



Dear Fellow Landowner:

I am writing to you today about your MP, Leon Benoit, and the way he is representing you in Ottawa. As a non-profit landowner organization, CAEPLA has never before written a letter like this one.

Yet after our encounters with your MP, Leon Benoit, and learning of his utter refusal to address issues of vital importance to landowners,

we find ourselves with few options but to write, and tell you that the man who has an obligation to represent landowners living in the Vegreville-Wainwright constituency, is instead fighting against landowner groups, while defending the government employees at Ottawa's National Energy Board (NEB) who are happily trampling landowner rights.

There are many examples I could give you about the way Ottawa's NEB tramples landowner rights. One fairly recent occurrence happened right here in Alberta. The NOVA Gas Pipeline System has been in place for 50 years. During all these years, the relationship between landowners and the pipeline company has been regulated by the provincial government.

Alberta MLAs made the rules. The rules and regulations were administered by provincial agencies. The rules were clear, well thought through, appropriately considerate of landowner rights, and could be relied upon by energy companies and landowners alike. If things weren't working out, any landowner or energy company could approach his or her MLA and tell them about it.

Then a couple years ago, the government employees who run Ottawa's NEB, determined that they, rather than the provincial government, should regulate the 24,000 km NOVA pipeline system.

After conducting a "hearing" at its own office building on the matter, the senior bureaucrats who run the government agency announced they were taking over regulatory control of Alberta's NOVA gas pipeline system. From that point on, every NOVA pipeline easement on every affected farm in the province, immediately switched from provincial regulatory control to NEB (Ottawa) regulatory control.

All the longstanding and reliable Alberta-made rules were immediately cancelled. A whole new set of NEB made rules were put in place. Unlike the Alberta rules, which were made by MLAs in consultation with all stakeholders, including landowners,



This letter was sent to every household in the Vegreville-Wainwright constituency (close to 30,000 in total). The constituency is represented by MP Leon Benoit.

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the NEB's rules were put together by federal government employees in consultation with energy company insiders and lobbyists.

Those of us at CAEPLA have made repeated attempts to find out exactly who was in the room when the NEB drafted these rules that apply to landowners. We believe the industry wrote them and then handed them to the NEB to implement. The NEB refuses to say who wrote them. To find out, we made inquiries under the Access to Information Act. In response, the NEB mailed back 300 empty sheets of paper to us. The pages were literally blank!



Unlike the fair-minded Alberta rules, the NEB's rules favour energy companies over landowners. For example, as a result of what the NEB did, Alberta landowners lost their longstanding right to recover legal fees and other related costs in the event of a dispute with the energy company. This particular loss will be important if and when new pipelines are put into the existing easement, and especially when it comes time for the existing steel pipes to be decommissioned or abandoned.

The NEB's rules impose risk and liability on landowners every time they drive "large" equipment across a NOVA pipeline easement, without first asking permission from the NEB or the pipeline company. Under the Alberta-based rules, no such liability existed, nor was it ever necessary for a farmer to ask permission before driving a big farm truck or piece of agricultural equipment across a pipeline easement.

These new rules mean as the pipelines age, if there is ever an accident, seepage, or contamination as a result of the landowner driving over a pipeline without first asking permission, the landowner is liable. (If you doubt this is true, go online and look up Section 112 of the National Energy Board Act.) There are also unanswered questions now about abandonment, because the NEB has indicated that it thinks landowners should have to accept "some" liability for pipelines, after they are abandoned.

Additionally, Alberta landowners now have legal restrictions on digging post holes and other normal farming practices within a strip of land that is 200 feet wider than the actual easement (no less than 260 feet wide in total) across the entire length of the easement. That's almost the length of a football field.



This new NEB policy means the pipeline company now maintains quasi-control over roughly ten percent of the acres on a quarter section of land, and never paid a nickel for this additional jurisdiction. To top it all off, the penalty against landowners for breaking certain rules has gone from a fine of \$5,000 under Alberta guidelines, to a maximum fine of \$1 million, and up to five years in prison.

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The changes these federal employees made also mean landowners along the NOVA easement are now ineligible to receive annual payments on any new pipelines placed into the existing easement—even though under NEB rules, they now hold annual liability and risk when they drive over pipelines!

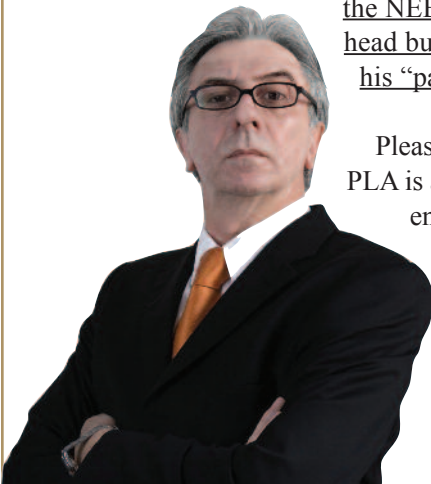


...the penalty against landowners for breaking certain rules has gone from a fine of \$5,000 under Alberta guidelines, to a maximum fine of \$1 million, and up to five years in prison.

Something else you should know is that the minute the NEB decided it should regulate the NOVA pipeline system, rather than the provincial government, it instantly expanded the number of km of pipeline it regulates by roughly 60 percent. You heard right! On the basis of their own decision, these federal government employees expanded the size of their own regulatory empire by 60 percent.

This is why at the “hearing” where these government employees decided to do all this, there was much talk about hiring more government employees at the NEB, needing a fatter budget, and recognizing that many existing employees would have to be promoted up the bureaucratic ladder.

As you think about all this, keep in mind that the NEB’s budget is pretty much covered by the companies it regulates. The government employees at the NEB set the tariffs and fees the pipeline companies can charge their customers, and then these same pipeline companies pay to run the NEB. In fact, there are only two or three pipeline companies that cover the lion’s share of the NEB’s budget, which is no doubt why the NEB’s head bureaucrat openly refers to these companies as his “partners.”



Please don’t misunderstand what I am saying. CAEPLA is a pro-development landowner organization. We encourage development. We like development. We are farmers and ranchers who burn diesel, and have natural gas to heat our homes and shops.

But ask yourself how many other federal government employees you have heard of that operate in secrecy, take control of provincially-regulated activities, strip landowners of longstanding rights, and then in doing so have the power to get themselves promoted while managing bigger budgets. Any fair-minded person has got to be able to see that this is a ridiculous situation.

Ask yourself how many other federal government bureaucracies you have heard of that operate in secrecy, take control of provincially-regulated activities, strip landowners of longstanding rights, and then in doing so have the power to get themselves promoted while managing bigger budgets.

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That's why last year, to promote fairness for landowners and ensure that elected officials in Ottawa better understand how their own government employees at the NEB treat landowners, CAEPLA met with MPs from three different parties—Liberal, NDP, and Conservative.

Unfortunately, the reception we received from your MP, Leon Benoit, is not what we would have expected. In fact, Mr. Benoit refused to believe what landowners were telling him about anything related to the NEB, or the impact of the NEB NOVA decision on Alberta landowners. And your Leon Benoit is the Chairman of the House of Commons Energy Committee!

Benoit wouldn't even listen to what landowners were saying. He instead insisted that CAEPLA was telling lies about the impact of what the NEB had done, and was doing. Whether his opinion has been shaped by the bureaucrats, or by industry insiders, we don't know. We do know that landowner groups can't even get him to listen, or examine clear evidence we tried to put before him.

Following this unfortunate encounter, at a hearing of his Energy Committee, Benoit then oversaw a “boycott of silence” against landowners. Here's what happened:

Witnesses who appear before the Energy Committee in Ottawa appear because they are invited to be there. Committee members—who are from all parties—that believe certain individuals or groups have something important to say, arrange for the Committee's clerk to extend an invitation to appear.

As the largest landowner association in the country, and the only landowner organization with supporters and member organizations from coast to coast, CAEPLA was invited to appear before the House of Commons Energy Committee on only one occasion last year. And that invitation was not extended by Mr. Benoit or any of his government colleagues.

Instead, even though our organization has a reputation for being ardently pro-development, we were nevertheless invited to appear because an MP from one of the opposition parties wanted to hear what we might have to say about Ottawa's National Energy Board, and the way it treats landowners. As a result, representing CAEPLA, John Goudy and I travelled to Ottawa. John is a prominent landowner advocate and lawyer, a member of CAEPLA's Board of Policy Advisors, and one of Canada's most knowledgeable legal professionals when it comes to the relationship between Ottawa's NEB and landowners. John is also bilingual—which matters in Ottawa—and was a key part of the legal team that fought the NEB over what it did to Alberta landowners on the NOVA jurisdictional changes.

On behalf of landowners across the country, I am embarrassed to tell you that when John and I appeared before Mr. Benoit's Committee, the government MPs on the committee, every single one of them, including Benoit, didn't say a word, ask a single question, make a comment, or utter a



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sound. The landowner representatives who were there to present the Energy Committee with the landowner perspective on the NEB, got the cold shoulder and a “boycott of silence.”

As a result, I am writing to tell you that if you are a Canadian who likes development, yet nevertheless wants to see fairness and open processes when it comes to the way government regulators deal with landowners, the man standing in the way, working to stop this from happening, is your own MP, Leon Benoit.

The idea that there is a building full of federal government employees making decisions in secret, and then holding hearings to decide they are going to strip thousands of landowners of longstanding property rights, even as they expand the size of their own bureaucracy and budget, is so inappropriate and unfair as to be ridiculous. Yet your MP, Leon Benoit, is fighting against landowner representatives who want this fixed, even as he defends the bureaucrats who are doing this to farmers.

Benoit’s office number in Ottawa is (613) 992-4171. His email is: leon.benoit@parl.gc.ca. His constituency office number is: (780) 763-6130. His fax number is: (780) 763-6132.

Please contact him. Tell him what you think about his decision to oppose landowner groups and defend the bureaucracy, even as landowner groups have been openly calling for a complete review of the structure and performance of Ottawa’s National Energy Board.

Encourage him to support a full review of the NEB. By doing so, you will be standing up for the legitimate interests of landowners everywhere, and at the same time, supporting government policies that are ethical and transparent!

Yours truly,

Dave Core  
Landowner Liaison/Director of  
Federally-Regulated Projects

Photo credit Wainwright Star



If you are a Canadian who likes development, yet nevertheless wants to see fairness and open processes when it comes to the way government regulators deal with landowners, one of the men standing in the way, working to stop this from happening, is government MP, Leon Benoit.

Photo: Benoit pouring champagne and celebrating after being re-elected earlier this year.