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CONSTRUCTION ADJUDICATION SUPPORTING THE PPCLA OF ALBERTA

ARCANA (AB), the appointed Nominating Authority (NA) for construction adjudication in the province of Alberta, is pleased to release its first newsletter for 2025 with some key updates. For more detail and information about ARCANA, visit our website https://adralberta.com/prompt-payment/





NEWS UPDATE

ARCANA (AB)'s second Annual Report (24/25) will be released in early July 2025. Both annual reports can be viewed at https://adralberta.com/arcana-ab-annual-report/

What is Adjudication?

Adjudication is a form of expedited dispute resolution used to resolve construction disputes quickly and cost effectively. Adjudication is a fast, straightforward process where an independent Adjudicator, appointed by a Nominating Authority, resolves disputes under a strict timetable—usually within one month of receiving both parties' submissions. Adjudication has been administered in Alberta since 2022 by ARCANA, the only government appointed Nominating Authority.

Some notable developments in the last 6 months include the following:

i.ARCANA now has a roster of 15 adjudicators offering a broad range of legal and construction sector experience.

ii.The Government of Alberta's Bill 30 amendments came into effect on April 1, 2025.

iii.Government public works contracts, under \$200,000, entered on or after April 1, 2025, now fall under the Prompt Payment and Construction Lien Act (the "PPCLA" or the "Act").

iv.Jurisdiction challenges, based on the issue of "contract completion", were common under the Act before the Bill 30 amendments. Whether such challenges will continue, based on the Bill 30 amendment "date of final payment", remains to be seen.

v.The Construction Sector Advisory Council (CSAC) has been providing industry feedback to ARCANA.

For additional information, enquiries or support please contact: Huda Khurshid; ARCANA Coordinator

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History of Adjudications in Alberta commenced between April 1, 2024 and March 31, 2025. (ARCANA's second year)

- Number of Applications (Notices) 26 versus 23 in the previous reporting year
 - Geographic Location Spread across 12 municipalities
- Value of Claims Generally increasing compared to last year, with the majority in Tier 2 (\$15,000 - \$100,000) but with a growing number of Tier 3&4 files (up to \$5 million)
- Outcomes Two thirds of the ARCANA files result in a Determination and Order, with the remainder being settled by the parties or discontinued for lack of jurisdiction.

Adjudication - Industry Outreach and Speakers



ARCANA has conducted several one-hour process orientation workshops through 2024 and 2025. ARCANA welcomes public speaking opportunities including at construction trade shows, construction industry associations, or for supply chain departments, engineering & design firms, facility managers, and other relevant stakeholders. Please contact us at arcana@adralberta.com to discuss further;

Adjudicator - Continuing Professional Development

ARCANA has continued to offer professional development workshops for its adjudicators and those trained in adjudication, with a session in March and a second scheduled for June.

Adjudication - User Overview **Orientation Training for**

Stakeholders (TBD in 2025)

ARCANA will be presenting a practical 3-hour basic user orientation workshop. This program is designed to help orient potential users and legal counsel on key considerations and elements for utilizing the adjudication process. Watch for dates and registration details online.



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