

COALBED METHANE/ NATURAL GAS IN COAL MULTI-STAKEHOLDER ADVISORY COMMITTEE

TERMS OF REFERENCE

BACKGROUND

While Natural Gas in Coal (also known as Coalbed Methane) development is well established in many other parts of world, the industry is in the early stages in Alberta. Consequently, the Department of Energy is leading a cross-government review and external consultation process to determine if improvements should be made to existing regulations and policies for the responsible development of Natural Gas in Coal (NGC). A pre-consultation was held with stakeholders September 12, 2003, and based on their input, a multi-stakeholder advisory committee (hereinafter called the "Committee") will be established to guide the process. Development of NGC will continue during the consultation process.

MISSION STATEMENT

Provide guidance on the overall NGC consultation process and submit findings and/or recommendations to the Assistant Deputy Minister (ADM) Sponsors' Committee regarding administrative, policy and/or regulatory enhancements for NGC development in Alberta.

PURPOSE

The purpose of the Committee is:

- To guide the consultation process.
- To determine which specific NGC issues will be addressed.
- To develop a consultation framework to ensure issues are adequately addressed, for example, establishing issue focussed working groups.
- To co-ordinate, consolidate, evaluate and submit recommendations to the ADM Sponsor Committee.

SCOPE

The scope of the Committee's work will include:

- Reviewing existing data relating to the development of NGC in Alberta.

- Considering issues raised at the pre-consultation.
- Developing working groups to focus on issues relating to NGC and report their findings back to the committee.
- Including input received from rural information sessions in the process.

The scope of the Committee's work will not include:

- Recommending changes to existing policy or regulations outside of the issues typically associated with NGC wells or projects.
- Recommending changes to Alberta's overall energy development philosophy.
- Surface use compensation issues.
- Recommending of changes outside the responsibility and/or jurisdiction of the Alberta government.

RESPONSIBILITIES

Responsibilities of the Committee

The Committee's responsibilities will include:

- Becoming informed about NGC issues in Alberta and pertinent policies and regulations through attendance at committee meetings and participation in other related activities as required.
- Participating in and attending meetings of the Committee, while listening to and respecting the opinions of their co-committee members.
- Establishing working groups to investigate, deliberate and draft solution alternatives and/or recommendations to address different sets of issues, including; determining working groups' structure and terms of reference; advising on composition; and assisting with recruitment of working group members.
- Assisting with consultative processes, including, for example:
 - Ensuring that some members of the Committee are present at consultative sessions held to obtain input from stakeholder groups and/or communities.
 - Engaging their own organizations, organizations within their sector or region, and people from other sectors or regions in becoming informed about NGC development and regulation, providing input to the work of the Committee and working groups.

- Promoting open and respectful exchanges of information, perspectives and knowledge pertinent to responsible development of NGC among Albertans, throughout the NGC consultation process.
- Coordinating, and providing oversight of, the work of the working groups, to enhance the timeliness and quality of recommendations developed.
- Fostering the development of agreement among members of the Committee, regarding issues to be addressed, using interest-based approaches to build agreement and resolve conflicts.
- Co-ordinating, consolidating, evaluating and submitting recommendations developed by different working groups in order to harmonize the recommendations made to the ADM Sponsors' Committee.

Responsibilities of Chair

The Chair, from Alberta Energy, will:

- Clarify the government's expectations of the Committee.
- Help ensure the Committee remains on topic with their discussions.
- Poll agreement when necessary.
- Participate in meetings as a Committee member.

Responsibilities of Alternate Chair

The Alternate, from Alberta Environment, will:

- In the absence of the Chair, assume the responsibilities of the Chair.
- Participate as a Committee member.

Responsibilities of Secretariat

The role of the Secretariat, from Alberta Energy, will:

- Provide necessary background information to the Committee to ensure an adequate understanding of existing policy, regulations and legislation regarding NGC development.
- Prepare and distribute minutes.
- Ensure Committee members receive meeting minutes and other supporting documentation in a timely manner.

CONFIDENTIALITY

All documents are considered to be under the custody and control of the government (Department of Energy), unless otherwise specified.

These documents are solely for the use of the committee and will be released after the committee's approval is given, unless otherwise specified.

All documents will be subject to access and privacy provisions of the *Freedom of Information & Protection of Privacy Act*.

STRUCTURE AND REPORTING OF THE COMMITTEE

Representation from the provincial government will include the ADMs from Energy, Environment, Alberta Agriculture, Food & Rural Development and representation from Sustainable Resource Development and the Energy and Utilities Board.

The balance of the Committee will be composed of non-provincial government stakeholders, totalling approximately 11 members.

Working groups will be established to address one or more of the particular issues relating to the development of NGC. The working groups will submit any recommendations they make to the Committee, who in turn will forward this information on to the ADM Sponsors' Committee.

The ADM Sponsors' Committee will review the recommendations and send them to the appropriate department or regulatory body for review and consideration.

TIMEFRAME

All recommendations will be forwarded to the ADM Sponsors' Committee by September 2005.

DISCUSSION PROCESS

Open participation is essential to the success of the Committee and its objectives.

Committee members are asked to work together in a spirit of openness and co-operation, fostering the development of agreement among members regarding issues and options to be addressed and to move towards a position of consensus. Members are asked to share “the floor”, allowing others to speak and be heard.

MEETINGS

Meeting will be scheduled on a monthly basis, with additional meetings scheduled as required.

APPENDIX A

Natural Gas In Coal Multi-Stakeholder Advisory Committee Invitees

Department of Energy (Chair)
Department of Environment (Alternate Chair)
Alberta Agriculture, Food & Rural Development
Alberta Energy and Utilities Board
Sustainable Resource Development
Alberta Association of Municipal Districts & Counties
Alberta Beef Producers
Alberta Environmental Network Society
Alberta Environmentally Sustainable Agriculture Committee
Alberta Surface Rights Federation
Butte Action Committee/Rimbey & District Clean Air People (1 member)
Canadian Association of Petroleum Landmen
Canadian Association of Petroleum Producers/Canadian Society for Unconventional Gas/Small Explorers and Producers Association of Canada (2 members)
Confederacy of Treaty Six First Nations
Freehold Petroleum & Natural Gas Owners Association
The Coal Association of Canada
Treaty 7 Tribal Council
Treaty 8 First Nations of Alberta