

Natural Resources Conservation Board

2010-2013 Business Plan

April 15, 2010



NRCB

Natural Resources
Conservation Board

www.nrcb.gov.ab.ca

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 is 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 division conducts ongoing regulatory functions under AOPA, reviewing applications and ensuring compliance with the act.

Both core businesses are supported by the NRCB's 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 THE GOVERNMENT OF ALBERTA'S 2010-2013 STRATEGIC BUSINESS PLANS

The Natural Resources Conservation Board (NRCB) supports the Government of Alberta's vision of an innovative and prosperous province where Albertans enjoy a high quality of life, built on vibrant communities and a healthy environment, as outlined in the *Government of Alberta Strategic Business Plan*. NRCB responsibilities under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act* primarily support the following core businesses of the Government of Alberta, Sustainable Resource Development, and Agriculture and Rural Development:

Government of Alberta

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 and public expectations for environmental management.*
- *The NRCB also coordinates with its government partners on delivery of the Land Use Framework.*

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, and is expanding use of a science based environmental screening tool to ensure adequate protections are in place for ground and surface water.*
- *The NRCB coordinates with its government partners on Water for Life.*

Sustainable Resource Development

Core Business 5, Goal 9: Natural Resources Conservation Board reviews and hearings result in balanced decisions and are conducted in a manner that is timely, effective, fair and transparent

- *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

Core Business 1, Goal 2: Environmental stewardship

- *The NRCB regulates Alberta's confined feeding industry under the Agricultural Operation Practices Act, 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 builds and maintains strong relationships with other regulatory authorities, industry, municipalities, and non-government environmental organizations as an ongoing priority.

Under the *Natural Resources Conservation Board Act* (NRCBA), the NRCB partners closely with Alberta Environment, the Alberta Utilities Commission, 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* (AOPA), the NRCB works 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 are ongoing priorities. The NRCB will continue to communicate and consult 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. The NRCB will also continue to participate on regional and central planning committees.

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 increased AOPA-based issues around permits and compliance, in particular in the Edmonton-Calgary corridor.

Under the NRCBA, the NRCB must ensure that natural resources are developed on the basis of a sustainable model that respects both the community and the environment. Under AOPA, urbanization of agricultural land is resulting in challenges arising from the proximity of housing to confined feeding operations. Odour, nuisance issues (flies, dust and noise), the siting of facilities, and the status of grandfathered operations are an increasing focus of concern in urbanized areas. The NRCB works closely with municipalities, operators and the public on these issues.

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 current economic crisis has resulted in fewer applications from hog and beef producers. Applications from dairy and poultry operators remain consistent. It remains to be seen how long 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. The leak detection program for confined feeding operations with groundwater monitoring requirements will be completed. The risk based compliance program will be fully implemented.

Accessible regulatory processes – as the regulator for the *Agricultural Operation Practices Act*, the NRCB is well positioned to offer accessible regulatory, mediation and dispute resolution services to support regional and government initiatives.

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 maintain organizational capacity through a variety of means, including contract services. A continued emphasis on team-work, 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 2010-2013:

1. Organizational capacity

Linkage:
NRCB goal 3

- Develop and implement in-house information technology policies and procedures; redesign and integrate existing data-bases to better support the coordination of approval and compliance and enforcement activities under AOPA

2. Risk based approach to regulating confined feeding operations

Linkage:
NRCB goal 2

- Implement a risk based approach to regulating confined feeding operations in consultation with stakeholders, including the introduction of a leak detection program with flexible amendments, a risk based compliance program, and use of the new environmental risk screening tool for reviewing applications for new or expanding confined feeding operations

3. Cross government initiatives

Linkage:
NRCB goals 1, 2 and 3

- Coordinate with government partners on projects, committees and other groups, and work closely with government departments and agencies to support the delivery of existing and new government initiatives

4. Regulatory expertise

Linkage:
NRCB goals 1 and 3

- Work with the Government of Alberta to determine where the NRCB can provide its regulatory and quasi-judicial decision-making expertise to support priority initiatives, including regional implementation of the Land Use Framework and potential roles in providing a review mechanism, alternative dispute resolution services and appeal processes

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) for confined feeding operations. 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 to determine whether proposed natural resource projects are in the public interest, having regard for their environmental, social and economic impact. Reviews are mandated for non-energy mining, forestry, water management, or recreation 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.

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 Support and improve Government of Alberta priority initiatives (e.g. Land Use Framework) by sharing regulatory practices.
- 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	2010/11	2011/12	2012/13
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 NRCB is the named authority to regulate confined feeding operations in Alberta under the *Agricultural Operation Practices Act* (AOPA). The purpose of the act is 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, ensuring coordination with Alberta's Land Use Framework and Water for Life.

Approval officers are responsible for ensuring that new and expanding confined feeding operations meet the legislated requirements of AOPA, which address environmental and community impact, and require consistency with land use provisions in municipal development plans. Inspectors are responsible for ensuring that confined feeding operations are in compliance with their permits. They also investigate and respond to concerns about the operation of facilities, and deliver the NRCB's risk based compliance program.

The NRCB's scientific and technical experts provide information and expertise to guide approval officer and inspector decisions, and support the design and implementation of risk based inspection programs.

Strategies

- 2.a Implement the risk based compliance program to improve the regulation of confined feeding operations.
- 2.b Implement an updated compliance policy which includes the use of an environmental risk screening tool.
- 2.c Consult with our partners and stakeholders through PAG on policy related to delivery of AOPA.
- 2.d Complete the leak detection program for confined feeding operations with groundwater monitoring requirements.
- 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

Efficiency of permitting process	2010/11	2011/12	2012/13
Percentage of decisions issued within 65 working days from the date the application is determined to be complete	85%	85%	85%
Complaint resolution	2010/11	2011/12	2012/13
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 services, and are supported by in-house and external expertise.

The NRCB continues its commitment to providing orientation programs and ongoing technical training for its staff and board members, 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 Improve information technology and integrate existing data-bases to better coordinate approval, compliance and enforcement activities under AOPA.
- 3.b Provide appropriate funding and opportunities for training in areas of required knowledge.
- 3.c Provide orientation programs for new staff and Board members.
- 3.d Maintain and continuously improve its internal web-site to promote better sharing of information and technical knowledge.
- 3.e Promote opportunities for face to face communication between managers, staff and divisions, including an annual general meeting.
- 3.f Maintain 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

NRCB employee satisfaction	2010/11	2011/12	2012/13
Per cent of staff who express satisfaction on survey results	75%	75 %	75 %
NRCB employees have appropriate training	2010/11	2011/12	2012/13
Per cent of staff who participate in training programs	90%	90%	90%

BUDGET INFORMATION

The 2010-11 budget is based on the strategic priorities and strategies identified in the business plan.

EXPENSE BY CORE BUSINESS

	Comparable			2010-11 Estimate	2011-12 Target	2012-13 Target
	2008-09 Actual	2009-10 Budget	2009-10 Forecast			
AOPA and NRCBA Mandates						
Board: Reviews under NRCBA and AOPA	\$1,412,370	\$1,417,461	\$1,417,461	\$1,253,657	\$1,253,657	\$1,281,868
Operations: Regulation under AOPA and support for the NRCBA applications	5,456,483	5,435,539	5,435,539	4,777,343	4,777,343	4,919,132
Total Expenses	\$6,868,853¹	\$6,853,000	\$6,853,000	\$6,031,000	\$6,031,000	\$6,201,000

STATEMENT OF OPERATIONS

	Comparable			2010-11 Estimate	2011-12 Target	2012-13 Target
	2008-09 Actual	2009-10 Budget	2009-10 Forecast			
Revenues						
Transfer from Sustainable Resource Development	\$6,499,000	\$6,809,000	\$6,809,000	\$5,987,000	\$5,987,000	\$6,157,000
Miscellaneous Investment & other revenue	68,483	51,000	51,000	11,000	11,000	11,000
Total Revenues	\$6,567,483	\$6,860,000	\$6,860,000	\$5,998,000	\$5,998,000	\$6,168,000
Expenses						
Personnel	5,139,704	5,486,824	5,486,824	4,867,031	4,867,031	5,047,913
Supplies and Services	1,263,022	1,316,176	1,316,176	1,113,969	1,113,969	1,103,087
Amortization	40,529	50,000	50,000	50,000	50,000	50,000
Total Expenses	\$6,443,255	\$6,853,000	\$6,853,000	\$6,031,000	\$6,031,000	\$6,201,000
Net Operating Results	\$124,228	\$7,000	\$7,000	(\$33,000)	(\$33,000)	(\$33,000)

¹ Includes \$414,206 leased cost for office space paid by Alberta Infrastructure and \$11,392 for shared services from the ERCB. These amounts are not included in the Statement of Operations.