



talk about The AUC Act

May 2009

The Alberta Utilities Commission (AUC) Act

Who regulates utility and energy development in Alberta?

From 1995 to 2007, Alberta's regulatory authority was the Alberta Energy and Utilities Board (EUB). In those 12 years the EUB's work load grew considerably. In 1995/96, the EUB dealt with fewer than 19,000 energy and utility applications. In 2006, that number increased to more than 60,000.

Albertans need a regulatory process capable of dealing with this increase in an efficient, effective and accountable way. The *AUC Act* separated the EUB into two regulatory bodies: the Energy Resources Conservation Board and the Alberta Utilities Commission. This reorganization has helped manage growth pressures brought on by increased oil and gas activity and demand for electricity-related infrastructure.

The Energy Resources Conservation Board (ERCB)

The new ERCB regulates the responsible development of Alberta's resources including oil, gas, oil sands and coalbed methane. This is accomplished while balancing the need for public safety, resource conservation, environmental protection, technical innovation and service. This broad mandate makes the ERCB a leader in the regulatory world.

The ERCB is governed by the existing *Energy Resources Conservation Act (ERCA)*.

The Alberta Utilities Commission (AUC)

The AUC oversees the distribution and sale of electricity and retail natural gas to Alberta consumers. The AUC also makes decisions on new transmission facilities.

Frequently Asked Questions

Q. When was the *AUC Act* passed? When did it come into force?

A. The *AUC Act* was passed in December 2007. The bill for this legislation, Bill 46, was introduced in June 2007 by Honourable Mel Knight, Minister of Energy and was debated in the fall 2007 session of the Legislative Assembly.

The *AUC Act* came into force January 1, 2008.

Q. What should I know about public hearings under the *AUC Act*?

A. The rights and concerns of landowners and third parties must be respected. This respect is a fundamental principle of the regulatory process, and the *AUC Act* strongly upholds that principle. Public hearings continue to be an important part of the regulatory process:

- a public hearing must be held if even one person will be directly and adversely affected by any application;
- full public notification of any application must be made;
- affected parties are guaranteed the opportunity to learn all the facts about an application;
- if no person requests a hearing or if no one is adversely affected, a hearing is not required;
-this applies only in certain circumstances, for example, when there are no adjacent landowners.

The AUC is also required to consider whether a proposed utility development is in the public interest, and to take into account its social, economic and environmental effects. This is a wider range of factors that must be considered. Previously, the regulator was only required to consider cost.



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Q. If I object to an electricity project, can I still give my testimony in person?

A. Normally, testimony at AUC hearings will be given verbally. The AUC has the ability to require written instead of oral testimony. While written testimony might be appropriate in certain situations, it will not be the usual practice.

Q. Is there a time limit to appeal decisions made on applications?

A. Yes. The *AUC Act* requires that leave be sought to appeal AUC orders and decisions to the Alberta Court of Appeal within 30 days. This is the same time period allowed under other regulatory legislation (Section 70 (2) of the *PUB Act*). This does not mean an appeal must be heard or completed within 30 days, only that notice must be filed.

Q. Will the *AUC Act* restrict my right to hire a lawyer?

A. No. This legislation in no way affects the right to retain legal counsel.

Q. What about my right to intervene? Has intervenor funding being cancelled?

A. The right and opportunity for landowners and third parties to intervene in proceedings has not been restricted in any way.

Those granted intervenor status at hearings are eligible to apply for funding to represent their interests. Intervenor parties' rights are further protected by the fact that the AUC must comply with the *Administrative Procedures and Jurisdiction Act*, which establishes rules and standards with respect to procedural fairness.

Q. Is the *AUC Act* retroactive to 2003?

A. No.

One sub-section of the *AUC Act* applies retroactively to clarify that “need” for a transmission facility does not have to be addressed more than once during the regulatory process.

The *AUC Act* now makes it possible for the need for transmission to be considered along with an application for a permit to construct and license to operate a line on a specific route.

Q. Were there any changes made to this legislation before it was passed?

A. Yes, to address concerns raised by landowners and third party intervenors the Government of Alberta introduced several amendments to the legislation. They included:

- Removal of the phrase “in a material way” as it relates to directly and adversely affected landowners. Removal of this phrase ensure landowners can participate in the regulatory process, if they so choose.
- Removal of all references to the Utilities Consumer Advocate (UCA). The UCA continues its role of participating in regulatory processes and rate hearings in collaboration with other consumer intervenors to ensure fair regulated rates for consumers. The UCA remains with Service Alberta—separate from the Alberta Utilities Commission.
- Third-party groups continue to be able to apply for intervenor funding at hearings. The *AUC Act* was amended to allow the AUC the discretion to provide funding to all intervenors for participation in any hearing or other proceeding, such as an infrastructure or rate hearing. These are the same provisions that applied in previous regulatory legislation.

Q. Where can I go to get more information?

A. From the Alberta Utilities Commission:
www.auc.ab.ca.