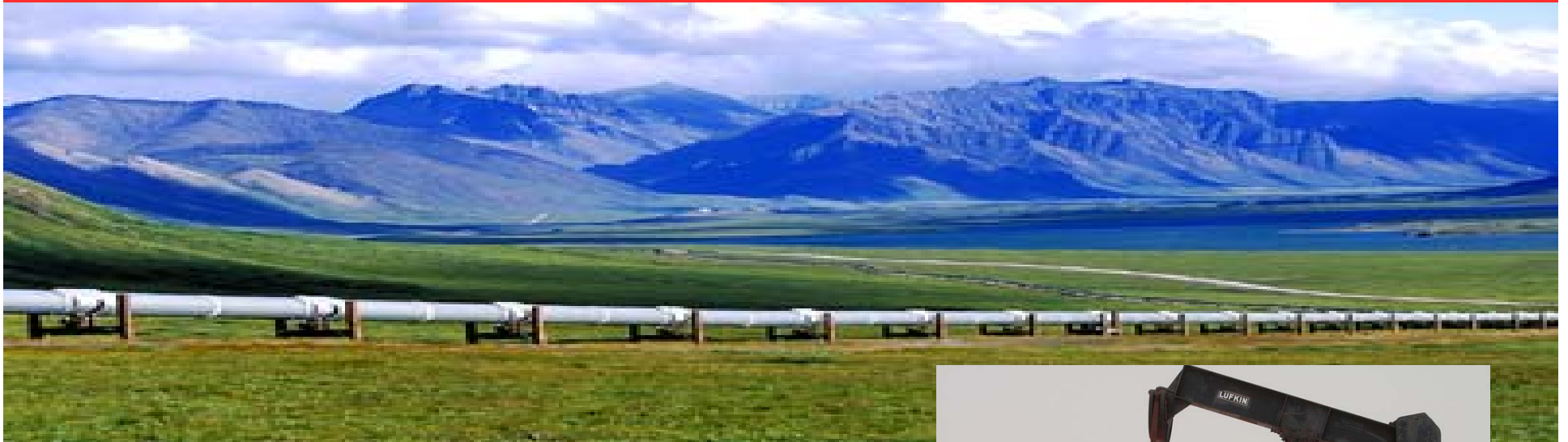


Introduction to Constructive Engagement in the Oil and Gas Industry

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Session Goals



1. Understand stakeholder roles in constructive engagement (communities, industry, government, advocacy groups)
2. Explore constructive engagement—the concept and the challenges
3. Identify 6 practical tools and skills for successful engagement
4. Draw lessons and conclusions for addressing challenges, identifying gaps and implementing new initiatives

Constructive Engagement is Different From

- Public relations
- Public hearings
- Public advocacy
- Lobbying
- Employee volunteerism
- Philanthropy and charitable contributions
- Voluntary Principles



Constructive Engagement Processes

Forums

- Good neighbor agreements
- Community advisory committees (company sponsored)
- Independent /free standing CE organizations
- Participatory studies (EIS/EA, baseline development or others)
- Participatory monitoring or oversight committees
- Grievance resolution systems and procedures
- Multi-level interrelated/network of CE efforts

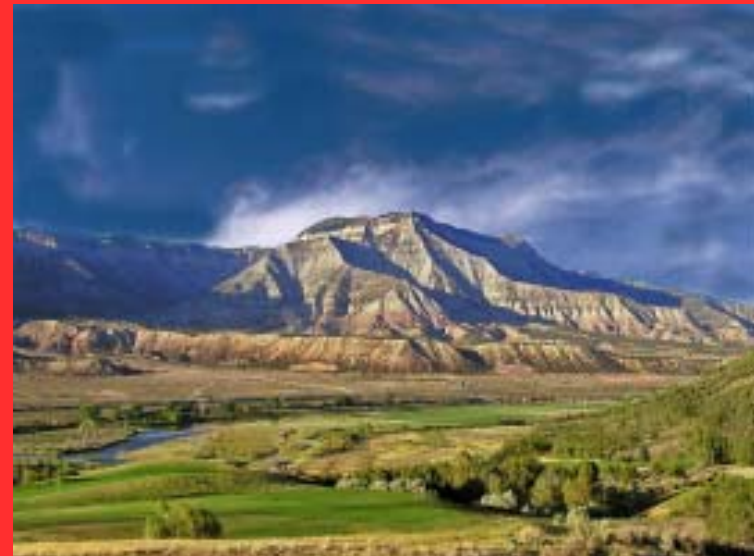
Processes

- Informal talks
- Stakeholder negotiations
- Formal mediations
- Formal problem-solving
grievance mechanisms/procedures



Examples of Constructive Engagement Processes on the Western Slope

- Garfield County's Energy Advisory Board
- The Rifle/Silt/Newcastle Community Development Plan
- Genesis Palisade/Grand Junction Watershed Agreement
- Community Counts
- Individual company processes
- Government agency initiatives
- Other examples???





What Challenges Must be Met for Successful CE

- A clear *purpose* (scope of issues, level of decision making, time span)
- A credible means of *initiating* the process
- Appropriate *participation*
- Adequate *resources*
- Mechanisms to address *power issues* among stakeholder groups
- Sometimes—attention to a *history of conflicts*, problematic personal or organizational relationships
- Sensitivity to *cross-cultural issues*





Challenges for Communities

- Limited time
- Funding and resource needs
- Developing technical expertise
- Distinguishing genuine CE efforts from public relations gestures
- Accountability to constituents
- Community organizing versus constructive engagement
- Dealing with in-group conflict





Challenges for Companies

- Opening an issue for public scrutiny
- Sharing sensitive information
- Assessing the credibility of community members
- Empowering a CE structure
- Funding the process





Challenges for Government

- Role as convening authority
- Roles of individual agency representatives
- Government funding
- Government as regulator, enforcer and negotiator
- Sunshine versus confidentiality
- Representing the general public



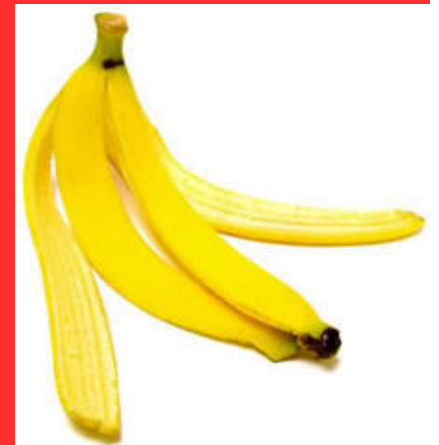
Challenges for Environmental Advocacy Groups

- Limited time, funds and resources
- Different skill set required for legal advocacy versus collaboration



Cautionary Tales— Pitfalls of CE

- Power inequities
- Time and resources required for CE
- Timeliness
- No guarantee of a successful outcome
- CE can be abused



Six Skills for CE

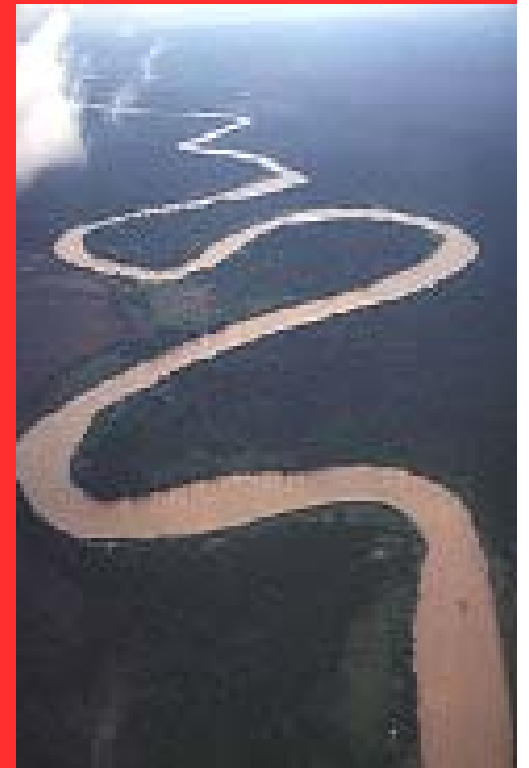




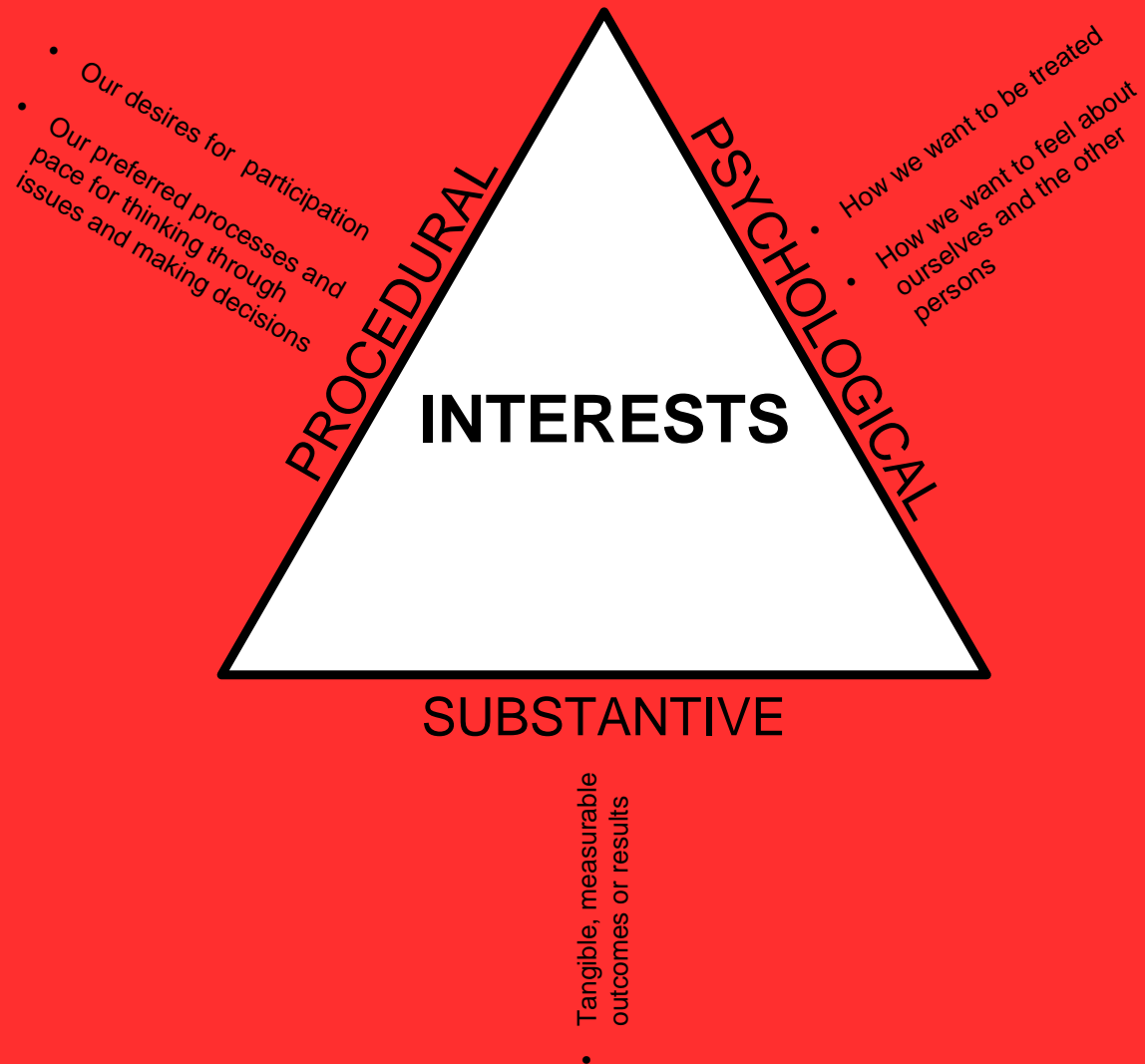
1. Assess and respond to both hazard and outrage



2. Harness the power of aikido



3. Understand interests and the *Triangle of Satisfaction*



4. Use technical work/joint fact finding to resolve conflict and build trust



5. Stakeholders are wise in resolving conflict. Ask them.





6. Develop a local level grievance mechanism

“Speak Out”

“Let’s Talk”

“Now You’re Talking”



GRIEVANCE MECHANISM BLUE PRINT

RECEIVE AND REGISTER GRIEVANCE

SCREEN AND ASSESS

Decide, communicate decision

**REJECT
COMPLAINT**

**ACT TO
RESOLVE
LOCALLY**

**REFER AS
APPROPRIATE**

Choose local approach

**COMPANY
PROPOSES
SOLUTION**

DECIDE TOGETHER

**DEFER TO 3rd
PARTY**

**UTILIZE CUSTOMARY
APPROACH**

**IMPLEMENT
APPROACH**

**TRACK AND
DOCUMENT**

Resolved?

Not resolved?
Revise approach

**FEEDBACK
AND LEARN**

**To strengthen
resolution**

**Increase
capacity of key
actors**

**Use 3rd party
mediation**

Lessons and Conclusions to Address Challenges, Gaps and New Initiatives

For More Information



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