

# Natural Resources Conservation Board

## 2009-2012 Business Plan

April 28, 2009

## INTRODUCTION

The Natural Resources Conservation Board is a quasi-judicial agency of the Government of Alberta that is accountable to the Minister of Sustainable Resource Development. It has two core businesses:

- the Board functions as a review panel under the *Natural Resources Conservation Board Act* (NRCBA) and an appeals panel under the *Agricultural Operation Practices Act* (AOPA), and
- the field operations divisions conduct ongoing regulatory functions under AOPA at the operational level, reviewing applications and ensuring compliance with the act.

These functions are supported by an administrative and technical staff.

The *Natural Resources Conservation Board Act* is the responsibility of Alberta Sustainable Resource Development.

The *Agricultural Operation Practices Act* is the responsibility of Alberta Agriculture and Rural Development.

A memorandum of understanding between the Minister of Sustainable Resource Development, the Minister of Agriculture and Rural Development, and the Chair and Chief Executive Officer of the Natural Resources Conservation Board describes the purpose of AOPA and the governance of the NRCB with respect to the act.

## VISION

Helping Alberta develop its agricultural and natural resources in the best interests of current and future generations.

## MISSION

Serving Albertans through balanced decisions that support sustainable and responsible growth of Alberta's natural resource developments and confined feeding operations.

## VALUES

The Natural Resources Conservation Board and staff members uphold the values of:

- |                 |   |
|-----------------|---|
| Fairness        | – all stakeholders and members of the public are treated fairly and without bias  |
| Respect         | – respect for others is reflected in all NRCB interactions, both within the organization and with all external stakeholders and members of the public |
| Trustworthiness | – all NRCB staff and Board members strive to make objective, impartial and balanced decisions   |
| Accessibility   | – the services of the NRCB are transparent and easy to access   |
| Service         | – NRCB services are delivered with a high standard of excellence  |

## LINKS TO GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLANS

### GOVERNMENT OF ALBERTA 2009 – 2012 BUSINESS PLAN

#### **Core Business: Agriculture, Resource Management and Economic Development**

##### **Goal 1: Alberta will have a prosperous economy**

- *The NRCB supports this goal by conducting reviews under the Natural Resources Conservation Board Act (NRCBA) and regulating confined feeding operations under the Agricultural Operation Practices Act (AOPA). Both mandates support responsible expansion of the province's resource sectors, sustainable economic growth and public expectations for environmental management.*
- *The NRCB also coordinates with its government partners on the Land Use Framework and Water for Life strategy.*

#### **Core Business: Environment**

##### **Goal 3: The high quality of Alberta's environment will be sustained**

- *The NRCB supports this goal by considering the economic, environmental and social impacts of proposed resource developments, including cumulative effects and the impact on water, land use and the community, to determine whether projects are in the public interest.*
- *NRCB regulation of confined feeding operations ensures that impact on the environment is managed in accordance with AOPA. The NRCB consults with stakeholders and its government partners on policy issues under the act and is expanding use of a science based environmental screening tool for risk based compliance. A groundwater risk screening program is a continued priority.*

#### **Government of Alberta strategic priorities**

*The NRCB's responsibilities as a review agency for resource projects and a regulator for confined feeding operations support the Government of Alberta's long-term strategic pillar "Greening Our Growth," and the strategic priority "Managing and protecting our environment – land, air, water and biodiversity – for current and future generations."*

*The NRCB also conducts its mandates in accordance with the public service values of Respect, Accountability, Integrity and Excellence.*

### SUSTAINABLE RESOURCE DEVELOPMENT 2009 – 2012 BUSINESS PLAN.

#### **Core Business 4, Goal 5: Albertans have access to timely, quasi-judicial processes that consider the collective and individual benefits derived from Alberta's natural resources**

- *The Board of the NRCB conducts independent public reviews of major natural resource projects under the Natural Resources Conservation Board Act and is an appeal body for approval officer and inspector decisions under the Agricultural Operation Practices Act. The NRCB provides opportunities for Albertans to participate in and understand review and hearing procedures, encourages the use of alternative dispute resolution where appropriate, and delivers timely and effective reviews and hearings.*

### AGRICULTURE AND RURAL DEVELOPMENT 2009 – 2012 BUSINESS PLAN.

#### **Core Business 1, Goal 2: Environmental stewardship; and Core Business 1, Goal 3: An industry that better manages risk**

- *The NRCB regulates Alberta's confined feeding industry under the Agricultural Operation Practices Act. The purpose of the act is to ensure that the province's livestock industry can grow to meet the opportunities presented by local and world markets in an environmentally sustainable manner.*
- *The NRCB works with stakeholders to address environmental management at confined feeding operations.*

## SIGNIFICANT OPPORTUNITIES AND CHALLENGES

**Building strong partnerships** – the NRCB will continue to build strong relationships with other regulatory authorities, industry, municipalities, and non-government environmental organizations.

Under the *Natural Resources Conservation Board Act (NRCBA)*, the NRCB will continue to partner closely with Alberta Environment, the Energy Resources Conservation Board, and other regulators to ensure that reviews of proposed natural resource developments are efficient and comprehensive.

Under the *Agricultural Operation Practices Act*, the NRCB will continue to work closely with Alberta Agriculture and Rural Development, Alberta Environment, Alberta Sustainable Resource Development, the Policy Advisory Group (a multi-stakeholder advisory body), and stakeholders.

**Enhanced communication** – communication, consultation and coordination with stakeholders and regulatory partners will remain ongoing priorities. The NRCB will continue to expand its communication with industry associations, municipalities and other stakeholders through face to face meetings and other initiatives.

**Land Use Framework** – the NRCB will consult with its government partners, the Land Use Framework Secretariat and the Policy Advisory Group to ensure that its regulatory processes under the *Agricultural Operation Practices Act* and its decisions under the *Natural Resources Conservation Board Act* align with the Land Use Framework objectives.

**Land use pressures** – Alberta's significant economic and population growth has increased the pressure on competing uses of land for residences, recreation, industry and agriculture. These pressures are reflected in the Natural Resources Conservation Board's activity with natural resource development reviews and AOPA-based issues around permits and compliance.

Under the NRCBA, the NRCB must ensure that natural resources are developed on the basis of a balanced, sustainable model that respects both the community and the environment. Under AOPA, the NRCB must continue to work closely with municipalities, operators and the public on issues related to siting, odour, nuisance and enhanced communication.

**Economic challenges** – all sectors face significant challenges, including the fluctuating Canadian dollar, access to markets, and weak commodity prices. The impact of the current economic crisis on applications under the NRCBA is not yet clear. The NRCB regularly consults through the Policy Advisory Group and industry meetings about the health of the livestock industry in Alberta. The hog sector continues to face significant profitability pressures as a result of poor pork prices. It remains to be seen how the global economic downturn will impact world trade in meat products.

**Proactive risk management** – the NRCB will continue its focus on using consistent, science-based environmental risk assessments for confined feeding operations, providing Albertans with the assurance that Alberta's livestock industry is appropriately regulated and that our environment is protected. An environmental risk assessment program for confined feeding operations with groundwater monitoring requirements will be completed and an on-going, proactive inspection program will be implemented.

**Accessible regulatory processes** – as the regulator for the *Agricultural Operation Practices Act*, the NRCB is well positioned to deliver one-window access to regulatory processes that affect confined feeding operations.

**Increased public awareness** – public interest in environmental issues facing the agricultural sector and resource industries requires a regulatory process that is accessible, transparent and accountable. The NRCB is committed to delivering services that meet public expectations of accessibility, transparency and accountability.

**Professional expertise and retention strategies** – the NRCB has a highly qualified staff with diverse backgrounds and experience that build a comprehensive, professional team. The NRCB will continue to offer responsive retention and recruitment strategies to ensure that organizational capacity is maintained. A continued emphasis on teamwork, technical training and support, cross-training and internal communications will allow the competencies of all staff to fully benefit the organization.

## STRATEGIC PRIORITIES

The Natural Resources Conservation Board is committed to continuing to build confidence and trust in the organization's effectiveness and fairness. The following strategic priorities have been identified for 2009-2012:

**1. Building organizational capacity**

**Linkage:**  
NRCB goal 3

- The NRCB will continue to build its organizational capacity through responsive retention and recruitment strategies for staff and Board members, providing staff and Board members with targeted training and development opportunities, the creation of a pool of contracted experts, and enhanced internal communications.

**2. Comprehensive AOPA policy base**

**Linkage:**  
NRCB goal 2

- The NRCB will continue to refine its policy base for the delivery of functions under AOPA and will regularly consult stakeholders about policy needs through the Policy Advisory Group. The NRCB will also complete the environmental risk screening of confined feeding operations that have groundwater monitoring requirements.

**3. Risk based approach to regulating confined feeding operations**

**Linkage:**  
NRCB goals 1, 2 and 3

- The NRCB will continue to implement a risk based approach to regulating confined feeding operations. This approach is also consistent with the recommendations from the Auditor General, and includes the development of an integrated database which will assist in evaluating compliance and approval programs.

**4. Cross-government initiatives**

**Linkage:**  
NRCB goals 1, 2 and 3

- The NRCB will coordinate with its government partners on the Land Use Framework and the Water for Life strategy.

## CORE BUSINESSES: GOALS, STRATEGIES AND PERFORMANCE MEASURES

### Core Business One: Board reviews and appeals under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act*

**Goal one** Natural Resources Conservation Board reviews and hearings result in balanced decisions and are conducted in a manner that is effective, fair and transparent.

**What it means** The Natural Resources Conservation Board conducts reviews of proposed natural resource projects under the *Natural Resources Conservation Board Act* (NRCBA), and hears reviews of approval and enforcement officer decisions under the *Agricultural Operation Practices Act* (AOPA). In all cases the Board conducts its activities respecting the integrity of the administrative process, recognizing that timeliness of reviews is a key element.

NRCBA reviews are conducted on an original application (rather than an existing decision) to determine whether the project or activity is in the public interest having regard for its environmental, social and economic effects. Reviews are mandated for non-energy mining, forestry, water management, or recreational projects for which an environmental impact assessment is required under the *Environmental Protection and Enhancement Act*. Additional projects may also be referred to the Board by Order in Council. NRCBA applications often involve complex reviews and public hearings. Public participants are provided with information sessions and written guide materials to help them prepare for the hearing.

Under AOPA, the Board must determine whether to grant a review based on the information provided by affected parties. Where the Board determines that a review is warranted, it may refer the matter to mediation before conducting a hearing. Mediated resolutions must uphold the requirements of AOPA.

### Strategies

- 1.a Coordinate with government partners on the Water for Life strategy and Land Use Framework, and work closely with government partners to support the delivery of existing and new regulatory processes.
- 1.b Proactively provide opportunities for all participants to understand review and hearing processes through guides, public information sessions, and prompt and accurate response to direct inquiries.
- 1.c Identify critical issues and determine relevant information needed to ensure review and appeal processes can be conducted effectively, fairly and efficiently.

### Performance measures

Efficiency of review process*	2009/10	2010/11	2011/12
Percentage of Natural Resources Conservation Board's decisions issued within 80 working days of the conclusion of reviews under the NRCBA and within 30 working days of the conclusion of hearings under AOPA	100%	100%	100%

## Core Business Two: Regulation under the *Agricultural Operation Practices Act*

**Goal two** Effective, efficient and consistently-applied approval and compliance processes for confined feeding operations and manure management.

**What it means** The operational side of the NRCB delivers a regulatory process to ensure that Alberta's confined feeding industry grows in an environmentally responsible and sustainable manner. The NRCB consults with the multi-stakeholder Policy Advisory Group (PAG) on priority issues and policy development required under goal two, ensuring coordination with the Land Use Framework and Water for Life.

Approval officers review applications for new and expanding confined feeding operations and manure storage facilities. Their decisions are based on the information provided by the applicant, the requirements of the *Agricultural Operations Practices Act* (AOPA), land use provisions in the local municipal development plan and the

NRCB's approval policy. Approval officers also consider written statements of concern from affected parties and responses from other regulatory agencies. In order to continuously improve consistency between decisions, approval officers participate in benchmarking exercises and team reviews of draft decisions.

Using the compliance and enforcement policy as a guide, inspectors ensure operators are in compliance with the provisions of AOPA and the conditions on their permits. Inspectors encourage operators to work with them to develop solutions to environmental and nuisance issues. Inspectors use education, voluntary compliance and escalating enforcement action to address non-compliance or potential hazards.

Approval officers and inspectors consult with the NRCB's scientific and technical experts as required. In 2009, environmental risk screening of confined feeding operations with groundwater monitoring requirements will be completed. The NRCB will also develop a proposal and consult with the Policy Advisory Group on risk-based compliance in addition to the NRCB's complaint-initiated compliance program.

### Strategies

- 2.a Continue to clearly communicate approval and compliance requirements to stakeholders and affected parties.
- 2.b Consult with our partners and stakeholders through PAG on policy changes for compliance and approval functions.
- 2.c Complete the environmental risk screening of confined feeding operations with groundwater monitoring requirements.
- 2.d Develop a proposal for a risk-based inspection program for confined feeding operations to supplement complaint-initiated inspections.
- 2.e Co-chair and support the Technical Advisory Group, in collaboration with Agriculture and Rural Development and the confined feeding industry, to guide development of technical guidelines that clarify AOPA requirements.

### Performance measures

<b>Efficiency of permitting process*</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
Percentage of decisions issued within 65 working days from the date the application is determined to be complete	85%	85%	85%
<b>Complaint resolution*</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
Percentage of complaint files resolved or requiring no further action within 90 days	95%	95%	95%

## ORGANIZATIONAL CAPACITY

Successful delivery of the NRCB's two core mandates under the NRCBA and AOPA require an effective and responsive organization, with appropriate staffing, expertise and technical resources. Goal three supports the NRCB's mandates under both the NRCBA and AOPA.

**Goal three** The Natural Resources Conservation Board has the expertise and technical resources required to fulfill its mandates under both the NRCBA and AOPA.

**What it means** Natural Resources Conservation Board staff and Board members work with diverse issues and need detailed technical knowledge. Staff and Board members are highly trained, competent and motivated to deliver high standards of service.

The NRCB uses responsive staff retention and recruitment strategies to maintain its current high level of expertise. The NRCB continues its commitment to providing orientation programs and ongoing technical training for its staff and board members, to ensuring they have the technical tools to do their job, and to providing a pool of contractual expertise to supplement internal NRCB resources when required.

The NRCB also remains committed to effective internal communications, including in-person communication, conference calls between management and employees, intranet development and cross-division meetings and bench-marking exercises. This emphasis will continue to build team work and a shared understanding throughout the organization of its values and mandate.

### Strategies

- 3.a Continue to provide appropriate funding and opportunities for training, and encourage staff and Board member participation in ongoing training in areas of required knowledge.
- 3.b Continue to provide orientation programs for new staff and Board members.
- 3.c Maintain and continuously improve its internal web site to promote better sharing of information and technical knowledge.
- 3.d Promote opportunities for face to face communication between managers, staff and divisions, including an annual retreat.
- 3.e Benchmark NRCB methods of staff retention against Alberta's top employers,.
- 3.f Increase the NRCB's capacity to provide technical expertise through a variety of means, including creating a pool of contracted experts to support both the NRCBA and AOPA.

### Performance measures

<b>NRCB employee satisfaction</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
Per cent of staff who express satisfaction on survey results	75%	75 %	75 %
<b>NRCB employees have appropriate training</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
Per cent of staff who participate in training programs	90%	90%	90%



## BUDGET INFORMATION

The 2009-2010 budget is based on the strategic priorities and strategies identified in the business plan.

### EXPENSE BY CORE BUSINESS

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
<b>AOPA and NRCBA Mandates</b>						
Board: Reviews under NRCBA and AOPA	\$1,241,749	\$1,583,026	\$1,328,579	\$1,417,460	\$1,417,460	\$1,417,460
Operations: Regulation under AOPA and support for the NRCBA applications	5,163,657	5,769,974	5,155,220	5,435,540	5,435,540	5,435,540
<b>Total Expenses</b>	<b>\$6,405,406<sup>1</sup></b>	<b>\$7,353,000</b>	<b>\$6,483,799</b>	<b>\$6,853,000</b>	<b>\$6,853,000</b>	<b>\$6,853,000</b>

### STATEMENT OF OPERATIONS

	Comparable			2009-10 Estimate	2010-11 Target	2011-12 Target
	2007-08 Actual	2008-09 Budget	2008-09 Forecast			
<b>Revenues</b>						
Transfer from Sustainable Resource Development	\$6,171,000	\$7,309,000	\$6,499,000	\$6,809,000	\$6,809,000	\$6,809,000
Miscellaneous Investment & other revenue	214,749	51,000	70,012	51,000	51,000	51,000
<b>Total Revenues</b>	<b>\$6,385,749</b>	<b>\$7,360,000</b>	<b>\$6,569,012</b>	<b>\$6,860,000</b>	<b>\$6,860,000</b>	<b>\$6,860,000</b>
<b>Expenses</b>						
Personnel	4,773,973	5,617,400	5,164,378	5,485,871	5,485,871	5,485,871
Supplies and Services	1,188,601	1,685,600	1,279,051	1,317,129	1,317,129	1,317,129
Amortization	40,876	50,000	40,370	50,000	50,000	50,000
<b>Total Expenses</b>	<b>\$6,003,450</b>	<b>\$7,353,000</b>	<b>\$6,483,799</b>	<b>\$6,853,000</b>	<b>\$6,853,000</b>	<b>\$6,853,000</b>
<b>Net Operating Results</b>	<b>\$382,299</b>	<b>\$7,000</b>	<b>\$85,213</b>	<b>\$7,000</b>	<b>\$7,000</b>	<b>\$7,000</b>

<sup>1</sup> Includes \$387,586 leased cost for office space paid by Alberta Infrastructure and \$14,370 for shared services from the ERCB. These amounts are not included in the Statement of Operations.  
Natural Resources Conservation Board 2009 – 2012 Business Plan