

Natural Resources Conservation Board

Business Plan 2011-2014

THE BOARD

The Natural Resources Conservation Board is an independent, quasi-judicial agency of the Government of Alberta. It is accountable to the Minister of Sustainable Resource Development and is responsible for reviews of natural resource projects under the *Natural Resources Conservation Board Act* (NRCBA) and regulating Alberta's confined feeding industry under the *Agricultural Operation Practices Act* (AOPA).

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 2006 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.

<i>Vision</i>	To be a respected decision-maker, exemplifying integrity and foresight in the best interests of Alberta.
<i>Mission</i>	As a quasi-judicial and regulatory agency, the NRCB makes impartial and knowledge-based decisions across two distinct mandates: <ul style="list-style-type: none"> • Under the <i>Natural Resources Conservation Board Act</i>, the NRCB decides if natural resource projects are in the public interest, considering social, environmental and economic effects, and • Under the <i>Agricultural Operation Practices Act</i>, the NRCB fulfills application and compliance responsibilities, administers and advances policies, and conducts Board reviews for confined feeding operations.
<i>Values</i>	In achieving our mission, we honour the NRCB's core values of integrity, fairness, respect, excellence and service.

LINKS TO THE GOVERNMENT OF ALBERTA'S 2011-2014 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 2011-14 *Government of Alberta Strategic Business Plan*.

Government of Alberta

Core business: Agriculture, Resource Management and Economic Development

- *The NRCB supports this core business 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 sustainable development 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

- *The NRCB supports this core business 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 the requirements of the Agricultural Operation Practices Act. The NRCB uses risk-based approaches to ensure adequate protections are in place for groundwater and surface water.*
- *The NRCB coordinates with its government partners on Water for Life initiatives.*

Agriculture and Rural Development

Goal 2: Environmental stewardship

- *The NRCB regulates Alberta's confined feeding industry under the Agricultural Operation Practices Act, to ensure that its economic development occurs in an environmentally sustainable manner.*
- *The NRCB works with stakeholders to address environmental issues 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 other stakeholders.

Enhanced communication – communication, consultation and coordination with stakeholders and regulatory partners are ongoing priorities. The NRCB will continue to communicate and consult with its stakeholders through face to face meetings and other initiatives. The NRCB will also work closely with the livestock industry and other stakeholders to improve its direct communication with confined feeding operators and the public about priority initiatives and programs.

Alberta Land Stewardship Act – the NRCB will continue to participate in the development of regional land use plans and the cumulative effects management system in support of Alberta's new land use legislation.

Land use pressures – competing uses of land for residences, recreation, environmental preservation, industry and agriculture are reflected in the Natural Resources Conservation Board's activity with natural resource development reviews and AOPA-based issues around permits and compliance, in particular in the Edmonton-Calgary corridor.

Under the NRCBA, the NRCB must ensure that natural resource projects are developed on the basis of a sustainable model that respects both the community and the environment. Under AOPA, fragmentation of agricultural land is resulting in challenges arising from the proximity of confined feeding operations to residential developments and environmental and recreational land uses, and clear land use provisions in municipal development plans are increasingly important. The NRCB will continue to work closely with municipalities, operators and the public on these issues and to communicate NRCB policies, programs and permitting processes.

Economic challenges – under the NRCBA, the NRCB has continued to receive applications for natural resource projects despite the economic uncertainty of the last two years, suggesting that natural resource industries are confident in the economic future. Under AOPA, the NRCB regularly consults through the Policy Advisory Group and industry meetings about the health of the livestock industry in Alberta. There are indications that the beef sector is beginning to recover, and there are signs of cautious optimism that hog prices are nearly at par with the cost of production. Food prices across the world remain high, but the resulting high cost of feed remains a difficulty for many producers. As a result, applications from hog producers for new or expanding facilities remain low, but the NRCB anticipates an increase in applications from beef producers. Applications from dairy and poultry producers have remained consistent. The economic challenges have also resulted in an increase in voluntary suspensions of confined feeding operations. The NRCB is working with operators to ensure that these suspensions are properly managed to prevent environmental risk and to ensure that in the future they can be brought back into production.

Proactive risk management – the NRCB will continue to use consistent, science-based environmental risk assessments for its risk based compliance program under AOPA. The assessment approach is also being used to review applications for new and expanding confined feeding operations to ensure the protection of groundwater and surface water.

The NRCB is also working with Alberta Agriculture and Rural Development and industry to develop technical guidelines for operators and consultants on issues such as confined feeding operation closure, construction of groundwater monitoring wells, and reclamation.

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 are identified for 2011-14:

1. **Organizational capacity**
Linkage:
NRCB goal 3
 - Continue to develop and implement in-house information technology policies and procedures; integrate existing databases to better support the coordination of approval and compliance and enforcement activities under AOPA; implement an intranet-based technical document repository to support technical research
2. **Risk based approach to regulating confined feeding operations**
Linkage:
NRCB goal 2
 - In consultation with the Policy Advisory Group, continue to implement a risk based approach for compliance and enforcement functions for confined feeding operations and for the review of applications for new or expanding operations. Complete the permit amendments resulting from the leak detection program
3. **Cross government initiatives**
Linkage:
NRCB goals 1, 2 and 3
 - Contribute to the Land-use Framework and the Cumulative Effects Management System under the *Alberta Land Stewardship Act*, *Water for Life* and the Clean Air Strategy. Coordinate with government ministries on the design of technical guidelines for AOPA and the development of regulatory tools to help other ministries deliver their mandates
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 recognizing that timeliness of reviews is a key element of an effective, fair and transparent process.

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	20011/12	2012/13	2013/14
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 described in the 2006 memorandum of understanding between Sustainable Resource Development, Agriculture and Rural Development and the NRCB: "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 operational policy development, and ensures coordination with Alberta's Land Use Framework and Water for Life initiatives.

Approval officers ensure that new and expanding confined feeding operations meet the legislated requirements of AOPA. The requirements address environmental and community impact and require consistency with land use provisions in municipal development plans. Inspectors deliver the NRCB's risk based compliance program, and investigate and respond to complaints about the operation of facilities.

- Strategies**
- 2.a Continue to implement the risk based compliance policy and program to improve the regulation of confined feeding operations.
 - 2.b Communicate with operators on priority NRCB initiatives, policies and programs that directly affect them.
 - 2.c Co-chair and consult with NRCB partners and stakeholders through the Policy Advisory Group on operational policy related to delivery of AOPA.
 - 2.d Complete the permit amendments 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.
 - 2.f Partner with other departments and agencies to study the affects of manure collection and storage facilities on groundwater quality.

Performance measures

Efficiency of permitting process	2011/12	2012/13	2013/14
Percentage of decisions issued within 65 working days from the date the application is determined to be complete	85%	85%	85%
Complaint resolution	2011/12	2012/13	2013/14
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 Continue to improve information technology and integrate existing databases to better coordinate approval, compliance and enforcement activities under AOPA.
- 3.b Continue to provide appropriate funding and opportunities for training in areas of required knowledge
- 3.c Implement the revised orientation checklist for new staff and board members and roll out the newly designed "HR tip sheet" for all staff.
- 3.d Maintain and continuously improve internal information technology tools to support more efficient sharing of information among staff, including implementation of the intranet-based technical document repository.
- 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	2011/12	2012/13	2013/14
Per cent of staff who express satisfaction on survey results	75%	75 %	75 %
NRCB employees have appropriate training	2011/12	2012/13	2013/14
Per cent of staff who participate in training programs	90%	90%	90%

BUDGET INFORMATION

The 2011-12 budget is based on the strategic priorities and strategies identified in the business plan.

Expense by Core Business

	Comparable			2011-12 Estimate	2012-13 Target	2013-14 Target
	2009-10 Actual	2010-11 Budget	2010-11 Forecast			
AOPA and NRCBA Mandates						
Board: Reviews under NRCBA and AOPA	\$1,358,526	\$1,253,657	\$1,253,657	\$1,253,657	\$1,253,657	\$1,253,657
Operations: Regulation under AOPA and support for the NRCBA applications	5,381,694	4,777,343	4,777,343	4,777,343	4,777,343	4,777,343
Total Expenses	\$6,740,220¹	\$6,031,000	\$6,031,000	\$6,031,000	\$6,031,000	\$6,031,000

Statement of Operations

	Comparable			2011-12 Estimate	2012-13 Target	2013-14 Target
	2009-10 Actual	2010-11 Budget	2010-11 Forecast			
Revenues						
Transfer from Sustainable Resource Development	\$6,314,000	\$5,987,000	\$5,987,000	\$5,987,000	\$5,987,000	\$5,987,000
Miscellaneous Investment & other revenue	37,385	11,000	11,000	11,000	11,000	11,000
Total Revenues	\$6,351,385	\$5,998,000	\$5,998,000	\$5,998,000	\$5,998,000	\$5,998,000
Expenses						
Personnel	5,218,177	4,867,031	4,867,031	4,879,372	4,879,372	4,879,372
Supplies and Services	971,914	1,113,969	1,113,969	1,101,628	1,101,628	1,101,628
Amortization	36,953	50,000	50,000	50,000	50,000	50,000
Total Expenses	\$6,227,044	\$6,031,000	\$6,031,000	\$6,031,000	\$6,031,000	\$6,031,000
Net Operating Results	\$124,341	(\$33,000)	(\$33,000)	(\$33,000)	(\$33,000)	(\$33,000)

¹ Includes \$487,582 leased cost for office space paid by Alberta Infrastructure and \$25,594 for shared services from the Energy Resources Conservation Board. These amounts are not included in the Statement of Operations.

Contact the Natural Resources Conservation Board at the following offices.
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Calgary Office

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Fairview Office

Provincial Building, 213, 10209 - 109 Street
Box 159, Fairview, AB T0H 1L0
T 780-835-7111 F 780-835-3259

Lethbridge Office

Agriculture Centre, 100, 5401 - 1 Avenue S
Lethbridge, AB T1J 4V6
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Morinville Office

Provincial Building, 201, 10008 - 107 Street
Morinville, AB T8R 1L3
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Red Deer Office

Provincial Building, 303, 4920 - 51 Street
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NRCB Response Line: 1-866-383-6722

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Copies of the *Agricultural Operation Practices Act* can be obtained from the Queen's Printer at www.qp.gov.ab.ca or through the NRCB website.

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