

National Geospatial Advisory Committee

Public-Private Partnership Use Case:

ALBERTA DATA PARTNERSHIPS



A Public-Private Partnership Supporting Long Term Management of Spatial Assets for Stakeholders

Background

The Alberta Data Partnerships (ADP) Public-Private Partnership (P3) began in 1997. ADP is a not for profit company established to assume the responsibilities for digital mapping in Alberta on behalf of the provincial government. The P3 concept grew from a strong push by the Government of Alberta (GOA) to privatize operations that they believed could be scaled and accomplished more efficiently by the private sector. Each of the initial ADP stakeholders, the Government of Alberta and five major provincial utility companies, committed significant funding to start the activity. Since the mid-1990s, the list of stakeholders has expanded beyond utilities to include municipalities, energy, forestry, and mining organizations, as well as regulatory organizations and associations.

In 1997, ADP created a business plan and released a Request for Information to identify and secure a joint venture (JV) partner to be the private sector partner to perform day to day operations for the digitization, management, and distribution of an integrated provincial spatial data set that included cadastral and base mapping data such as legal surveys, subdivisions, pipelines, roads, some utility rights of way, and to create an integrated map of the province. Altalis, a consortium of companies, was selected as the initial JV partner to operationalize the day to day management and distribution of ADP data. Altalis has continued to be ADP's joint venture partner, while its ownership structure has evolved since 1997.

How Does It Work?

The ADP not for profit entity plays a key role in driving the success of this P3 – serving as the partnership lead and coordinator, with the following characteristics and functions:

- **A well-balanced Board of Directors**
 - Representation from all key stakeholders.
 - Active participation of leadership from GOA is imperative to maintain balanced public-private interests.
- **Strong provincial stakeholder engagement**
 - Identifies stakeholder product / service priorities and requirements (e.g., certificate of title mapping, pipeline right of way, base mapping data, municipal boundaries).
 - Convened via external advisory groups operating as technical working groups.
 - All stakeholders have a voice.
- **Organizational and data governance**
 - Negotiates and establishes partnership agreements and ensures clearly defined roles and responsibilities with stakeholders and with the JV partner.
 - Although GOA holds ownership of mapping data, the ADP holds exclusive license arrangements with the JV partner to enable a portion of the data and specific services to be sold to generate revenue.

- Assures distribution arrangements are in place for cadastral, titles and disposition mapping, public land survey plans, and GOA open data products.
- Responsible for strategic oversight of Altalis' day to day operational organization responsible for data collection, management, distribution, sales, reporting, and revenue sharing.
- Responsible for negotiating other JV partner relationships as required to meet ADP requirements.
- **A Shared Revenue Model**
 - Assures contributions from and realization of value to each and every stakeholder.
 - Establishes profit sharing and reinvestment approaches.

Looking at the shared revenue model in more detail, several revenue sources flow into the JV company to make this model work:

- **Regulated filing**
 - Each survey plan registration includes a \$100 fee which goes to ADP to offset the cost of integrating each survey plan into the provincial dataset.
 - Each land disposition application and amendment includes a fee that goes to ADP for the cost of integrating the survey plan into the provincial dataset.
- **Data and Access Fees**
 - For example, this includes revenue collected from the purchase of integrated maps.
- **An intentionally minimal amount of revenue comes from the GOA for access to the integrated datasets**
 - This helps to ensure that potential future government shortfalls in investment do not heavily impact the P3 business model.
- **Directed project funding**
 - This drives innovation on specific topics of challenge and opportunity as defined by stakeholders.

On a quarterly basis, based on formal agreements noted above, the ADP receives a variable level of profit share distribution based on the overall revenue level achieved for that quarter, as well as a flat management fee from the JV partner. The JV partner is charged with investing a portion of their revenue to assure appropriate capital investment, JV management, and operations. One example of capital investment included a recent major update of the operational system to take advantage of new technology and improved web services.

Why Does It Work?

Leadership of the ADP cite trust as a key aspect of why this model works, and ADP is viewed as a trusted organization by its stakeholders. ADP underscores the following conditions as enabling trust:

- **Security.** People, processes, and tools assure integrity, confidentiality, and safeguarding of data and systems.
- **Accountability.** A network of stakeholders take responsibility for upholding defined standards and agreements.
- **Transparency.** Provide stakeholders meaningful ways to understand relationships and outcomes of the process.
- **Auditability.** Checks and balances are necessary to assure compliance with agreements, defined processes, and outcomes.
- **Equity.** Value is apportioned fairly to every stakeholder in the process.
- **Ethics.** These guide everyone through times of potential ambiguity and uncertainty.

To achieve trust ADP cites the following:

- Aligning the goals and expectations of stakeholders (Accountability, Equity, Ethics);
- Establishing a governance structure (Accountability, Equity);
- Clearly identifying and prioritizing business opportunities and challenges (Accountability, Equity);
- Negotiating and executing data sharing, analysis, and management agreements (Accountability, Transparency);
- Return clear results based on transparent methods (Accountability, Transparency, Security);
- Ensure that results are put into practice (Accountability, Transparency, Ethics); and
- Verify outcomes and impacts through appropriate metrics and reporting (Auditability, Transparency, Accountability, Security).

Since its inception in 1997, the ADP estimates that the Government of Alberta has reduced operational costs by \$65M - \$120M. The ADP has also provided stakeholders with \$6.8M in cost savings to government and industry users through lower pricing achieved through greater efficiencies achieved by ADP over original GOA pricing for the same products and services, and increased quality and availability of geospatial data to meet the needs of the province. Additional details on the history, governance, and benefits achieved via the ADP are documented in an [ADP P3 Success Story](#).

Challenges and Cautionary Lessons

ADP leadership noted several key lessons learned that should be considered when entering into a P3:

- Affecting change management within any bureaucracy is difficult, and P3 advocates must work foremost across senior levels in government to gain support as lower levels may be more volatile.
- Communicating the value of change is critical. The value proposition should be compelling, concise, and easy to convey to promote support.
- Seeking long-term multi-year agreements from the outset to create stability and provide time to succeed. When possible, arrange agreement timelines to avoid election cycles.
- Seeking to minimize financial requirements from organizations most vulnerable to budget fluctuations.
- Seeking regular improvement and innovation cycles to increase efficiencies and effectiveness.

Conclusions

The ADP has established a durable partnership arrangement among key public and private sector stakeholders that provides a sustainable process to collect, maintain, and provide access to essential geospatial data for much of the Alberta province. The partnership is grounded in a well-defined governance framework that establishes clear roles and responsibilities, sharing of investment and profit, designation of free and for fee data access, and processes for continuous improvement and innovation.

For more information on ADP, visit <http://abdatapartnerships.ca/>.