

What We Heard: October 1 Forum Report
Stakeholder and First Nations Engagement
Regulatory Enhancement Project

November 19, 2010

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1. EXECUTIVE SUMMARY

This report reflects feedback provided by stakeholder and First Nations representatives at a forum held on October 1, 2010. This report does not in any way reflect the Government of Alberta's views, positions, obligations, or commitments.

1.1. Background

Energizing Investment, the March 2010 report on Alberta's competitiveness in the oil and gas industry pointed to a need for improvement in Alberta's regulatory system. The policy assurance (or regulatory) system currently in place for oil and gas in Alberta has become increasingly complex and is characterized by a lack of integrated policies and delivery mechanisms. The Regulatory Enhancement Project (REP) will deliver recommendations for a renewed and integrated policy assurance system that will contribute to Alberta's overall competitiveness while protecting the environment, ensuring public safety and conserving resources. This project is gathering and considering stakeholder and First Nations input on relevant Government of Alberta (GoA) policies and initiatives as system design recommendations are being developed.

1.2. Key Input

There were three main areas of focus for the forum: policy and public engagement; structure and organization; and risk management and public confidence.

With respect to **policy and public engagement**, themes that emerged from the discussion groups included:

- A need for strong top-down leadership that will guide implementation and operation of the renewed policy assurance system.
- A need for improved accountability when using policy integration processes and structures.
- There are a variety of tools that could be utilized to support policy integration such as information technology, and checklists or cross-referencing processes.
- Public engagement is seen as an important element in the development and integration of policy.
- Public-engagement processes used by the GOA can be improved with more transparency, consistency of approach, better coordination, and use of more engagement channels.
- Application of the concept of common interest in a meaningful way across GOA departments is important to improving policy development.
- There needs to also be a clear and fair requirements and processes for addressing private interest concerns when specific project applications are being considered by the policy assurance system.

Discussion on the **structure and organization** of the policy assurance system examined the separation of the policy system from the policy assurance system. Key considerations arising from these discussions included:

- Information sharing is key to ensuring that the policy assurance system can function effectively.

- Leadership of both systems must be aligned with well-defined expected outcomes to avoid problems in the interpretation and application of policy.
- Accountability across the policy development and policy assurance systems will require: clear statements of outcomes; clarity of responsibility and authority; and monitoring and communication about results and adaptation.

The discussion on options for organizational structure reviewed the “one window” and the “single-regulator” options. With respect to **“one window,”** the following summarizes the key points that were raised:

- A single point of entry to the system for interested parties will help to improve navigation of the system and increase transparency.
- A navigator function needs to be well informed of all internal processes and linkages.
- Significant time, effort, and leadership need to be put towards establishing alignment among the regulatory ministries and agencies.
- The “one-window” approach needs to include expertise of the individual ministries.

“Single regulator” is a model that envisions a single organizational structure for all oil and gas policy assurance functions. Comments included:

- The advantages of the “single-regulator” structure are increased efficiency and effectiveness due to streamlined processes, the elimination of silos, and the inclusion of regulatory experts within a single body.
- There will be challenges in demonstrating the value of **“single regulator”** to the public who may be sceptical of the ability of the regulator to effectively reconcile and deliver on the mandates of Sustainable Resource Development, Environment, and Energy. Monitoring of compliance through a third party may build more transparency in the process and help to build confidence with the public.
- Effective management of large components within a new regulatory entity will be needed in order to avoid shifting the problems of the current system into the new system.
- The change in organizational structure must be accompanied by a change in the organizational culture.

Risk management and public confidence discussions generated the following key themes:

- There needs to be balanced approach to managing risks to defined economic, social, and environmental outcomes.
- Perception and acceptance of risk varies among the general public, industry, and people living in proximity to the oil and gas development.
- Application of different policy assurance tools in response to different levels of risk will require understanding of probability and level of impact of adverse events at local and regional levels.
- Public confidence can be enhanced by increasing the effectiveness of monitoring and better enforcement, including more penalties. This can be accomplished through third party review, using credible and available data on industry performance, and performance of the policy assurance system in achieving outcomes.

- Policies and the policy assurance system need to be adaptable and respond to new information in a timely and effective manner. Communicating changes that are made to the system based on new and better information will help build trust and confidence with the public.

2. INTRODUCTION

2.1. Background

Energizing Investment, the March 2010 report on Alberta's competitiveness in the oil and gas industry pointed to a need for improvement in Alberta's regulatory system. The Regulatory Enhancement Project (REP) is being undertaken to enhance Alberta's competitiveness while maintaining a high level of commitment to public health and safety, and environmental standards. The project will accelerate a shift to an improved oil and gas policy assurance system¹. This will assure provincial policy objectives are met, while enabling developers to use cost-effective and innovative approaches to improve environmental performance and meet required outcomes.

The REP will culminate with a final report with recommendations for:

- Aligning the policy assurance system with government policy direction (policy integration);
- A renewed policy assurance/regulatory system, with a policy assurance performance measures framework; and
- Implementation strategies.

The REP has included three rounds of engagement sessions with stakeholders from the oil and gas industry, Government of Alberta staff, other broad interest groups, and First Nations. Broad interest groups included: non government and environmental organizations, landowners, and municipalities. Over the course of the project, stakeholders and First Nations had opportunities to provide input on a variety of topics pertaining to the design of Alberta's policy assurance (or regulatory) system. The formats of stakeholder and First Nations engagement sessions varied according to what was needed to facilitate meaningful engagement. The stakeholders and First Nations provided input on:

- Issues and opportunities regarding the policy assurance system in round 1;
- Preliminary options for the design of the system in round 2; and
- Potential options for the design of the system in round 3.

Reports summarizing the common themes as noted by the stakeholder engagement team were written following each round of stakeholder and First Nations engagement, and are available on the REP website.² This is a report on the stakeholder and First Nations feedback collected at a forum held on October 1, 2010. This report does not in any way reflect the Government of Alberta's views, positions, obligations, or commitments.

¹ A policy assurance system refers to the systems, processes and capacities government uses to assure that the intended results of public policy are being achieved. Policy assurance may use a variety of tools, including regulation, program evaluation, performance standards, incentives, and cross-compliance mechanisms.

² <http://www.energy.alberta.ca/Initiatives/RegulatoryEnhancement.asp>

2.2. Forum Approach

The REP hosted a forum on October 1, 2010 with over 100 participants from the oil and gas industry, Government of Alberta staff, other broad interest groups, and First Nations³. The purpose of the forum was to:

- Inform a diverse group of stakeholders and First Nations about potential REP system design options.
- Engage with stakeholders and First Nations, and receive feedback on the potential options in facilitated sessions.
- Build confidence in the REP project by:
 - Demonstrating that efficiency and effectiveness are improved in the proposed options;
 - Showing that stakeholder and First Nations issues have been heard; and
 - Listening and responding clearly to stakeholder and First Nations comments and questions.

The format of the forum included a brief overview presentation of the system design work to allow participants an opportunity to gain an understanding of the complete picture of the policy assurance system. This was followed by plenary presentations specific to each main topic area which addressed policy and public engagement; structure and organization and; risk management and public confidence (*see Appendix A for the complete forum presentation*). After each plenary presentation on a topic area, breakout sessions with six groups were facilitated. Discussion questions for each topic area were used to guide participant's dialogue in the breakout groups, and REP team members were present in each breakout group to answer technical questions about the system design options being discussed. The forum concluded with a general question and answer period.

2.3. Analysis

Detailed notes from each of the six breakout groups on each topic area were recorded. Working from the notes, the most significant discussion points and issues were identified for each topic area. Input generated from the forum is summarized and themed in this report.

The feedback from the forum will be provided for consideration to the REP team, a group of experts who are developing the system design options for consideration by the MLA Task Force. While this report contains specific issues that were raised in the forum regarding the regulatory system, it is important to note that not all of the issues are in scope for the Regulatory Enhancement Project. The issues described in this report have not been validated with participants.

³ Please note that all environmental organizations previously involved with the REP were invited to the forum, but only one was able to send representation due to a scheduling conflict with an Alberta Environmental Network conference.

3. POLICY

3.1. Policy Presentation

The following is a summary of the system design work related to policy and public engagement that was presented at the forum (*see Appendix A for the complete forum presentation*). The REP team looked at the entire system from policy (determination of policy and desired outcomes) to policy assurance (the delivery of outcomes and decisions about site-specific activities). While policy and policy assurance may operate independently, they are tightly connected or linked with a coordinated interface (*see Figure 1*).

The team also identified a range of types of policy from operational or administrative policy to strategic policy. They noted that policy at all levels needs to be better integrated within and across resource departments for application within the policy assurance system. Finally, when looking at policy integration matters, the team considered how to more effectively address public engagement and determine common interest in policy development.

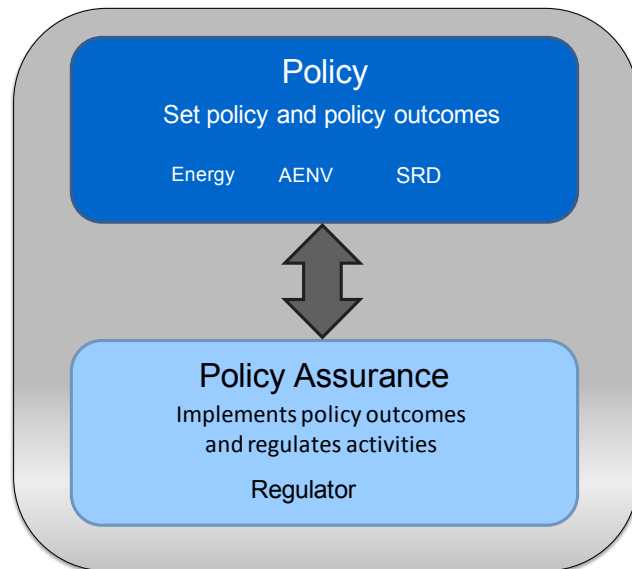


Figure 1

The following discussion questions were used to guide participants' dialogue in the breakout groups:

- How can accountability for policy integration be built into the system?
- How can public engagement be more effective in policy development?
- How can the system more effectively incorporate common interest in policy development?

The following is a summary of the discussions on policy and public engagement.

3.2. Participant Responses

3.2.1. Accountability for Policy Integration

Leadership

Participants identified that in order for there to be accountability for policy integration it is imperative that oversight and responsibility for the process be at the highest levels within the GoA, specifically with Cabinet and elected officials. It was understood that the responsibility for policy interpretation and application activities would obviously rest with the public service; however it was felt that, in order to be effective, policy implementation must be guided by overarching priorities, principles and guidelines that consider provincial economic and environmental objectives.

The importance of high-level leadership was reiterated in discussions related to the potential for inter-ministerial policy clashes and conflicting priorities during policy implementation. It was felt that strong,

clear guidance “from the top” to public servants is necessary in order to guide trade-off conversations and decision-making processes “on the ground”. Further, several participants identified that the current definition of “winning” needs to be redefined so that it is more holistic. That is, “winning” should not be associated with meeting the outcomes of a specific department, but rather with the achievement of government-wide economic, environmental, and social outcomes.

Cross-ministry Issues

It was identified that the current practice of policy development occurring in silos with limited, broader discussions about how policy or policy changes align with other departments will be a limiting factor in a successful policy integration process. Specifically participants identified that agencies need to better coordinate their efforts in order to work towards a common endpoint; and that policies need to be reviewed for duplications and conflicts in order to streamline processes. Participants from all sectors noted that it is too costly and time consuming to sort out the regulatory duplications on their own.

In addition, the completion of policy reviews on a timely / regular basis was identified as a critical component of the new system. There was also discussion related to the importance of identifying lead departments who are accountable for each policy and who are responsible for undertaking the public engagement processes associated with them. One participant noted that it is important to ensure that within this type of system, policy writers are trained with respect to policies that exist in all ministries.

Centralized GoA Body

Several opinions related to the need for, and requirements of, a centralized GoA body responsible for the management of policy integration.

Some participants suggested that an overarching structure responsible for consistency and integration of policy is required. A “one-window” approach to policy development was suggested, with this function contained within a new GoA body. Other suggestions included the creation of a cross-ministry taskforce, an oversight body, or an office to host policies.

Other participants felt that a new oversight body is not required because there are already existing processes and Executive Council currently has a policy coordination function. It was felt that the mandate and role of this group could be refined to further address the needs of policy integration. Conditions of success for any centralized policy integration body are clearly defined roles and processes, as well as adequate training and knowledge for staff to effectively undertake this task.

It was noted that regardless of the type of system put into place, gaps in the system will occur and as such the system needs to be able to respond to these issues. Creating ad hoc committees to respond to issues as they arise was suggested.

Role Clarity

Several breakout sessions identified the importance of defining clear roles for parties involved in the policy assurance system. It was felt that only those parties with the mandate to create policy should do so and that these parties need to maintain neutrality and objectivity within this role. Additionally it was identified that policy interpretation can be difficult, yet consistency in interpretation is critical. As such, it was suggested that each piece of policy should be “owned” by an internal government body so that accountability is built into the system and the resolution of interpretation issues can be supported. This concept is similar to the lead department concept that was discussed in the section above.

Policy Integration Tools

In discussing accountability associated with policy integration, suggestions for the use of specific tools were made. These suggestions included:

- The use of information technology, such as web portals; and
- The development and use of a checklist or cross-referencing process that guides all entities in the consideration of policy change implications.

It was noted that all decisions need to consider social, environmental, economic, and cultural factors. Several breakout groups discussed evaluating the success of policy integration as a way to build trust into the new system. Some suggestions included:

- The development of clear objectives and associated metrics that evaluate effectiveness and client satisfaction; and
- The development and circulation of a report card or scorecard that provides a regular evaluation of performance metrics.

Several participants also identified the importance of incorporating a feedback mechanism into the new system. As discussed in the *cross-ministry issues* section above, participants identified that the new system needs to have:

- A review mechanism internal to government that ensures policies are kept current and robust; and
- A mechanism that allows for clients to evaluate their satisfaction levels and provide feedback. It was noted that both the positive and negative results of feedback need to be recognized, and used to improve the system.

It was felt that accountability would be enhanced through undertaking a regular review and consolidating and / or clarifying the outcomes / expectations that are associated with legislation, regulation, and policy. Participants also identified that the policy integration process itself needs to undergo regular reviews in order to ensure the program is meeting its stated objectives.

3.2.2. Public Engagement in Policy Development

Public Engagement Process Suggestions

Several comments were made regarding the importance of defining effective public engagement. Some of the issues with engagement activities include:

- Short time frames and lack of a broader context setting component which minimizes the effectiveness of participation;
- Engagements that do not produce meaningful results; and
- A lack of consistency in the engagement processes across government, inconsistency in choosing participants for engagement sessions, and overlapping engagement requirements.

Some participants suggested that public engagement approaches should vary depending upon the level or type of policy that is being developed.

To improve the effectiveness of public engagement it was suggested that:

- Meeting hosts come prepared with options for participants to consider during discussions instead of using a “blank slate” approach. It was felt that this is a more effective way to make information meaningful to participants and to generate discussion.

- There should be more one-on-one discussions between landowners and industry without government involvement.
- GoA be very clear with participants internal and external to the GoA about how the engagement exercise will influence policy decisions.

Meaningful Public Engagement

Participants discussed the importance of openness and transparency in creating meaningful engagement processes. Participants identified that it is equally critical that the correct participants be involved in the process and that the appropriate GoA or industry representatives who can answer tough questions also attend. Several participants cautioned on the difficulties associated with generating interest among affected parties in order to facilitate attendance and involvement at engagement events. Some of these difficulties seem to be associated with capacity issues among organizations, including conflicting priorities, lack of technical advisors and lawyers, and participatory burnout due to the sheer number of engagement opportunities. These discussions also focused on the difficulty with capturing a broad, public view since it often seems to be the same individuals who attend public meetings which likely does not represent a cross-section of all views.

Suggestions for improving public attendance at engagement sessions included:

- Ensuring careful consideration of the timing of the sessions;
- Targeting the approach and communication method to the sector and community; and
- Providing a meal and refreshments.

Frustration was expressed from representatives that have participated in consultation in the past and not had their feedback included in the final product. Several participants suggested that it would be valuable to publish the rationale for the exclusion of feedback in final reports, and reinforced that multi-stakeholder sessions are important to understand the interests and needs of other stakeholders.

Public Engagement Approaches

With respect to facilitating effective public engagement in policy development, participants generally expressed a need for the following:

- A better understanding of how the government and industry defines engagement. The use and circulation of *Terms of Engagement* or *Terms of Reference* documents was suggested to assist with this understanding.
- Communications to stakeholders should be in plain language, avoiding the use of jargon. Participants asked that government and industry understand and respect the messages that have been previously communicated.
- Engagement sessions that build on previous efforts and act upon the information that is provided. Closing the loop with participants regarding how feedback was / was not utilized was mentioned on several occasions as critical to developing trust with the public.
- Develop performance metrics for stakeholder engagement and monitor the effectiveness of processes.

All breakout groups discussed a variety of tools that could support effective public engagement as detailed below:

- *Town hall meetings* (as opposed to open houses) because of the two-way communication that they support.
- *Panels*, similar to the one used in the recent Federal water panel for the Athabasca River.
- *One-on-one meetings*.
- *Meetings with appropriate associations or community groups* and providing them with enough time for preparation.
- *Involving politicians in discussions*.
- *Communiqués* that use internal knowledge and experience to facilitate processes for external stakeholders (e.g. *Frequently Asked Questions* or *the 20 Most Common Mistakes Made in Applications*).
- *Communiqués* that are a companion piece to policies that tell the story of the policy and provide context.
- *Surveys, social media, kitchen-table discussions*.

It was also noted that not all stakeholders have access to electronic information so considerations for alternative communications methods are required. It was identified that currently there are a variety of communication tools that are being used, and that people both internal and external to government, are struggling with an overload of communications.

3.2.3. Common Interest in Policy Development

Participants identified that the most critical piece to this discussion is the application of the concept of common interest. Although there is a generally accepted notion of the concept, it was felt that difficulty will lie in defining the common interest at the policy level and ensuring that it is appropriate across all departments. Again, the importance of having overarching policies and principles defined at higher governmental levels so that conflicts among departments can be resolved and decision-making processes can be supported was discussed. It was also identified that the public must be involved in defining the common interest. Issues associated with ensuring an appropriate cross-section of stakeholders are involved meaningfully in defining common interest was also discussed. Participants also recognized the importance of effectively handling private interest matters in the policy assurance process.

4. STRUCTURE & ORGANIZATION

4.1. Structure & Organization Presentation

The following is a summary of the system design work related to structure and organization that was presented at the forum (see *Appendix A for the complete forum presentation*). The REP team is exploring opportunities to make structural and organizational changes which would:

- Improve performance through better alignment among the various bodies currently conducting policy assurance activities by reducing duplication and variability.
- Address the lack of a single entry point and integrate a coordinated, consistent decision-making process in the policy-assurance system.
- Improve navigation through the policy-assurance system.

At the forum, The REP team presented information related to how the government departments and agencies could work and act in “one-window” and “single-regulator” approaches for the entire lifecycle of oil and gas development, including planning, authorization, monitoring and compliance and closure.

In a “one-window” approach (see *Figure 2*):

- Applications are conducted through a single window.
- Responses are conducted through a single window.
- Review stage is aligned across departments.
- Post approval stage is aligned across departments, and the interface with regulated parties (related to post approval activities) is conducted through a single window.
- The one-window interface for applications and responses may be different than the one-window interface for post-approval activities.

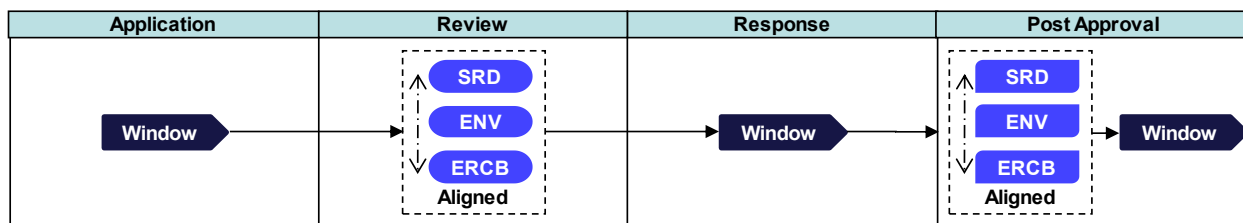


Figure 2

In a “single-regulator” approach (see Figure 3):

- There is a policy assurance delivery organization (regulator) which receives direction from the policy system and conducts all four stages in the oil and gas development lifecycle on an integrated basis.

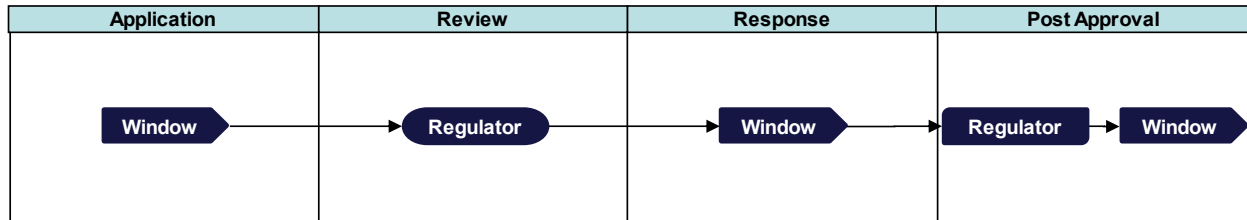


Figure 3

The REP team also presented an evaluation summary of each of the structural options using the policy assurance design principles (*Efficient, Effective, Adaptable, Predictable, Fair and Transparent*) established at the beginning of the project. These design principles, along with consideration of input received in previous engagement sessions, helped the REP team to refine all structural options that were presented at the forum.

The following discussion questions were used to guide participants’ dialogue in the breakout groups.

- What are the considerations around separating policy development and policy assurance functions?
- How would each of the options presented work if policy development and policy assurance are separated?

The following is a summary of the discussions on structure and organization.

4.2. Participant Responses

4.2.1. Considerations around Separating Policy Development and Policy Assurance

Information Sharing

In separating policy development and policy assurance functions, participants identified that the sharing of information and knowledge between the two functions is critical. There were concerns raised about the loss of information and knowledge due to the potential for reduced connectivity between the two areas. It was felt that there must be a system in place to ensure that the right people have access to the right information in a timely manner, and that the system enables the sharing of large amounts of information across the diverse policy and policy assurance functions.

Clarity and Alignment

Participants indicated that separating policy development and policy assurance functions may result in the loss of alignment between these two functions, and concern was raised over the impact that this would have on the appropriate interpretation of policy. Therefore, participants highlighted that there needs to be an effective interface and communication between policy development and policy assurance functions. This would help to ensure that there is a broad understanding of legislation and policies, and that their objectives are well understood by regulators delivering policy assurance.

Also, as policy is interpreted and applied by regulators in the policy assurance system, participants felt that there is a potential for inter-departmental policy clashes. As such, guidance needs to be provided that directs discussions and decision-making. Participants suggested that this requires high-level decision makers to provide the necessary guidance on interpretation and application of strategic objectives, principles, and policies. Clarity of policies will also assist in managing policy or legislative clashes that might result, and aid with consistent decision-making by regulators.

Clear Roles & Accountability

With respect to the separation of policy development and policy assurance functions, the discussion focused on the importance of clear roles and accountability to ensure that the policy intent is met. It is important to clearly understand who is responsible for which policy assurance functions and which ministries they are accountable to.

Finally, participants indicated that economic, social, and environmental objectives articulated by policies should be continuously monitored and assessed to ensure they are being delivered upon by the policy assurance system. It was suggested that an external, third party be responsible for monitoring efforts and that clear communication among groups and departments is essential to making this feedback effective.

4.2.2. Structural Options

With respect to the “one-window” and “single-regulator” options, participants discussed several advantages and challenges related to their implementation. There were also several considerations that could apply to either structure. The general themes of these considerations addressed the importance of developing the regulatory system so that it promotes public trust and confidence. The considerations included:

- Ensuring clarity around roles and responsibilities;
- Maintaining transparency through communication and reporting with the public;
- Providing accountability to the public;
- Having clear and ongoing communication within the GoA, especially in light of the length of time that will be required for the transition to occur;
- Recognizing that there are numerous ministries that need to be involved in the process, so the final structure must be comprehensive and allow for the role of each to be considered;
- Developing a process of continual improvement through the inclusion of regular reviews and regular evaluation against established criteria; and
- Determining and clearly articulating the way in which the appeals process would work in either structure.

Some concern was expressed over exclusion of a “one submission” option, presented in previous workshops. Some participants felt that not all options were being given equal weighting within the process and that the final outcome was predetermined.

One Window

It was suggested that the public might find the “one-window” option advantageous because they would be provided with a single point of entry to the system. And, if reporting functions across the three ministries were harmonized, transparency would be improved. Although some participants felt that this option would improve public understanding due to its consolidated approach, others communicated

that this type of structure may actually reduce clarity for the public. The primary challenge associated with the “one-window” option focused upon the historic issues associated with inter-departmental coordination within the GoA. Participants felt that there will be alignment challenges in the coordination of all activities “behind” the one window, and in order to be successful there is a need for a formal change management process.

Success factors for implementing a “one-window” structure included:

- Creating a formal coordination structure;
- Developing a mechanism to resolve conflicts and a strong system of checks and balances to evaluate structure effectiveness;
- Ensuring that the appropriate knowledge base is contained within the process by developing a secondment program that would support people working together across departments; and by creating a group with broad technical and operational skills to manage compliance and monitoring requirements; and
- Ensuring that any “navigators” (those who are the one-window interface with the public) undergo appropriate training in order to have a clear understanding of requirements across multiple departments. It was noted that this role of navigator may add bureaucracy to the process.

Single Regulator

The advantages of the “single-regulator” structure were identified as increased efficiency due to streamlined processes, the elimination of silos, consolidated reporting that can improve accountability, increased effectiveness measurements and the inclusion of departmental experts within a single body. This structure was seen as a more adaptable approach because when changes to strategic policy occur, only one agency is responsible for implementation.

With respect to the “single-regulator” option, the primary concern raised by participants was the ability of the regulator to reconcile the mandates of Sustainable Resource Development, Environment, and Energy. Risk was perceived in the placement of all responsibility for policy assurance in the hands of one “*super body*” that may have a narrow, industry centric view which does not balance economic, environmental, and social objectives. Suggestions for addressing this issue included employing a policy integration mechanism or entity and utilizing cross-ministry interfaces to provide direction to the regulator.

There was also discussion about maintaining the public’s confidence. Transparency with respect to how decisions are being made was seen as imperative to improving public acceptance, as was the creation of an “independent watch-dog”, similar in function to the Auditor General, to monitor and report on the regulator. Having a clear appeals process included in the legislation, and separate from the regulator, was identified as important to the credibility of this option. Separation of the approvals and enforcement functions was a third feature that should be a part of the new system.

It was also communicated that the implementation of this structure would be challenging, costly and time consuming. It must be accompanied by a formal effort to manage the required organizational change.

5. RISK MANAGEMENT & PUBLIC CONFIDENCE

5.1. Risk Management & Public Confidence Presentation

The following is a summary of the system design work related to risk management and public confidence that was presented at the forum (*see Appendix A for the complete forum presentation*). Risk is the uncertainty in the ability to achieve goals or outcomes, and is based on a combination of the likelihood of an event and its potential impact. The REP team looked at what could be done to enhance risk management by reviewing a selection of policy assurance tools to manage risk and achieve outcomes. It was noted, however, that use of these tools needs to be informed by the level of risk that is posed by an activity. More oversight and a prescriptive approach may be required for activities that pose greater risks. A broader range of tools, such as codes of practice, planning, regulations, standards, inspections, monitoring and reporting could be used to manage risks to outcomes from activities. It was also highlighted that any new tool must be appropriately evaluated in order to ensure that it does not increase risks to the environment or the health and safety of Albertans.

The proposed risk management process the REP team reviewed:

- Is systematic, transparent, and consistent;
- Is based on an internationally recognized standard (ISO 31000 Risk Management Standard);
- Is consistent with approaches adopted by regulatory agencies around the world; and
- Will ensure the policy system will continue to manage risks appropriately.

The system will be backed by performance measures; a robust monitoring, evaluation, and reporting system; and a publicly accessible (possibly independent) repository of data and information.

The following discussion questions were used to guide participant's dialogue in the breakout groups.

- How can we more effectively use policy assurance tools and risk management to build confidence in the system?
- What could be the role of groups outside of government in monitoring, reporting, and evaluation?
- How can we ensure continuous improvement in our monitoring, reporting and evaluation of the system?

The following is a summary of the discussions on risk management and public confidence.

5.2. Participant Responses

5.2.1. Risk Management and Policy Assurance Tools

Risk and Policy

Participants indicated that an informed risk-management approach should be a component of a policy framework and be used as a consideration during policy development. Policy should be designed to manage risks to the environment, and public health and safety, at a strategic level. Related to the discussion on policy integration, consideration of public input on risk during policy development will help inspire public confidence in the system.

Risk Definition and Tolerance

There was discussion about the definition of risk. Articulating this definition is considered a critical element to understanding the risk-management approach. It is also important to identify the detrimental impacts that the policy assurance system is trying to prevent and determine the type of regulatory oversight that is required.

It was suggested that the policy assurance system needs to consider the full spectrum of economic, environmental, and social objectives. This is critical to ensuring a holistic approach that allows for risk to be comprehensively assessed, and for balanced decision making to occur. It was also noted that time is another element of the risk definition, and that both immediate and long-term risks need to be determined and prioritized. There were also several comments related to the importance of incorporating health and safety considerations into the risk assessment process.

Various views regarding risk tolerance were brought forward by participants. Several participants indicated that risk tolerance is based on perception and that public and industry representatives may have differing levels of acceptance. It was suggested that the public will accept some risk if it is well understood and can be controlled. Concern was expressed about making decisions on oil and gas developments when the risks are not fully understood. It was also identified that sometimes the science of risk management and various policy assurance tools are not strong enough to deal with high likelihood, high impact risks. In these cases, it was felt that the risk should not be tolerated. The challenge for the government will be how to best manage the range of perspectives that are likely going to exist for various risks. There was one suggestion to have a trusted third party provide information related to the type and level of risk being managed.

Risk Management and Selection of Policy Assurance Tools

There were several comments supporting an approach that focuses resources on managing high-risk activities, and that uses policy assurance tools other than prescriptive regulation to manage low risk activities. Several participants also indicated that a range of policy assurance tools should be available to the regulator and that the tools should be aligned with public policy direction to ensure desired policy outcomes are met.

There was discussion about using a risk matrix that considers the likelihood and impact of a risk. A caution raised is that the development of a risk-management approach and selection of policy assurance tools must look at likelihood *and* level of impacts (both locally and regionally). It was emphasized that the tool(s) that are selected must address both factors to be effective and build confidence.

Finally, a few participants suggested requiring companies to purchase insurance for projects. It was also noted that there are various considerations regarding the feasibility of this tool.

Emphasis on Compliance and Enforcement

In moving to a risk-management approach, participants indicated that there needs to be greater emphasis on monitoring, compliance, and enforcement. It was suggested that confidence in the system would be built by increasing the number of inspections and better enforcement of penalties for infractions. Some participants suggested that a production cut order would be more effective penalties than fines, for example. There was also a suggestion that compliance responsibilities should be undertaken by a third party, and that the statute of limitations, or maximum time after an event that legal proceedings may be initiated, needs to be examined and extended.

Risk-management approach Considerations

Participants indicated that the policies developed, the policy assurance tools and processes used, and the communication of the risk-management approach needs to inspire public confidence. The following are additional considerations participants identified that could contribute to increasing public confidence in a risk-management approach.

- The risk-management approach must appropriately address the complexity of the proposed project.
- There needs to be a better way to track data that is used to assess risk.
- The risk-management approach should be consistently applied to decision making, regardless of location, time, or economic conditions. Consideration of risk needs to be more systematic, robust, and transparent.
- Education of stakeholders and the public is an important component of risk management.
- Adequate resources with the appropriate skills need to be in place to evaluate and manage risks. Experts in the field are going to be required no matter what approach is taken.
- The way in which a risk-management approach is applied needs to be consistent across all departments and agencies. There needs to be clearly defined accountability in the system for meeting outcomes.
- Industry also has a role to play and companies should be held accountable for actions related to risk management.
- There needs to be clear communication to the public of the decision criteria used in the selection of policy assurance tools in each situation.

Finally, regarding the use of ISO standards for developing a risk-management approach, some participants noted that there are high costs related to the implementation and ongoing maintenance of this approach that need to be carefully considered.

5.2.2. Monitoring, Reporting and Evaluation

Credible and Robust Data

There was a lot of feedback about the need for credible data, which includes data sources and the collection methodology. The role of groups outside of government in monitoring and data collection was also discussed.

One view is that the public will not have confidence in data that is collected only by industry or government. It was suggested multiple data sets should be gathered and evaluated by multiple groups inside and outside of government, with an agreement to share their data. These groups must be knowledgeable, objective, and trustworthy. There was also a suggestion to engage the academic and scientific community in the process. Alternatively, other participants indicated that there are already multiple sources of data, and that there should not be further duplication of data sets. Instead, there is a need to make better use of existing data. A consideration raised about using multiple data sets is that there may be variations and inconsistency between the data sets. Government will need to decide how to use and interpret this data. It was also suggested that government recognize different types of information beyond quantitative data, such as anecdotal information from landowners and First Nations.

Participants highlighted the need for adequate resources and capacity to allow for robust monitoring and data collection in the field. Comments related to the collection methodology indicate that there needs to be clarity around the data set and why the data is being collected. Additionally, transparency of data will help build confidence in the system.

Role of Groups Outside of Government in Reporting

Building on the feedback noted above, participants indicated that there are roles for external groups in reporting functions, but that the groups must be well informed and have clarity around their role.

It was suggested there are three major reporting functions:

- The policy assurance system performance
- Environmental state
- Industry performance

The following is a summary of participant views on involving third party groups in reporting on environmental and industry performance.

Some suggestions were made to use groups outside of government to analyze report data and identify trends. The importance of public accountability as it relates to building trust was raised by participants. It was suggested that an independent, multi-stakeholder panel be established to act as a check/balance on government reporting. Monitoring or auditing the panel will build trust and demonstrate legitimacy. One concern, however, was that this could result in additional layers of bureaucracy.

In addition, any third-party groups must meet conditions of practicing 'good' science and being at arm's-length from the government (it was recognized that funding will probably not be completely independent from the government). Participants indicated that the Clean Air Strategic Alliance (CASA), Watershed Alliances, and Alberta Biodiversity Monitoring Initiative models for monitoring and reporting are credible, effective, and low cost.

Participants also indicated that there is currently some duplication in reporting efforts from organizations outside of government. It may be valuable to have companies with projects in the same area coming together to create one report if the data is available. A model suggested is one currently being used in the Alberta oil sands region to help coordinate monitoring and reporting with industry, government, and third party groups involved. There is a need to develop trust for this coordinated relationship to work.

Other participants identified that third party groups are not needed. It was felt that the government should be responsible for reporting functions, particularly because significant time and resources are allocated to monitoring and reporting already. It was also highlighted that it is equally important for government to follow up on reporting results. It is insufficient to simply record monitoring results, action should be taken if is required.

Transparency and Openness

Participants indicated that it is important that the data that is monitored and reported be open, easy to interpret and available for review and evaluation by the public. It is felt that people need to be engaged so they can make informed decisions and opinions.

Evaluation of Company Performance

Evaluation of company performance was discussed in several breakout groups. Several participants suggested that there should be a reporting database for industry that tracks information related to their previous history with environmental protection, and health and safety. While this information may currently exist, it is difficult for the public to access and interpret. This type of system would build confidence with the public because information regarding performance on an individual company basis would be available. This would also provide an opportunity to focus resource intensive monitoring methods on less trusted industry members.

5.2.3. Continuous Improvement

Feedback Loops

Several participants indicated that information from monitoring and reporting functions needs to be used to improve *policy*, *policy assurance*, and *future monitoring and reporting*. As discussed above, monitoring and reporting typically occurs without a response mechanism to make changes based on the results and that this practice needs to be changed. Suggestions included using adaptive-management techniques and constant feedback loops with set review periods. The need for commitment and accountability for using the feedback loops was highlighted.

There may be a role for groups outside of government in both developing feedback mechanisms and helping to promote accountability for using the information. There was a suggestion to include a time-based evaluation or performance metric on the system related to feedback loops and continuous improvement.

Government can also build trust and confidence with the public by communicating changes that are made to policies and the policy assurance system based on information gathered through monitoring processes.

Policy

There needs to be a feedback loop to ensure policy continues to be relevant. The feedback loops should include use of monitoring and reporting information, and feedback from the policy assurance system on the effectiveness and relevance of the policy.

Policy Assurance

Several participants indicated that the policy assurance system needs to be adaptable and respond to new information in a timely and effective manner. This is particularly important in the risk-management approach, where information regarding risk impacts should be used to improve risk assessment and the policy assurance tools that are selected. For example, new technology developed by industry should be tested, but as data regarding the performance of the technology is made available, it may not be necessary to continue to apply prescriptive regulation to it. Conversely, if new data on activities previously deemed low risk indicate that they are higher risk, that information should be used to select more stringent policy assurance tools.

Monitoring and Reporting

Participants indicated that for continuous improvement to occur there needs to be baseline data and clarity of outcomes for the reporting functions so it is clear what is being improved upon. If an issue is

diminishing over time, there is no need to maintain the same frequency and level of monitoring and reporting, and vice versa.

Industry Performance

The continuous improvement of industry performance was discussed by several breakout groups. Several participants indicated that industry should be continually improving by exceeding best practices and standards. Several ideas were brought forward on this topic. One suggestion was that the industry should encourage quality standards, similar to the forestry industry. A cross-stakeholder rewards and recognition program system for companies with good performance was also proposed. Finally, incentives to industry for developing innovative technology and practices that improve environmental protection were recommended.

6. GENERAL QUESTION & ANSWER

The forum concluded with a general question and answer period in a plenary session. Participants were invited to ask questions from a REP panel consisting of the MLA Regulatory Enhancement Task Force, REP Executive Lead, and REP Industry Advisor. The following is a summary of the inquiries and responses.

There was a question about how a recent announcement of the appointment of a federal six-person advisory panel to look into the water-testing regime in the Athabasca River around Alberta's oil sands will impact the REP. The REP panel indicated that the REP and the province are committed to maintain its high standards of environmental management, and public health and safety. The REP is placing emphasis on the importance of monitoring, evaluation, and compliance in the policy assurance system.

There was an inquiry about the exclusion of the "one-submission" option from the presentations and discussions. It was communicated that the system design work undertaken by the REP team is not completed and is continuing. This includes refining the work, including the structural options based on analysis, evaluation, and consideration of stakeholder and First Nations input from the engagement sessions.

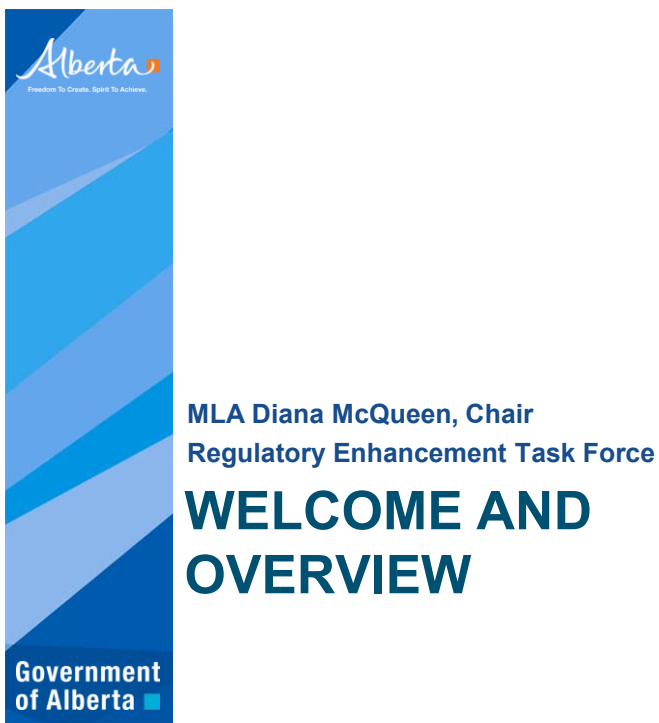
A participant asked about whether the Alberta Utilities Commission (AUC) processes and their inquiry related to hydropower are being explored. The REP panel indicated that the Regulatory Enhancement Project is focused on the oil and gas industry, and the AUC is out of scope.

Information regarding previous REP *What We Heard* reports was requested. The REP panel directed participants to the online REP website,⁴ where the reports have been posted. The input and feedback from stakeholders and First Nations is being considered by the REP team responsible for the system design work.

Finally, there was a question about whether a "gold star" incentive program to reward industry for good environmental performance was being considered. The REP panel indicated that this idea is being considered as a type of policy assurance tool.

⁴ <http://www.energy.alberta.ca/Initiatives/RegulatoryEnhancement.asp>

Appendix A. Forum Presentation





Regulatory Enhancement Task Force Members

- **Chaired by:**

- Mrs. Diana McQueen, MLA for Drayton Valley-Calmar and Parliamentary Assistant to Energy Minister, Honourable Ron Liepert

- **Vice-Chaired by:**

- Mr. Cal Dallas, MLA for Red Deer-South and Parliamentary Assistant to Environment Minister, Honourable Rob Renner
- Mr. Evan Berger, MLA for Livingstone-Macleod and Parliamentary Assistant to Sustainable Resources Development Minister, Honourable Mel Knight

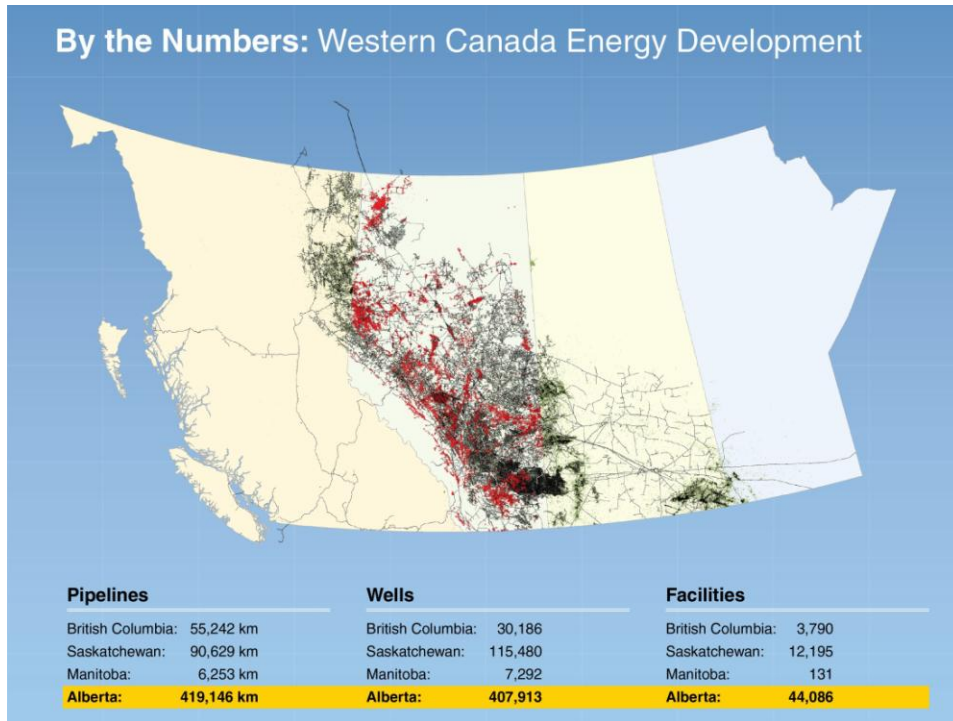
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**Jeff Kucharski, Executive Lead
Regulatory Enhancement Project**

REP OVERVIEW

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Context

- **From *Energizing Investment*:**
 - The Government of Alberta is being tasked with reviewing current policy assurance for resource development
- **A *Task Force on Regulatory Enhancement* established to oversee policy assurance review**
- **The Regulatory Enhancement Project (REP) will ensure that Alberta’s policy assurance system is:**
 - Modern
 - Efficient
 - Performance based
 - Competitive
 - Continues to maintain Alberta’s strong commitment to environmental protection and resource conservation

6



What is policy assurance?

Policy assurance refers to the systems, processes and capacities government uses to provide assurance that the intended results of public policy are being achieved

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Why is policy assurance (regulatory delivery) being reviewed?

- The policy assurance (regulatory) system has become part of the current challenge to Alberta's competitiveness
- There is a proliferation of government resource policy initiatives at all levels of government that are not well integrated or coordinated
- Those persons interacting with the policy assurance system find it overly complex and challenging to navigate

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Regulatory Enhancement Project Deliverables

Final Report including:

- **Policy Assurance System** – recommendations to help achieve the outcomes identified by the GoA and position Alberta as a location of choice for the oil and gas industry
- **Policy Integration Framework** – recommendations to resolve gaps, overlaps, inconsistencies and duplication in relationships among Alberta’s strategic natural resource policies
- **Implementation Strategies** – recommendations for how to implement the Policy Assurance System

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Project Scope

- **Oil and gas regulatory system in Energy, Environment, Sustainable Resource Development and the ERCB**
- **Resource management policy frameworks**
- **Existing related initiatives in GOA**

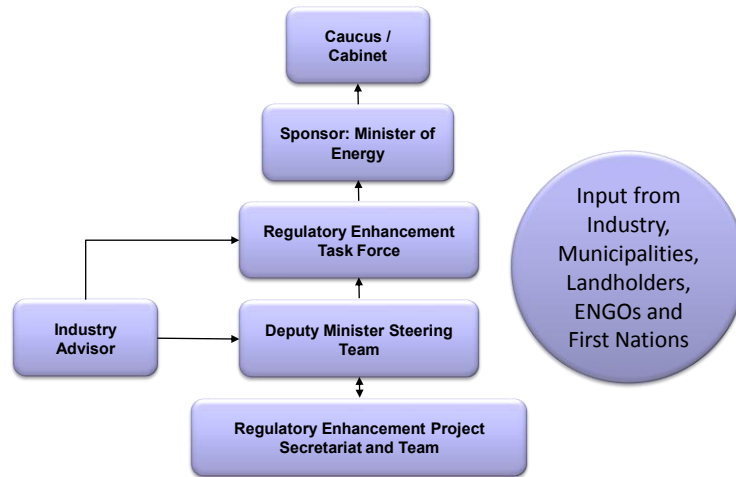
Out of scope:

- **Implementation of system design components**
- **Setting policy or outcome thresholds and targets for environmental, economic or other factors**
- **Industries outside of oil & gas**
- **First Nations consultation processes**
 - **separate process led by Aboriginal Relations**

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Governance

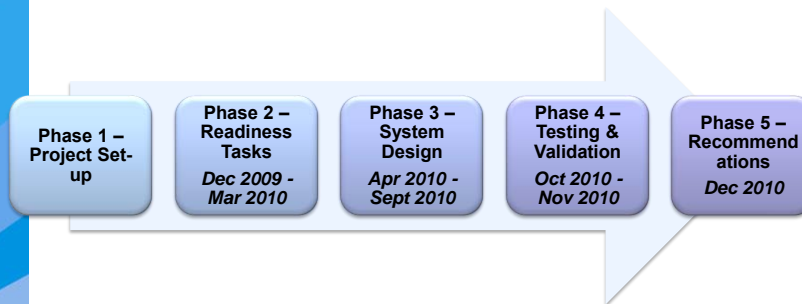


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Project Timelines

Project Management Firm - MNP



Key Milestones

- Final Report – December 2010

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Workshop Objectives

- **Present system design work from the REP team from key topic areas**
- **Gather your input and feedback**

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Workshop Guidelines

- **All of the materials presented are in draft form only**
- **Your participation is invited to assist in working toward developing an enhanced policy assurance system**
- **No decisions have been made on specifics of the policy assurance system – none of these materials have been reviewed or accepted by Government**
- **Sharing the materials with the public/media:**
 - **Does not respect the input of other stakeholders and First Nations who are participating in this and any future rounds of engagement**
 - **Can create confusion among stakeholders and public**
- **Participants are sharing their perspectives and not the “official position” of an organization**

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FOIP

- The FOIP Act grants individuals the right to request access to records in the custody or under the control of a public body, such as Energy.
- The right to gain access, although not absolute, is broadly interpreted.
- The FOIP Act defines a record as any information in a recorded format.
- Information or case study submissions will not be actively publicized; however their contents will be subject to the *Freedom of Information and Protection of Privacy (FOIP) Act*, meaning copies of the records may be requested.
- All records created during the course of the engagement session, will be done so in a non-attributable manner, with the exception of the attendance record.
- The *What We Heard* report will be generated and posted on the website in an aggregated format that categorizes feedback into themes.
- Although effort is being made to aggregate and anonymize documented information, given the group nature of these sessions, participants should be aware that their contributions in open discussions are not provided in confidence.

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Stakeholder and First Nations Engagement: Round 1 and 2 Overview

- **Round 1 Stakeholder and First Nations sessions focused on Issues and Opportunities**
 - The issues that concerned stakeholders regarding oil and gas development
 - Possible solutions that may resolve those concerns
- **Round 2 focused on preliminary System Design options**
- **We had input from industry, municipalities, NGOs, landowners and government of Alberta staff**
- **We also had input from First Nations**
- **The responses have been or are being consolidated into *What We Heard* reports**

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What We Heard: Issues & Opportunities (Round 1)

Common Themes:

1. “Competitiveness drivers” as the basis for design principles
 - Effective, efficient, adaptable, predictable, innovative, transparent
2. Need for system simplification
3. Better knowledge and information sharing
4. Public interest processes
5. Policy coherence and clarity
6. Risk-based system

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What We Heard: System Design (Round 2)

- **Regulatory Structures**
 - Range of feedback on the structural options
- **Regulatory Approaches**
 - The system must appropriately manage and assess risk
 - The definition of risk requires further clarity
 - Range of perspectives on risk tolerance
 - Trust in the policy assurance system needs to be improved

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Other Issues

- **GOA Policy Integration**
 - REP will make recommendations on how to better integrate provincial policy for natural resource management
 - Policy Integration team is working with GOA agencies to continue the development of its recommendations
- **Cumulative Effects Management System**
 - Led by Alberta Environment
 - Environmental management from a case-by-case/project-by-project basis, to one that is more encompassing of cumulative effects within various geographical scales (e.g. local, regional, provincial)

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Note

- **If you would like to make a written submission to the Project Team, it must be received no later than October 15, 2010**
- **Please send it to:**
regulatory.enhancement@gov.ab.ca



Jennifer Steber

SYSTEM DESIGN OVERVIEW

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Consideration of the Options

- **REP team has developed several options and is evaluating the options**
- **Options will be presented and you will be asked to provide input**
- **Feedback provided by stakeholders will assist the team to further analyze the options that will lead to recommendations by the Task Force**

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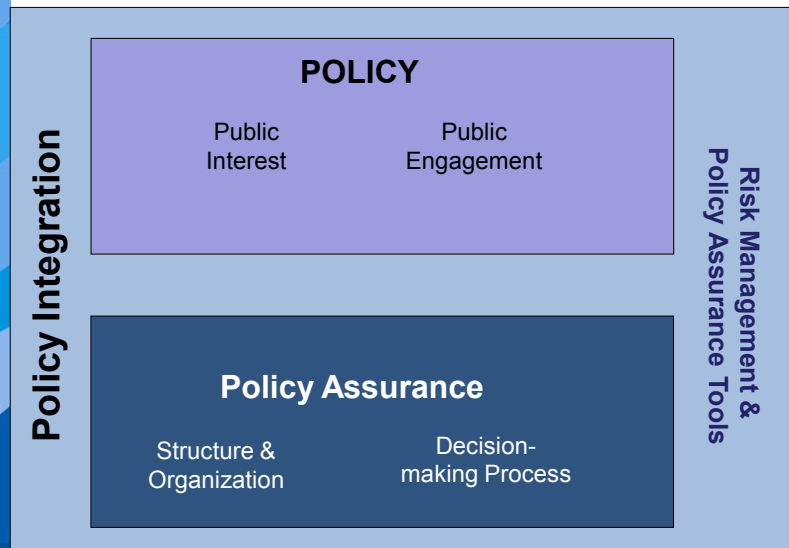
For Today:

- **Recommendations have not been developed nor any conclusions reached**
- **Stakeholder discussion will examine**
 - **What will make the option work**
 - **What aspects may be challenges for the system and for those who interact with the system**

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Key Topics for Discussion



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POLICY

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Policy Design Team Challenge

Key question:

- How might policy be developed and integrated to enhance policy assurance?

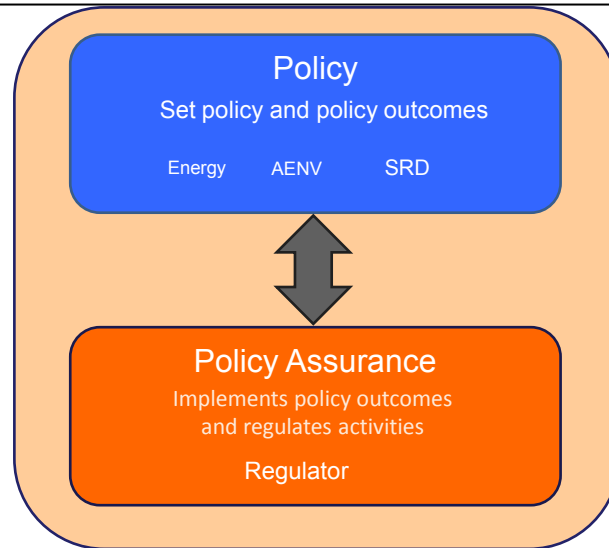
Approach:

- **Considered**
 - Policy
 - Policy Integration
 - Public Engagement
 - Public Interest

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Policy System



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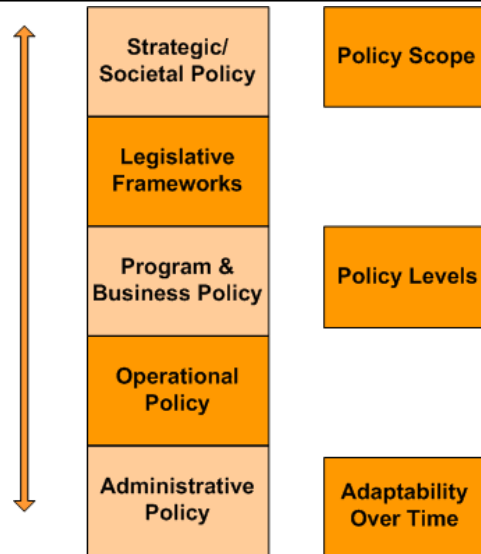
What is Policy?

- **A governing set of principles given force and effect by elected officials in order to meet recognized public needs**
- **Policy is made in the name of „the public’ and is interpreted and implemented by both public and private parties**
- **Policy sets out what government intends to do and may choose not to do**

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Range of Types of Policy and Related Dimensions



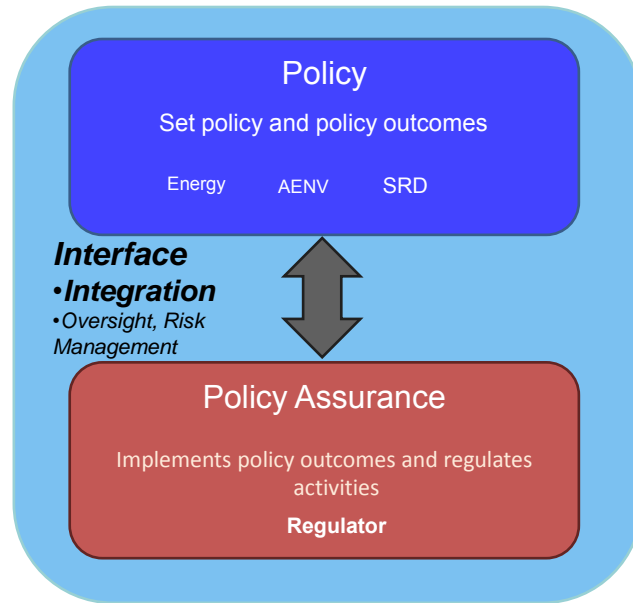
29



Policy Integration – Dimensions

- **Policy scope**
 - Consider both horizontally and vertically
 - No gaps, inconsistencies or disconnections
- **Policy levels**
 - Various types of policy range from statements of strategic or societal direction, to administrative policies
 - Policies at all levels must be consistent and aligned
- **Adaptability over time**
 - Both policy and policy assurance must be adaptable as circumstances change
 - Responsiveness – to emerging issues including technology and innovation

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Policy Integration

- Policies at all levels need to be integrated
- An entity or function is suggested to assure the integration across and within government agencies and at all levels of resource policy
- Coordinate the linkage or interface between policy and policy assurance

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Policy Integration Entity/Function

- **A suggested policy integration entity/function would ensure:**
 - Clear, timely and predictable policy development processes
 - Alignment of policy vertically and horizontally
 - Improved accountability through an integrated approach

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Public Interest

- **The policy system needs to address public interest**
- **Public interest is divided into two components**
 - **Common Interest**
 - Broader public interest
 - Not project specific
 - **Private interest**
 - Issues or disputes between parties with explicit legal interest
 - Examples may include land holder – industry, industry to industry disputes

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Addressing Common Interest and Public Engagement

- **Shift questions of common interest to public policy making**
- **Develop and utilize more effective public engagement in the policy development process**
- **Obtain representative views of Albertans as well as specific stakeholder views**

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Public Interest Approach

- **Common Interest**
 - Build an enhanced policy development and integration system that would be equipped to address what is in the public/common interest
- **Private Interest**
 - Continue to include in policy assurance
 - Provide standing to specified affected parties in policy assurance

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Policy Questions

- *How can accountability for policy integration be build into the system?*
- *How can public engagement be made more effective in policy development?*
- *How can the system more effectively incorporate common interest in policy development?*

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Brian Manning – Sierra Systems

WORKSHOP OVERVIEW AND INSTRUCTIONS

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Breakout Session	Room
A	Niagara Room C - front
B	Niagara Room C - back
C	Niagara Room B
D	Niagara Room A
E	Cascade Room A - upstairs
F	Cascade Room B - upstairs



STRUCTURE AND ORGANIZATION



Structure and Organization Design Team Challenge

Key question:

- **How might changes in the structure and organization of regulatory agencies enhance policy assurance delivery?**

Approach:

- **Developed three structural options**
 - One Submission
 - One Window
 - One Regulator
- **Assessed each option against project principles**

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Enhancing Structure: Interacting with the Regulator

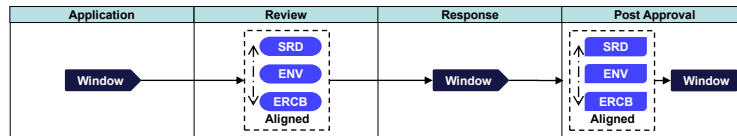
The “Window”

- an interface with the policy assurance system
- a process to navigate through the system
- single point of contact for all functional matters
- a portal (preferably electronic) for information management
- independently placed
- able to handle all inquiries, such as from general public or stakeholders

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Enhancing Structure: One Window



Key aspects

- Single interface with the regulator
- Strong alignment and coordination across the three regulatory agencies

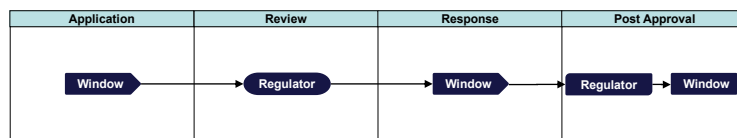
Addresses

- Multiple processes and regulatory requirements

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Enhancing Structure: One Regulator



Key aspects

- Single interface with the regulator
- Combines existing policy assurance structures into a single policy assurance delivery agent

Addresses

- Duplication of structures
- Multiple processes and regulatory requirements

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Evaluating Structure:

- **Comparison to current state**
- **Evaluated against design principles**
 - Effective
 - Efficient
 - Adaptable
 - Predictable
 - Fair
 - Transparent
- **Design principles established before the structural enhancements were developed**

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Evaluating Structure: *Effectiveness*

One Window ++

- Considerable effort required to establish and maintain alignment

One Regulator +++

- Improved awareness and recognition of 'whole picture'
 - e.g., Cumulative Effects Management
- Ability to organize into 'cross-functional' units

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Evaluating Structure: *Efficiency*

One Window ++

- Increase in efforts required to improve and maintain coordination and consistency in process and decision making
- Improved sharing of professional resources

One Regulator +++

- Large long-term decrease in effort once processes have been established
- Improved ability to apply risk management approaches

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Evaluating Structure: *Adaptable and Predictable*

One Window +/

- Potential for multiple sets of infrastructure
 - e.g., different information systems
- Multiple authority and accountability, aligned via process

One Regulator ++

- Most highly adaptable because only one organization involved in the change.
- Single authority and accountability for decisions

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Evaluating Structure: *Fair and Transparent*

One Window **+** & **+++**

- Requirement to align procedural processes to ensure fairness
- Aligned accountabilities required.

One Regulator **+++**

- Focused accountability
- Improved communications
- Fewer procedures and processes

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Evaluating Structure:

	<i>One Window</i>	<i>One Regulator</i>
Effective	+++	++++
Efficient	+++	++++
Adaptable	+/-	+++
Predictable	+/-	+++
Fair	+	+++
Transparent	+++	+++

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Decision Points and Structure: Quasi-Judicial Bodies

- **Currently, the policy assurance system includes specific bodies (quasi-judicial) for:**
 - Decision making (e.g., Energy Resources Conservation Board)
 - Appeals (e.g., Environmental Appeals Board)
- **Potential efficiencies for decision-making and appeals bodies may be explored once policy assurance structure has been determined**
- **Private Interest**
 - Continue to include in policy assurance
 - Provide standing to specified affected parties

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Structure & Organization Questions

- ***What are the considerations around separating policy development and policy assurance functions?***
- ***How would each of the options presented work if policy development and policy assurance are separated?***

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RISK MANAGEMENT & POLICY ASSURANCE TOOLS

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Risk Management & Policy Assurance Tools

Design Team Challenge

Key question:

- How can we more effectively use risk management and policy assurance tools to build confidence in the system?

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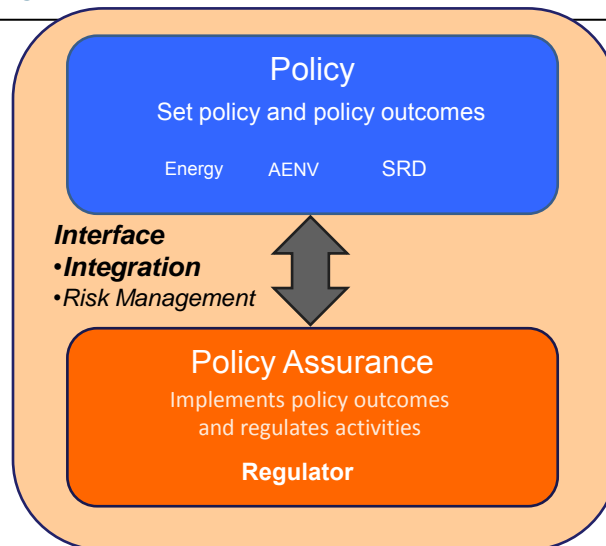
Risk Management & Policy Assurance Tools

- Risk is the uncertainty in achieving goals or outcomes (social, economic & environmental)
- Risk is a combination of the likelihood of an event and its impacts
- Policy assurance tools are a means to achieve outcomes
- A range of policy assurance tools can be used, selected depending on the nature and level of risk

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Risk Management & the Policy System



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Risk Management & Policy Assurance Tools

- **The range of tools include:**
 - Planning
 - Regulations, Standards, Guidelines, Codes of Practice, Best Management Practices (prescriptive and/or performance based)
 - Professional accreditation and designation
 - Operational compliance tools -inspections, audits, monitoring, reporting, etc.
 - Education, engagement and collaboration
 - Incentives to encourage desired behaviours and outcomes

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Risk Management & Policy Assurance Tools

- **The proposed risk management process:**
 - Is rigorous, systematic, transparent , and consistent
 - Based on an internationally recognized standard (ISO 31000 Risk Management Standard)
 - Is consistent with approaches adopted by regulatory agencies around the world
 - Will ensure the policy system will continue to manage risks appropriately

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Risk Management & Policy Assurance Tools

A risk management approach requires:

- **Risk and performance measures**
- **A monitoring, evaluation and reporting system**
- **An adaptive system that responds to information from the monitoring system and emerging issues**

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Risk Management & Public Confidence

- **The adoption of a risk management approach will enable a more transparent and adaptive policy assurance system**
- **The system will be backed by:**
 - risk and performance measures
 - a robust monitoring, evaluation and reporting system
 - a publicly accessible (possibly independent) repository of data and information

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Risk Management & Public Confidence

- **Examples of Independent repositories of Data**
 - Alberta Biodiversity Monitoring Institute – collects data across the province
 - Clean Air Strategic Alliance (CASA) – repository of air quality data
- **Third party or stakeholder analysis of the data**

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Risk Management & Public Confidence Questions

- *How can we more effectively use policy assurance tools and risk management to build confidence in the system?*
- *What could be the role of groups outside of government in monitoring, reporting and evaluation?*
- *How can we ensure continuous improvement in our monitoring, reporting and evaluation system?*

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WRAP UP & NEXT STEPS

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Next Steps

- **Input from today's forum and previous sessions will be summarized in a *What We Heard: Final Report***
- **Finalize System Design work and complete report**

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THANK-YOU