

"Graduating" the Social License to Operate

Unconventionals in the Crosshairs: Why Getting the Licence is So Critical

Synergy Alberta Conference

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Today's discussion...

- **Social licensing**
 - Problems with the present
- **Graduated licensing**
 - Levelling the balance
- **“Licencing” our energy conversations**
 - Literacy policy perspective gaining momentum
- **The “Unconventionals” Sector**
 - Caught in the crosshairs and at a crossroads:
Truth, Trust, Transparency (are we really ready?)

Today's themes...

- **Perspectives from our panellists...**
 - **Fence-sitting re: beliefs about resource extraction**
 - **Localness: local challenges, local solutions**
 - **First Nations: a specific opportunity**
 - **Who are our “messengers”**
 - **What's in a regulatory “toolkit”**

Defining “social licence” and meaning

- In industry, we’re predisposed to “beat the meaning” out of words and phrases:
 - Paradigm shift
 - Synergy
 - Sustainability
 - Energy literacy
 - Social licence
 - Unconventional(s)

Here's how we define it now:

- Our Petroleum Challenge:

“The approval or acceptance that companies must continually obtain from local communities and landowners for their operations or project plans. This concept argues that companies are accountable to different stakeholders and that they can lose their ability to operate if they do not respond to key stakeholder concerns and priorities.”

What's so "*social*" about the license?

- **Platitudes and put-ons...still often distant from principle underpinnings...almost *anti-social***
 - For many companies, concept still embedded in a regulatory context; thus a “letter-of-the-law” versus “spirit-of-the-law” dynamic prevails
 - Regulatory contexts outpaced by social expectations, realities – and entitlements
 - Compromise often stands in for consensus
- ***Imbued* with meaning...or *bereft* of meaning?**

Thinking about licensing....

- **Not a state-of-being, but an iterative process:**
 - **Knowledge standards**
 - Passive, active & shifting
 - **Convention standards**
 - Normative social consensus
 - Legal enforcement
 - **“Failure” requirements and standards**
 - **Example: rules of the road a compact between drivers, society and government – involving responsibility for *both sides to the licence***

Problems with the social license

- Typically an imbalance of expectations
 - Often a “victim’s/martyr’s” onus (by companies)
 - Often an “ignorance” onus (by stakeholders)
 - Often a failure to invest adequately (by either side)
- Regulators can “get it wrong” (typically timing)
- Typically also an imbalance of “*knowledges*”
- Media “ignorance” can fan flames of antagonism
- Such imbalances lead to the Triple A “whammy”
 - Adversity, acrimony and animus...hardly “social”

Think about our major “debates”

- Analyse them based on knowledge differences and deficiencies – and a lack of licencing:
 - Northern Gateway (local project)
 - Multistage hydraulic fracturing (tech debate)
 - Oilsands impact (environmental dynamic)
- Duelling “facts” & duelling “perspectives”
- Without literacy “balances”, we cannot hope to have dialogue that advances
- Truth, transparency and trust: Really? Really?

Polarization of perspectives

*Prophets without honour
(Us)*

or

*Profits without honour
(Them)*

But what if there was a process?

- That neutrally taught, tested and re-tested?
- That defined new baselines of knowledge for energy producers **and** energy consumers?
- That had **as explicit principles** a balanced approach to discussion?
- That was the pre-cursor to major projects, policy development, technology innovations and economic discussions?

Communicative license to collaborate

- **Concept of a graduated system prevails**
 - Process-driven in terms of goals, timelines
 - Both “parties” agree to baseline knowledge and awareness conventions
 - Third-party roles key as neutral facilitators & testers
- **Result is:**
 - Consensus-orientation
 - More balanced, rational and respectful discourse
 - More *dialectic* than *debate*

Dialectic versus debate...

- **Dialectic**
 - Any systematic **reasoning**, exposition, or argument that juxtaposes opposed or contradictory ideas and usually seeks to **resolve** their conflict.
 - Premise of “win-win”
- **Debate**
 - A formal **contest** in which the affirmative and negative sides of a proposition are advocated by **opposing** speakers.
 - Premise of a winner...and a loser

Defining “literacy” via licencing

- Not like “*reading, writing and arithmetic...*”
- Nailing down some baselines....
 - Economic
 - Technology
 - Numeracy
 - Energy policy and energy politics
 - Environment
 - Demand & consumption
 - Beyond oil & gas

Three Rs = Three Es

- Three pillars to the learner's permit
- Energy, economics and environment
- Addresses key aspects of both:
 - Misinformation
 - Disinformation
- Applying for:
 - Local projects
 - Policy debates
 - Technology discussions

Licencing: First steps...

- Create “societal porosity” through larger knowledge pores – pores which have a relationship to each other
 - Communities, interest groups etc.
- Create “societal permeability” through which knowledge and literacy can flow more effectively with less energy input
- Seek out the cap rock in your organizational lives
 - ...that which blocks “fluid” knowledge flow

From this conference...

- Draft a communicative license to collaborate
- Defining what your friends say:
 - Ask yourself the 10 things you're consistently explaining to your friends and family...
- Defining your role:
 - Ask yourself the 10 things you've always wanted to know about energy...but don't!
- Defining your company's and community role:
 - Ask yourself the 10 things your company doesn't do well in terms of energy knowledge teaching

The learner's permit to drive

- **“The GDL program ensures new drivers, regardless of age, get the support, skills and experience they need to handle the complex task of driving.”**

The learner's communicative licence

- **“The communicative learners program ensures energy dialogue participants, regardless of interest or background, get the support, skills and experience they need to handle the complex task of engaging in rationale and reasoned energy discussions”**

Why us...and why now?

- The shale revolution moved the spotlight squarely onto this industry
- Shale is geographically pervasive
- Shale has both surface and subsurface dimensions
- Activity exploded much faster than industry's ability to respond with an appropriate narrative
 - Technology “story” went bad
 - Chemicals and earthquakes are sexy

Truth, transparency and trust

- **We can't confuse "facts" and "truths"**
- *"Truth is something hard to define...we all have truths...are yours the same as mine?"*
(Pontius Pilate)
- *"Facts and truth really don't have much to do with each other."*
(William Faulkner)