

AGLA as an organization represents the interests of Crown land grazing disposition holders to government, bureaucrats and stakeholders. The work we do is so critical because the importance and value of the leaseholder to the continued stewardship and management of Crown lands is way too often diminished and dismissed. Policy and decision makers need constant reminding or our value will be forgotten.

What we ask of you is actually not that much.

- 1) Support us by sending in your membership fee. \$50 per year is the best deal around for advocacy. Your membership fee pays for administration and expenses necessary for AGLA to be successful. We run as tight a budget as humanly possible but funds are still required.
- 2) Once a year attend a meeting. We have been holding regional meetings in addition to our annual meetings—so take your pick for what one works for you. This is our chance to check in with each other. You can find out the biggest issues we are currently advocating on and we can find out what your burning issues are. These should line up and these meetings are a way of self-evaluating that we as your organization are working on what we are supposed to be.



AGLA UPCOMING MEETINGS

JANUARY 28, 2020 2:00 PM

Pomeroy Hotel, Vermilion, AB

FEBRUARY 26, 2020 1:00 PM

AGLA ANNUAL GENERAL MEETING

Coast Hotel and Conference Centre,
Lethbridge. AB

JOIN US!



CHAIRMAN'S REPORT

2019 proved to be a busy year for our association. With the election of a new provincial government, we were able to make great strides in building and strengthening our relationship. We submitted our policy brief to government that included eight recommendations we hoped to see implemented. Of those eight, I'm proud to report that we were able to place checkmarks on most in the first six months. The major changes we saw started with the announcement of the tenure for stewardship program in July. This was followed by Bill 16, Public Lands Modernization (Grazing Leases and Obsolete Provisions) Amendment Act. We, along with other groups from the grazing industry, have been pursuing this for the last number of years. The year was capped off by a plan that has been put in place to work towards reducing the delays on lease transfers and renewals.

Seeing these changes happen so quickly does not mean our board will be getting comfortable. Our dedicated group of directors and executive continue to have discussions to ensure that we continue to see positive change for the leaseholders of this province. There is still a lot of work to be done. Issues around land designations, environmental challenges, wildlife management and surface rights continue to present themselves and will no doubt be hot topics in the coming months. Surface rights, the number of orphan wells and the associated clean up are some of the issues we are watching closely and making sure we are staying on top of. With the state of the industry in our province, we are concerned about the burden and liability of these sites and the effect it has on the management of our operations. Ensuring that our bundle of rights provided to us through our lease agreements are not diminished is a large task, but something our group is working diligently to uphold.

One of the key discussions we have up and coming is recreational access. We have been working with staff from Alberta Environment and Parks, as well as representatives from other grazing industry groups and stakeholders such as Alberta Fish and Game. It is our hope that through these meetings we can build bridges and find solutions to solving our recreational access woes. This year in some areas there has been a record number of complaints from leaseholders about the conduct of recreational users. This is a troubling pattern whereby leaseholders and the lands we care for are being treated to a disturbing amount of disrespect that far too often leads to conflict. Those who feel entitled and often are not interested in following access conditions are only serving to sour the relationship. Our association continues to make finding a way of reducing the level of conflict while retaining our rights a top priority. We as leaseholders require assistance through the form of support from government, more funding for enforcement and penalties that are stiff enough to deter those who fail to abide by the conditions.

Over the last year, the board has continued with our effort to expand our reach and membership throughout the province. We held a very successful meeting this November in Teepee Creek with support from our friends at Northern Alberta Grazing Association. This meeting was well attended and brought about some great discussion around the state of our grazing lease system and the challenges faced by producers in that area. During the trip to northern Alberta we were excited to welcome three new directors to our board. Bill Smith and Larry Gaultier will join Kevin Meneice in representing Zone D. Nick Villiger was acclaimed as a director-at-large. They are a welcome addition and will add a great deal of insight to our board.

Continued...



AGLA Chairman Kyle Forbes

Your AGLA Board

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*Indicates term expires in 2020

Coming up in January we have a leaseholder information meeting in Vermilion on the 28th. We hope for another great turnout at this event and a chance to bring people up to speed on some of the things our association is currently working on. Having these meetings around the province has been an excellent chance for us to, not only get our message out to leaseholders, but also a venue for producers to voice their concerns so we can carry those forward.

On behalf of myself and the rest of the board of directors, I would like to thank you for your continued support over the past year and we hope to see you all at our AGM February 26th in Lethbridge.

Respectfully submitted,
Kyle Forbes, AGLA Chairman

How to get 20 year tenure on your lease

This summer the government announced extended tenure for stewardship for grazing leases in Alberta. This will reward leaseholders who have demonstrated exemplary stewardship by going above and beyond the government's operating standards.

The determination criteria is based on three main components of a standard lease renewal audit. The three categories of criteria are Administrative Audit, Environmental Audit and Stewardship Assessment. Tenure for stewardship will be awarded when the lease management meets an acceptable rating for each of the criteria outlined in the administrative and environmental audits and the leaseholder meets the stewardship review rating requirements.

The assessment for extended tenure is automatically applied when your agrologist does your regular renewal inspection. Leaseholders don't have to apply specially

for this. Standard grazing leases are eligible for 20 year terms, heritage rangelands are eligible for 30 years and forest grazing permits are eligible for 10 years.

Leases eligible for renewal but not meeting the tenure for stewardship criteria will receive the regular term of 10 years.

If your lease is currently held up in the lease renewal backlog, it has not been reviewed for extended tenure for stewardship so will not be eligible. However, in recognition of this problem, all leases currently in this overholding tenancy situation will be awarded the regular 10 year term from the date of renewal. So if you have been waiting for your renewal for three years, you will get a term that is effectively 13 years.

For more information contact your local AEP rangeland agrologist or the AGLA office.

BILL 16: Public Lands Modernization (Grazing Leases and Obsolete Provisions) Amendment Act

The legislation now known as the Public Lands Modernization (Grazing Leases and Obsolete Provisions) Amendment Act was tabled in the legislature on October 15. This day marked the culmination of work that started in 2014 with a working group comprised of all industry organizations with a stakeholder interest in grazing leases. Bill 16 received royal assent on October 30 and came into force January 1, 2020.



PERPETUATING TRUTH: Addressing myths on surface rights compensation

► Compensation is not revenue.

One point that is often misrepresented is that leaseholders do not receive surface access fees. This implies leaseholders are charging companies for access to the land. This is not accurate. Nor is the payment considered revenue. Leaseholders are being compensated for the infringement on property rights and damages and impacts including loss of use, damages, inconvenience and adverse effect – all of which affect the leaseholder's management significantly. The leaseholder is being asked to bear the impacts of industrial installations for the greater good.

The compensation is to put the grazing leaseholder affected by energy operations in a financial position as close as possible to the position they were in prior to entry by the operator. The *Surface Rights Act* and numerous court rulings require compensation to be paid to the parties directly affected. It is not justified, fair or logical to take the compensation from the people who suffer the harm and redirect that compensation to a party that does not suffer harm.

► Compensation helps minimize impacts.

Payments serve an important allocative function by requiring energy operators to internalize the external effect of their activities. The prospect of paying statutory compensation encourages operators to take measures to mitigate the impact of energy development.

► The process of determining compensation is transparent.

Energy companies generally make offers to landowners or leaseholders based on the compensation as set out in Section 25 of the *Surface Rights Act*. If parties fail to reach an agree-

ment, the Surface Rights Board (SRB) holds a public hearing to determine compensation payable under the *Surface Rights Act*. The decisions are published in detail. The evidence in these cases is available to the public. The SRB's decisions are reviewable by the Alberta Court of Queen's Bench, which is also a public process. This is obviously a completely transparent and clear legal process.

► Grazing leaseholders make significant investments.

It is important to discuss the responsibility of leaseholders as a land steward and consider the significant infrastructure investment by AGLA members. Leaseholders supply the grazing animal as well as the infrastructure, management and labour to accomplish managed grazing. They must also fence the lease, develop water sources and provide other livestock handling infrastructure. These infrastructure assets are often and repeatedly impacted by other oil and gas development requiring they be repaired, dismantled or rebuilt.

Often in this discussion, the compensation side is the focus while more detailed information specific to the operational impacts, infrastructure costs and stewardship role of leaseholder are not considered. This leads to drawing an incomplete picture of why compensation is needed.

Another point to consider is that the money paid in compensation stays local and is part of rural revitalization. Stripping compensation from those receiving it represents a significant transfer of wealth to urban centres from the rural communities.

CALL FOR RESOLUTIONS

Do you have an issue AGLA should be working on? Submit it in the form of a resolution.

Send in your resolution to albertagrazinglease@gmail.com
or 587-435-4072 or contact the director for your area before February 20, 2020

Your resolution committee will present to the membership at the AGM on February 26, 2020