

Environment

BUSINESS PLAN 2009-12

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2009 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 12, 2009 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

Rob Renner, *Minister of Environment*
March 19, 2009

THE MINISTRY

The Ministry of Environment consists of the Department of Environment and the Climate Change and Emissions Management Fund as the entities for government reporting purposes as well as the Environmental Appeals Board, which is a quasi-judicial board reporting to the Minister. In addition, three Delegated Administrative Organizations report to the Minister and operate with separate board governance and financial management. They are the Alberta Recycling Management Authority, the Beverage Container Management Board and the Alberta Used Oil Management Association.

The Ministry's authority to carry out its mandate is based on the *Environmental Protection and Enhancement Act*, the *Water Act* and the *Climate Change and Emissions Management Act*.

VISION

Alberta's environment sustains a high quality of life.

MISSION

Environment assures the effective stewardship of Alberta's environmental systems to sustain a high quality of life.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Environment is committed to making Alberta 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*. The key linkage between the Ministry of Environment's 2009-12 Business Plan and the *Government of Alberta Strategic Business Plan* is:

Goal 3: The high quality of Alberta's environment will be sustained - The Ministry of Environment contributes to this goal by providing the leadership to ensure environmental outcomes benefit our economy and quality of life for present and future generations. Leadership is provided to transition Alberta to an outcomes focused environmental cumulative effects management system, implement the provincial *Climate Change Strategy*, implement the renewed *Water for Life* strategy, develop all Alberta's energy resources, including the oil sands, in an environmentally sustainable way, and to provide Albertans, stakeholders and industry with information on government's role in ensuring environmental excellence and sustainable development while providing tools to reduce their environmental footprint.

Government of Alberta Priority

The Ministry of Environment will work with Energy to address the government priority:

- *Ensure Alberta's energy resources are developed in an environmentally sustainable way.*

VALUED BEHAVIOURS

The Ministry's values are reflected in our corporate and individual behaviors. They define how we treat our stakeholders, clients, partners, the public and each other.

Respect — We foster an environment in which each individual is valued and heard.

Accountability — We are responsible for our actions and for contributing to the effectiveness of the public service.

Integrity — We behave ethically and are open, honest and fair.

Excellence — We use innovation and continuous improvement to achieve excellence.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Ministry of Environment is working collaboratively across government and with stakeholders to respond to increasingly complex environmental challenges and risks, such as:

Environment, Human Health and Cumulative Effects

Albertans have strong values about the quality of water we drink and the air we breathe, the manufacture/use of toxic chemicals, and the changes in climate due to global warming. All of these are seen as important for the health of Albertans. One of the main findings of the United Nation's Millennium Ecosystem Assessment is that the relationship between human well-being and the natural environment is mediated by services provided by ecosystems. Changes to these services, as a result of changes in the environment, affect human well-being. Albertans recognize this important

connection through their strong values about the quality of water we drink and the air we breath, the manufacture/use of toxic chemicals, and the changes in climate due to global warming. The Ministry, through its ground breaking work on cumulative effects management, is balancing the needs of agricultural, residential, industrial, and commercial land uses while achieving environmental outcomes to enhance Albertans' high quality of life including the benefits to good human health.

Climate Change

Climate change has been described as “the most complex collective action problem in human history.” In the United States, President Obama sees climate change as putting “the planet in peril.” Global action on this issue continues to build not only from an environmental perspective but in the areas of economics and politics. Albertans and the Ministry are in a unique position of providing global leadership on this issue. The Alberta government's recent announcement of resources towards climate change initiatives including carbon capture and storage is the single largest global expenditure to date. The challenges of managing our global energy resources in an environmentally responsible and economically sound and efficient manner, is creating opportunities for this province to reduce carbon while supporting global energy security.

Water Quality and Quantity

The use and availability of freshwater, as well as the conservation of water resources are keys to Albertans' quality of life. Managing the quantity and quality of surface and groundwater resources, and their life-supporting ecosystems is of first order of importance for our province. Whether the challenges come from population growth, increased and changing agriculture needs, municipal or industrial development, there is a need to safeguard these resources. The Ministry is working with watershed planning and advisory councils and watershed stewardship groups, as well as engaging Albertans to create viable innovative solutions to meet this challenge to support healthy ecosystems and a vibrant economy.

Oil Sands Development

The oil sands continue to be the focal point for environmental issues in the province. They include most of the major environmental issues that Albertans face. The oil sands are seen as a global resource, and have attracted a global audience that is watching and critiquing Alberta's environmental management of the oil sands. The Ministry's new Oil Sands Environmental Management Division is engaging world-class experts and scientists to assist in managing this important provincial resource. This commitment to engaging world-class solutions to oil sands related environmental issues must be communicated to this global audience.

Engaging Partners and Stakeholders

Strong, long-term support from all partners and stakeholders is critical for the success of today's management of the environment. This is not something that can be done alone or by one or two groups. The management of the environment, including cumulative effects expressed in water, land, air or climate change, means the collaboration of all. The Ministry seeks to achieve this collaboration through its many partnerships, like the Water Advisory Council. The potential lack of partnership capacity that could impede progress on stewardship initiatives is a key challenge to achieving environmental outcomes and objectives.

STRATEGIC PRIORITIES 2009-12

Through the ministry's review of environmental factors, the strategic priorities described below have been identified. These are in addition to the important ongoing foundational activities of the ministry.

GREENING OUR GROWTH

- 1. Cumulative effects management**
Linkage:
Goals 1, 2, 3, 4 and 5

The Ministry of Environment will lead Alberta's transition to an outcomes focused environmental cumulative effects management system that is implemented within Alberta's *Land-use Framework* and addresses the impacts of development on land, air, water and biodiversity, at a regional level.
- 2. Oil sands**
Linkage:
Goals 1, 2, 3, 4 and 5

The Ministry of Environment will work with other Government of Alberta ministries to ensure all Alberta's energy resources, including the oil sands, are developed in an environmentally sustainable way. The Ministry will lead regional environmental planning in the oil sands including working with stakeholders to set desired and required environmental outcomes.
- 3. Climate change**
Linkage:
Goals 1, 2, 3, 4 and 5

The Ministry of Environment will implement the provincial *Climate Change Strategy*, including regulatory, conservation, and adaptation initiatives.
- 4. Engagement and awareness**
Linkage:
Goals 1, 2, 3, 4 and 5

The Ministry of Environment will provide Albertans, stakeholders and industry with the information needed to understand what government is doing to ensure environmental excellence and sustainable development, and the tools they need to reduce their environmental footprint.
- 5. Water for Life**
Linkage:
Goals 1, 2, 3, 4 and 5

The Ministry of Environment will implement the renewed *Water for Life* strategy to ensure the province has the quality and quantity of water needed now and into the future to support the environmental, economic and social needs of Albertans.
- 6. Organization and staff capability**
Linkage: Goal 5

The Ministry of Environment will embed organizational learning into our behaviours and practices and support our employees in being engaged, enabled and empowered in service of the Ministry's Vision, Mission and Valued Behaviours.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Safeguarding public and environmental health

There is an integral relationship between public health and the state of the environment. Through this core business, the Ministry helps assure both public safety and a high quality environment; an environment that can sustain a high quality of life and a prosperous economy for present and future generations of Albertans. The Ministry and key partners manage cumulative environmental effects by addressing human activities that affect the environment, managing air, water, and land resources, monitoring environmental conditions, evaluating and responding to environmental risks and opportunities, developing or updating policies, strategies and programs and by preparing for and responding to environmental emergencies. Key programs that contribute to this core business are monitoring, reporting and innovation, climate change, air and land policy, reclamation and emergency preparedness and Climate Change and Emissions Management.

GOAL ONE **1** The cumulative effects of development on land, air, water, and climate are managed to achieve Government of Alberta desired environmental outcomes

What it means

The Ministry and its partners are leading Alberta's transition to an outcomes focused cumulative effects management system which integrates social, economic, resource and environmental outcomes consistent with Alberta's *Land-use Framework*. The system will address the impacts of development on land, air, water and biodiversity, at a regional level. To facilitate the system, outcomes are defined and supported by coordinated environmental monitoring and compliance systems.

Strategies

- 1.1 Implement a cumulative effects management system working with partners to manage the environmental effects of development by:
 - developing and implementing regional plans throughout the province and assisting with the other strategies of the *Land-use Framework*;
 - implementing environmental impact assessment process changes to ensure timely and credible reviews of major projects;
 - providing leadership and coordinating departmental implementation of cumulative effects management, further refining the concept, raising awareness and building staff capability and departmental effectiveness; and
 - introducing a new act to support and enable an integrated approach to managing cumulative effects.
- 1.2 Work with Treasury Board's Oil Sands Sustainable Development Secretariat to implement the *Responsible Actions – A Plan for Alberta's Oil Sands* with a focus on achieving environmental goals.

- 1.3 Assist in ensuring Alberta's energy resources are developed in an environmentally sustainable way by supporting the Ministry of Energy in:
 - implementation of the provincial energy strategy;
 - implementation of carbon capture and storage research and demonstration projects; and
 - supporting research on new oil sands extraction processes that use less energy, less water, reduce tailings ponds and improve land reclamation.
- 1.4 Continue to implement the *Climate Change Strategy* through policy, program and infrastructure initiatives and assure appropriate governance of the Climate Change and Emissions Management Fund to support Alberta's intended outcomes, focusing on:
 - programs that promote wise energy use across the provincial economy in support of achieving the target of reduced greenhouse gas emissions over the longer term;
 - emissions management, using and updating the greenhouse gas regulatory framework for large industrial emitters and updating mandatory reporting requirements for medium-sized emitters;
 - the vulnerability assessment and climate change adaptation strategies to reduce Alberta's exposure to climate change risks;
 - support for energy innovation and carbon management initiatives designed to lower greenhouse gas emissions over the long term; and
 - development of legislation to drive energy efficiency and conservation actions across the provincial economy.
- 1.5 Continue to implement and resource a renewed *Water for Life: Alberta's Strategy for Sustainability*, with a focus on:
 - shared governance and watershed planning frameworks built on cumulative effects management as the foundation for future water management;
 - advancing the development of policies, economic instruments and information infrastructure to support water conservation and enhanced efficiency in use;
 - partnering with stakeholders to set instream flow requirements, groundwater and water quality objectives in key watersheds that inform watershed and regional plans;
 - continuing to build and implement a water allocation information system, regulatory processes and policies to sustain Alberta's water quantity and quality;
 - continuing to assess groundwater protection and management across the province to identify areas and sectors requiring enhanced groundwater management; and
 - meeting Alberta's transboundary water obligations.
- 1.6 Complete work with the Clean Air Strategic Alliance (CASA) to update Alberta's Clean Air Strategy and begin implementation of the strategy by applying the revised management framework and renewing the major elements of the provincial air system.
- 1.7 Implement the *Too Good To Waste* strategy, improving Alberta's resource conservation and waste management system and practices and ensuring future waste management practices reflect innovation and resource conservation and recovery.

| Performance Measures | Last Actual (Year) | Target 2009-10 | Target 2010-11 | Target 2011-12 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|
| 1.a Air Quality Index Measures the quality of Alberta's air based on five major pollutants: carbon monoxide, nitrogen dioxide, ozone, sulphur dioxide, and fine particulate matter – PM _{2.5} | "Good" air quality days 97% of the time (2007) | "Good" air quality days 97% of the time | "Good" air quality days 97% of the time | "Good" air quality days 97% of the time |
| 1.b River Water Quality Index Measures the water quality of six major Alberta rivers at key sites, based on monthly data on four groups of variables (metals, bacteria, nutrients and pesticides) which are combined to provide an indication of overall water quality | five out of six river systems have "good" to "excellent" water quality (2006-07) | six out of six river systems have "good" to "excellent" water quality | six out of six river systems have "good" to "excellent" water quality | six out of six river systems have "good" to "excellent" water quality |

Performance Measure Under Development:

Greenhouse Gas Emissions – Measures the amount of greenhouse gas emissions released into the atmosphere annually.

GOAL TWO **2** The Ministry has effective risk management, preparation and responses to events and emerging and complex environmental issues

What it means

The Ministry and its partners have to be aware of and manage environmental risks and opportunities. To do this, Environment advises other ministries across the Government of Alberta, municipalities and Albertans about emerging environmental issues and related threats to environmental and public health and safety. To respond to emerging and longer-term issues, the Ministry works with partners to update or develop new policies and programs. Working with the Alberta Emergency Management Agency to prepare for and respond to environmental incidents and emergencies, the Ministry helps plan hazard reduction and risk management with stakeholders. If required, the Ministry takes part in, or directs, emergency response activities that could have an impact on our air, land and/or water.

Strategies

- 2.1 Identify, understand and improve awareness of existing and emerging issues that could lead to significant environmental issues, incidents and emergencies in the province.
- 2.2 Integrate risk management through all levels of the department by expanding the current framework to include strategic and operational processes specific to both business and environmental risk assessment and management.
- 2.3 Review and assess Alberta's wastewater facilities to identify and respond to present and future demands.

| Performance Measures | Last Actual 2006-07 | Target 2009-10 | Target 2010-11 | Target 2011-12 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 2.a Environmental Emergencies Response Indicator Measures the response by Alberta Environment to environmental emergencies within established timelines | 90% responded to within 60 minutes | 90% responded to within 50 minutes | 95% responded to within 50 minutes | 95% responded to within 50 minutes |

Core Business Two: **Leading and enabling citizens, communities, governments and industry to be environmental stewards**

Environmental stewardship is a responsibility shared with the citizens, communities, governments and industries of Alberta. Sharing timely and credible information about the environment helps all Albertans make informed decisions for their stewardship activities. Effective and useful information systems and education and outreach programs are foundation pieces for all of the Ministry's Strategic Priorities. Ministry programs that support this include *Water for Life*, conservation and education and environmental relationships, partnerships and strategies.

GOAL THREE **3 People are aware of and understand existing and emerging environmental threats and opportunities**

What it means

The Ministry will enhance its capacity to share information and knowledge about the state of the environment and emerging issues with Albertans. This will involve information-sharing partnerships with a variety of public agencies and non-government organizations. The Ministry will have reliable and readily accessible environmental data, information and knowledge that are representative of Alberta's diverse environment and responsive to existing and emerging environmental issues. By gathering and disseminating information in an effective, accurate manner and using knowledge networks for monitoring and reporting, the Ministry will help Albertans become more informed environmental stewards.

Strategies

- 3.1 Enhance Albertans' awareness and understanding of environmental stewardship through public outreach and programs to enable Albertans to take action.
- 3.2 Enhance provincial, national and international awareness of Alberta's leadership, commitment and action on the environment.
- 3.3 Develop and implement an integrated monitoring and reporting strategy for environmental conditions, trends and performance across the province.
- 3.4 Enhance, analyze and share environmental data to increase and share the resulting knowledge with stakeholders.

| Performance Measures | Last Actual (Year) | Target 2009-10 | Target 2010-11 | Target 2011-12 |
|--------------------------------------------------------------------------------------------------------------------|--------------------|----------------|----------------|----------------|
| 3.a Client satisfaction with Information provided through Environment's Information Centre | | | | |
| • Accessibility – Measures the percentage of clients satisfied with accessibility to the Information Centre | 91% (2007-08) | 92% | 93% | 95% |
| • Knowledge – Measures the percentage of clients satisfied with Environment Information Centre knowledge | 93% (2007-08) | 95% | 95% | 95% |

| Performance Measures | Last Actual (Year) | Target 2009-10 | Target 2010-11 | Target 2011-12 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------|----------------|----------------|
| 3.b Environmental Awareness Indicator Measures Albertans' awareness of one or more of the Government of Alberta's priority environmental initiatives ¹ | 63% (2008) | 67% | 70% | 73% |

Note:

1 Priority initiatives are: Alberta's Climate Change Action Plan, the *Water for Life* strategy, the *Land-use Framework*, the *Too Good To Waste* strategy and the Cumulative Effects Management Framework.

GOAL FOUR **4** Albertans, communities, governments and industry are good stewards of the environment

What it means

The Ministry encourages and supports environmental stewardship by working in a wide variety of partnerships to enable environmental entrepreneurship and innovation. Success in developing a culture of stewardship rests on increasing the knowledge, motivation and capacity of stewards. Incentives can support the behaviours and values associated with a stewardship ethic.

Strategies

- 4.1 Strengthen stewardship through community and stewardship organization development in areas such as watershed management, airshed management, cumulative effects management, monitoring and reporting and resource conservation and recovery.
- 4.2 Conduct independent reviews of stewardship partnerships, assess past and current collaboration and partnership experience and align departmental policies and procedures to enhance departmental effectiveness and delivery of shared outcomes.
- 4.3 Implement the Memoranda of Understanding with First Nations and Aboriginal communities for collaborative stewardship of the environment.
- 4.4 Enhance the One Simple Act program and the Alberta Conservation Team to inspire Albertans to engage in environmental stewardship actions.
- 4.5 Support Alberta's environmental priorities on a national and international level through the Canadian Council of Ministers of the Environment, the Conference of the Parties and related mechanisms.
- 4.6 Support Alberta's air pollutant management through the development and implementation of a new comprehensive Canadian air management framework with the federal government, other provinces, territories and stakeholders.

| Performance Measures | Last Actual (Year) | Target 2009-10 | Target 2010-11 | Target 2011-12 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------|-------------------|-------------------|
| 4.a Personal Engagement Indicator Measures the percentage of Albertans that describe themselves as actively engaged in energy, waste or water conservation | | | | |
| • Energy Conservation | 87% (2008) | 90% | 93% | 95% |
| • Waste Conservation | 87% (2008) | 90% | 93% | 95% |
| • Water Conservation | 83% (2008) | 90% | 93% | 95% |
| 4.b Beverage Container Return Rate¹ Measures the return rate of beverage containers each year based on sales and returns | 76% (2007) | 85% | 85% | 85% |
| 4.c Used Oil Recovery Rate Measures the recovery rate of used oil each year expressed as a percentage of the estimated volume of recoverable oil and quantity recovered | 82% (2007) | 82% | 82% | 83% |
| 4.d Municipal Solid Waste To Landfills Measures Alberta's progress towards reducing the amount of municipal solid waste disposed in landfills as measured in kilograms of waste per capita | 838 (2007) | 800 | 700 | 650 |
| 4.e Electronic Recycling Measures the total tonnage of electronics collected and processed annually. Targets are set to achieve maximum recoverable volumes | 9,428 (2007-08) | 18,795 | 20,100 | 24,809 |
| 4.f Paint Recycling Measures the total kilograms of paint collected and processed annually (in millions) | 1.4 ² (2007-08) | 1.8 | 2.2 | 2.4 |
| 4.g Facilities Recognized as EnviroVista Leaders³ Measures the number of regulated facilities recognized as EnviroVista Leaders | 26 ⁴ (2007) | 31 | 34 | 37 |

Notes:

- Does not include exempted or newly included containers (e.g., milk containers, plastic and paper cups).
- This is an estimate based on benchmark recovery rates of existing paint programs in Canada.
- EnviroVista Leaders operate under Alberta's *Environmental Protection and Enhancement Act* and meet three qualifying criteria: they have an Environmental Management System in place, a five year history without enforcement action and a five year history of excellent emissions performance. Additional information can be obtained at <http://www.environment.alberta.ca/947.html>.
- December 31 is now being used as the Last Actual data collection date. This represents a change from Environment's 2008-11 Business Plan.

Sources:

- Beverage Container Management Board
- Alberta Used Oil Management Association
- Alberta Recycling Management Authority
- Alberta Recycling Management Authority

Core Business Three: **Leading and supporting the development and maintenance of critical regulatory systems and environmental infrastructure**

The Ministry is committed to develop and maintain critical capital and regulatory environmental infrastructure and environmental monitoring and reporting systems, on its own and through its partners. Programs that support this are resource management, approvals, compliance and enforcement, water operations, oil sands innovation and policy, oil sands operations, emergency response and ministry support services.

GOAL FIVE **5 Environmental infrastructure is developed and sustained to meet the Government of Alberta desired outcomes**

What it means

Albertans depend on a variety of environmental infrastructure. Some infrastructure systems, such as drinking water, are critical to public health and safety. Other systems such as water management infrastructure (i.e. dams, canals, weirs, diversions, drains) have important economic significance and are critical to the achievement of *Water for Life: Alberta's Strategy for Sustainability* objectives. Environmental infrastructure also includes monitoring and reporting systems, and operational policies and procedures that are critical to the success of environmental management and stewardship. The Ministry monitors and reports on the adequacy of this infrastructure to ensure that it continues to meet evolving standards and requirements as well as the future needs of Albertans. A focus on organizational learning will enhance the ministry's capacity to deal with increasingly complex environmental challenges and risk, and a focus on people will help employees be ready, willing and able to make a difference individually and collectively.

Strategies

- 5.1 Enhance, modernize and integrate departmental information, knowledge and technology systems with a focus on:
 - regulatory business support applications;
 - cross-ministry information and knowledge sharing systems; and
 - departmental business support systems.
- 5.2 Update the regulatory and non-regulatory tools such as operational policies and procedures for air, land and water management.
- 5.3 Implement the air and water management framework for the Industrial Heartland.
- 5.4 Work with municipalities and other ministries to:
 - respond to needs for infrastructure enhancements like drinking water, wastewater and resource recovery infrastructure systems, with an emphasis on development of regional systems; and
 - review and assess existing programs supporting municipal environmental infrastructure to ensure they are effective.
- 5.5 Develop and maintain air, land and water monitoring, knowledge and environmental performance systems to support Government of Alberta, Ministry and stakeholder environmental management opportunities.
- 5.6 Work with the Ministries of Sustainable Resource Development and Energy and the Energy Resources Conservation Board to address upstream oil and gas sector policy gaps, overlaps, and inconsistencies, and to complete detailed design and undertake implementation of an integrated regulatory delivery system for the upstream oil and gas sector.

- 5.7 Implement the Organizational Learning Strategy to develop and enhance an organizational learning culture enabling Ministry systems and employees to anticipate and respond to environmental challenges and adapt to change with resiliency.
- 5.8 Develop and implement strategies in the People Plan that support the Alberta Public Service Workforce Plan and Values, and facilitate employees' transition to the cumulative effects management system.

| Performance Measures | Last Actual (Year) | Target 2009-10 | Target 2010-11 | Target 2011-12 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| 5.a Effective Water Management Infrastructure | | | | |
| Measures the | | | | |
| • Utilization | 99.8% (2007-08) | 99% | 99% | 99% |
| • Functional adequacy | 95.1% (2007-08) | 95% | 95% | 95% |
| • Physical condition (PC) of provincially owned water management infrastructure ¹ | Good 96.5% Fair: 3.4% Poor: 0.1% (2007-08) | Good: 93% Fair: 7% Poor: 0% | Good: 93% Fair: 7% Poor: 0% | Good: 93% Fair: 7% Poor: 0% |
| 5.b Drinking Water Safety Indicator² | | | | |
| • Facility Design Standards - Measures the percentage of facilities meeting the newest (1997 or 2006) standards, as applicable | 85% ³ (2007-08) | 90% | 92% | 94% |
| • Facility Operational Requirements – Measures the number of incidents where regulatory requirements have not been met that could lead to water quality incidents | 46 (2007-08) | 22 | 19 | 16 |
| • Water Quality – Measures the number of water quality incidents | 48 (2007-08) | 36 | 34 | 32 |

Notes:

- 1 “Good” is defined as adequate for intended use and expected to provide continued service life with average maintenance. “Fair” means aging components are nearing the end of their life cycle and require additional expenditure for renewal or refurbishing. “Poor” means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.
- 2 Evaluates performance of facilities delivering safe drinking water, and demonstrates continuous improvement of facilities, in the way facilities are operated, and reporting on analytical results.
- 3 The remainder of facilities meets older (pre 1997) standards.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

| | Comparable | | | 2009-10 Estimate | 2010-11 Target | 2011-12 Target |
|------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| | 2007-08 Actual | 2008-09 Budget | 2008-09 Forecast | | | |
| Safeguarding public and environmental health | 30,111 | 246,438 | 171,687 | 195,120 | 178,428 | 197,428 |
| Leading and enabling citizens, communities, governments and industry to be environmental stewards | 42,569 | 32,687 | 32,687 | 28,457 | 28,206 | 28,206 |
| Leading and supporting the development and maintenance of critical regulatory systems and environmental infrastructure | 191,692 | 123,820 | 123,820 | 124,100 | 125,566 | 125,566 |
| MINISTRY EXPENSE | 264,372 | 402,945 | 328,194 | 347,677 | 332,200 | 351,200 |

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

| | Comparable | | | 2009-10 Estimate | 2010-11 Target | 2011-12 Target |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| | 2007-08 Actual | 2008-09 Budget | 2008-09 Forecast | | | |
| REVENUE | | | | | | |
| Internal Government Transfers | 1,934 | 3,175 | 3,175 | 3,175 | 3,175 | 3,175 |
| Transfers from Government of Canada | - | 51,967 | - | 51,967 | 51,967 | 51,967 |
| Premiums, Fees and Licences | 3,274 | 5,713 | 5,713 | 5,725 | 5,715 | 5,715 |
| Other Revenue | 43,716 | 95,248 | 95,248 | 98,248 | 81,248 | 115,248 |
| MINISTRY REVENUE | 48,924 | 156,103 | 104,136 | 159,115 | 142,105 | 176,105 |
| EXPENSE | | | | | | |
| Program | | | | | | |
| Safeguarding Public and Environmental Health | | | | | | |
| Ministry Support Services | 18,850 | 21,956 | 21,956 | 21,876 | 22,301 | 22,301 |
| Environmental Assurance: | | | | | | |
| Monitoring, Reporting and Innovation | 14,457 | 15,910 | 15,910 | 12,256 | 12,341 | 12,341 |
| Air and Land Policy | 9,301 | 10,476 | 10,476 | 7,941 | 8,141 | 8,141 |
| Climate Change | 4,919 | 62,377 | 10,410 | 77,248 | 77,271 | 62,271 |
| Reclamation and Emergency Preparedness | 1,434 | 2,675 | 2,675 | 2,675 | 2,675 | 2,675 |
| Climate Change and Emissions Management | - | 155,000 | 132,216 | 95,000 | 78,000 | 112,000 |
| Leading and Enabling Citizens, Communities, Governments and Industry to be Environmental Stewards | | | | | | |
| Environmental Stewardship: | | | | | | |
| Environmental Relationships, Partnerships and Strategies | 24,483 | 9,795 | 9,795 | 7,664 | 7,299 | 7,299 |
| Conservation and Education | 4,285 | 6,762 | 6,762 | 4,471 | 4,495 | 4,495 |
| Water for Life | 13,801 | 16,130 | 16,130 | 16,322 | 16,412 | 16,412 |
| Leading and Supporting the Development and Maintenance of Critical Regulatory Systems and Environmental Infrastructure | | | | | | |
| Environmental Management: | | | | | | |
| Resource Management | 12,998 | 13,441 | 13,441 | 17,962 | 18,155 | 18,155 |
| Approvals | 19,555 | 24,988 | 24,988 | 26,060 | 26,556 | 26,556 |
| Compliance and Enforcement | 10,112 | 11,583 | 11,583 | 11,620 | 11,697 | 11,697 |
| Water Operations | 101,073 | 16,672 | 16,672 | 15,581 | 15,728 | 15,728 |
| Emergency Response | 1,744 | 1,633 | 1,633 | 1,447 | 1,470 | 1,470 |
| Amortization of Capital Assets | 19,688 | 22,361 | 22,361 | 22,361 | 22,361 | 22,361 |
| Oil Sands Environmental Management: | | | | | | |
| Oil Sands Innovation and Policy | 3,406 | 4,787 | 4,787 | 4,594 | 4,699 | 4,699 |
| Oil Sands Operations | 3,000 | 6,300 | 6,300 | 2,500 | 2,500 | 2,500 |
| Valuation Adjustments and Other Provisions | 1,266 | 99 | 99 | 99 | 99 | 99 |
| MINISTRY EXPENSE | 264,372 | 402,945 | 328,194 | 347,677 | 332,200 | 351,200 |
| Gain (Loss) on Disposal of Capital Assets | 15 | - | - | - | - | - |
| NET OPERATING RESULT | (215,433) | (246,842) | (224,058) | (188,562) | (190,095) | (175,095) |

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

| | Comparable | | | 2009-10 Estimate | 2010-11 Target | 2011-12 Target |
|-------------------------------------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| | 2007-08 Actual | 2008-09 Budget | 2008-09 Forecast | | | |
| Ministry Revenue | 48,924 | 156,103 | 104,136 | 159,115 | 142,105 | 176,105 |
| <i>Inter-ministry consolidation adjustments</i> | (1,934) | (3,175) | (3,175) | (3,175) | (3,175) | (3,175) |
| Consolidated Revenue | 46,990 | 152,928 | 100,961 | 155,940 | 138,930 | 172,930 |
| Ministry Expense | 264,372 | 402,945 | 328,194 | 347,677 | 332,200 | 351,200 |
| <i>Inter-ministry consolidation adjustments</i> | - | - | - | - | - | - |
| Consolidated Expense | 264,372 | 402,945 | 328,194 | 347,677 | 332,200 | 351,200 |
| Gain (Loss) on Disposal of Capital Assets | 15 | - | - | - | - | - |
| CONSOLIDATED NET OPERATING RESULT | (217,367) | (250,017) | (227,233) | (191,737) | (193,270) | (178,270) |