



istock.com/ImagePixel

# Pipelines in Alberta: What Landowners Need to Know

*Alberta* ■ Government

Agdex 878-4  
Revised May 25, 2018

farmers'  
**advocate**  
office

Website: [www.farmersadvocate.gov.ab.ca](http://www.farmersadvocate.gov.ab.ca)

Email: [farmers.advocate@gov.ab.ca](mailto:farmers.advocate@gov.ab.ca)

Phone: 310-FARM (3276)

Twitter: @fao\_alberta

Facebook: Farmers' Advocate Office of Alberta



**Contents**

Introduction ..... 1

Surveying ..... 4

Right-of-Way Agreements ..... 4

Land Agents ..... 5

Considerations for Negotiation ..... 5

- Temporary Work Space (TWS) ..... 6
- Aboveground Structures ..... 6
- Additional Pipelines ..... 7
- Preparing the Right-of-Way ..... 7
- Weeds ..... 7
- Biosecurity ..... 8

Licence Application to the Alberta Energy Regulator (AER) ..... 9

Compensation ..... 10

Pipeline Safety ..... 12

- Setbacks ..... 12
- Emergency Response Planning (ERP) ..... 12
- Incidents ..... 13
- Corrosion Mitigation ..... 14
- Depth of Cover ..... 14
- Ground Disturbance ..... 14

Substance Changes ..... 15

Pipeline Discontinuation and Abandonment ..... 15

Pipeline Resumption ..... 16

Pipeline Removal ..... 16

Pipeline Reclamation ..... 17

Appendix A – Gas Utility Pipelines ..... 18

Appendix B – Rural Gas Utilities and Low Pressure Distribution Pipelines ..... 20

Appendix C – Federally Regulated Pipelines ..... 23

Appendix D – Canadian Association of Petroleum Landmen Standard Agreement ..... 28

Glossary ..... 36



## Introduction

The Farmers' Advocate Office (FAO) was established in 1973 by the Minister of Agriculture as a resource for rural Albertans. Today the FAO remains within the Ministry of Agriculture and Forestry, and works to ensure that the rights and interests of rural Albertans are recognized, understood and protected.

The mission of the Farmers' Advocate Office (FAO) is to create value for rural Albertans and 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.

*Pipelines in Alberta: What Farmers Need to Know* was first published by the FAO in 1992. This version, substantially revised and updated from the previous version, reflects legislation, regulation and policy as it exists in 2018. It is primarily designed with new negotiations in mind, but much of the content could also be helpful to those hoping to gain a better understanding of their rights in relation to an existing pipeline on their land.

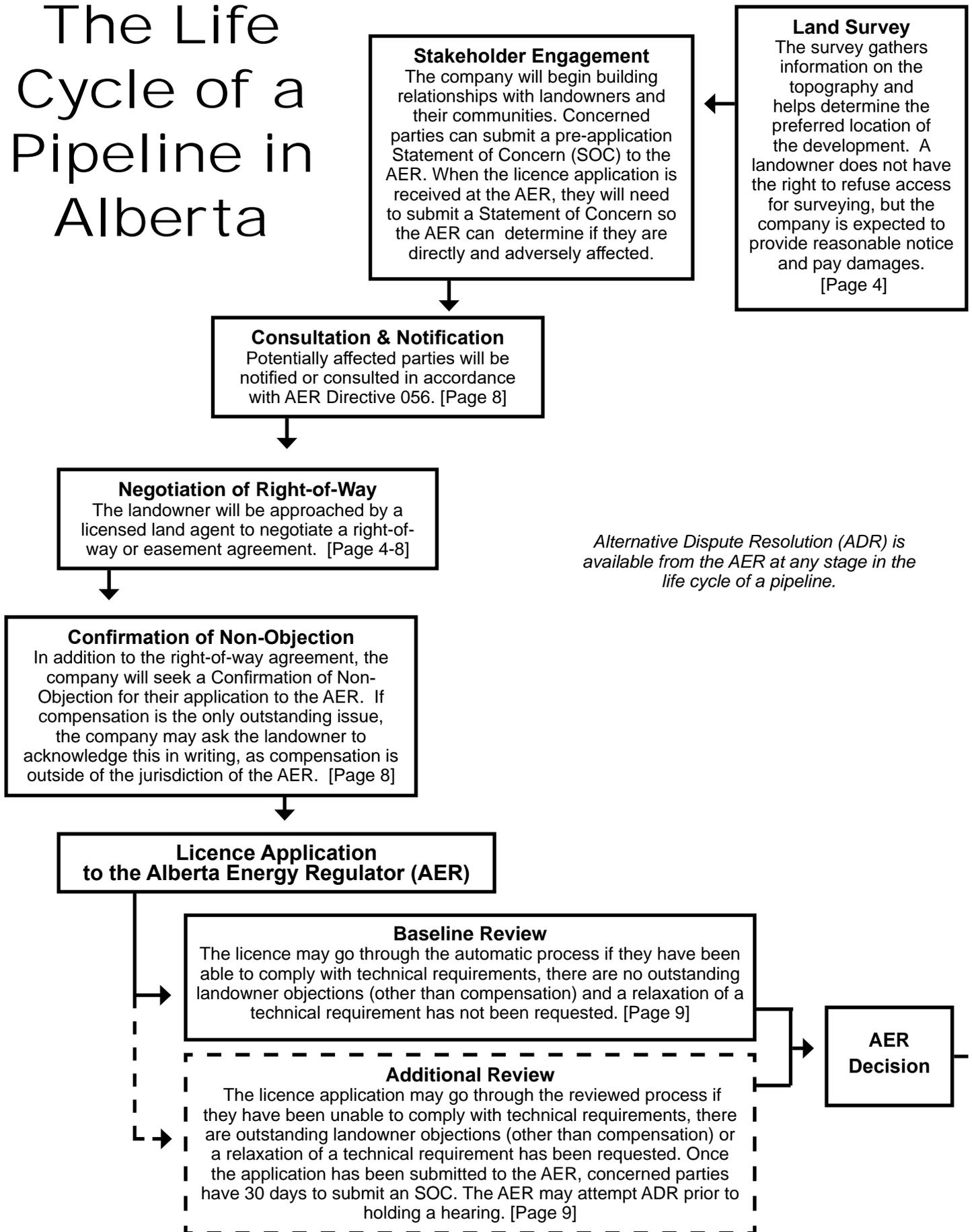
Explaining landowner rights in relation to pipelines can be a complex task. There are many different types of pipelines a landowner might encounter in Alberta. This publication focuses on oil and gas pipelines that connect Alberta's "upstream" sector (production) with the "downstream" sector (refining, marketing and distribution). Pipelines can be built for use above or below ground, and for temporary (well testing) or permanent use.

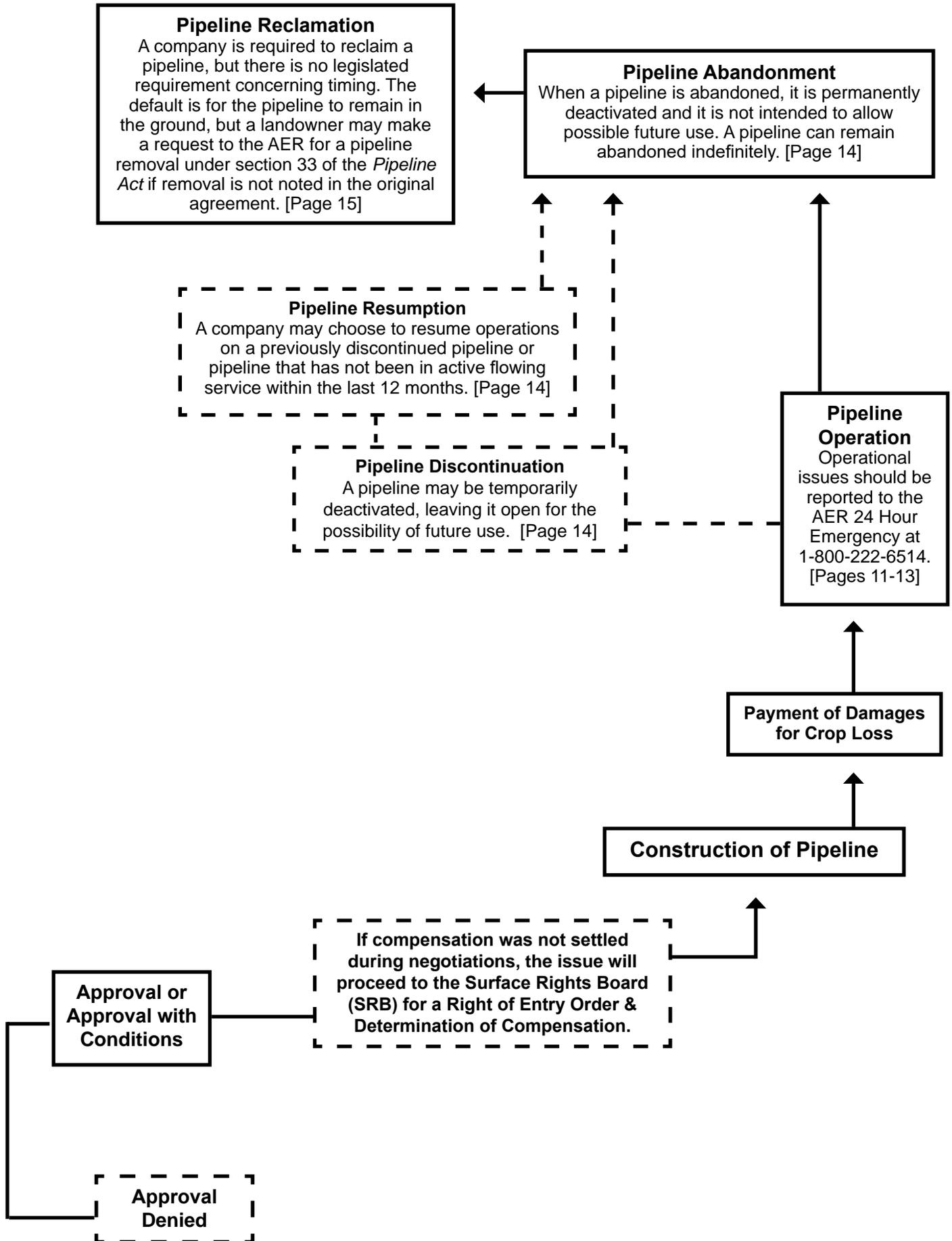
Oil and gas high pressure pipelines (greater than 700 kPa) that operate solely within Alberta's borders are regulated by the Alberta Energy Regulator (AER) under the *Pipeline Act* and *Pipeline Rules*. The AER regulates more than 422,000 km of oil and gas pipelines throughout Alberta. The majority of pipelines in Alberta carry natural gas or oil effluent (production from oil wells).

This document is primarily concerned with provincial high-pressure oil and natural gas pipelines that are owned or operated by energy companies. Appendices A-C provide more information on pipelines that are not regulated by the AER: gas utility pipelines, rural gas distribution pipelines, urban gas distribution pipelines, and oil and gas pipelines that cross provincial borders. Utility pipelines operated by investor-owned utilities are regulated by the Alberta Utilities Commission (AUC), rural gas distribution lines are regulated by the Rural Utilities Section of Alberta Agriculture and Forestry, and oil and gas pipelines that cross provincial or international borders are regulated federally by the National Energy Board (NEB).

Type of Pipeline	Approvals	Enforcement
Oil & gas pipelines within the borders of Alberta	Alberta Energy Regulator (AER)	AER
Oil & gas pipelines that cross provincial or international borders	National Energy Board (NEB)	NEB
Gas utility lines operated by investor-owned utilities > 700 kPa	Alberta Utilities Commission (AUC)	AER inspection and initial enforcement through memorandum of understanding with AUC. Enforcement by AUC.
Rural gas distribution lines (gas co-ops, rural municipal utilities, First Nations, investor-owned utilities, etc.) < 700 kPa	Rural Utilities Section Alberta Agriculture and Forestry	Rural Utilities Section or AUC has responsibilities for dispute resolution under <i>Gas Distribution Act</i> .

# The Life Cycle of a Pipeline in Alberta





## **Surveying**

If a company is interested in constructing and operating a pipeline on your land, one of the first things you may encounter is a survey company providing notice to access the land or an energy company contacting you to discuss their intentions to conduct a survey. The purpose of the survey is to identify the boundaries and the preferred location of the development, and gather information on the topography of the land so that wetlands, watercourses, existing disturbances, and wildlife features can be avoided.

Alberta Land Surveyors and their assistants have the right to access your land without permission under section 14 of the *Surface Rights Act* and section 16 of the *Surveys Act*. They are required to make a reasonable attempt to notify you prior to the survey taking place as a courtesy. They are not required to pay compensation for entry onto your land for surveying, but they are liable to cover any damages that occur as a result of surveying.

If you have questions or complaints about land surveying or land surveyors, please contact the Registrar at the Alberta Land Surveyors' Association (ALSA) by phone at 1-800-665-2572 (toll free) or by email at [info@alsa.ab.ca](mailto:info@alsa.ab.ca).

## **Right-of-Way Agreements**

Once a route plan has been determined from the survey information, the company will send a licensed land agent to begin negotiations for an easement or right-of-way. In the right-of-way agreement, the landowner is considered the "grantor" and, as such, remains the owner and retains all rights that were not yielded to the "grantee" (company).

The easement or right-of-way agreement will be registered as a caveat against the landowner's Certificate of Title. The company may use the standard right-of-way agreement from the Canadian Association of Petroleum Landmen (CAPL) in Appendix D, but they are not required to do so. They may use their own document or modify the CAPL agreement to suit their interests. Similarly, landowners also have the right to propose revisions to the agreement to suit their needs and interests. The FAO strongly urges landowners to capture all commitments in writing in the right-of-way agreement, as it can be difficult to hold a company accountable to verbal commitments. Capturing commitments in a construction report is not sufficient; any commitments need to be reflected in the right-of-way agreement.

Landowners are encouraged to thoroughly review a proposed right-of-way agreement to ensure each clause is understood. Most agreements will be designed by the company with their needs in mind. A landowner may wish to secure legal counsel to review the document to ensure their needs are being met. The landowner can request that the cost for legal review be covered by the company. The landowner must be given a minimum of 48 hours undisturbed to review a proposed agreement, though they can choose to waive this right in writing as described in the *Land Agents Licensing Act*.

A landowner who negotiates an agreement after November 2013 can submit a copy of their easement or right-of-way to the AER's Private Surface Agreements Registry (PSAR). This option is not available to orders granted by the Surface Rights Board (SRB) or commitments made to adjacent landowners or in a construction report. When an agreement is registered in the PSAR, the landowner can make a request to the AER under section 64 of the *Responsible Energy Development Act* if they feel a condition is not being adhered to. In this process, the AER can make a determination on whether or not the company has complied with the terms and conditions of the agreement. If it is determined that a term or condition is not being followed, the AER can issue an Order to Comply in response to the section 64 request. If it is determined that the company has complied with the agreement, the AER will not issue an order. The AER

encourages landowners to contact the company first to try and resolve issues directly prior to using the section 64 process. If you have questions about the PSAR, please contact the AER at 1-855-297-8311.<sup>1</sup>

For utility pipeline right-of-way agreements, a landowner can contact the Alberta Utilities Commission (AUC) if they believe the company has failed to comply with a term or condition of the agreement. The AUC's Consumer Relations Team can be contacted by phone at 780-427-4903 (for toll free access dial 310-0000 first) or by email at [consumer-relations@auc.ab.ca](mailto:consumer-relations@auc.ab.ca). From there, the inquiry may be sent the Market Oversight and Enforcement Division for investigation.

### **Land Agents**

In Alberta, a company negotiating with a landowner for a pipeline right-of-way is required to use a licensed land agent. When negotiating for or acquiring an interest in land, a licensed land agent is accountable to the Code of Conduct established by the Land Agents Registrar under the *Land Agents Licensing Regulation*.

#### **Standards of Conduct**

1. A land agent must uphold the standards and reputation of the profession.
2. A land agent must be professional and courteous at all times and treat all parties with dignity and respect.
3. A land agent shall undertake only work that that person is competent to perform by virtue of their training and experience as a land agent.
4. A land agent must carry out all duties with honesty and integrity.
5. A land agent must act in good faith.
6. A land agent must act in the client's best interests, subject to any limitations imposed by law or professional ethics.
7. A land agent must follow all applicable Statutes and Regulations.
8. A land agent must not enter into a situation where a conflict of interest may exist or arise.
9. Unless required by law or authorized by the client, a land agent must keep confidential all information acquired in the course of the professional relationship.

Recourse is available through the Land Agents Registrar at Alberta Labour for landowners who feel they have been treated unethically by a licensed land agent. If the Registrar receives a complaint concerning any matter relating to the *Land Agents Licensing Act* or *Land Agents Licensing Regulation*, they may initiate an investigation. They may also initiate an investigation if they have reason to believe a contravention has taken place. For more information on the *Land Agents Licensing Act*, please contact Alberta Labour by phone at 780-415-4600 (toll free 310-0000) or by email [Land.Agents@gov.ab.ca](mailto:Land.Agents@gov.ab.ca).

### **Considerations for Negotiation**

The type of pipelines most frequently experienced by Alberta landowners are flow lines, which move raw product from wells to processing facilities or larger transmission pipelines. The product is moved through the lines by underground reservoir pressure or pressure created by the well, compressor, and pump stations. A landowner may encounter other surface infrastructure such as pipeline risers, headers (aboveground portions of a pipeline), valve stations, pigging equipment, separators, metering shacks, line heaters, tanks, secondary

<sup>1</sup>EnerFAQs: About the AER. <https://www.aer.ca/about-aer/enerfaqs/enerfaqs-psa>.

containment, or processing plants. The landowner will be compensated in a separate lease agreement for any aboveground surface equipment.

The width of a right-of-way depends on the size, number, and routing of a pipeline. The terms of the easement will stipulate the maximum right-of-way width limit. A landowner can expect that the right-of-way for a typical flow line will be about 15 metres wide. Other oil and gas pipeline right-of-ways may be as much as 25 metres in width. Generally, no permanent structures may be placed on the right-of-way, but temporary structures such as storage or cattle sheds are usually permissible with prior written consent.

Landowners should also consider the following in their negotiations:

- Temporary Work Space (TWS)

The company may require land adjacent to the right-of-way for Temporary Work Space (TWS) during the construction phase. This is sometimes referred to as the “staging area.” TWS may also be required when conducting repairs, responding to incidents, or doing integrity digs.

TWS is typically negotiated separately from the right-of-way agreement. Do not rely on verbal agreements for TWS. It is recommended that landowners clearly negotiate their needs regarding TWS with a comprehensive addendum. The addendum should provide a clear sense of how long the TWS may be used. It should also outline the expectations relating to access, construction, and reclamation timelines. Compensation for TWS is negotiable between the landowner and the company. The FAO does not provide advice on compensation amounts.

Landowners should be aware that TWS can have long-term ramifications. The company is required to include the TWS when eventually obtaining a Reclamation Certificate for the pipeline, but in most cases this is not required until the pipeline easement itself is being reclaimed. There is no legislated timeline for the reclamation of a pipeline. Since the pipeline can remain abandoned indefinitely, a significant period of time may lapse between the use of TWS and the pursuit of a Reclamation Certificate. Therefore, a landowner should negotiate clear expectations for the post-construction cleanup of TWS on their land.

The company’s responsibility for TWS does not terminate until the Reclamation Certificate is issued. The operator also remains responsible for any issues that arise on the TWS for 25 years after the Reclamation Certificate is issued.

The operator may approach the landowner with a damage waiver shortly after the pipeline construction is complete. Pre-assigning costs for damages is not recommended. The FAO suggests reviewing damages annually until the land reaches equivalent land capability.

- Aboveground Structures

Under the *Surface Rights Act*, aboveground structures or “appurtenances” such as risers, pigging stations, metering shacks, space heaters, etc., on AER-regulated oil and gas pipelines will require a surface lease. This agreement will be separate from the right-of-way agreement and subject to annual compensation under the *Surface Rights Act*. The requirements relating to aboveground structures are different for gas co-ops, gas

utility pipelines <700 kPa and rural utilities, where blanket easements are used. This is explained further in appendices A and B.

- Additional Pipelines

The FAO recommends that the wording in the agreement be specific to the pipeline that is currently being proposed. The wording of the agreement should limit the company to the construction and operation of one pipeline within the right-of-way. Some right-of-way agreements give the company permission to construct multiple pipelines presently or in future years. This could enable the company to access the lands to install a secondary pipeline later on, paying damages but not establishing a new right-of-way agreement. People who are interested in purchasing land may wish to review the existing pipeline right-of-way agreements to see if the language allows for one pipeline or multiple pipelines.

If an additional pipeline is proposed by the company but the right-of-way agreement only allows for one pipeline, the landowner would have the opportunity to negotiate an additional right-of-way agreement with new compensation, construction requirements, and timelines.

- Preparing the Right-of-Way

When preparing a right-of-way, the company will face time restrictions as a result of sensitive wildlife zones, timing conditions in the project approval, and other requirements that limit operations during certain periods of the year.

Trees along the right-of-way may be removed to prepare the area for construction. A landowner should discuss timber salvage and brush disposal with the company, and capture any commitments in the written agreement.

Using proper soil management techniques when preparing the right-of-way can help ensure the long-term success of reclamation. At the outset of construction, the company should develop a soil conservation strategy that encourages nutrient retention, minimizes soil sterilization, and promotes vegetation regrowth. Requesting pre-construction soil testing can help create a baseline for future reclamation. A landowner may wish to ask the company about their soil conservation strategy. How many lifts are anticipated? Where and how will they be stored? Will there be any impact to drainage?

The AER's *Guide for Pipelines Pursuant to the Environmental Protection and Enhancement Act and Regulations* outlines government's expectations concerning the removal and replacement of topsoil. The standard right-of-way agreement specifies that topsoil should be stripped from the ditch prior to construction and replaced "as near as possible to its original condition," but the exact mechanics of this will depend on the method of installation and construction and the season during which construction and reclamation take place. In general, soil is stripped in "lifts" depending on the layer, and then stored separately to prevent admixing. The company is required to ensure that the stockpiles do not interfere with water drainage. Weed control on stockpiles should be negotiated with the operator and captured in writing in the agreement.

- Weeds

Many vehicles and pieces of equipment will be entering and leaving the property during construction and maintenance, so the spread of weeds can be a concern to some

landowners. The landowner may wish to discuss the timing and notification process for weed control efforts, and what products will be used.

Landowners and occupants (including oil and gas lessees) have an obligation to prevent prohibited weeds and seeds and destroy prohibited noxious weeds and seeds under the *Weed Control Act*. More information on what weeds are considered “prohibited” or “prohibited noxious” is available on the Alberta Agriculture and Forestry website.<sup>2</sup>

- Biosecurity

Clubroot is a serious soil-borne disease that affects crops in the cruciferous family. The visible signs of clubroot are galls or clubs that form on the roots, which can impede nutrient and water uptake. Depending on the stage of infection, visible aboveground symptoms may include stunted growth and wilted plants. Clubroot can cause devastating yield losses. In Alberta, it was first identified in canola crops in 2003.

Clubroot can be very difficult to control. The spores can remain dormant for many years before affecting a crop. It can be spread through the movement of contaminated soil, or wind or water erosion. Studies have shown that most clubroot infestations in Alberta begin at field access points, which suggests that contaminated equipment and machinery is the most common way the disease is spread.

In 2007, clubroot was added as a “pest” under the *Alberta Agricultural Pests Act*. All landowners have an obligation to take active measures to prevent clubroot, control and destroy existing clubroot infestations, and control any matter that contributes to the spread of clubroot. This obligation also extends to occupants which, for many landowners, includes oil, gas, and utilities lessees. The *Agricultural Pests Act* is enforced at the municipal level.

The Best Management Practices from Alberta Agriculture and Forestry are designed to help minimize the spread of clubroot.<sup>3</sup> Some strategies for clubroot prevention include using resistant seed varieties, rotating crops, controlling volunteer canola and other hosts, and cleaning equipment that enters a field. The basic standard for cleaning equipment and machinery is to remove large clumps of dirt, pressure or steam wash, and disinfect with 1-2% bleach water mixture. Disinfecting is an important step as it works to exterminate spores, thereby limiting reproductive ability. A similar best practices guideline is produced by the Canadian Association of Petroleum Producers (CAPP).<sup>4</sup> The local municipality may have additional policies surrounding clubroot enforcement that provide a further level of protection.

Landowners who are negotiating a pipeline right-of-way should be aware that clubroot prevention is not enforceable by the Alberta Energy Regulator (AER) or the Alberta Utilities Commission (AUC) unless it is stipulated in the conditions listed on the licence or approval. To have clubroot prevention conditions listed in the licence or approval, the matter would need to be brought forward in a hearing. In a hearing, the landowner would need to utilize experts to design a clubroot prevention strategy. Getting clubroot

---

<sup>2</sup> Alberta Agriculture and Forestry, Weed Information  
[https://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/prm14555](https://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/prm14555)

<sup>3</sup> Alberta Agriculture and Forestry, Alberta Clubroot Management Plan  
[https://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/agdex11519](https://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/agdex11519)

<sup>4</sup> Canadian Association of Petroleum Producers, *Clubroot Disease Management – Best Management Practices*  
<https://www.capp.ca/publications-and-statistics/publications/139848>

conditioned into the licence or approval works for new pipelines, but cannot retroactively be requested for existing pipelines.

A landowner who negotiates clubroot strategies into their right-of-way agreement for an AER-regulated pipeline may submit a copy of their agreement to the AER's Public Surface Agreements Registry (PSAR). This option is not available to agreements negotiated prior to November 2013 or orders granted by the Surface Rights Board (SRB). If a landowner feels a condition is not being adhered to, they can make a request to the AER under section 64 of the *Responsible Energy Development Act* to determine whether or not the company has complied with the terms and conditions of the agreement. If it is determined that a term or condition is not being followed, the AER can issue an order to comply. If it is determined the company has complied with the agreement, the AER will not issue an order. The AER encourages landowners to contact the company first to try and resolve the issue directly prior to using the section 64 process.

A landowner who negotiates clubroot strategies into their utility pipeline right-of-way agreement may contact the Alberta Utilities Commission (AUC) if they believe the company has failed to comply with a term or condition in the agreement. The AUC's Consumer Relations Team can be contacted by phone at 780-427-4903 (for toll free access dial 310-0000 first) or by email at [consumer-relations@auc.ab.ca](mailto:consumer-relations@auc.ab.ca). From there, the inquiry will be sent to the Market Oversight and Enforcement Division for investigation.

### **Licence Application to the Alberta Energy Regulator (AER)**

In order to construct and operate a provincial oil and gas pipeline in Alberta, a company must obtain a licence from the Alberta Energy Regulator (AER). The first part of the licence application process is stakeholder engagement with all parties who have a direct interest in the land. This can include the landowners, adjacent landowners identified as parties of interest, landowners within the notification radius, interested residents, occupants, industry, local authorities, municipalities, and other parties who have a right to conduct an activity on the land, such as disposition holders.

Depending on their location and relationship to the land, potentially affected parties will either receive notification or consultation from the company. Notification requires written communication to inform parties of the proposed application, whereas consultation requires that a discussion take place either in-person or by phone.

*AER Directive 056: Table 6.1* outlines the consultation and notification radiuses based on the pipeline category type. The category type for a pipeline is determined based on pipe diameter and hydrogen sulfide (H<sub>2</sub>S) content (if any) of the transported product. All landowners and occupants along the right-of-way will receive personal consultation and notification. Local and urban authorities will also be notified.

Notified parties have 14 days to review the written communication from the company. If they have concerns, they should first try to bring them forward to the company. If they have outstanding concerns that have not been addressed in this conversation, they may send a Statement of Concern (SOC) to the company and the AER.

As part of their application to the AER, the company will be seeking to provide a Confirmation of Non-Objection from consulted parties. This allows the company to receive its application approval without an additional waiting period or further review. If the only outstanding issue is

compensation, the company may request that the landowner put this in writing, as compensation is not within the jurisdiction of the AER. A licence application with outstanding issues solely related to compensation may be processed by the AER without an additional waiting period or further review, as the compensation issue will be addressed separately by the Surface Rights Board (SRB).

Depending on the complexity of the application, a licence application submitted to the AER will be considered in one of two ways:

- **Baseline Review**  
The baseline review approval process (previously known as the “routine application process”) will be used where there is a Confirmation of Non-Objection (no outstanding concerns or objections), the company is able to comply with all regulatory requirements, and no relaxation of regulatory requirements has been requested. The application will be reviewed, a licence may be issued and the application will be posted publicly on the Public Notice of Application section of the AER website.<sup>5</sup>
- **Additional Review**  
Where the company is requesting the relaxation of a technical requirement, or there are outstanding landowner objections, the application will undergo additional review. In the past, these applications were referred to as “non-routine applications.” The AER will review the application and post it publicly in the same manner as a baseline review application. Outstanding landowner concerns (excluding compensation) may be sent to Alternative Dispute Resolution (ADR) at the AER. Once the 30 day period has lapsed, a decision-maker will determine whether or not the concerns have been rectified or if further ADR or a hearing are required.

The AER can assist with dispute resolution through the ADR program at any stage in the lifecycle of the pipeline, even before an application is filed. The goal of ADR is to provide an opportunity for the parties to better understand each other’s interests and develop mutually acceptable solutions through respectful dialogue. To utilize these services, a landowner may call Stakeholder Engagement at the AER at 1-855-297-8311.

A licence issued by the AER provides the company with one year to begin construction on a pipeline, though extensions may be considered by the AER on a case-by-case basis. Large projects may be granted a 2 year construction permit. Most right-of-way agreements indicate that the company must pay full fees within a year of signing or the contract expires.

## **Compensation**

Compensation is outside of the jurisdiction of the AER. If the landowner and the company are unsuccessful in negotiating compensation, the company may obtain a Right of Entry Order through the Surface Rights Board (SRB) under the *Surface Rights Act* once an AER licence has been approved.

A Right of Entry Order settles the outstanding compensation issue and provides the company with the legal right to access the land to install and operate the pipeline. The SRB attempts mediation prior to requesting a panel decision.

---

<sup>5</sup> Alberta Energy Regulator, Public Notice of Application [http://search.aer.ca/pnoa-en/search/theme/pnoa?sort=recent&fq\[\]=feed\\_str:all](http://search.aer.ca/pnoa-en/search/theme/pnoa?sort=recent&fq[]=feed_str:all)

Compensation for provincially regulated oil and gas pipelines in Alberta is determined under the *Surface Rights Act*. The FAO can explain the compensation structure, but does not provide recommendations on compensation amounts. The landowner will receive a lump sum for the pipeline reflecting all categories outlined below:

- Entry Fee

The company is obligated to pay \$500 for each acre within the right-of-way, with a minimum of \$250 up to a maximum of \$5,000. The entry fee is in addition to any other compensation paid. This amount is non-negotiable, as it is set under the *Surface Rights Act*.

For a Right of Entry Order, the entry fee must be paid before the rights are exercised. If the pipeline is not constructed within 365 days of the date of the agreement, the landowner is entitled to keep the entry fee. Companies typically include a provision in the agreement to extend this for a second 1 year term.

- Value of Land Rights Taken

This amount is determined by the current fair market value of lands permanently impacted by a pipeline. It is based on what land with similar use and attributes is selling for in the area. This component is designed to transfer the right to the use and quiet enjoyment of the land from the landowner to the company.

- General Disturbance

General disturbance covers the nuisance and inconvenience suffered by the landowner during the first year of operation. This would include the time spent negotiating and meeting with the company, inconvenience during construction, and loss of use or enjoyment of the land during construction.

- Damages

For pipelines, the legislated payment for damages includes compensation for the nuisance, adverse effect, and inconvenience to the landowner. This is usually paid one year after the pipeline is constructed. The amount will reflect the fact that the farmer could not use the land during the construction period and while vegetation was being re-established. This amount will not be calculated until a crop has grown on the land so that the full extent of the damage can be assessed.

Crop damages may be negotiated for a period exceeding one year, making assumptions about regrowth for future years. For example, a company might pay 100% the first year, 75% the second year, 50% the third year, and the fourth year on review. Damages may also be reviewed and paid on an annual basis without pre-determined amounts or percentages until equivalent land capability is achieved – this is the approach recommended by the FAO. Options for how damages can be paid should be discussed between the landowner and the company.

The company remains responsible for surface damages on or off the right-of-way for the life of the agreement. Disputes regarding damages that occur off the right-of-way may be brought to the SRB within 2 years of when they occurred. The maximum amount for an off right-of-way damage claim is \$25,000. Damages above this amount must be resolved through the courts. The SRB can be reached at 780-427-2444 (enter 310-0000 before the number to make it toll free) or [srb.lcb@gov.ab.ca](mailto:srb.lcb@gov.ab.ca).

The SRB will not review disputes for damages on the right-of-way. Normally the agreement will stipulate that these types of disagreements will be dealt with by hiring an arbitrator, which produces a binding decision.

If the land is rented, the landowner is entitled to receive the entry fee and compensation for the value of the land. The amount payable to the tenant will be negotiated between the landowner and tenant. If the pipeline goes through the Right of Entry process with the SRB, the SRB will determine the amount paid to the tenant.

Unlike surface leases, landowners typically do not receive an annual rental payment for a pipeline. This is because the annual rental under the *Surface Rights Act* is based on ongoing Loss of Use and Adverse Effect. Loss of Use refers to the inability to use the land, while Adverse Effect refers to the nuisance and inconvenience of having to farm and live around the development. The theory is that once the pipeline is installed there should be no Loss of Use or Adverse Effect to the landowner and therefore no annual rental payment.

### **Pipeline Safety**

Alberta is home to a complex network of pipelines that move oil and gas to markets within our province and beyond our borders. The AER is responsible for ensuring pipeline safety through all of the lifecycle stages of a pipeline, starting with the initial application and continuing through operations until reclamation. The AER regularly inspects pipelines to confirm that operators are monitoring and managing the hazards associated with the particular pipeline. Pipelines with greater risk (such as those that transport sour gas, are near water bodies, or belong to a licensee with a poor compliance record) will undergo a higher level of scrutiny. More information on industry performance is available from the AER.<sup>6</sup>

- **Setbacks**

A “setback” is the minimum distance that infrastructure must be from a pipeline. For provincially regulated oil and gas pipelines, setbacks are determined based on the amount of H<sub>2</sub>S, if any, in the proposed pipeline. In general, the setback distance for a sweet gas or oil pipeline is the width of the pipeline right-of-way.

For sour gas or oil, there can be a setback distance to permanent dwellings, unrestricted county developments, urban centres, or public facilities. The size of the setback depends on the volume of H<sub>2</sub>S that could be released in the event of an incident. (If the valves determine that there has been a drop in pressure along the pipeline, they can close immediately to stop the flow of gas. The amount of gas between the two valves closest to the rupture is the release volume.) More information on setback distances is available from the AER in the *EnerFAQs: Setbacks*.<sup>7</sup>

- **Emergency Response Planning (ERP)**

The AER requires the company to create a corporate level Emergency Response Plan (ERP) to establish pre-planned procedures that will aid in an effective response to emergencies. The company is expected to determine the level of detail required to address each item in a corporate-level ERP based on the hazards and potential consequences of the emergency scenarios that its operations pose. The company is expected to keep plan current on an ongoing basis.

---

<sup>6</sup> Alberta Energy Regulator, *Pipeline Performance* <https://www.aer.ca/data-and-publications/pipeline-performance>

<sup>7</sup> Alberta Energy Regulator, *EnerFAQs: Setbacks* <https://www.aer.ca/about-aer/enerfaqs/enerfaqs-setbacks>

Each company has a corporate ERP applicable to sweet pipelines. A sour gas or oil pipeline requires a site-specific ERP for the Emergency Planning Zone (EPZ). The EPZ is the radius from a pipeline where people and the environment could be negatively affected in event of a worst-case scenario incident. This size of an EPZ for a pipeline is based on the calculated release volume of H<sub>2</sub>S from the pipeline.

The company must ensure that the actual size and shape of the final EPZ reflect:

- site-specific features of the area;
- information gathered during the public involvement program; and
- factors such as population density, topography, and access/egress routes which could affect timely implementation of emergency response procedures within the EPZ.

To create a site-specific EPZ, the company must attempt to obtain information from the residences, businesses, and facilities within the EPZ. They will be looking for information on key contacts, the number of occupants and their ages, and any additional information that may be relevant to establishing an emergency response procedure. Members of the public have the right to refuse to provide personal information, but they should be aware that ultimately the goal of this process is to ensure that the safety plan is well-suited to the specific area and is prepared to manage any specific personal or access challenges of the residents.

- Incidents

All pipeline licensees must comply with the *Pipeline Act*, *Pipeline Rules*, AER directives, and Canadian Standards Association (CSA) Z662 to help ensure safety. The AER requires that licensees have an operations and maintenance manual to guide their day-to-day management of the pipeline and an Integrity Management Program to prevent pipeline failure.

In Alberta, all pipeline incidents, including those in which a pipeline is hit but does not break, must be reported to the AER. Pipeline incidents can be caused by pipeline failures due to corrosion; poor maintenance or construction practices; equipment failures or material defects; environmental incidents (such as ground movement or flooding); or human interference (such as the pipeline behind hit by heavy equipment). Both a leak and a break mean that a substance has escaped from the pipeline, but a leak does not immediately impair the operation of a pipeline. The AER will conduct an incident review in the event that a leak, break, or contact damage occurs during a ground disturbance.

To ensure a pipeline incident receives the proper response, the AER rates incidents as high, medium or low consequence incidents. The findings from AER investigations are open to the public on the Compliance Dashboard.<sup>8</sup> The AER also conducts regular random inspections of pipelines in Alberta, and they do not require the landowner's consent to access the right-of-way.

If a landowner suspects possible safety problems with the pipeline on their land, they should first attempt to contact the company directly. Regardless of the operating status of the pipeline, there should be readily visible warning and identification signs located where the pipeline crosses roads or water bodies. If no response can be obtained from

---

<sup>8</sup> Alberta Energy Regulator, *Compliance Dashboard* <http://www1.aer.ca/compliancedashboard/index.html>

the company, the landowner should contact the AER's 24-Hour Emergency Hotline at 1-800-222-6514.

- Corrosion Mitigation

The AER requires licensees to have procedures in place for internal and external corrosion protection for pipelines made of steel. After construction, the pipeline must be cathodically protected within 1 year. All pipelines have a protective coating applied to the exterior. Internal corrosion is controlled as necessary, usually by the addition of chemical treatment and cleaning, or the installation of a corrosion-resistant barrier coating. The effectiveness of corrosion mitigation measures must be monitored on an ongoing basis.

Pipelines are often cleaned with a device called a "pig," which contains scraper plates and sometimes wire brushes that scour the interior of the pipeline. Electronic measuring devices or "smart pigs" can also be used. These not only clean the pipeline but also collect data about the pipeline's condition, watching for corrosion or any other anomaly that could affect the integrity of the pipeline. Whether or not a smart pig can be used will depend on the age, construction, size, and operation of the pipeline.

- Depth of Cover

The *Pipeline Rules* and Canadian Standards Association (CSA) Z662 specify how much ground cover must be on top of a pipeline. Adequate cover helps ensure the pipeline operates safely and minimizes the risk to public safety. Pipelines constructed today must have a minimum of 0.8 metres of coverage in any space, except within right-of-ways for roads or highways (where depth of cover must be 1.1 metres and 1.4 metres respectively).<sup>9</sup> Water crossings must have a minimum cover of 1.2 metres.

Depending on the specific situation, the pipeline might need to be buried at a greater depth than the minimum standards in order to be safe. Older pipelines may be buried at a lesser cover than today's standard due to previous requirements at the time of construction or erosion to cover over time. If a landowner feels that the cover associated with a pipeline on their land is diminishing or insufficient, they should bring the concern to the attention of the pipeline company to see if it is at risk.

Always be aware of the location of the pipeline on your land and how your activities may impact it. A landowner should check with Alberta One Call at [www.albertaonecall.com](http://www.albertaonecall.com) or 1-800-242-3447 prior to conducting any ground disturbance.

- Ground Disturbance

Ground disturbance is defined in the *Pipeline Rules* as "*any work, operation or activity that results in the disturbance of the earth, including, without limitation, excavating, digging, trenching, plowing, drilling, tunnelling, augering, backfilling, blasting, topsoil stripping, land levelling, peat removing, quarrying, clearing and grading, but does not include... a disturbance of the earth to a depth of less than 30 centimetres that does not result in a reduction of the earth cover over the pipeline to a depth that is less than the cover provided when the pipeline was installed, [and] cultivation to a depth of less than 45 centimeters below the surface of the ground.*"

Every provincially regulated pipeline has a "controlled area" around it which extends 30 metres on either side of the pipeline. Before a person conducts a ground disturbance in

---

<sup>9</sup> Pipeline Rules, Part 2, 20(1)

Alberta, they must first assess whether or not a pipeline exists within 30 metres in any direction of the dig area. To do so, a landowner might look for signage or aboveground equipment, check AER maps, or review the Certificate of Title.<sup>10</sup> An easy way to find out if there are pipelines in the area is to contact Alberta One Call through their website at [www.albertaonecall.com](http://www.albertaonecall.com) or at 1-800-242-3447. Some older pipelines that were installed before the creation of Alberta One Call may not be listed in the system.

If a pipeline is present and ground disturbance is required within the 30 metre controlled area, the excavating party must contact the pipeline licensee so the line can be located and marked for safety. The person wishing to conduct ground disturbance must contact the company at least 2 business days prior to beginning work to provide time for the line to be located and marked. During busy seasons, it may take longer for the locator to come out and mark the lines. This service must be provided at no cost to the landowner.

The ground disturbance requirements are in place to ensure the safety of parties conducting excavation work and to prevent damage to the pipeline. They are minor inconveniences in contrast to the potential harm that might result if they are disregarded. Any party wishing to conduct ground disturbance within the right-of-way must have written permission from the pipeline licensee in addition to the locating and marking. Farmers should note that cultivation to a depth of less than 45 cm is not considered ground disturbance and providing notification is not required.

If a pipeline is exposed during a ground disturbance, the landowner must contact the company 24 hours before backfilling the line. The company should come to inspect the line to ensure that no damage has occurred. In the event that a pipeline is accidentally hit, the landowner should stop their activities immediately and report the incident to the AER and the pipeline company. Even if damage is not immediately visible, striking a pipeline could cause hidden material damage that could result in a leak in the future.

A landowner wishing to cross over the right-of-way with anything larger than the usual agricultural equipment should discuss this with the company first and obtain permission to do so with a crossing agreement. Once the pipeline company has verified that it is safe, no further notice should be necessary. A crossing agreement is not necessary for continued crossing with regular farming equipment, but may be needed if there is a change in the use of the land necessitating larger equipment (i.e. gravel crushing equipment). When in doubt, a landowner should err on the side of caution and check with the company to ensure the safety of the pipeline.

### **Substance Changes**

A company may wish to change the substance flowing within a pipeline. An AER licence is substance specific, so a change in substance requires an amendment to the licence from the AER. In order to get a substance change amendment, the company would need to review the condition of the pipeline. Any differences in setback requirements would require proper notification and consultation with affected landowners.

### **Pipeline Discontinuation and Abandonment**

If a pipeline has not seen active flowing service for 12 months, the company must either abandon or discontinue the pipeline, or return it to service.

---

<sup>10</sup> Alberta Energy Regulator, *OneStop Public Map Viewer*, <https://extmapviewer.aer.ca/Onestop/Public/index.html>

- *Pipeline discontinuation* is the temporary deactivation of a pipeline or part of a pipeline in a manner that leaves it safe for possible future use. Typically discontinuation involves cleaning out the line and applying a corrosion inhibitor to preserve its integrity for the future. There is no requirement to provide landowner notice for pipeline discontinuation.
- *Pipeline abandonment* is the permanent deactivation of a pipeline in a manner that leaves it safe. When a pipeline is abandoned, it is not intended to be used again in the future. The company must notify certain landowners and occupants when a pipeline is abandoned. In rare and exceptional circumstances, a licence may be granted to resume operations on an abandoned pipeline if the applicant has supported the request with a comprehensive engineering assessment that confirms the pipeline is in satisfactory condition.

The AER can order a company to abandon a pipeline where they feel it is necessary to protect the public or the environment. Whoever carries out the abandonment must notify both the landowner and occupant.

Landowners should be aware that the ground disturbance requirements still apply to abandoned and discontinued pipelines. To maintain safety, one should always treat a pipeline as if it is operating.

When a pipeline is discontinued or abandoned, it will remain in the ground, but it must be disconnected from any operating facility and plugged or capped at any open ends. The line must be cleaned, purged, and left in a safe condition. For abandoned pipelines, any surface equipment that is no longer in use (pig traps, risers, block valves, line heaters, etc.) must be removed unless there is still other operating facilities at the surface location. Warning and identification signage are required for discontinued and abandoned pipelines.

The company must notify the AER for a licence amendment within 90 days of discontinuing or abandoning a pipeline.

### **Pipeline Resumption**

A company may choose to resume operations on a previously discontinued pipeline or pipeline that has not been in active flowing service within the last 12 months. Upon resumption, it must meet the original parameters included in its licence. Abandoned pipelines are not normally candidates for resumption, but can be if AER requirements are met. To resume an abandoned pipeline, the company must obtain Confirmation of Non-Objection from landowners and occupants along the right-of-way and approval from the AER.

### **Pipeline Removal**

Full pipeline removal is defined as the removal of the entire pipeline, including road, railway, and watercourse crossings. If crossings are not being removed, it is considered a partial removal. In either case, the company must notify landowners and submit a baseline review application to the AER. A pipeline must be properly abandoned before it is removed.

The majority of Alberta's oil and gas pipelines remain in the ground after they are done being used unless the right-of-way agreement specifies otherwise. The *Pipeline Act* defaults to leaving pipelines in the ground to lessen the impacts and risks associated with disturbing land.

If a landowner request for pipeline removal is made after negotiations have already been completed, the company is under no obligation to accommodate the request. This is a

particularly important consideration for landowners who have inherited pipeline agreements that they did not sign.

If there is a bona fide conflict between surface usage and an existing pipeline, a landowner may make an application to the AER under section 33 of the *Pipeline Act* for the removal, alteration or relocation of a pipeline. If the AER determines that it is in the public interest to do so, the AER may direct a company to remove, alter or relocate any part of a pipeline. They can also specify who is responsible for the costs. The AER generally does not recommend line removal because it can cause an unnecessary and significant disturbance to soils and the environment.

### **Pipeline Reclamation**

Alberta's *Environmental Protection and Enhancement Act* requires an operator to conserve and reclaim specified land and obtain a Reclamation Certificate. "Specified land" includes land that is used for the construction and operation of a pipeline, including Temporary Work Space (TWS). It is important to understand that the legislated requirement to obtain a Reclamation Certificate applies to the end of the life of a pipeline, not immediately following construction. The company has no legislated obligation to reclaim the pipeline within any particular timeframe. A pipeline may remain abandoned indefinitely prior to reclamation, which is significant in relation to TWS.

The *2010 Reclamation Criteria for Wellsites and Associated Facilities for Cultivated Lands* provides a roadmap for bringing disrupted lands back to "equivalent land capability," which is the ability of the land to support various land uses after conservation and reclamation similar to what existed prior to an activity being conducted on the land.<sup>11</sup> The company has no obligation to remove the line.

Upon obtaining a pipeline licence, the company will be required to post a security deposit for reclamation with the AER, which will be returned when the right-of-way is reclaimed. If the company is no longer viable and the pipeline has not been properly abandoned or reclaimed, it will be forwarded to a Working Interest Participant (WIP) – another company with a percentage share in the licence – or the Orphan Well Association (OWA) for abandonment and reclamation. The OWA is funded through levies paid by industry.

Companies have a requirement to maintain the right-of-way regardless of the status of the pipeline (operating, discontinued, abandoned, etc.). Operational complaints at any stage in the lifecycle can be brought to the AER 24/7 Emergency Hotline at 1-800-222-6514.

---

<sup>11</sup> Alberta Energy Regulator, *2010 Reclamation Criteria for Wellsites and Associated Facilities for Cultivated Lands* <http://aep.alberta.ca/land/programs-and-services/reclamation-and-remediation/upstream-oil-and-gas-reclamation-and-remediation-program/documents/2010-ReclamationCriteria-SummaryChanges.pdf>

## Appendix A – Gas Utility Pipelines

Gas utility pipelines are used to transport high pressure natural gas (> 700 kPa) to industrial users, other pipeline systems, and distribution systems which eventually bring natural gas to customers at a lower pressure. The entire lifecycle of a gas utility pipeline operating in Alberta is regulated by the Alberta Utilities Commission (AUC). The AUC also regulates the tolls, tariffs, service, and operating regulations for gas utility pipelines. There are only two designated gas utility pipeline companies in Alberta (ATCO Gas and AltaGas Utilities Inc.), but some rural gas co-ops may operate gas distribution lines over 700 kPa.<sup>12</sup>

Negotiations for gas utility pipelines will occur in a similar way to AER-regulated pipelines. An exception to this is rural gas co-ops, where negotiations occur under the authority of the *Rural Utilities Act* (see appendix B). As part of the licence application to the AUC, the utility company must conduct a participant involvement program involving anyone whose rights may be directly and adversely affected by the gas utility pipeline. The goal at this stage is to create an open dialogue about how impacts can be avoided or mitigated. At this time, the company will also seek to negotiate a right-of-way with the landowner.

Consultation and notification radiuses are determined by the AUC.<sup>13</sup> Consultation refers to direct in-person or phone conversation, whereas notification is written notice only. For gas utility pipelines, landowners and occupants (renters) along the right-of-way must be provided a written package and consulted either in-person or on the phone. Written notification must be provided to Crown disposition holders, urban municipalities, and local authorities along the right-of-way. Notified parties must be given a minimum of 14 days after notification to respond. Adjacent landowners, occupants, and residents may be notified as well, depending on the type of development.

An application to the AUC must be made in order to construct, operate, modify, remove or abandon a gas utility pipeline. The application may be categorized as routine or non-routine, although the application review process is similar for both.

- Routine Approval

A routine application can be filed when the company has met all of the technical and participant involvement requirements, and there are no outstanding concerns or objections. The company must obtain a Confirmation of Non-Objection from the landowners and occupants along the right-of-way.

If the only outstanding negotiation issue with a landowner is compensation (and this has been confirmed in writing), the company may file a routine licence application because compensation is not within the jurisdiction of the AUC. Upon issuance of a licence, the applicant would then pursue a Right of Entry Order with the Surface Rights Board (SRB) to gain access to the land and settle the issue of compensation.

- Non-Routine Approval

If the AUC requirements cannot be met or there are outstanding landowner concerns other than compensation, the applicant must file a non-routine licence application. A public hearing may be held, with opportunities for public involvement. In some cases the AUC may direct the company to submit a non-routine application.

---

<sup>12</sup> *Gas Utilities Designation Regulation*

<sup>13</sup> Alberta Utilities Commission, *Rule 020: Rules Respecting Gas Utility Pipelines*  
[http://www.auc.ab.ca/regulatory\\_documents/Consultations/Rule020.pdf](http://www.auc.ab.ca/regulatory_documents/Consultations/Rule020.pdf)

A gas utility pipeline licence expires one year from date of issuance, which gives the company one year to act on the licence.

The AUC has the authority for the entire lifecycle of a gas utility pipeline. Ongoing operational inspections and investigations for high pressure gas pipelines owned by ATCO Gas and Pipelines and AltaGas Utilities are completed by the AER under a memorandum of understanding with the AUC. The AER provides inspection and incident response for 12,000 km of pipelines regulated by the AUC. The AER maintains records of its inspections and reportable incidents on AUC-regulated lines, and reports the results back to the AUC. The AER will conduct the initial incident review and ensure the situation is safe. Any subsequent investigations are completed by the AUC.

Abandonment, discontinuation, and resumption rules for gas utility pipelines are similar to what exists for AER regulated oil and gas pipelines.

- Discontinued Pipelines  
Pipeline discontinuation is defined as the temporary deactivation of a pipeline or part of a pipeline. When a pipeline is discontinued, the company must ensure corrosion protection is in working condition and monitored going forward. The pipeline must be physically isolated or disconnected from any operating facility or other pipeline, and cleaned and purged. Landowner notification is not required for discontinuing a pipeline, but the AUC must be advised within 90 days.
- Abandonment  
An abandoned pipeline is one that has been permanently removed from service in accordance with the *Pipeline Act* and *Pipeline Rules*. Landowner notification is required for the removal of surface equipment and abandonment of a pipeline. The AUC must be notified within 90 days of abandonment.
- Full or Partial Removal  
Full pipeline removal is defined as the removal of the entire pipeline, including road, railway, and watercourse crossings. If crossings are not being removed, it is considered a partial removal. Both full and partial removal requires a company to conduct notification for landowners and occupants along the right-of-way. For a full removal, a licence must be obtained from the AUC through a non-routine application. For a partial removal, the AUC must be notified within 90 days.
- Pipeline Resumption  
Notification is not required for the resumption of a discontinued pipeline, but notification and personal consultation (and Confirmation of Non-Objection, where applicable) are required for the resumption of an abandoned pipeline. A licence from the AUC must be obtained before resumption of either. The application for the resumption of an abandoned pipeline must be submitted before work is started.

#### Contact

Alberta Utilities Commission (AUC)  
10<sup>th</sup> Floor, 10055-106 Street  
Edmonton, AB T5J 2Y2  
Phone: 780-427-4903 (toll free by dialing 310-0000 first)  
Email: [consumer-relations@auc.ab.ca](mailto:consumer-relations@auc.ab.ca)  
<http://www.auc.ab.ca>

## **Appendix B – Rural Gas Utilities and Low Pressure Distribution Pipelines**

Rural gas distribution pipelines with a maximum operating pressure under 700 kPa (low pressure) are designed, constructed, operated, and maintained in accordance with the *Gas Distribution Act* and CSA Z662.

Under the *Gas Distribution Act*, the Rural Utilities Section of Alberta Agriculture and Forestry is responsible for setting and enforcing all standards related to rural utilities (including rural gas co-ops and investor-owned utilities) and low-pressure distribution pipelines, such as those in cities or towns. The standards may include requirements around safety, design, construction, operation, maintenance, quality assurance, plant records, and surveys. The provisions of the *Gas Distribution Act* apply to all rural gas co-operatives as well as regulated investor-owned utilities such as ATCO Gas and AltaGas Utilities (for equipment operating at 700 kPa or less).

Rural gas distributors have franchise areas issued under the *Gas Distribution Act* which give them exclusive rights to serve the community within a certain area. Rural franchise areas may be held by investor-owned utilities (ATCO Gas and AltaGas Utilities), member-owned gas cooperatives, municipalities, Metis settlements, or First Nations.

Alberta's rural gas distribution pipeline system originated as a community-led initiative in 1962, in an effort to make natural gas available to rural users. This was supported by the Government of Alberta under the *Rural Gas Act* in 1973. In this document, "gas co-ops" refer to members of the Federation of Alberta Gas Co-ops, which includes member-owned gas coops, county and town-owned gas distributors, some Metis settlements and First Nations.

Rural gas co-ops are member-owned and incorporated under the *Rural Utilities Act*. The Rural Utilities Section of Alberta Agriculture and Forestry provides oversight on co-op incorporations, amalgamations, bylaws, and board governance. A person authorized by Alberta Agriculture and Forestry may enter the land at any time to inspect a rural gas utility or low pressure distribution system. A co-op member is a person who, upon the approval of the gas co-op board, holds an interest in the land, signs a contract for service, pays the membership fee, and is over 18 years of age. The board for a rural gas co-op is elected by the membership, and they are responsible for setting rates, policies, and governance. The AUC has authority to investigate issues on rates, terms of service, service charges or tolls on rural gas coops upon a grievance being filed.

With all rural gas distributors, when a new pipeline is being installed, the process will begin with a pre-construction survey to help determine location. Ultimately, the location selected for the pipeline is determined by surface and subsurface conditions, landowner needs, the location of other facilities, access, and cost. A representative from the gas distributor will meet with the landowner to ask them to sign a utility right-of-way agreement, which is a type of easement. A licensed land agent is not required for the negotiation of an easement for a rural gas utility. Blanket easements are typically used for rural utilities, as the location is often uncertain at the time of signing and there are no defined rights-of-ways for gas distribution pipelines.

Landowners should be aware that having a blanket easement for a rural utility pipeline can enable the gas distributor to legally install surface equipment later on with no additional compensation for Loss of Use or Adverse Effect. This is becoming more common as a result of the new CSA standards. A landowner may ask that the utility right-of-way be limited to only the pipeline being built.

The easement will be registered as a utility right-of-way on the landowner's Certificate of Title. The form for the utility right-of-way must be approved by the Director of Rural Utilities with Alberta Agriculture and Forestry.

To make rural gas distribution available and affordable, rural gas distributors are not required to pay right of entry compensation. Customarily, rural landowners allow gas distribution pipelines on their property for a nominal \$1 fee and payment of crop damages. If landowner consent for a rural gas distribution pipeline cannot be obtained, the distributor can refer the matter to the Surface Rights Board (SRB) for a Right of Entry Order.

Landowners should contact Alberta One Call when they are planning any ground disturbance other than normal agricultural cultivation. The distributor will be responsible for coming out to mark the lines. If a landowner damages a rural gas distribution line, they must report it immediately to the gas distributor. The landowner is responsible for the costs incurred to repair damage they have caused.

Service lines and main lines must have a minimum depth of cover of 0.8 metres. Where the pipelines cross under highways, roads, railways, canals, watercourses, or other pipelines/cables, the depth of cover must be over 1.4 metres. The distributor is required to maintain and install warning signs where the right-of-way crosses under a road. The signs must be installed within 60 days of the completion of the pipeline.

Ongoing safety and operational concerns on low pressure pipelines can be brought to the Rural Utilities Section of Alberta Agriculture and Forestry. The Rural Utilities Section has the ability to conduct safety audits. A person authorized by the department may enter the land at any time to inspect a low-pressure gas distribution pipeline.

Gas co-op high pressure pipelines (>700 kPa) are licensed and regulated by the Alberta Energy Regulator (AER).

Safety concerns relating to investor-owned utilities (ATCO Gas or AltaGas Utilities) can be reported to the Alberta Utilities Commission (AUC). If a landowner has a concern about something occurring within their local gas co-op, they are encouraged to discuss the matter with their co-op office first. If a resolution cannot be found, they should then contact their local Board of Directors. Incorporated under the *Rural Utilities Act*, the Board has broad authority on matters related to the co-op. Most Boards meet on a monthly basis.

If the matter cannot be resolved directly with the co-op, the landowners may contact the Federation of Alberta Gas Coops and request assistance in dispute resolution. The Federation can act as a mediator if the landowner and local gas co-op are not able to come to a mutually agreed upon solution. If the landowner is not satisfied with the mediation, they may also forward the concern to the Rural Utilities Section. An additional option is to speak to the Utilities Consumer Advocate of Alberta. Grievances about terms of service, rates, or tolls may be brought to the AUC.

#### Contact

Rural Utilities Section, Alberta Agriculture and Forestry  
J.G. O'Donoghue Building  
7000-113 Street  
Edmonton, AB T6H 5T6  
Phone: 780-427-0125  
Fax: 780-422-1613

Federation of Alberta Gas Co-ops  
201, 115 Portage Close  
Sherwood Park, AB T8H 2R5  
Phone: 780-416-6543  
Toll Free: 888-616-6543  
Fax: 780-416-6544  
Email: [info@fedgas.com](mailto:info@fedgas.com)  
<http://www.fedgas.com>

Alberta Utilities Commission (AUC)  
10<sup>th</sup> Floor, 10055-106 Street  
Edmonton, AB T5J 2Y2  
Phone: 780-427-4903 (toll free by dialing 310-0000 first)  
Email: [consumer-relations@auc.ab.ca](mailto:consumer-relations@auc.ab.ca)  
<http://www.auc.ab.ca>

Utilities Consumer Advocate  
5th floor, John E. Brownlee Bldg.  
10365 - 97 Street  
Edmonton, AB T5J 3W7  
Phone: 310-4822 (In Alberta) Phone: 780-644-5130 (Outside Alberta)  
E-mail: [UCAhelps@gov.ab.ca](mailto:UCAhelps@gov.ab.ca)  
<https://ucahelps.alberta.ca>

## Appendix C – Federally Regulated Pipelines

### Pipeline Approvals

Pipelines that cross provincial or international borders are federally regulated by the National Energy Board (NEB).<sup>14</sup> The NEB oversees the full life cycle of the pipelines it regulates.



With respect to regulating pipelines, the federal process differs from the provincial process because a certificate approval from the NEB is not required before commencing the land acquisition process with affected landowners.

The company's public consultation program will begin early in the planning phase of a proposed project. The NEB expects the company to demonstrate that an appropriate level of consultation was carried out. The level of consultation will depend on the scope of the project; for some projects, there may be extensive consultation, but for others it may be as simple as contacting a single landowner. It is important that landowners and other affected people or groups communicate their concerns to the company as early as possible. It is a good idea to use the public engagement opportunities (open houses, phone numbers, websites, etc.) that are provided by the company.

### Hearings

The NEB must hold a public hearing for any pipeline project that is more than 40 km in length. This is often referred to as a certificate hearing. For pipelines not exceeding 40 km in length, the NEB has discretion on whether or not to hold a public hearing. A hearing can be conducted solely in writing or through a combination of written and oral submissions. A hearing provides an opportunity for participants to express their points of view and ask questions about a proposed project. It also provides the NEB with the information it needs to make a recommendation or decision on whether or not a project should be allowed to proceed. Decisions are made by the NEB based on the public interest of all Canadians.

A person who wants to get involved in an NEB review may request to have their suggestions considered either as a Commenter or as an Intervenor.

- A *Commenter* submits their views in writing, describing how they are directly affected by the project. Commenters are not able to ask questions about other people's evidence or make final arguments.
- An *Intervenor* is directly involved in the hearing. They have an opportunity to present written evidence, cross-examine witnesses, and give final arguments. An Intervenor may also be questioned on the evidence they bring forward. The NEB administers a Participant Funding Program (PFP) that provides funding to help Intervenor with the costs of participating in a hearing. The PFP is not intended to cover all costs associated with participated in a hearing as an Intervenor.

### Determining the Detailed Route

The *National Energy Board Act* allows a pipeline company to enter lands to survey the proposed location of a pipeline or to conduct field studies, examinations and other work that is necessary

---

<sup>14</sup> There are rare exceptions to this, such as the Nova Gas Transmission Limited (NGTL) Alberta System .

to determine the location of a pipeline. The company is required to compensate the landowner for damages.

For projects that do not require a certificate (i.e., do not exceed 40 km in length), the Board most often permits the company to construct the project without further process. For projects that do require a certificate (i.e., exceed 40 km in length), the company cannot construct the project until it has applied for and received NEB approval of the detailed or exact route. The purpose of the detailed route hearing is to determine the best route, as well as the methods and timing of construction. It does not revisit the project approval or any other matters previously determined in the approval of a project.

In preparation for a detailed route hearing, notice of the proposed route will be provided to any person whose land is being crossed by the pipeline and will be published in the local paper. A landowner has 30 days after receiving notice to submit their concerns (known as a statement of opposition) about the exact route to the NEB. Others who believe they are directly affected by the detailed route will also have 30 days to respond. The NEB must conduct a detailed route hearing if legitimate concerns are raised within the 30 day period by a person whose lands are being crossed. The concerns must be specific to the detailed route, or timing and method of construction. The NEB can reject objections that deal with issues outside of its jurisdiction, such as compensation, or issues that are found to be frivolous or not made in good faith.

The NEB can approve segments of the pipeline route where no statements of opposition have been filed. This allows the company to begin construction at those locations. The company cannot begin construction where statements of opposition have been filed until the NEB approves that section of the route and the company has acquired all of the necessary land rights and all other applicable conditions of approval have been satisfied.

The company and the landowner are encouraged to reach a solution even if the NEB has set a date for a detailed route hearing. The NEB encourages parties to consider accessing the NEB's Alternative Dispute Resolution (ADR) services. If a resolution is made between the company and the landowner through ADR or other negotiations, the landowner may withdraw their statement of opposition, and a detailed route hearing will not take place for that segment of the pipeline.

Reimbursement of reasonable costs incurred in the detailed route process is available by submitting expenses directly to the company. The NEB is only involved should parties be unable to reach agreement on costs incurred.

At the detailed route hearing, the NEB may: accept the company's proposed route, without or without conditions, or reject all or part of the company's proposed detailed route.

Following approval of a detailed route, a company works to ensure that all land acquisition agreements (also referred to as easement agreements) are in place, giving a pipeline company the right to use the land to construct, operate, and maintain the pipeline. The finalized easement agreement lasts indefinitely and will be registered on the landowner's Certificate of Title. Future landowners will be bound by the original agreement. Since these are potentially very long-term agreements, it can be valuable to obtain legal advice prior to signing.

A landowner can negotiate conditions into the right-of-way agreement to meet their needs. The NEB does not enforce private agreements; this would be done through the provincial court in the province where the lands are located. The FAO recommends that landowners affected by a

federally regulated pipeline review the NEB's *Landowners' Guide to Land Agreements and Landowner Guide*.<sup>15</sup>

If a landowner does not agree with the decision, they can request that the NEB review the decision or they can apply to the Federal Court of Appeal for permission to appeal the decision on a question of law or jurisdiction.

### Compensation

The *National Energy Board Act* stipulates several subject areas that must be reflected in a company's agreement with the landowner, including:

- compensation for all damages suffered as a result of the operations of the company;
- review of compensation every 5 years or annual or periodic payments;
- landowner protection from all liabilities or claims caused by the company's operations (does not cover damages or claims resulting from the gross negligence or willful misconduct of a landowner); and
- restricting the company's land use to a particular area (unless otherwise agreed upon).

Compensation for a federally-regulated pipeline is negotiated between the landowner and the company. Most companies will retain qualified appraisers to determine the market value of the land to provide a basis for compensation. When negotiating with the company on compensation matters, landowners can provide their own supporting information such as appraisals, receipts, studies, or reports. Please note that the FAO does not provide advice on compensation amounts.

The landowner may also be compensated for:

- the use of any Temporary Work Spaces;
- inconvenience and nuisance caused the construction of the pipeline;
- loss of use of the land; and
- damages resulting from the company's use of the land.

Companies may take different approaches to paying compensation. They may choose to offer annual or periodic payments of equal or different amounts over a period of time. Alternatively, they may offer one lump sum payment. According to the *National Energy Board Act*, the decision rests with the landowner to select which method of compensation they would prefer.

The NEB does not have the authority to determine compensation. Disputes concerning compensation on federally regulated pipelines are forwarded by the NEB to the Minister of Natural Resources Canada to be settled using the services of a negotiator or arbitrator. Arbitration produces a binding decision for the parties.

If a company is unable to come to an agreement with the landowner for access to lands required for an approved project, the company may request that the NEB issue a Right of Entry Order, which grants the company an immediate right to enter the lands to which the order applies. The company must provide the landowner with at least 30 days' notice of its intent to apply for a Right of Entry Order. If a landowner opposes the Right of Entry application, they have 10 days to file a written response articulating why, or what conditions they would like to see on the Right of Entry Order. If the NEB grants the Right of Entry Order, the landowner is entitled to receive an advance on the compensation payable.

---

<sup>15</sup> National Energy Board, Landowner Guide <https://www.neb-one.gc.ca/prtcptn/Indwnrgd/index-eng.html>  
National Energy Board, Landowners' Guide to Land Agreements <https://www.neb-one.gc.ca/prtcptn/Indwnrgd/Indgrmnt/index-eng.html>

### Prescribed Area & Ground Disturbances

Pipeline right-of-ways can vary in size, but typically they are somewhere from 12-30m in width. Legislation stipulates that there is a 30 metre “prescribed area” (or safety zone) on each side of the pipeline for safety reasons. Anyone wishing to conduct any ground disturbance within the prescribed area must obtain permission from the company first. For federally-regulated pipelines, a ground disturbance is any activity deeper than 30 centimetres and cultivation over 45 centimetres below the surface.

Under the *National Energy Board Act*, crossing a pipeline (which includes the right of way) is prohibited unless authorized through the the NEB’s regulations or a Board order. The regulations require that anyone wanting to cross the pipeline with a vehicle or mobile equipment must have pipeline company consent unless the vehicle or mobile equipment is operated within the travelled portion of a highway or public road.

If one is operating a vehicle or mobile equipment for agricultural purposes, the regulations provide that you may cross the pipeline if:

- the loaded axle weight and tire pressures of the vehicle or mobile equipment are within the manufacturer’s approved limits and operating guidelines; and
- the point of crossing has not been identified by the pipeline company as an area where crossings could impact the safety of the pipeline.

While crossing a pipeline with a vehicle that is used to perform an agricultural activity is authorized if it meets these requirements, if it is causing a ground disturbance, that activity must also be authorized as outlined in the NEB’s regulations.

It is recommended that anyone planning to conduct activities on or near a pipeline first make a contact Alberta One Call at 1-800-242-3447 or <http://albertaonecall.com/>

### Abandonment

The abandonment phase of the pipeline life cycle begins when the company decides that it wants to permanently cease using the pipeline. Abandoned pipelines may be removed from the ground or cleaned, treated, and left in the ground. There may be sections of the pipeline that are removed and other sections that remain in place. The company has no obligation to remove a pipeline unless such provisions are outlined in the original land acquisition agreement.

In the context of this publication, landowners should note an important difference in the language between federally and provincially regulated pipelines in Alberta. For federal processes, the abandonment process encompasses reclamation; once the NEB is satisfied that all commitments have been met, and the risks to public safety and the environment are eliminated or reduced to an acceptable level, the NEB’s abandonment order takes effect and the pipeline is considered to be abandoned. Provincially, abandonment and reclamation are separate processes.

The NEB is required to hold a public hearing for every pipeline that is going to be abandoned. The company will need to submit an abandonment plan that describes the planned handling of key safety and environmental issues. The information collected during the hearing process, as well as the established abandonment requirements, are used to inform the conditions the NEB will impose on the abandonment. The company must provide evidence that those affected by the abandonment were provided with sufficient notice.

The company remains responsible for any issues with an abandoned pipeline after the reclamation is complete. Even when a pipeline is abandoned, landowners should work with care in the area and contact Alberta One Call <http://albertaonecall.com/> or 1-800-242-3447 before conducting ground disturbance in the area.

#### Compliance and Landowner Complaints

Landowners are welcome to contact the NEB with any questions or concerns about a pipeline on their property at any stage in the life cycle of a project. A formal complaint from a landowner must be received by the NEB in writing and the company will be contacted for follow-up. Complaints are generally dealt with by the NEB on a case-by-case basis. The NEB can facilitate a discussion between the landowner and the company on possible ways to resolve an issue. The NEB's ADR program offers a confidential and cost-effective process for resolving disputes.

The company is accountable to the NEB for its entire life cycle. A landowner may submit safety or operational concerns to the NEB for inspection. The NEB can order an inspection if the issue is related to compliance with a condition of their approval. Non-compliance with the land agreement would need to be addressed to the courts.

For a pipeline emergency, the concern should be directed to the Transportation Safety Board's 24-Hour Hotline at 1-819-997-7887. All other emergencies related to an NEB regulated company's operations, facilities or activities should be brought to the NEB toll free at 1-800-899-1265

#### Contact

National Energy Board  
Suite 210, 517 Tenth Avenue SW  
Calgary, Alberta T2R 0A8  
[www.neb-one.gc.ca](http://www.neb-one.gc.ca)  
Telephone: 403-292-4800  
Toll Free: 1-800-899-1265

Alternative Dispute Resolution Coordinator: [ADR-MRD@neb-one.gc.ca](mailto:ADR-MRD@neb-one.gc.ca)  
Complaint Resolution Specialist: [landsinfo@neb-one.gc.ca](mailto:landsinfo@neb-one.gc.ca)  
Compensation Disputes: [PAS-SAP@NRCan-RNCan.gc.ca](mailto:PAS-SAP@NRCan-RNCan.gc.ca) or 343-292-6216

## Appendix D – Canadian Association of Petroleum Landmen Standard Agreement

### ALBERTA RIGHT-OF-WAY AGREEMENT (2012)

THIS AGREEMENT made the \_\_\_\_\_ day of A.D. \_\_\_\_\_.

BETWEEN: \_\_\_\_\_,  
(hereinafter called the “Grantor”) being the registered owner or entitled to become the registered owner of an estate in fee simple, subject however to such encumbrances, liens and interests as may be noted upon the existing Certificate of Title in all of that certain tract of land situate, lying and being in the Province of Alberta, namely:

*Legal description  
(hereinafter called the “Said Lands”);*

and

(hereinafter called the “Grantee”)

NOW THEREFORE in consideration of the sum of Ten Dollars (10.00) (receipt and sufficiency of which is hereby acknowledged) paid to the Grantor by the Grantee and in consideration of the covenants hereinafter contained THE GRANTOR DOES HEREBY GRANT, CONVEY, TRANSFER AND SET OVER, to and unto the Grantee, its successors and assigns, a right-of-way (the Agreement) across, over, under, on or through the Said Lands to construct, operate and maintain a pipeline or pipelines including accessories and appurtenances and for any other purpose preparatory or incidental thereto including the right to repair or replace the said pipeline or pipelines; provided however that the right to construct more than one pipeline in the right-of-way hereby granted shall be limited to those pipelines which are constructed during one construction operation.

The Grantor and the Grantee hereby covenant and agree to the following terms and conditions:

#### 1. FILING PLAN OF SURVEY

The Grantee agrees that following construction and installation of the pipeline or pipelines it will file at the appropriate Land Titles Office a Plan of Survey of the right-of-way \_\_\_\_\_ (\_\_\_\_) metres in width across the Said Lands, in substantially the same location as shown on a sketch or survey plan initialled by the parties and attached to this Agreement. Upon filing the Plan of Survey at the appropriate Land Titles Office, the Grantee shall cause to be registered such documents as shall restrict this Agreement, and the rights herein granted, to the right-of-way shown upon the Plan of Survey filed at the appropriate Land Titles Office.

#### 2. ADDITIONAL PAYMENT

- a. Prior to entering upon the Said Lands for any purposes relating to the construction of the aforesaid pipeline(s), other than for survey purposes, the Grantee shall pay an additional consideration to the Grantor calculated at the rate of

- \_\_\_\_\_ Dollars (\$\_\_\_\_\_) per acre of right-of-way shown on the Plan of Survey which has been or will be filed.
- b. *Provided however, if the Said Lands are not entered upon except for survey purposes or the additional consideration set out in 2 (a) has not been paid within \_\_\_\_\_ ( \_\_\_\_\_ ) days of the date of this agreement, the Grantee shall pay to the Grantor the sum of \_\_\_\_\_ (\$\_\_\_\_\_) for the right to survey and all other inconveniences, and this Agreement shall terminate.*

### **3. PROTECTION OF RIGHT-OF-WAY**

- a. *Subject to clause 16 (quiet enjoyment) and the following, the Grantor shall have the right to use and enjoy the right-of-way provided that:*
- i. *The Grantor shall not use the right-of-way for any purpose which might either interfere with the rights granted herein to the Grantee, or which might incur a liability for damages payable by the Grantee, without the prior written consent of the Grantee; including, in particular:*
- a. *The Grantor may not erect any permanent structures on the right-of-way without the written consent of the Grantee.*
- b. *The Grantor may not alter the physical condition of the right-of-way to diminish or add to the ground cover over any pipeline or to plant trees or other vegetation which may interfere with the Grantee's operations without the written consent of the Grantee. For greater clarity this clause is not intended to restrict the Grantor from conducting normal agricultural operations including, but not limited to, the addition of soil amendments such as fertilizer or manure that do not significantly alter the contour of the Said Lands.*
- ii. *The Grantor hereby agrees to indemnify and save harmless the Grantee from all actions, causes of action, proceedings, claims, demands, losses, costs, damages and expenses which the Grantee may pay or incur as a result of or in connection with any use by the Grantor of the right-of-way other than through wilful damage or gross negligence by the Grantee.*
- b. *The Grantee shall be responsible for and compensate the Grantor for reasonable additional costs incurred by the Grantor which may be caused by the existence of the said pipeline, pipelines and right-of-way in connection with the excavation, installation, erection, repair or construction for any permitted operation related to agriculture across, over or under, on or through the right-of-way. If the Grantee and Grantor fail to agree as to the amount of compensation for reasonable additional costs incurred as a direct result of the existence of said pipeline, pipelines and right-of-way, then the matter shall be referred to dispute resolution accordance with Clause 11 (Dispute Resolution) hereof."*

### **4. REMOVAL OF PROPERTY**

*Notwithstanding any rule of law or equity, the pipeline or pipelines including accessories and appurtenances shall at all times remain the property of the Grantee, notwithstanding that the same may be annexed or affixed to the Said Lands and shall at any time and from time to time be removable in whole or in part by the Grantee, provided however, that the Grantee may at its option, leave and abandon the pipeline or pipelines including accessories and appurtenances in place.*

**5. DAMAGES**

*The Grantee shall pay compensation for any and all damage where such damage occurs as a result of the operations of the Grantee, its servants, agents or contractors.*

**6. LIABILITY**

*The Grantee covenants and agrees to indemnify and save harmless the Grantor from any and all liabilities, damages, costs, claims, suits or actions caused by or resulting from the construction, operation, maintenance or repairs of the said pipeline or pipelines or any related fixtures and appurtenances affixed to the right-of-way other than through wilful damage or gross negligence by the Grantor.*

**7. TOPSOIL**

*Insofar as it may be practicable to do so, the Grantee shall, unless otherwise requested by the Grantor, strip, prior to construction such width of topsoil as may be required under good oil field practices and in compliance with existing regulations and replace the topsoil as near as possible to its original condition following construction.*

**8. TAXES**

*The Grantee shall pay all rates and taxes that may be assessed and levied from time to time against its interest in the Said Lands and installation or in connection with its operations thereon. The Grantor or any person to whom the Grantor assigns any right to receive any payments hereunder (whether by Direction to Pay or otherwise) shall be and shall remain liable for all income taxes assessed against either of them in respect of such payment, without recourse to the Grantee.*

**9. DISCONTINUANCE AND ABANDONMENT**

*Upon the discontinuance of the use of the said right-of way and of the exercise of the right(s) hereby granted, the Grantee shall, in accordance with the applicable regulations restore the Said Lands to the same condition, so far as may be practicable to do so, as the Said Lands were prior to the entry thereon and the use thereof by the Grantee. PROVIDED HOWEVER, the Grantee may, at its option, leave and abandon the said pipeline or pipelines in place. The Grantee agrees to withdraw and discharge any encumbrance registered in the Land Titles Office pertaining to this Agreement upon abandonment of the pipeline or pipelines.*

**10. DISCHARGE OF ENCUMBRANCES**

*The Grantee may, where reasonably required to protect its interests under this Agreement, pay or discharge all or any balance owing under any agreement for sale or mortgage, or of any tax, charge, lien or encumbrance of any kind or nature whatsoever which may now or hereafter exist on or against or in any way affect the Said Lands, in which event the Grantee shall be subrogated to the rights of the holder or holders thereof, and may in addition thereto, at its option, reimburse itself by applying on account the repayment of the amount so paid by it.*

**11. DISPUTE RESOLUTION**

*In the event of any dispute or claim arising between the parties, the parties shall refer the matter to the appropriate governing body to be determined in accordance with the provisions of the relevant legislation then in force in the Province of Alberta. If the provisions of the relevant legislation do not permit resolution of the matter in issue, or the appropriate governing body refuses to hear the matter, the matter in issue shall be referred to dispute resolution before a single arbitrator agreed upon by the Grantor and the Grantee, and if they cannot agree, then the issue shall be referred to three (3)*

*disinterested arbitrators, one (1) to be appointed by the Grantor, one (1) by the Grantee and the third by the two (2) arbitrators so appointed and the decision of the single arbitrator or any two (2) of the three (3) arbitrators, as the case may be, shall be final and conclusive; PROVIDED THAT in all other aspects the provision of the dispute resolution legislation then in force in the Province of Alberta shall apply to each submission. In any event, the responsibility for the dispute resolution costs shall be determined by the appointed arbitrators.*

## **12. DEFAULT**

*a. Notwithstanding anything herein contained to the contrary, the Grantee shall not be in default in the performance of any of its covenants or obligations under this Agreement, unless and until the Grantor has notified the Grantee in writing of such default and the Grantee has failed, within thirty (30) days of the receipt of such notice, to commence action to remedy the same. For the purpose of this clause, a letter from the Grantee outlining its proposed timeline and intent to remedy the default and its anticipated timeline for completing same shall constitute a commencement of action to remedy the said default. Thereafter the Grantee shall proceed to take all reasonable steps to remedy the default within its anticipated timeline. In the event, a mutual agreement to remedy cannot be reached the Grantor may proceed to seek dispute resolution, pursuant to Clause 11.*

## **13. FORCE MAJEURE**

*Neither party shall be considered in default in performance of its obligations under this Agreement, to the extent that the performance of such obligations or any of them is delayed by circumstances, existing or future, which are beyond the reasonable control of the pertinent Grantor or the Grantee.*

## **14. ADDITIONAL TERMS**

*Any additional terms, expressed or implied, shall be of no force or effect unless made in writing and agreed to by the Grantor and the Grantee.*

## **15. ASSIGNMENT**

*The Grantee or the Grantor may delegate, assign or convey to other persons, corporations or agents all or any of the powers, rights and interests obtained by or conferred upon the Grantee or the Grantor herein, and may enter into all agreements, contracts, and writings and do all necessary acts and things to give effect to the provisions of this clause. However, no delegation, assignment or conveyance by the Grantor or the Grantee is effective or binding upon the other party until the other party has received notice, which notice shall include the name and address of the assignee.*

## **16. QUIET ENJOYMENT**

*The Grantee while performing and observing the covenants and conditions on its part to be performed and observed, shall and may peaceably hold and enjoy the rights, liberties and easements hereby granted without hindrance, molestation or interruption on the part of the Grantor or any person claiming by, through, under or in trust for the Grantor for so long thereafter as The Grantee, his successors and assigns continues to use the right-of-way for the purposes herein set forth.*

**17. NOTICES**

All notices to be given herein shall be in writing. All notices to be given herein may be given personally, by letter addressed to the party to whom the notice is to be given, sent by facsimile or e-mail provided the Grantor has facilities to receive the notice. Any such notice shall be deemed to be given to, and received by, the addressee the same day if given personally, ten (10) days after the mailing thereof, if mailed postage prepaid and within three days if sent electronically.

Unless changed by written notice, the addresses of the parties hereto shall be:

The Grantee:

a) FOR MAIL:

b) FOR DELIVERY:

Grantor:

**18. PERSONAL INFORMATION CONSENT**

By providing personal information to the Grantee, the Grantor consents to the Grantee's collection, use, retention and disclosure of that information for any and all purposes and uses as permitted or contemplated under this Agreement and as needed in regulatory proceedings or to comply with any legal requirements.

**19. NON-RESIDENT STATUS**

Each Grantor represents that he or she is not a non-resident of Canada within the meaning of the Income Tax Act (Canada), and that if the Grantor's status for income tax purposes changes, the Grantor will promptly notify the Grantee in writing. Subsequent to such notification, any payment made by or on behalf of the Grantee to the Grantor under this Lease will be made net of any deduction or withholding as required by the Income Tax Act (Canada) or any other applicable law.

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

**SIGNED**

by the above named Grantor in the presence of:

GRANTOR

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Per:

\_\_\_\_\_  
Witness:

\_\_\_\_\_  
Per:

GRANTEE

Per:

**DOWER CONSENT OF SPOUSE**

I, \_\_\_\_\_ being married to \_\_\_\_\_  
(Grantor) do hereby give my consent to the disposition of our homestead, made in this instrument, and I have executed this document for the purpose of giving up my life estate and other dower rights in the said property given to me by the Dower Act, to the extent necessary to give effect to the said disposition.

\_\_\_\_\_  
Spouse of Grantor

**CERTIFICATE OF ACKNOWLEDGMENT BY SPOUSE**

1. This document was acknowledged before me by \_\_\_\_\_  
apart from her husband (or his wife).
2. \_\_\_\_\_ acknowledged to me that she (or he):
  - a. is aware of the nature of the disposition.
  - b. is aware that the Dower Act, gives her (or him) a life estate in the homestead and the right to prevent disposition of the homestead by withholding consent.
  - c. consents to the disposition for the purpose of giving up the life estate and other dower rights in the homestead given to her (or him) by the Dower Act, to the extent necessary to give effect to the said disposition.
  - d. is executing the document freely and voluntarily without any compulsion on the part of her husband (or his wife).

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ A.D. \_\_\_\_\_.

\_\_\_\_\_  
A Commissioner for Oaths in and for the Province of Alberta

CANADA  
PROVINCE OF ALBERTA                      **DOWER AFFIDAVIT**  
TO WIT:

I, \_\_\_\_\_ of \_\_\_\_\_, in the Province of Alberta, make oath and say:

1. That I am the Grantor named in the within instrument.
2. That I am not married

OR

That neither myself nor my spouse have resided on the within mentioned land at any time since our marriage.

SWORN before me at \_\_\_\_\_ )  
 in the \_\_\_\_\_ of \_\_\_\_\_, )  
 this \_\_\_\_\_ day of \_\_\_\_\_ A.D. \_\_\_\_\_ ) \_\_\_\_\_  
 \_\_\_\_\_ )  
 A Commissioner for Oaths in and for the Province of Alberta

**AFFIDAVIT OF EXECUTION**

CANADA  
 PROVINCE OF ALBERTA  
 TO WIT:

I, \_\_\_\_\_ of \_\_\_\_\_, in the  
 Province of Alberta, \_\_\_\_\_, make oath and say:  
 (Occupation)

1. That I was personally present and did see \_\_\_\_\_ named in the within instrument, who is (are) personally known to me to be the person(s) named therein, execute the same for the purposes named therein.
2. That the same was executed at \_\_\_\_\_, in the Province of Alberta, and that I am the subscribing witness thereto.
3. That I know the said \_\_\_\_\_ and he (or she) is, (or they each are) in my belief, of the full age of eighteen years.

SWORN before me at \_\_\_\_\_ )  
 in the \_\_\_\_\_ of \_\_\_\_\_, )  
 this \_\_\_\_\_ day of \_\_\_\_\_ A.D. \_\_\_\_\_ ) \_\_\_\_\_  
 \_\_\_\_\_ )  
 A Commissioner for Oaths in and for the Province of Alberta

**CONSENT BY OTHER INTERESTED PARTY**

I, (WE) \_\_\_\_\_, of \_\_\_\_\_,  
 having an interest in and to the Said Lands as \_\_\_\_\_  
 (describe the interest, i.e.: occupant, vendor, purchaser, mortgagee)

by virtue of:

- a. an Agreement or Instrument dated the day of A.D. .
- b. a verbal agreement with the Grantor.

DO HEREBY AGREE that all my (our) rights, interests and estate which are, or may be, affected by the Agreement shall be fully bound by all the terms and conditions thereof both now and henceforth.

DATED at \_\_\_\_\_, in the Province of \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. \_\_\_\_\_.

\_\_\_\_\_  
Witness

**AFFIDAVIT OF EXECUTION**

CANADA  
PROVINCE OF ALBERTA  
TO WIT:

I, \_\_\_\_\_ of \_\_\_\_\_, in the Province of Alberta, \_\_\_\_\_, make oath and say:  
(Occupation)

1. That I was personally present and did see named in the within instrument, who is (are) personally known to me to be the person(s) named therein, execute the same for the purposes named therein.
2. That the same was executed at \_\_\_\_\_, in the Province of Alberta, and that I am the subscribing witness thereto.
3. That I know the said and he (or she) is, (or they each are) in my belief, of the full age of eighteen years.

SWORN before me at \_\_\_\_\_ )  
in the \_\_\_\_\_ of \_\_\_\_\_, )  
this \_\_\_\_\_ day of \_\_\_\_\_ A.D. \_\_\_\_\_ ) \_\_\_\_\_

\_\_\_\_\_  
A Commissioner for Oaths in and for the Province of Alberta

## Glossary

Abandonment – Permanent deactivation of a pipeline in a manner that leaves it safe for the public and the environment.

Aboveground Structures – Any surface equipment associated with a pipeline, such as pipeline risers, headers (aboveground portions of a pipeline), valve stations, pigging equipment, maintenance equipment to clean and inspect the pipeline, separators, metering shacks, line heaters, tanks, secondary containment, or processing plants. The landowner will be compensated separately for any aboveground surface equipment.

Cathodic Protection - A technique used to control the corrosion of the pipeline.

Compressor Station – Used to maintain pressure of natural gas to ensure it keeps moving through a pipeline.

Confirmation of Non Objection – A signature on this form confirming that you have no outstanding objections will be sought by the company for its licence application to the AER.

Consultation – Informing affected parties of a proposed application in-person or by phone.

Discontinuation – Temporary deactivation of the pipeline or part of a pipeline in a manner that leaves it safe for possible future use. This typically includes cleaning out the pipeline and applying a corrosion inhibitor to preserve it for future use.

Egress – The ability to leave or exit.

Emergency Response Planning (ERP) – A plan that outlines what steps the operator will take in the event of an emergency.

Emergency Response Zone (EPZ) – This is the radius around a pipeline where people and the environment could be negatively affected in event of a worst-case scenario incident.

Ground Disturbance – Any work, operation, or activity that results in the disturbance of the earth, including, without limitation, excavating, digging, trenching, plowing, drilling, tunneling, augering, backfilling, blasting, topsoil stripping, land levelling, peat removing, quarrying, clearing and grading, but does not include... a disturbance of the earth to a depth of less than 30 centimetres that does not result in a reduction of the earth cover over the pipeline to a depth that is less than the over provided when the pipeline was installed, [and] cultivation to a depth of less than 45 centimetres below the surface of the ground. (Pipeline Rules)

Integrity Digs – Occur when an operator excavates a portion of a pipeline to examine its integrity or repair an issue.

Line Heaters – Line heaters are often used on gas pipelines to prevent hydrate formation during pressure reduction.

Metering Stations – Allow the company to monitor and analyze the quality and quantity of natural gas in a pipeline.

Notification – Written communication to inform the parties of the proposed application

Release Volume – The amount of hydrogen sulphide (H<sub>2</sub>S) that could be released in the event of an incident

Setbacks – The minimum distance that infrastructure must be from a pipeline. In Alberta, this distance is determined by the amount of hydrogen sulphide (H<sub>2</sub>S) in the pipeline.

Pigging Equipment - A device with scraper blades or wire brushes that cleans the interior of a pipeline. Pigs that collect information about the pipeline are called “smart pigs.”

Pipeline Leak – Occurs when a substance has escaped the pipeline, but the operation of the pipeline is not immediately impaired.

Pipeline Break – Occurs when a substance has escaped the pipeline and the operation of the pipeline is immediately impaired.

Processing Plants – Used to separate, remove, or transform the various components of oil and gas into products that are ready for sale.

Provincial Pipeline – An oil or gas pipeline that operates within Alberta and is regulated by the Alberta Energy Regulator (AER).

Release Volume – Refers to the amount of H<sub>2</sub>S that could be released from a pipeline in the event of an incident.

Reclamation – the process of bringing the land back to “equivalent land capability,” where it can support various land uses after conservation and reclamation similar to what existed prior to an activity being conducted on the land

Remediation – The process to address contamination to soil, groundwater, or the environment caused by energy activities.

Resumption – Resuming operations on a previously discontinued pipeline or pipeline that has not been in active flowing service within the last 12 months.

Right of Entry – In the event that a right-of-way agreement cannot be obtained with the landowner, the company can obtain a right-of-entry order from the Surface Rights Board (SRB) under the Surface Rights Act that enables them to construct and operate a pipeline on private land without the landowner’s consent.

Right-of-Way – An agreement for a specific portion of land negotiated between a landowner and a company to provide the company with the right to construct and operate a pipeline on private land.

Secondary Containment – Well site design attributes used to prevent damage to the environment from spills and leaks.

Separators – An unfired apparatus used for separating the gaseous and liquid components gleaned from the well.

Smart Pig – This is a device that cleans the pipeline but also collects data about the pipeline's condition

Temporary Work Space (TWS) – Land immediately adjacent to the right-of-way that may be used during construction, repairs, incidents, or integrity digs. This agreement is typically negotiated separately from the right-of-way agreement. TWS may also be referred to as a "staging area."

Valve Stations – Junctions that allow the operator to isolate any segment of a pipeline in the event of an incident or for ongoing maintenance.



**farmers'**  
**advocate**  
**office**

[farmers.advocate@gov.ab.ca](mailto:farmers.advocate@gov.ab.ca)  
[www.farmersadvocate.gov.ab.ca](http://www.farmersadvocate.gov.ab.ca)  
310-FARM (3276)