



Composite Assessment Review Board

REGIONAL MUNICIPALITY OF WOOD BUFFALO BOARD ORDER CARB 2016-004-P

IN THE MATTER OF A COMPLAINT filed with the Regional Municipality of Wood Buffalo Composite Assessment Review Board (CARB) pursuant to Part 11 of the *Municipal Government Act*, being Chapter M-26 of the Revised Statutes of Alberta 2000.

BETWEEN:

Canadian Natural Resources Limited (CNRL)
represented by Wilson Laycraft LLP - Complainant

- and -

Regional Municipality of Wood Buffalo (RMWB)
represented by Reynolds Mirth Richards & Farmer LLP - Respondent

Roll Number:	8992004910
Legal Description:	4-11-096-08; MSL 033406
Assessment Value	\$3,925,948,300.00
Assessment Year	2014
Tax Year:	2015

BEFORE:

Members:

Harold Williams, Presiding Officer
Paul McKenna, Member
Paul Petry, Member

A preliminary hearing was held via Teleconference on March 18, 2016 to consider preliminary matters in relation to a complaint about the assessment of the following property:

Tax Roll number: 8992004910

Assessment: \$3,925,948,300.00

PART A: BACKGROUND AND DESCRIPTION OF PROPERTY UNDER COMPLAINT

[1] The complaint is about the machinery and equipment assessment at CNRL's Horizon Project. The roll number being considered in this preliminary hearing is the machinery and equipment (M&E) assessment. The amended assessment of \$3,925,948,300.00 was sent to the property owner on December 21, 2015. The Complainant has raised the issues in its Reasons for Complaint document.

PART B: PROCEDURAL OR JURISDICTIONAL MATTERS

[2] The CARB derives its authority to make decisions under Part 11 of the *Municipal Government Act*.

[3] The parties did not have any objection to the members of the CARB panel.

[4] The CARB conducted a preliminary hearing on March 18, 2016 via teleconference. During the course of the hearing, the parties discussed the following matters, which are addressed below.

Preliminary Matter 1: Scheduling of Hearings;

Preliminary Matter 2: Evidence Disclosure Timelines;

Preliminary Matter 3: Other Preliminary Matters.

Position of the Parties

[5] In response to notification of the hearing sent by the Clerk on March 2, 2016, the Complainant provided the following advice to the CARB in relation to matters set down for hearing.

[6] The Complainant:

- a) anticipated four witnesses including an in-house tax representative, an expert cost engineer, an expert on qualifying productivity losses and an assessor. The Complainant anticipated a hearing length of approximately 1 week with an additional day for argument;
- b) proposed the hearing being scheduled sometime in January or February of 2018 with filing dates starting in the fall of 2017;
- c) accepted Edmonton as a convenient location;
- d) would be open to further preliminary hearings; and
- e) advised that it was awaiting clarification on the policy upon site specific claims being accepted from the assessor.

[7] In response, the Respondent:

- a) advised that it will call an engineering witness and an assessment witness and agreed to the proposed location in Edmonton
- b) suggested that the hearing could be reduced to a single week provided that the parties work constructively towards an agreed statement of facts and issues and documents; and

- c) suggested merit hearing dates for late February, 2018 due to the assessor's need to prepare annual assessments, and suggested further preliminary hearings to assist the parties with matters which might arise. The September 14th preliminary hearing date scheduled for Suncor could be the first date for the first preliminary hearing in this matter.

[8] In response, the Complainant advised that it may be easier to schedule two weeks for a merit hearing. If the parties do not require two weeks, the time can be reduced.

Decision

[9] The merit hearing for the 2015 Tax Year in this matter is set for the week of February 26 – March 2, 2018 and March 4 – March 9, 2018.

[10] The merit hearing will be held in Edmonton, but the specific location will be confirmed and sent to the parties in advance of the hearing.

[11] The disclosure dates will be determined at a future preliminary hearing.

[12] There will be further preliminary hearings to address matters arising in this matter. The first preliminary hearing for the 2015 Tax Year will be held September 14, 2016. Details for the nature of the hearing (in person or teleconference) will be provided by the Board closer to the hearing dates.

Reasons

[13] The Board noted that the Complainant felt that the hearing would take more than one week, while the Respondent felt that the matter could be heard in one week provided that the parties agreed to issues and reference documents, etc. The Board agrees that given how difficult it is to add time into people's schedule, that it is better to set aside two weeks now so that parties can have the matter booked and then, if those days are not required, they can be freed from people's calendars.

[14] The hearing has been set for the end of February and the beginning of March 2018 which will allow the assessor time to prepare and complete the annual roles.

[15] The Board agrees that given the date for the hearing, it is preferable for this matter to have further preliminary hearings. The Board can assess the progress being made by the parties to resolve issues and to deal with anything which might arise. The Board noted that both parties were in agreement with there being further preliminary hearings. Therefore, the Board has set this matter down for September, 2016 when other Machinery & Equipment preliminary hearings are being held. The desire is to have this run in coordination with those other Machinery & Equipment hearings.

[16] The Board notes the comments of the Respondent about preparation of an agreed statement of fact and issues as well as an agreement in relation to the joint reference documents, such as the cost rendition. Although the Board believes it is a good idea to work towards agreed documents, the Board will not make this part of the order, instead it urges the parties to work cooperatively to, as much as possible, find common ground in the form of an agreed statement of facts and joint reference documents. The Board agrees that a joint book of reference documents, such as the cost rendition, etc. would be helpful for the Board. To the extent that the parties can reach agreement on a statement of issues and a statement of facts, this too is of assistance to the Board and the Board encourages the parties to work towards it, but will not, at this time, make this an order.

[17] It is so ordered.

Dated at the City of Edmonton, in the Province of Alberta, this 1st day of April, 2016.

FOIP Act s.17(1)



Harold Williams, Presiding Officer

APPENDIX "A" REPRESENTATIONS

PERSON APPEARING	CAPACITY
1. G. Ludwig, Q.C.	Wilson Laycraft LLP, Counsel for the Complainant
2. C. Zukiwski	Reynolds Mirth Richards & Farmer, Counsel for the Respondent
3. G. Stewart-Palmer	Shores Jardine LLP, Counsel for the Board
4. S. Soutter	Board Clerk

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Subject	Type	Sub-type	Issue	Sub-issue
CARB	Jurisdictional/ Procedural	Machinery & Equipment		