

# Note: Copies of the annual report are available on the Alberta Open Government Portal website at www.alberta.ca $\underline{https://open.alberta.ca/publications/aboriginal-consultation-office-annual-report}$ Aboriginal Consultation Office Annual Report 2020-21 | Indigenous Relations

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# Message from the Honourable Rick Wilson

Minister of Indigenous Relations



Honourable Rick Wilson Minister of Indigenous Relations

Alberta owes its prosperity to the responsible development of our natural resources.

Our government understands that this prosperity, and the economic development that drives it, must benefit the Indigenous people who first called this land home.

The Aboriginal Consultation Office (ACO) has been working with Indigenous communities and industry representatives to

make sure adequate consultation takes place when projects may have an adverse impact on First Nations' Treaty rights, traditional uses and/or Métis harvesting or traditional use activities.

Now, for the first time, the ACO is releasing an annual report that provides detailed information on applications and the steps taken to ensure transparency, efficiency, and consistency.

This past year was challenging. When the pandemic hit, ACO took quick action to introduce consultation pauses and timeline extensions, knowing COVID-19 would have an impact on Indigenous communities' ability to consult. Consultation pauses helped ensure Indigenous communities had the time they needed to focus on their initial COVID-19 response. The ACO's approach helped protect public health while continuing to advance Alberta's economic recovery.

As you will see, Alberta's natural resources industry is very much alive. Despite challenges, during the 2020-21 fiscal year, the ACO reviewed 6,458¹ land and natural resource development applications, resulting in 10,267 activities on Crown land in Alberta. Throughout the year, the ACO's application review turnaround times improved and target timelines of between four and 10 working days were consistently met.

A big focus at the ACO has been to reduce red tape. Engaging with Indigenous communities, industry and government, the ACO is cutting away the red tape that's holding us back, aiming for less paperwork, and more discussions that bring wisdom and context to decision-making. To that end, the ACO released the Government of Alberta's Proponent Guide to First Nations and Metis Settlements Consultation Procedures. ACO also developed a training program to improve outcomes for industry and Indigenous communities through education. Work is currently underway to develop an Indigenous consultation guide.

This year, ACO also made huge strides modernizing Alberta's Indigenous consultation process by piloting the ACO Digital Service. The digital system simplifies consultation steps and timelines for all involved in consultation, helping keep the focus where it should be: consultation, not paperwork. By reducing administration, the new service helps speed up approvals, so more projects can move into development more quickly.

I'm proud of the way the ACO has met performance targets and engaged with government, Indigenous groups and industry to build a consultation process that reduces confusion and responds to needs. I'm certain that we would not have gotten this far without strong Indigenous leadership, for which I am grateful. Meaningful consultation means closer partnerships, where industry prosperity means community prosperity, and where respectful collaboration is carried out. This means getting more people working, so they can support their families and take care of their communities.

Plenty of hard work awaits us and there is reason for optimism about the future of Indigenous consultation in Alberta.

#### **Rick Wilson**

Minister of Indigenous Relations July 2021

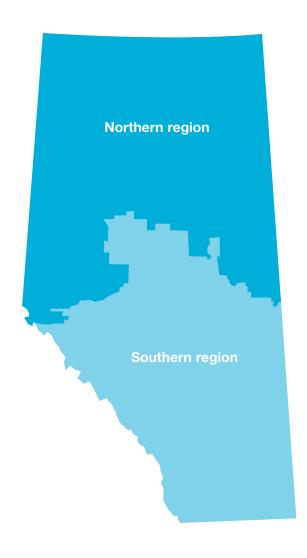
<sup>&</sup>lt;sup>1</sup> 5,625 Pre-Consultation Assessments and 833 Adequacy Assessment

## **Consultation in Alberta**

Alberta's management and development of provincial Crown lands and natural resources is subject to its legal and constitutional duty to consult First Nations and, where appropriate, accommodate their interests when Crown decisions may adversely impact their continued exercise of constitutionally protected Treaty rights and traditional uses.

Alberta also consults with Metis Settlements on potential adverse impacts of Crown decisions on Metis Settlement members' harvesting and traditional use activities, as well as with credibly asserted Métis communities.





# **Aboriginal Consultation Office**

#### Who we are

The ACO provides consultation management services to government departments that have statutory and regulatory responsibilities related to the management of Crown land and natural resources. The office is tasked with upholding the honour of the Crown by ensuring that First Nations, Metis Settlements and credibly asserted Métis communities are engaged in respectful consultation and have the opportunity to have their input considered on land management and natural resource development activities that may impact their Treaty rights, traditional uses on Alberta public lands, or both. ACO works to increase awareness and understanding of First Nations' Treaty rights and traditional uses, the rights of members of Metis Settlements and credibly asserted Métis communities to harvest and engage in traditional use activities, as well as the responsibilities of industry and other government ministries to act in good faith as a delegate of the Crown.

Alberta's natural resources sector accounts for between 25% and 30% of the province's nominal GDP, a value of over \$90 billion. By helping to create a stable regulatory environment that upholds the Crown's legal duty to consult, the ACO's work has a direct impact on Alberta's economy. The ACO is a key player that helps drive economic recovery while respecting the Treaty rights of First Nations, and the rights to harvest and engage in traditional use activities of members of Metis Settlements and credibly asserted Métis communities.

Alberta's natural resources sector is also one of the largest employers of Indigenous people in the province.

Figure 1
Natural Resources and Alberta's GDP



The ACO is an integral part of the regulatory process with the natural resources sector accounting for between 25% and 30% of Alberta's nominal GDP, a value greater than \$90 billion.

Source: https://economicdashboard.alberta.ca/GrossDomesticProduct#type

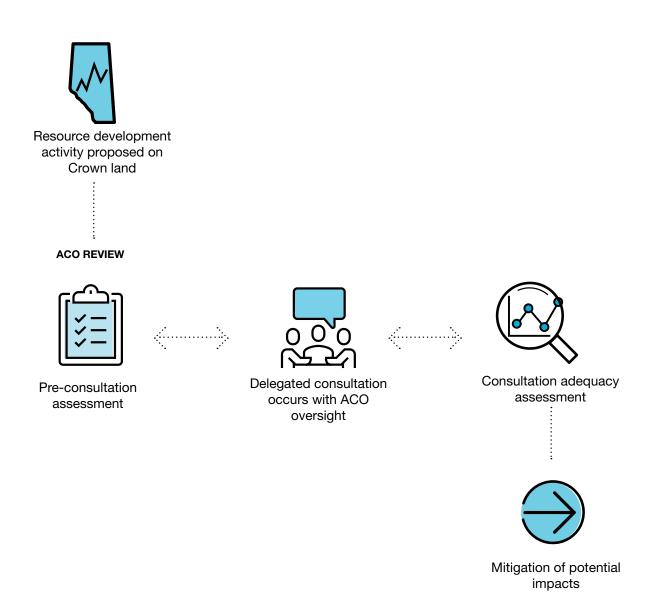
#### What we do

The ACO is responsible for the operational delivery of the Government of Alberta's Policies and Guidelines on Consultation with First Nations, Metis Settlements and Credibly Asserted Métis Communities with First Nations and Metis Settlements on Land and Natural Resource Management.

The ACO manages the consultation activities of government ministries, as well as industry proponents, First Nations, Metis Settlements, and credibly asserted Métis communities. By providing an efficient, coordinated and consistent consultation process, the ACO helps create certainty in the natural resource development sector. Building positive relationships and increasing awareness of First Nations Treaty rights and traditional uses, as well as Metis Settlement and Credibly Asserted Métis Community members' harvesting and traditional use activities, the ACO helps ensure government and industry are aware of their responsibilities to act in good faith as a delegate of the Crown.

The ACO plays a critical role in Alberta's regulatory process for resource development by ensuring that activities proposed on Crown lands are assessed for Indigenous consultation requirements.

Figure 2
ACO Process within the regulatory framework



#### Roles and responsibilities

Working closely with the Alberta Energy Regulator, government ministries, participating Indigenous communities, and industry proponents, the ACO plays a critical role in supporting Alberta's economy. Every proposal to develop natural resources on Crown lands in Alberta is first assessed by ACO for any required consultation with First Nations, Metis Settlements or credibly asserted Métis communities. This includes all proposals that involve the development of gas, oil sands, and coal, as well as electricity generation and transmission, and forestry and agriculture projects. From the Alberta Energy Regular and government ministries to Indigenous communities and industry proponents, each group has distinct roles and responsibilities in Alberta's consultation process.

- Ministries: Ministries involved with Crown land and natural resources management in Alberta, under specific statutes and regulations, are responsible for ensuring that First Nations, Metis Settlements, and credibly asserted Métis communities are consulted, if there is potential for adverse impacts on the exercise of Treaty rights, traditional uses or harvesting or traditional use activities.
- Industry proponents: Government may delegate
  procedural aspects of consultation to project proponents.
  Aspects of consultation that can be delegated to
  proponents include notifying and engaging with relevant
  Indigenous communities to discuss project-specific
  issues and possible mitigation measures. In fulfilling the
  delegated aspects of consultation, project proponents
  need to comply with the Government of Alberta's
  Consultation Policies and Guidelines.
- Indigenous communities: When a proponent or the Crown is required to notify Indigenous communities of a proposed land and natural resource management decision or activity, the Indigenous community has the opportunity to state whether their exercise of Treaty rights, traditional uses or harvesting or traditional use activities may be adversely impacted. During consultation, Indigenous communities work with the government and project proponents to develop strategies to avoid, minimize, or mitigate impacts on Treaty rights, traditional uses or harvesting or traditional use activities.

- Alberta Energy Regulator: The Alberta Energy Regulator is the single regulator of energy development in Alberta; from application and exploration, to construction and development, to abandonment, reclamation, and remediation. The Alberta Energy Regulator has regulatory responsibility for the entire life cycle of upstream energy resource development in the province. This includes allocating and conserving water resources, managing public lands, and protecting the environment while providing economic benefits for all Albertans.
- The ACO works with Indigenous communities, other government agencies and industry to build respectful relationships, increase understanding of the Policy and Guidelines, facilitate dialogue and manage emerging issues. The ACO manages the consultation process and determines the adequacy of consultation activities under the jurisdiction of the Alberta Energy Regulator while also overseeing the consultation process of other government ministries, such as Environment and Parks, Transportation, Municipal Affairs, and Agriculture and Forestry. This includes all proposed timber harvesting, livestock grazing, public surface land sales, and flood recovery activities.

To support the different groups involved in Alberta's consultation process, ACO staff act not only as gatekeepers and regulators, but also as coaches, teachers and mediators. They carry out specialized work that requires a varied and advanced skill set. Members of the ACO team have backgrounds in Native studies, biology, archaeology, wildlife conservation, public and private administration, environmental science and management, agrology, forestry, engineering, economics, political science, teaching, research, business management, as well as many other diverse disciplines.

## Highlights from 2020-21

During the 2020-2021 fiscal year, the ACO reviewed 6,458 land and natural resource development applications, which led to 10,267 activities on Crown land in Alberta. Over the course of the year, the ACO's turnaround times for reviewing applications improved. Target timelines—between four and 10 working days—were consistently met.

Figure 3
Applications and activities



During the 2020-2021 FY, the ACO reviewed 6,458 land and natural resource development applications resulting in 10,267 activities on Crown land in Alberta.

Figure 5 'More information' requests



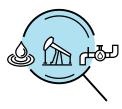
During FY 2020-21, the ACO returned 27% of total applications for more information.

Figure 4
ACO application review timelines



Throughout the year, the ACO improved application review turnaround times and remained within mandated target timelines.

Figure 6
Selected approvals by sector



The ACO processed applications for more than 900 activities related to pipelines, more than 800 activities related to oil and gas well sites, and more than 500 activities related to water.

The ACO designated 12 consultation applications as 'Level 3 - extensive consultation' in the 2020-21 fiscal year. Extensive consultation takes place on projects with a higher potential to affect First Nations' Treaty rights and traditional uses, Metis Settlements or credibly asserted Métis community members' harvesting and traditional land use activities. These projects typically have longer consultation timelines and are larger in scope. Generally, these projects will have extensive environmental impacts, involve approvals from multiple regulatory bodies, and require greater coordination and oversight by ACO staff.

To maintain a high level of service delivery in a more efficient internal structure, the ACO adopted a new regional model this year, moving from three regions (North East, North West, and South) to two regions (Northern and Southern). The ACO's Process Enhancement, Regulatory Efficiency, and Strategic Relations (PERE & SR) remained a distinct unit. This ACO unit is responsible for overall process improvement, red tape reduction, training and outreach, as well as strategic relationship building with Indigenous communities, industry, the Alberta Energy Regulator, and other government ministries.

This new model allows ACO front-line staff to work from where they can best meet caseload needs. Figure 7, in the Appendix on page 14, illustrates the new regional boundaries and lists the number of activities processed in each region for fiscal year 2020-21.

The ACO serves a large number of industry proponents, with 444 different proponents submitting "Pre-Consultation Assessment" requests in fiscal year 2020-21. A number of these proponents submit a high volume of applications, with 16 proponents exceeding 150 activities this year. Figure 8, in the Appendix on page 15, details the number of activities submitted by high-volume proponents, as well as the level of consultation required by these applications.



#### ACO's business continuity

Fiscal year 2020-2021 was unprecedented. All the players in Alberta's natural resources sector—Indigenous communities, industry proponents and government staff—faced challenges due to the COVID-19 pandemic. Many Indigenous communities declared States of local emergency and implemented health protocols to protect their members. Project proponents and government had to adapt and shift to working remotely.

When the pandemic first hit, the ACO introduced consultation pauses and timeline extensions, knowing COVID-19 would have an impact on Indigenous communities' ability to consult. Consultation pauses helped ensure Indigenous communities had the time and resources they needed to prioritize the health and safety of their members. Consultation pauses became timeline extensions to accommodate measures put in place by Indigenous communities to help protect their members' health as the pandemic continued through the year.

About 50 per cent of all Indigenous communities received consultation pauses during the first two months of the pandemic, with 30 per cent subsequently transitioning to timeline extensions. This number stayed relatively constant through the year. The timeline extension strategy increased consultation timelines by five to 10 days (i.e. an increase of 33 per cent to 100 per cent) depending on the level of consultation. ACO staff were regularly in touch with each Indigenous community to discuss its unique situation and readiness to carry out consultation work. This flexible and targeted approach helped keep Alberta's natural resource sector, and the critical role it plays in the province's economy, on track and moving forward through the COVID-19 pandemic.

During these periods, the ACO remained well within target timelines when reviewing files for pre-consultation assessment and consultation adequacy.

# Building capacity and continuous improvements

The ACO is committed to continuous improvement and excellence in managing the consultation process.

#### A revised proponent guide

A significant achievement of the ACO this year was the implementation of a revised *Government of Alberta Proponent Guide to First Nations and Metis Settlements Consultation Procedures, 2019.* The revised proponent guide provides industry proponents with clear and relevant information about the consultation process and their role within it, as well as guidance on how to conduct meaningful consultation. The proponent guide clarifies existing steps and requirements, reduces administrative requirements, removes unnecessary information, and includes consultation tips and best practices.

In addition, a training and outreach program helped nearly 1,000 consultation professionals get familiar with the updated proponent guide. Outreach like this helps the ACO share information and receive important feedback about their work and how to improve the consultation process going forward. Following the release of the proponent guide and the subsequent training sessions, ACO has seen a marked increase in the quality of applications with fewer files being returned to proponents.

#### A streamlined process

Over the last year, the ACO has worked to improve consistency and efficiency in the consultation process. This is part of ACO's commitment to continually improve and reduce red tape. By collecting detailed information, including the number of applications submitted from each ACO region, the type of activity and resource sector involved, as well as the specific Indigenous communities involved in consultation, the ACO gains a better understanding of relevant trends, pressure points and risks that could affect the consultation process. Better information supports informed decision-making that-ultimately-increases the effectiveness and efficiency of Alberta's consultation process. By monitoring where an increased volume in applications can create workload pressures, ACO is able to move staff to support high-volume areas while maintaining target application processing timelines. The ACO continues to work with the Alberta Energy Regulator and other government departments to further explore opportunities to streamline the consultation process.

# **Future opportunities**

#### A new digital tool for consultation

The ACO is always looking for ways to improve Alberta's consultation process. To that end, the ACO is building a new online tool: the ACO Digital Service.

The digital service is a partnership between the Aboriginal Consultation Office and government's Digital Innovation Office aimed at making consultation more efficient, effective, transparent and user-friendly. This past year, the project team worked with consultation staff from First Nations, industry proponents, and government ministries and agencies to produce a beta release of the new system. Currently available online at <a href="https://aco.alberta.ca/home">https://aco.alberta.ca/home</a>, the beta version is helping reduce the administrative burden by providing a simple and convenient dashboard view of participants' regulatory consultation projects. The beta version is now

piloting the submission of new consultation applications through the digital system itself. The ACO Digital Service is the first government tool to provide Indigenous communities with access to their consultation files, significantly improving transparency.

By March 2022, the ACO anticipates greater access to the ACO Digital Service will help increase users' overall efficiency in performing consultation tasks. The goal is to reduce the number of applications sent back to industry proponents due to administrative errors, improve overall regulatory timelines by days or weeks, enhance investor confidence in Alberta's regulatory system, and reduce the administrative burden on Indigenous communities while improving their capacity to participate in Alberta's consultation process. With participants' input and feedback, the ACO continues



to improve the ACO Digital Service, and is actively recruiting new users on an ongoing basis with further releases and functionality planned for 2022 and beyond.

#### First Nations and Métis guide

The ACO is developing a consultation guide for First Nations, Metis Settlements, and credibly asserted Métis communities. The purpose of this guide is to provide information on Alberta's consultation and regulatory processes that is specific to the needs of Indigenous communities. The guide will clarify roles and responsibilities and improve transparency. Better and more specific information will help ensure Indigenous communities are well positioned when consultation is required. This will help enhance the capacity of Indigenous communities to participate effectively and efficiently in the consultation process, improve relationships, and build trust.

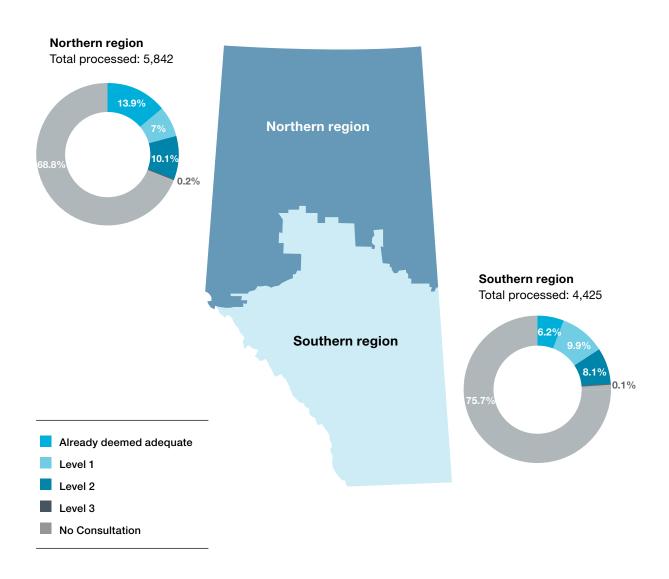




# **Appendix**

#### Figure 7: Regional breakdown of activities processed

**Note:** For 'no consultation outcomes,' the ACO reviewed those applications and determined that consultation was not required and proponents could proceed with their regulatory application. For example, activities that are short term, small in size and have no or extremely limited environmental impacts, such as with certain temporary field authorizations or where there is no new surface disturbance beyond the normal course of operations, do not require consultation.



#### Figure 8: Activities submitted by high-volume proponents

During the 2020-21 FY, the ACO reviewed 6,458 land and natural resource development applications resulting in 10,267 activities on Crown land in Alberta. A total of 444 proponents submitted pre-consultation assessment requests. Sixteen proponents submitted more than 150 activities each.

