervener, Kelly, had successfully challenged a previous ERCB decision at the Alberta Court of Appeal regarding standing before the Board as a "directly and adversely affected" party.

The ERCB in *Grizzly* noted that "Directive 031 makes clear that only those persons determined to be local interveners by the ERCB will be eligible to recover the costs associated with participating in the ERCB proceeding."⁵ The ERCB further found there was "no potential for effect" on the interveners and that "no evidence was presented at the review hearing or in this cost proceeding to demonstrate a potential for the Grizzly wells to directly and adversely affect lands that the Kelly Intervenors have an interest in, occupy, or are entitled to occupy." This despite the finding of the Court of Appeal that "the Appellants are not required to lead evidence to show that they are affected in a different way or to a greater degree than members of the general public as a result of the drilling of these wells."⁶

(continued on page 6)



The minority Board member would have allowed costs as "the hearing was conducted on the instruction of the Court of Appeal and that participation by the Kelly Interveners was necessary to give effect to the Court's direction."⁷

This costs decision is currently scheduled to be reviewed by the Alberta Court of Appeal on several grounds but the appeal had yet to be heard at the time of writing.⁸

When comparing the two cases it becomes evident that the ERCB pursued its broad jurisdiction in the *Dalhousie* case to award costs in a proceeding where to do otherwise would result in an unjust or unfair result. This is contrasted with the *Grizzly* case where an Alberta Court of Appeal decision mandated a hearing and recognition of the intervener and yet the ERCB failed to deem their participation necessary. While the Board validly sought to ensure procedural fairness and to deter abuse of process in *Dalhousie*, the result of the *Grizzly* decision is to deny procedural fairness to a party that has been granted standing by the Court of Appeal.

While the nature of these two cases differs, there is a need to recognize the competing rights of the parties and foster a level of natural justice and procedural fairness in the process. We, as a society, have legislated the right of parties to partake of others' milkshakes. We have also legislated powers to award costs to those who validly intervene in tribunal and court processes. Those awarded costs need not be local interveners, as reflected in the *Dalhousie* decision. The overriding consideration in awarding of costs should be that ideas of fairness and justice are consistently upheld. •

Q: When costs are awarded, where does the money come from?

A: One party is ordered to pay costs to the other.

In court cases, the winner claims costs from the loser. If there are more than two parties, the same goes, but the judge's order will be more specific.

At ERCB and EAB hearings, interveners are trying to get costs from the project proponent (oil and gas company or other industrial operator). Proponents can seek costs from interveners but it has rarely succeeded. Both the ERCB and EAB have the discretion to have the government pay costs as well, but it has been interpreted to only apply where there has been bad faith by the government).

Some litigants seek "advance costs" or "interim costs" to finance their participation. "Final costs" are awarded after the decision on the substantive issue is made.



Photo by Arvind Balaraman
http://www.freedigitalphotos.net/images/view_photog.php?photogid=1058

1 *Dalhousie Oil Company Limited, Section 40 Review of Abandonment, Cost Order No. 2008-1* (22 December 2010), ERCB Energy Cost Order 2010-010, online: ERCB <<http://www.ercb.ca/docs/documents/orders/cost-orders/2010/ECO2010-010.pdf>>.

2 *Ibid.*

3 R.S.A. 2000, c. E-10.

4 *Ibid.*

5 *Grizzly Resources Ltd., Section 39 and 40 Review of Well Licences No. 0404964 and 0404965, Cost Awards* (22 October 2010), ERCB Energy Cost Order 2010-007, online: ERCB <<http://www.ercb.ca/docs/documents/orders/cost-orders/2010/ECO2010-007.pdf>>.

6 *Kelly v. Alberta (Energy Resources Conservation Board)*, 2009 ABCA 349, online: Alberta Courts <<http://www.albertacourts.ab.ca/jdb%5C2003-%5Cca%5Ccivil%5C2009%5C2009abca0349.pdf>>.

7 *Supra* note 4.

8 *Kelly v. Alberta (Energy Resources Conservation Board)*, 2011 ABCA 19, online: Alberta Courts <<http://www.albertacourts.ab.ca/jdb%5C2003-%5Cca%5Ccivil%5C2011%5C2011abca0019.pdf>>.

PUBLIC INTEREST ACCESS TO TRANSMISSION APPROVALS IMPROVES WHILE NOTICE REMAINS A CHALLENGE



By Laura Bowman, Staff Counsel

AltaLink L.P. and EPCOR Distribution & Transmission Inc., Heartland Transmission Project, AUC Decision 2010-523¹

The Heartland transmission project is the first “critical transmission infrastructure” project as defined in the *Hydro and Electric Energy Act*² and the *Electric Utilities Act*³ to go before the Alberta Utilities Commission (AUC). The project is a 500 kv transmission line from South Edmonton to the “Heartland” industrial area northeast of the city.

The AUC has implemented what it calls an “enhanced” process for the Heartland project. The enhanced process considered that any person who owned or resided on property within 800 metres of the edge of the transmission right of way would have standing unless there were objections. Standing before the AUC is determined by subsection 9(2) of the *Alberta Utilities Commission Act*, which allows for standing where an AUC decision “may directly and adversely affect the rights of a person.”⁴

In *Heartland* standing #1, the AUC at first categorically dismissed all applications for intervention by persons who did not own or reside on property within 800 metres from the two proposed routes. In a second decision, *Heartland* standing #2,⁵ the AUC gave standing to a ratepayers group (IPCAA) on the basis that seven of its members met the test because they own pipelines or facilities that could be affected, but very explicitly not for its interests as a ratepayers group. The AUC denied standing to a First Nations group (FIRST) and Area Council 17 because of lack of information about their members and rights.

In *Heartland* standing #2, the AUC commented that it was open to granting standing to persons who are not directly and adversely affected as it interpreted section 9 of the *Alberta Utilities Commission Act* to be permissive, not restrictive. Accordingly the AUC is willing to let people participate and provide public interest submissions. It also commented that “[p]ersons may have relevant information that may assist the Commission in carrying out its duties or functions although those persons’ rights may not be directly and adversely

affected by the Commission’s decision on an application.”⁶ The AUC also appeared open to granting intervener status to those denied standing. It may be a better strategy in the future to argue that the AUC should use its discretion to grant standing than to rely on “directly and adversely affected” submissions in some cases.

Notice Concerns

Automatic standing for those within 800 metres and openness to standing for those who do not meet the legislated test are important improvements in the application of standing by the AUC through its *Heartland* standing decisions. However, the AUC continues to rely heavily on the arbitrary 800 metre rule (*Rule 007*)⁷ that is discussed by the Alberta Court of Appeal in *Cheyne v. Alberta (Utilities Commission)*.⁸ By legislation, the AUC is obligated to give notice and provide standing to everyone who may be “directly and adversely affected,” not just people within 800 metres. While 800 metres might be a good rule of thumb, it cannot meet the AUC’s obligations on its own. Under *Rule 007*, the AUC only gives notice to people within 800 metres. The Court of Appeal found in *Cheyne* that notice should still be given to everyone who may be directly and adversely affected, regardless of *Rule 007*.⁹

Traditionally the AUC has only found people to be directly and adversely affected if they are affected in a different way or to a greater degree than members of the general public. This has translated into a preference for landowner interests over other interests that may be affected.

However, last year in *Kelly v. Energy Resources Compensation Board*,¹⁰ the Alberta Court of Appeal, in considering the standing section under similar legislation, held that it was a legal error to require such a distinction.¹¹ The AUC appears to still be reading the directly and adversely affected test under section 9 relatively narrowly, particularly if one considers the commentary in *Kelly*, in that it still gives primary consideration to property rights. In the *Heartland* decisions, this translated into a preference for granting standing to those with property interests within 800 metres.

It is still not clear if the AUC is alive to the possible need, after *Kelly*, to grant standing to those who have non-property rights that may be directly and adversely affected. Examples could include people whose health, constitutional or human rights may be affected, or parties who have aboriginal rights. In *Heartland* it appears that the AUC did not feel it had sufficient information to address this issue.

While openness to participation by those who want to advance public interest concerns is important, the lack of rights to notice and participation for those parties continues at the AUC. The AUC currently has two other critical transmission applications before it under its “enhanced process.” The ELC is hopeful that potentially affected parties will receive sufficient notice about the AUC process to enable them to effectively argue for standing. •

1 *AltaLink LP and EPCOR Distribution & Transmission Inc., Heartland Transmission Project*, Process Meeting (8 November 2010), A.U.C. Decision 2010-523, online: AUC <<http://www.auc.ab.ca/applications/decisions/Decisions/2010/2010-523.pdf>> [Heartland Standing #1].

2 *Hydro and Electric Energy Act*, R.S.A. 2000, c. H-16, s.13.1(1).

3 *Electric Utilities Act*, S.A. 2003, c. E.5-1, s.1(1) (f.1).

4 *Alberta Utilities Commission Act*, S.A. 2007, c. A-37.2.

5 *Alberta Utilities Commission Ruling on Issues set out in Decision 2010-523*, (30 November 2010), Application No. 1606609, Proceeding I.D. 457, online: AUC <http://www.auc.ab.ca/items-of-interest/heartland-transmission-project/Documents/Commission_Ruling_Issues_Decision2010-523_Nov30_2010.pdf> [Heartland Standing #2].

6 *Ibid.*, at para 51.

7 *Rule 007 Applications for Power Plants, Substations, Transmission Lines, and Industrial System Designations*, online: <<http://www.auc.ab.ca/acts-regulations-and-auc-rules/rules/Pages/Rule007.aspx>>.

8 2009 ABCA 348.

9 *Ibid.*, at paras 27-29.

10 2009 ABCA 349.

11 *Ibid.*, at para 32.

SUPPORT THE ELC

The people of the Centre are dedicated and commit their time and energy to ensure that the law serves to protect and preserve the environment. In order to fulfil its work with the public, the Environmental Law Centre, which is a registered charitable organization, depends on donations, grants, contract work and volunteers. Of all contributions received, fully 100% will be applied directly to public programming. Any inquiries can be directed to the Executive Director by telephone at (780) 424-5099, Toll free at 1-800-661-4238 or by email. Environmental Law Centre donors receive a tax receipt and are entitled to donor benefits.

Yes! I would like to make a donation to the Environmental Law Centre

I wish to make a gift of \$ _____

OR

I wish to make a pledge or \$ _____ payable

monthly quarterly semi-annually annually

Method of Payment: Cheque Visa Mastercard American Express

Card Number: _____ CVC Code: _____

Name on Card: _____

Expiry Date: _____ Signature: _____

Name: _____

Address: _____

City: _____

Province: _____ Postal Code: _____

Tel: _____ Fax: _____

- Please send me more information on the Environmental Law Centre services.
 Please have someone call me.

The Environmental Law Centre (Alberta) Society is an autonomous, registered charitable organization that has been active in Alberta since 1982.

Revenue Canada Registration #118900679RR0001

To make a tax-creditable donation, please print this form and fax or mail it along with your donation to:

Environmental Law Centre
#800, 10025 – 106 Street
Edmonton, AB T5J 1G4
Ph: (780) 424-5099 Fax: (780) 424-5133

If you prefer, donations can also be submitted by a secure credit card donation on the [ELC website](#).

Thank you!