From Complex to Common Sense
Transforming Alberta's Environmental Regulatory System
Objectives for Today

Share **what** AEPs regulatory systems transformation journey is about over the next 2-3 years

Discuss **why** this matters to industry, proponents and our shared broader context

Translate **how** benefits and improvements will be realized by Albertans
Call to Action - *Why System Transformation is Needed Now?*

- We need to bring systems into the 21st century
- AEP is committed to a *common sense, fair, and predictable* regulatory process while maintaining our high environmental standards
- Opportunity is now – it aligns with government’s commitments to Red Tape Reduction (RTR), Outcomes-Based Regulation, Economic Recovery
- AEP recognizes that a well-functioning regulatory system is key to the province's economy and future investment

*This will be one of the most significant transformations AEP has ever undertaken*
How We Are Becoming a Modern Regulator – Requires a Systems Approach

GOAL: Outcomes-Based Regulatory System

- SOCIAL
- ENVIRONMENTAL
- ECONOMIC

Transformed Regulatory Process

Digitized & Automated Regulatory Platform

Modernized Crown Land Management

Local and Sub Regional Plans and Policies
So What is System Transformation?

Systems Transformation is the *integrated portfolio of department activities* essential to realizing a fully transformed environmental regulatory management system.

**System Transformation is:**
- Changing the way Albertans will navigate the regulatory system
- Harmonizing Regulatory *Process – Technology – Policy – Legislation*
- Built upon 3 *Integrated Pillars* of Department Activity

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<th>Regulatory Transformation Program</th>
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<td>A ‘one-window’ regulatory process that is integrated, outcomes-based, and risk-managed.</td>
<td>Site based planning to balance the diverse goals of Alberta’s land, air, water and biodiversity.</td>
<td>Modernized legislation to balance the shared use of Crown Land and Parks for economic, social and environmental purposes.</td>
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**Focus for Today – We are Here in Our Journey**

1. **INTEGRATED CROWN LAND MANAGEMENT**
   - Modernized Legislation, Regulations, Classifications, and Policy
   - *Multi-Use Crown Land Management for Public and Park Land*: Recreation and Tourism, Conservation, Sustainable Development

2. **SUB-REGIONAL & LOCAL PLANNING AND POLICY**
   - Site Specific Policy and Plans
   - *Sector Examples*: Caribou Sub-Regional Plans, Fish & Wildlife, Designated Industrial Zones (DIZ)

3. **REGULATORY TRANSFORMATION PROGRAM**
   1. RTR – Red Tape Reduction
   2. RAF – Regulatory Assurance Framework
   3. DRAS – Digital Regulatory Assurance System
How Crown Land Management Supports Regulatory Transformation
Modernizing and Integrating Crown Land Management

This Will Include:
- Managing all provincial Crown lands (parks and public land)
- Achieving a clear and understandable system for land use
- Moving to sustainable funding and partnerships for recreation
- Focusing on outcomes and reducing red tape
- Modernizing is about improving how Crown land is managed

Planned Activities Include:
- Share government’s vision for integrated, modernized approach
- Talk to Albertans on sustainable recreation – funding opportunities, partnerships
- Optimize delivery of structured recreational activities
- Update and streamline legislation, and approaches and tools; further engagement to come
Benefits of Sub-Regional and Local Planning on Regulatory Transformation

Two Examples to Share
Sub-Regional Plans Example 1: Caribou Recovery Planning

**WHY SUB-REGIONAL PLANS MATTER**

1. Sub-regional plans (SRP) will maintain a working landscape that can support economic and recreational opportunities and meet caribou recovery requirements.
2. Each SRP is informed by recommendations from multi-stakeholder task forces.
3. Each SRP will be tailored to address the activities that are most important locally (e.g. oil sands are important in some sub-regions, but not others).
4. Each SRP will include management approaches that address access management (road network), energy, forestry, recreation and tourism activities.

**BENEFITS TO INDUSTRY**

- Provide certainty to industry operating within the area and increase investor confidence.
- Enable further economic development and opportunity that can support local communities.
- Address pressures for industry to divest from Alberta; demonstrate ESG focus of resource sectors.
- Directly address the risk of federal intervention.
- Remove and consolidate legacy land use plans and guidelines in a single plan; reduce red tape.
Section 11: Caribou Recovery Planning

- On October 23rd, 2020 Alberta and Canada entered into a conservation agreement under Section 11 of the federal Species at Risk Act, laying out timelines for completion of sub-regional plans that achieve caribou recovery objectives.

### WHY Section 11 MATTERS

1. Reduces the risk of federal intervention in Alberta’s land and resource management
2. Adds strong protection against a possible Emergency Protection Order, which would devastate industries operating in areas with caribou.
3. Keeps Alberta in the lead to complete its task force process and develop sub-regional plans that support caribou recovery.
4. Secures federal funding commitment to support restoration of legacy seismic disturbances throughout caribou ranges. Estimated economic activity exceeding $1 Billion.

### WHAT IS A Section 11?

- A Section 11 agreement is NOT a land use plan
- **It IS:**
  - An agreement to take actions that are intended to stabilize and recover caribou populations in Alberta over the long term (50 to 100 years).
  - A commitment to timelines for the development and implementation of sub-regional plans.
Sub-Regional Plan Example 2: Designated Industrial Zones

The Designated Industrial Zone or (DIZ) is a local regulatory framework for designated industrial regions that provides certain and efficient approval processes and supports responsible industrial cluster development.

WHY DIZ MATTERS TO INDUSTRY
1. Reduce regulatory burden for both industry and permitting bodies.
2. Responsive to the speed of business to maintain competitiveness with other competing jurisdictions.
3. Provide a localized approach unique to the industrial heartland and the outcomes being sought by government, municipalities and Indigenous communities.
4. Leverage cluster efficiencies to reduce overall ecological footprint and promote industrial growth and diversification.
5. Modernize the overall regulatory system for heavy industrial value-add facilities.

BENEFITS TO INDUSTRY

- Increased investor certainty
- Key investment jurisdiction for environmental focused investors
- Accelerated and clear application requirements (“Nexus Pass”)
- Stakeholders can be invested in the bigger, longer picture
- Industrial growth and diversification
- Increased job growth and high paying employment
Understanding the Regulatory Transformation Journey
What is the Regulatory Transformation Program?

Fast-Track to Regulatory Transformation

1. Meeting Our Red Tape Reduction Platform Commitments

2. Implementing RAF: AEP’s New Regulatory Assurance Framework

3. Implementing DRAS: AEP's New Digital Regulatory Assurance System
Why Red Tape Reduction Matters to Regulatory Transformation?

RED TAPE REDUCTION PLATFORM COMMITMENTS

- Reducing regulatory and administrative burdens and improve service experience
- Reducing regulatory requirements by 33% by 2023

Driven Economic Growth  
Improve Service Delivery  
1/3 Reduction in Requirements  
One in One out

- As of February 1, 2021 10% redundant outdated and unnecessary requirements eliminated, and on pace to meet 12% reduction target by March 2021
- 74 Red Tape Reduction Initiatives completed across multiple environmental media and industries

Priority Interventions

- Modernizing Legislation
- Regulatory System Transformation
- Consistency in Crown Land Management
- Reduced cost to the ministry and stakeholders
Shifting From Traditional to Modern Environmental Regulatory Management

Becoming a Modern Regulator

• Requires major changes to how we regulate to meet the current realities and broader context of cumulative effects and shared use of the land base over time and geographically.

• Alberta’s social, environmental and economic context has changed, the regulatory system has not evolved significantly in response.
Our Regulatory System From Traditional.....To Modern

Shifting From.....

Emphasis on application process and developing approval conditions.

.....To

Emphasis on regulatory assessment of active operations to outcomes focused operating standards.

This Means

✓ Staff spend more time spent as a regulator of current operations, versus approval of applications.
✓ Faster turnaround for authorizations without compromising environmental standards.
✓ The environment is protected by ensuring environmental outcomes are being met through the lifecycle of the activity, versus minimizing risk in the application stage.
Our Regulatory System From Traditional.....To Modern

**Shifting From.....**
Referrals of applications for comment and conditioning by subject matter experts.

**.....To**
Proponents have clear application standards and requirements prior to submission of application.

This Means

- Proponents submit higher quality applications contributing to faster decisions on approvals.
- Better use of your regulatory expertise.
- Quality, structured data is collected in the application phase, leading to streamlined reporting.
Our Regulatory System From Traditional.....To Modern

Shifting From.....

Periodic compliance inspections and reactive management.

.....To

Risk-informed responses to incidents and self-reporting. Continuous assessment of operations for meeting of policy and management outcomes.

This Means

- Regulatory outcomes are achieved by applying effective management responses.
- Incidents and self-reports are valuable sources of data to inform future operational strategic, policy and operational decisions.
What is Changing – RAF?

Regulatory Assurance Framework: AEP’s foundational approach to enabling economic development activity while ensuring environmental standards outlined in policies, plans, and legislation are maintained.

Current State
- High “Bureaucratic” Effort
- Time Consuming
- Inconsistent
- Unclear expectations
- Not transparent
- Insufficient monitoring and compliance

Future State
- Effort on system design, complex file support
- Digital and faster
- Clear expectations and processes for decision making
- Strengthen monitoring and compliance

Continuous improvement loop to RAF process and policy
How Do We Know This Works?
Regulatory Backlog Reduction Initiative

Initiative Summary Statistics

- **May/20**
  - 2,264 Files awaiting decision
  - Department initiated Emergency Backlog Elimination project

- **Sept/20**
  - 547 Files require ongoing management
  - Await time-bound legislative obligations, info from proponent, or are under review

- **1,717**
  - Decisions made to date

- **39,679**
  - Personnel hours invested in backlog reduction

- **Backlog reduced by 76% for all backlog projects**

Key Achievement and Impacts

1. Reduction of backlog has enabled economic stimulus.
2. Long-term, sustainable process improvements have been made.
3. The project has validated the system improvements and will inform our regulatory transformation.

Examples:

- **2,567 Hectares of sand and gravel dispositions issued** (1,424 prepped for issuance)
- **31 Stormwater ponds authorized to enable community development**
- **9.4 billion Litres of water allocated** – enough to fill 3,760 Olympic-sized swimming pools
- **7,221 Albertans with access to safe and secure potable water through water treatment systems projects**
How Are We Enabling Regulatory Change – DRAS?

The Digital Regulatory Assurance System, or DRAS, is the multi-million dollar investment as the technological backbone of the transformed regulatory system, enabling clear, expedient decision making and straightforward environmental monitoring.

DRAS will replace the multiple independent and outdated systems with one single, consolidated system for proponent applications, approvals, and long-term monitoring.

Proponents will navigate an integrated, one window entry-to-exit experience, with clear and consistent requirements that can be tracked over the full activity lifecycle.
DRAS Design Examples

Environment
Protecting Alberta's environment and natural resources includes preserving the quality of our water, air, natural lands and wildlife.

About the Application Processes
Who needs to apply
When do I need a permit/disposition
How do I apply

Apply for a Permit or Disposition
Begin the process of applying for your disposition or permit.

My Dashboard
View your current applications, dispositions, amendments, appeals and complaints.

Most Read Articles

Featured Articles

Most Useful Articles
DRAS Design Examples
DRAS Design Examples

My Dashboard

My Applications by Stage

My Authorizations by State

My Active Applications

Pipeline Telecommunication - Activity - Pipeline - Attachment Test
Draft

CoP - Pipeline Telecommunication - Pipeline - Test 5

My Active Authorizations

Short description
DOS0001004 - Closed

My Active Statement of Concerns

Statement of Concern for - DAPP0001014
DCA0001003 - New
The Plan Ahead and Near Term Milestones
What’s the Plan for Environmental Regulatory Transformation?

**2020**
- Winter 2020: RAF Business Design (through 2021)
- Fall 2020: DRAS Gap Analysis

**2021**
- Spring/Summer 2021: Modernized Land Classification
- Summer 2021: Sand & Gravel and Water Act Approvals Modernization
- Red Tape Reductions of 12%
- Water Licenses Modernization

**2022**
- Spring 2022: Red Tape Reduction of 20%
- Summer 2022: Modernization of 11 More Regulatory Activities
- Fall 2022: Sub-Regional and Local Planning
- Modernization of Final 5 Regulatory Activities

**2023**
- Summer 2023: Red Tape Reduction of 33%
- Modernization of 11 More Regulatory Activities

**Regulatory System Transformation**
Alberta Environment and Parks is undergoing radical transformation:

- From bureaucratic... to maximizing our potential
- From rules based... to outcomes based
- From complex... to common sense
In Closing, AEP's System Transformation Will:

- Bring regulatory processes and systems into the 21st century
- Demonstrate clear "rules of the game" easing complex regulatory burden on industry and safeguard Alberta’s air, land, water and biodiversity
- Expedite economic development and increased competitiveness
- Be Enabled by Transformed Processes – Technology – Policy - Legislation
- Ensure Albertans rich, natural heritage is preserved for future generations to enjoy in a manner that meets diverse goals

The Journey Has Just Begun – The Road Ahead is Complex and Enduring

2020 2023
Questions?