



Red Deer River Water Transfer

Question asked during Oral Question Period of the 26th Legislature of Alberta, 3rd Session from Dr. Kevin Taft, Hon. Member from Edmonton-Riverview, Leader of the Official Opposition

March 13, 2007



Dr. Taft: Thank you, Mr. Speaker. Alberta Environment is currently reviewing an application for a water licence from the Red Deer River to service a massive project in the MD of Rocky View, just on the north edge of Calgary.

This development will require large-scale water servicing, and the source of the water is the Red Deer River. This development is already proceeding at full tilt despite the fact the developers don't have a water licence. My question is to the Premier. On the leadership campaign the Premier called this project ridiculous and promised the people of Drumheller that nothing would happen until he fully investigated the situation. So has the Premier investigated this, and what message does he have for the residents of Drumheller, who were never consulted and oppose the development?

Mr. Stelmach: Mr. Speaker, I don't recall any comments made with respect to an application before the Minister of Environment or the quasi-judicial authority that's looking at it. With respect to this particular application I'll have the Minister of Environment answer because it is very specific to Balzac.

Mr. Renner: Thank you, Mr. Speaker. With respect to this particular application, but actually with respect to any application, there's a very specific process. The application is considered by a director within the department. That director considers all of the relevant factors related to stream flow, related to the amount of water that's being requested, related to the possible impact on directly affected persons and makes a decision. That decision has not yet been made on this particular application. When it is, it is appealable to the Environmental Appeal Board, and the appeal board then makes a recommendation to the minister, who will be responsible for making a final decision. For that reason, I cannot become embroiled at this stage. At the end of the day I may have to make the final decision.

Dr. Taft: Thank you, Mr. Speaker. The developers, the United Horsemen of Alberta and Ivanhoe Cambridge, started work on the project last summer and are moving ahead on construction fast, probably spending well over a million dollars a week. But there is, of course, one glaring problem: they have no water licence. To the Premier: will the Premier, who repeatedly makes claims of being open and accountable, tell the people of Drumheller, of Red Deer, of Stettler, of the whole Red Deer River basin who in his government has promised the developers that they will get their water?

Mr. Stelmach: Mr. Speaker, I believe the hon. Leader of the Opposition just heard a very good explanation in terms of the process. There is a process followed. I guess the best way for me to explain it is that if there's a quasi-judicial authority and, as well, appeal, elected members, especially the minister, cannot make comments with respect to the question before the quasi-judicial authority. It would be similar if you were sitting as a judge in the courtroom, and you saw somebody come in and give the verdict without even hearing the evidence. There's a process to follow.

Dr. Taft: Thank you, Mr. Speaker. In September 2006 the MD of Rocky View approved a memorandum of understanding with Ivanhoe Cambridge and the United Horsemen to confirm in writing the MD's intent to deliver water, but it is actually the province, not the MD, under the Water Act who is responsible for all the water in Alberta. A municipality cannot make commitments to deliver water they do not already have through an existing licence. A second key piece of evidence pointing to a secret deal: members of our own caucus were told flat out that a water guarantee had been made by the province to the MD. My question is to the Premier. The evidence is clear, so it's time to be open and accountable with Albertans. Will he make public the province's secret deal to provide water to this development?

Mr. Stelmach: Mr. Speaker, how could it be secret? All of a sudden he's quoting some internal documents. Let it be clear that with respect to the issue of the MD of Rocky View, whatever business they've conducted with a developer is their responsibility. That's their bailiwick. That has nothing to do with the province. The province has a completely different process. Again, if the opposition has not heard clearly, then the Minister of Environment can reiterate the whole process.

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Red Deer River Water Transfer (continued)

Question asked during Oral Question Period of the 26th Legislature of Alberta, 3rd Session from Dr. David Swann, Hon. Member from Calgary-Mountain View

March 13, 2007

Dr. Swann: Thank you, Mr. Speaker. One of the stated goals of the new Premier is to govern with honesty and transparency, consulting with Albertans and listening to the wishes of Albertans.



Here's the problem. This government has tried to push through the Balzac water transfer without consulting anyone in the Red Deer basin, and that's undeniable. Just ask Red Deer, Drumheller, and Stettler, none of whom were consulted and have publicly stated so. However, I quote from Hansard the Minister of Environment in this House on August 31: "The people of Drumheller know very well what's going on." To the Minister of Environment: since the town council has stated in Drumheller that they had no clue as to what was happening at the time of his statement, where is the honesty and accountability in this process?

Mr. Renner: Mr. Speaker, I'm more than happy to deal with questions that arise from a statement of fact that's within Hansard. I do have to advise the member that the context of the answer was when this individual was minister of municipal affairs, not Minister of Environment. As such it was my understanding and it still is my understanding – and I stand by my words – that the town of Drumheller had been contacted and was aware of the issue.

Dr. Swann: Thank you, Mr. Speaker. With climate change and the real fear of water shortage, including groundwater, in this province Albertans want to know that your department is not simply relying on staff reviews. What experts are being consulted in the Red Deer River watershed around groundwater impacts, climate change impacts, and cumulative impacts along that course presently and in the future to protect future generations?

Mr. Renner: Well, Mr. Speaker, what the member refers to is precisely what the government is moving forward on with our Water for Life strategy. There are a number of different factors that come into dealing with allocation of water on a long-term basis within Alberta. In this specific application the process that is being used is the same process that is used with any other application. The director whose responsibility it is within Environment makes his decision based upon a myriad of different factors, many of which the member has referred to, and then makes a decision based upon whether or not the issuance of an additional licence would impact on either the ecosystem – the aquatics, nature of the stream – or directly affected persons. As I explained earlier, that decision has not yet been made. Those factors are being taken under consideration as I speak.

Dr. Swann: Thank you, Mr. Speaker. My question is again to the Environment minister. What experts are being consulted in climate change and groundwater impacts and cumulative impact assessment beyond your staff to assess the true impacts of this into the future?

Mr. Renner: Well, Mr. Speaker, the answer in short is none of the above, the reason being that this is being dealt with in the context of one application. We don't go into that degree of research in dealing with individual decisions. That's why the Water for Life strategy is so important, and that's why we have just recently announced that the in-stream flow targets for the Athabasca River have now had that degree of consideration, and we have made the necessary decision for that. In time we will make the same kind of in-stream flow analysis needed for the Red Deer River.

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March 14, 2007



Dr. Taft: Mr. Speaker, as is often said in this Assembly, whiskey is for drinking and water is for fighting over. The people of the Red Deer River valley are ready to fight over the transfer of water from their river to a shopping mall on the edge of Calgary. To the Premier: how can the Premier claim this government is supporting a fair process on the Balzac water transfer licence application when various ministers have publicly supported and applauded this project, and the government itself voted \$4.8 million to help pay for it?

Mr. Stelmach: Mr. Speaker, the process in terms of reviewing water licences has been in place for many years in this province and, in fact, it might have been implemented way back when you were a minister of Environment, so it has got a lot of history to it. It's proven that it's fair to both sides, and we will follow the process that has been established.

Dr. Taft: Thank you, Mr. Speaker. This is another issue on which this government is so divided. Not long after various ministers applauded the project and approved the money, this Premier hit the campaign trail and called the project ridiculous. A table of documents demonstrating that. Why did this Premier call the project ridiculous when his own government was supporting it?

Mr. Stelmach: Mr. Speaker, I'll wait to review the so-called documents that the Leader of the Opposition has, but I have to reiterate: there is a process in place. There's a quasi-judicial authority that's put in place to evaluate the information coming on both sides for this water application or any other water application that there is in the province of Alberta.

Dr. Taft: Thank you, Mr. Speaker. Given the Premier called the project ridiculous and said he would investigate it, can the Premier explain now why he has flip-flopped on this project?

Mr. Stelmach: Mr. Speaker, the hon. leader has to be very careful in the kind of words he uses. I am now the Premier of the province of Alberta, and I would be not one to break the rules that have been established through law in this Assembly. If that's the kind of leadership he expects to see from this Premier, he is dead wrong.

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Red Deer River Water Transfer (continued)

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Dr. Taft: Thank you. I think the Premier was expected to keep his word from the campaign trail, Mr. Speaker. As the Balzac water transfer makes so clear, there is a process for well-connected people and a process for the rest of us, given that yesterday the Premier said, "If there have been processes made by individuals that might have been in government or are no longer in government, then I would like to know about them." Has the Premier bothered to try to find out about those secret promises?

Mr. Stelmach: Mr. Speaker, he's the one that says there's a secret deal. He was in yesterday in the scrum. I asked him right in front of all the TV cameras: you're calling it a secret deal. You're saying to this House, I believe, that there's some of a secret deal. You've got the documents. Present them right now, right in front of the cameras.

Dr. Taft: Well, Mr. Speaker, the fix is in on this project. This government has placed a \$4.8 million bet that this project will be approved, when last August it voted that much money, and I'll quote the government's own budget documents: to support a horse-racing track and equine centre at Balzac.

Given that this government destroyed due process last year when it voted the money for this project and various ministers applauded it, will the Premier just save the people of the Red Deer River basin the trouble and cost of fighting the licence and just put an end to this water transfer right now?

Mr. Stelmach: Mr. Speaker, the leader mentioned before that I wasn't keeping my promise to those individuals during the campaign. Well, we have moved very quickly on the housing strategy. We are negotiating an immigration agreement with the federal government. We've already addressed the issues in Fort McMurray. We've opened this House to more transparency, obviously, with the new agreement we have allowing for greater consideration of business and committee work. I think we've come a long way in the last, what, 90 days.

Dr. Taft: Tell the people of Red Deer. It's time for this government to stop playing games with Alberta's water. There should be no secret deals for that water. This makes a mockery of due process and the whole issue of consulting with Albertans. To the Premier: why should anybody trust or engage in public consultations with this government when they so clearly ignore the wishes of Albertans?

Mr. Stelmach: Well, Mr. Speaker, very clearly, because they can trust us to do the right thing. Quite frankly, if the hon. leader is not aware, again, of the process that's in place, the hon. Minister of Environment can certainly articulate it again in the House.

Alberta Hansard, March 14, 2007



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Question asked during Oral Question Period of the 26th Legislature of Alberta, 3rd Session from Dr. Kevin Taft, Hon. Member from Edmonton-Riverview, Leader of the Official Opposition

March 15, 2007



Dr. Taft: Thank you, Mr. Speaker. I've been trying for the past few days to get straight answers from this government about the water transfer from the Red Deer River to the big development in Balzac, but we've received nothing concrete at all.

Answering this question shouldn't be an option for this government. This is a serious matter of great concern for the people of central Alberta. Right now everybody is waiting for the decision on the water licence to be made. So my question is to the Premier. When can the people of the Red Deer River basin expect a decision from his government on issuing this water licence?

Mr. Stelmach: Mr. Speaker, I will have the Minister of Environment give us a bit of an indication of how it's proceeding through the process. I have stood in this House, I think, three, four times answering a question with respect to the process. It's very clear. As to the timing of the decision, our minister will answer that.

Mr. Renner: The most direct answer that I have, Mr. Speaker, is that the applicant has asked that the decision be deferred until April, and that's the latest that I've heard.

Dr. Taft: Thank you, Mr. Speaker. Well, the Premier and his minister talk about process, but this process has resulted in delay after delay. The deadline's December 1, December 31, February 28, now apparently sometime in April. At that rate this whole project is going to be built and up and running before the water licence is issued. Can the Premier tell this Assembly why, in apparently such a well-established process, there have been so many delays? What's going on?

Mr. Stelmach: Mr. Speaker, it's up to the parties that, of course, make the application. There may be more information; there may be more evidence coming to the board. I'm not quite sure, but perhaps the minister has had further correspondence or knowledge of why the delay.

Mr. Renner: Mr. Speaker, there's a very clear process that's involved in applications of this nature. Most go very smoothly. Most are not as controversial as this one. There is a requirement for advertising and receiving of public input. That has constituted much of the delay that's been involved in this particular application. As I indicated, at this point the applicant has asked for a further delay.

Dr. Taft: Well, thank you, Mr. Speaker. The Premier stated yesterday that the people of the Red Deer River Valley shouldn't be concerned with this. "They can trust us to do the right thing," he said. But he isn't giving the answers. Indeed, we have a government that's put millions of dollars into this project, a government in which ministers have stood in this very room and defended it. So, my question is to the Premier. Why in the world should the people of central Alberta trust this government on this decision?

Mr. Stelmach: Because, Mr. Speaker, I do keep my word.

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Racing Entertainment Centre Project

Question asked during Oral Question Period of the 26th Legislature of Alberta, 3rd Session from Dr. Kevin Taft, Hon. Member from Edmonton-Riverview, Leader of the Official Opposition

March 15, 2007

Dr. Taft: Thank you, Mr. Speaker. I'd like to quote from the horse racing journal of November 2004.

I'm quoting the CEO of the United Horsemen of Alberta, and he said, quote, we will have an agreement in place with the Alberta government such that if the government ever changes its philosophy on gaming and horse racing, there will be a commitment for a buyout. End of quote. The CEO of United Horsemen of Alberta. To the Premier: is there such an agreement?

Mr. Stelmach: I didn't catch the month of whatever the leader said, month of 2004. My responsibility at that time was Minister of International and Intergovernmental Relations. In terms of whatever is brought up today . . .

Mr. R. Miller: You're the Premier.

Mr. Stelmach: He asked a question; I'm giving an answer. So please allow me to complete the answer. I'll get more detail on what the hon. member has brought up.

Dr. Taft: Well, thank you, Mr. Speaker. To the Premier: will the Premier bring an answer whether this agreement exists or not to this Assembly by Monday?

Mr. Stelmach: Who knows? It might be even earlier. You know, I'll just check to see what the issue is, and I'll get back to the Assembly.

Dr. Taft: Thank you, Mr. Speaker. Since the backers of this project have publicly claimed they have an agreement with the government for a buyout, or they will have an agreement as of 2004, is the Premier's flip-flop on this project from calling it ridiculous to now seeming to defend it because he now knows that Alberta taxpayers are on the hook if this project does not proceed?

Mr. Stelmach: Mr. Speaker, once again, this hon. member has brought forward, first of all, the secret deal. He hasn't been able to provide any evidence of this alleged secret deal. Now he's onto another tangent. His member sitting next to him seems to know a lot about horses and when they drink water. Maybe ask your neighbour; maybe he can tell you.

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