
ALBERTA WATER COUNCIL

MEETING #24

June 4, 2009

Calgary, Alberta

Executive Summary

The board approved the revised core operating budget for 2009, which required a reduction of 32% in total expenditures from the previous 2009 budget. Most of this was achieved through a 35% reduction in staffing costs and deferral of the second \$100,000 contribution to the wind-down fund. The board also approved the 2009-2010 Operational Plan and agreed to initiate one new project to select, modify or develop criteria to identify areas within a watershed that are significant to the maintenance of aquatic ecosystem health. The GoA agreed it would be a client for this work, but that it needs to be completed by March 2010. A working group will be formed to draft terms of reference for board approval by the end of June.

The third review of implementation progress of *Water for Life* was presented to the board, and the board approved the review report, commending the team for its work. The communications plan was also approved, and the report will be released over the summer and posted to the Council's website.

The Sector Planning for Conservation, Efficiency and Productivity Project Team provided an update on its work. The board approved amended terms of reference to include the Alberta Association of Municipal Districts and Counties as a member, and also agreed that the project team could post updates to the AWC website, provided the team has reached consensus and there is a caveat on the website indicating that the updates are "draft."

The Water Allocation Transfer System Upgrade Project Team presented an update of the team's work, noting the key concepts and directions that have emerged, areas requiring further work and their plan to complete the work to fulfill the team's mandate. They reviewed the five proposed areas for improvement and responded to questions from the board. The team intends to have its draft report completed by the end of June, when it will be provided to board members for discussion in their sectors. The board agreed to meet by conference call in late summer to approve the team's final report and recommendations.

The board also received information and updates on:

- The Martha Kostuch Legacy Workshop on consensus, planned for early December 2009;
- The Alberta WaterPortal; and
- The work of the Alberta Water Research Institute, with a particular focus on the areas that align well with the activities of the Council.

The Council's 2008 annual report was distributed to board members.

Summary of Discussion

1 Administration

1.1 Welcome and Approve Agenda

Mike Kelly convened the meeting at 9:15 am. Those present introduced themselves. Mike reviewed the agenda, which was approved by consensus.

1.2 Approve Summary Report from March 19, 2009 meeting

Decision 24.1: The summary report for Meeting 23 was adopted by consensus and will be posted on the Council website.

1.3 Action Items from March 19, 2009 Meeting

Gord Edwards reviewed action items from the last meeting. All actions have been completed.

1.4 Executive Director's Report

Gord Edwards directed the board to his report in the briefing book and reviewed the highlights. He updated the board on projects that would not be reported on in the meeting, and noted that staff have a process in place to track implementation progress of recommendations that have been directed to the Council.

1.5 Revised 2009 Core Operating Budget

Gord Edwards presented the revised core operating budget for the Council. The budget was approved in December for the 2009 fiscal year, but changes were needed to address funding shortfalls. The core budget was reduced by 32% to meet these reductions. Gord reviewed the various areas in which reductions had been made, the key one being a 35% reduction in costs related to staffing. As well, the second payment of \$100,000 to the wind-down fund will be delayed. Work now underway will be completed, but there will be limits as to what new projects can be undertaken. The executive previously reviewed the revised budget and recommended its approval.

Decision 24.2: The revised 2009 Core Operating Budget was approved by consensus.

Action 24.1: Staff will circulate the approved revised 2009 Core Operating Budget to Board members.

2 Operational Planning

Gord Edwards noted that the board had intended to hold a session to update the three-year business plan, but given financial constraints, agreed to delay this work until the following year. At this time, the board is discussing revising the operational plan for 2009-2010. The proposed plan continues or finishes all previous commitments, and there is capacity for one new project for the coming year. Gord reviewed current commitments and the factors that influence the Council's ability to take on new work. He presented several potential projects for the board to consider. The hope is to get to all of them over the next few years, but the board needs to decide which to do first. The following projects were proposed, with the size based on funding and time requirements:

- Criteria for areas of significance to maintaining aquatic ecosystem health – large project
- Non-point source (NPS) pollution management – medium-large project

- NPS pollution data, knowledge and tools – medium-large project
- Targeted HAE education – medium project
- Best management practices that support HAE – small project
- WFL partnerships communications strategy – small project
- Knowledge broker/water resource information – medium-large project

The following points and considerations were noted in the board’s discussion of project prioritization, with particular focus on the “criteria” project:

- The GoA has included the recommendations from the Council’s Healthy Aquatic Ecosystems (HAE) report in its WFL action plan, but has not yet set priorities for work.
- For the GoA, having a set of criteria to identify significant areas would add a lot of value to the regional plans now underway. The GoA would be the client for this work as long as it could be done in time to fit into the Land-use Framework regional planning process; that is, in nine months. The GoA would contribute funds to support this project as long as it can be done in this time frame. There are also opportunities to refine the regional plans once they are done, but it would be better to have the Council’s advice as soon as possible.
- The “criteria” project could be quite technical, and it would be good for sectors to identify members with expertise in the area. Consultants would be used to do things like the literature reviews.
- The technical work will be important, but value added by the AWC is the reflection and rumination on what is meant by “significance.”
- The Alberta Water Research Institute has three teams already working in areas that would be useful in determining areas of significance, as well as in other areas of proposed projects. There could be some synergies for the Council.

The following comments were noted about the other potential projects:

- Communicating with the other WFL partners (i.e., WPACs and WSGs) is important and should not be neglected.
- The knowledge broker function is important to ensure that work already done is not repeated.
- Educating Albertans is essential to achieving many other goals, such as dealing with non-point sources of pollution.
- It may be possible to also work on some smaller projects if coalitions of partners could be formed (e.g., HAE education).
- The lead for the WFL Implementation Review recommendations is mainly the GoA, and AENV could possibly bring a future statement of opportunity to the Council for work in these areas.

Board members individually indicated their top two priorities, and agreed that the project on “Criteria for Areas of Significance” should be pursued. Board members expressed concern about the tight time frame, but recognized that to be of greatest value to the GoA, this work must be done by March 2010. In addition to preparing draft terms of reference, the working group also needs to better define expected budget requirements. Given that the board does not meet in person until the end of October, it was suggested that a steering committee could be formed to provide guidance to the working group and project team between board meetings. The TOR would still need to be approved by the board; this will be done at the next available opportunity. The steering committee would have one member from each of the four broad categories. It is likely that most members of the working group will also be on the project team; the size of the group will be determined following an indication of interest from the sectors.

Decision 24.3: The board approved the 2009-2010 Operational Plan and added a project to develop criteria for areas of significance to maintaining aquatic ecosystem health.

Action 24.2: Staff will email the board by June 5 requesting names of sector representatives for the working group and project team..

Action 24.3: Staff will examine the role and criteria for steering committee membership, one member from each broad category, and strike this committee by June 12.

Action 24.4: Staff will revise the AWC 2009 – 2010 Operational Plan to include the project to develop criteria for areas of significance to maintaining aquatic ecosystem health and circulate it to Board members.

3 Water for Life Implementation Review Committee

Lisa Maria Fox and Al Kennedy presented the final report from the WFL Implementation Review Committee. The committee’s task was to conduct the Council’s third objective review of implementation progress of the WFL strategy. Their general assessment was that solid but uneven progress has been made toward WFL’s goals and key directions. Four of the six goals and key directions have seen noticeable progress; the other two – HAE and water conservation – have made progress but are behind schedule. The proposed communications plan for releasing the report was also shared with the board. Rather than disbanding, the committee intends to develop a plan for doing future reviews to ensure thoroughness and consistency. The frequency of the review reports also needs further consideration.

Lisa Maria and Al responded to questions from the board, noting that the committee’s job was to recommend what should be done, not how to do it. The following comments emerged during discussion of the report:

- The GoA is reviewing economic instruments, and the intent of recommendation 13 is that the AWC should be part of the GoA process before final decisions are made in this area.
- Storage will be an important component in basins where instream flow needs are being approached. The GoA expectation has been that WPACs would address the storage issue as part of the development of watershed management plans.
- Alberta Environment noted that the feedback from these reports is very useful.

Decision 24.4: The board:

1. *Approved the review report from the Water for Life Implementation Review Committee.*
2. *Approved the communications plan for the release of the Council's third review report.*

4 Sector Planning for Conservation, Efficiency and Productivity

John Skowronski reviewed the background on the Sector Planning for Conservation, Efficiency and Productivity (SP for CEP) project team and its three key tasks:

1. Provide a venue for stakeholders to discuss challenges, share ideas and obtain multi-stakeholder feedback.
2. Evaluate and determine the need for enhancements to the CEP Annotated Table of Contents and CEP Framework.
3. Provide regular updates to the Alberta Water Council on sector planning progress.

John noted the AAMDC are considering developing a Rural Municipal CEP Plan, and have asked to join the project team.

John also provided an update on the work of the team to date, noting that they have prepared a detailed work plan and a "What We've Learned" update report for the Board today. The report outlines sector progress in completing their plans, and describes issues the team has been working to address. The team has asked to be able to share this "What We've Learned" document with the public via the Council's website. Given the team's long timelines and the need for regular sector communication, they felt it was important to broadly circulate their updates. The Board agreed but noted that any materials posted to the web should be clearly marked as draft, since they may not have the consensus support of the Board.

Decision 24.5: The board:

1. *Approved the amended terms of reference for the SP for CEP team, to include the AAMDC as a member.*
2. *Agreed that the project team could post updates to the AWC website, provided the team has reached consensus and there is a caveat on the website indicating that the updates are "draft."*

5 Martha Kostuch Legacy Workshop

Terry Sly presented an overview of the Martha Kostuch Legacy Workshop on consensus, being held by CASA with support from Alberta Environment. The Council is participating actively on the CASA project team and Council board and team members are encouraged to attend. The workshop is planned for December 2-3 in Edmonton. Further promotion will be done in the coming months.

6 Water Allocation Transfer System Upgrade Project Team

Mike Kelly, Ron Pearson and Jim Webber presented an update of the WATSUP team's work. They noted the key concepts and directions that have emerged, areas requiring further work and their plan to complete the work to fulfill the team's mandate, which was to recommend improvements to better utilize and enhance Alberta's water allocation transfer system.

Proposed areas for improvement include:

- Protected water and the WCO
- Tradable licences
- Three-tiered applications and approvals system
- Application of "do no significant harm" test
- Proposals to address unused water and return flow water.

The presenters described these proposed improvements and associated concepts. During discussion with the Board, terms and concepts were further clarified, and the following points were noted:

- The team wants to get unused water into the trading market via a five-year amnesty program.
- Licence holders with growth plans would have to prove that their plans are legitimate before the five-year amnesty expires so they can continue to hold this water.
- The team recognizes that a water market will require additional staff resources to manage.
- Regarding "do no significant harm", it will be important to have good criteria because many small harms can accumulate to be significant. The team is still discussing potential criteria.
- The intent of allowing private organizations to acquire licences up to 2% of the average annual flow in a basin is a way of enabling them to meet their own objectives; e.g., an organization that has done creek rehabilitation could acquire such a licence to help ensure there will be sufficient water to protect its project. These would not be consumptive uses and are different from WCO licences that are set by the province to serve the public interest. These licences could be traded, but would remain as non-consumptive licences.

The team understands that, pending Cabinet approval, there will be a public consultation on a Alberta Environment's proposal for a Renewed Water Management and Allocation System this fall. To be useful as input to this broader review, the team's report needs to be submitted to the Minister of Environment by late summer. The team recognizes that there are challenges in meeting this timeline.

The team intends to have its draft report completed by the end of June, when it will be provided to board members for discussion and consideration within their sectors. The team offered to assist board members to brief their stakeholders if desired. Board members noted that summer is not a good time to be asking for sector feedback and the timelines may not be realistic.

Questions concerning how the report would feed into the broader review and concerns regarding meeting the ambitious timelines were raised and the following clarifications were provided:

- The Government of Alberta is conducting broad review of the Water Management and Allocation System. Several reports, processes and committees are all feeding in to develop a public consultation package on these topics. Work that will be considered in developing this package includes:
 - An AWRI review of other jurisdiction's water allocation policies and practices.
 - The WATSUP team's review and recommendations regarding the water allocation transfer system.
 - A Minister's Advisory Panel review of the water management system.
 - A departmental examination of all of these areas, and development of policy options for them.
- Eventually, all of this information will be digested and some of it put out for public consultation in the fall. In order to be part of this broader review process the WATSUP team's report must be completed by late summer.
 - A GoA member noted that the public consultation requires cabinet approval, and if this does not happen on the anticipated timelines, they will let the WATSUP team know.
- If the Council reaches consensus on the team's report, it would become a public document and go to the Minister of Environment for consideration as part of the anticipated public consultation.
 - The report must be completed by late summer for it to feed into the broader public review process.
 - The Council would need to have a conference call meeting in late summer to approve the final document.
- A suggestion was made that if stakeholders do not have consensus on all aspects of the report, that a report could be submitted outlining areas of consensus and the various options for areas of disagreement. This report could still be transmitted to the Minister of Environment within the required timelines.

Some board members noted their sectors still have concerns, and encouraged the team to focus on areas where there is broad agreement and let the GoA sort out the details. A GoA member also encouraged the team to be cautious about how much detail is prescribed to get to a particular outcome, because this makes it much more difficult for the GoA to commit to implement the recommendations.

A Board member wondered if they could share the team's PowerPoint Presentation with their sector and the public. The team expressed concern that some slides could be misinterpreted without the proper context, therefore they would prefer that members wait for their draft report to share their ideas. The Board agreed with that approach.

Decision 24.6: The board approved meeting by conference call by the end of August 2009 for the purpose of approving the WATSUP team's final report and recommendations.

Action 24.5: Staff will organize a conference call date in late summer to approve the WATSUP team's final report and recommendations.

7 Alberta WaterPortal Demonstration

Mike Scarth presented an overview of the history and progress of the Alberta WaterPortal. He noted that more than 1,000 water-related organizations in Alberta are developing and

compiling water information and knowledge. The intent of the WaterPortal is to connect these stakeholders and organizations to better share information. Mike also did a brief demonstration to show how the system works.

8 Alberta Water Research Institute Update

David Hill updated the board on the work of the Alberta Water Research Institute (AWRI) and its alignment with work being done by the Council and Alberta Environment to support the goals and key directions of Water for Life. The AWRI focuses on applied research and insists on the use of interdisciplinary teams. Five major strategic research projects are underway and others are being considered. The AWRI also has a series of strategic opportunity services projects to provide timely advice on background to initiatives that may require further research. Other areas of activity include technology development and commercialization, education and outreach activities, and an executive training program.

9 New or Other Business

Copies of the 2008 Annual Report were distributed to board members.

The next formal board meeting will be held October 29 at McDougall Center in Calgary with a dinner the night before. A conference call in late summer to approve the WATSUP team's final report will also be arranged by staff.

The meeting adjourned at 3:45 pm.

Attachment 1: Meeting #24 Attendees

Council Directors and Alternates

Maureen Bell, NGO (Environmental)
Wendy Boje, GOA and Provincial
Authorities (Alberta Sustainable
Resource Development)
David Breakwell, GOA and Provincial
Authorities (Alberta Energy)
Bob Cameron, NGO (Environmental)
Carolyn Campbell, NGO (Environmental)
Lisa Maria Fox, NGO (Environmental)
Jim Hackett, Industry (Power Generation)
David Hill, GOA and Provincial Authorities
(Alberta Water Research Institute)
David Kay, NGO (Wetland Habitat
Conservation)
Mike Kelly, Industry (Power Generation)
Al Kennedy, Industry (Chemical and
Petrochemical)
Dug Major, NGO (WPACs)
Ron McMullin, Industry (Irrigation)
Keith Murray, Industry (Forestry)

Larry Nolan, Industry (Livestock)
Dwight Oliver, Government (Rural)
Ron Pearson, NGO (Fishery Habitat
Conservation)
Rob Pritchard, Government (Large Urban)
Richard Quail, Government (Small Urban)
Dave Rushford, Industry (Oil and Gas)
Doug Sawyer, Industry (Agriculture)
John Skowronski, Industry (Chemical and
Petrochemical)
Judy Smith, Industry (Mining)
Kevin Stashin, Industry (Oil and Gas)
Lindsay Telfer, NGO (Environmental)
Jay White, NGO (Lake Environment
Conservation)
Jamie Wuite, GOA and Provincial Authorities
(Alberta Agriculture and Food)
Bev Yee, GOA and Provincial Authorities
(Alberta Environment)
Gord Edwards, AWC Executive Director

Presenters:

Gord Edwards, *Executive Director's Report; Revised 2009 Core Operating Budget, Operational Planning* (Items 1.4, 1.5, 2)
Al Kennedy and Lisa Maria Fox, *WFL Implementation Review Committee* (Item 3)
John Skorowski, *Sector Planning for Conservation, Efficiency and Productivity* (Item 4)
Terry Sly, *Martha Kostuch Legacy Workshop* (Item 5)
Mike Kelly, Ron Pearson, Jim Webber, *Water Allocation Transfer System Upgrade Project Team* (Item 6)
Mike Scarth, *Alberta WaterPortal Demonstration* (Item 7)
David Hill, *Alberta Water Research Institute Update* (Item 8)

Guests:

Randall Cripps, Environment Canada
Paul Fesko, City of Calgary
Joseph Jobin, Treaty 8 First Nations
Bill Macdonald, Alberta Environment
Dave McGee, Alberta Environment
Scott Millar, Alberta Sustainable Resource
Development
Kelly Ness, Alberta Environment
Nancy Stalker, City of Calgary
John Trefanencko, AUMA

AWC Staff and Contractor Support

Terry Sly, Lorie Wagner, Christine Macken, Kim Sanderson

Absent with Regrets:

Jim Ellis, GOA and Provincial Authorities (Alberta Environment)
Colin Jeffares, GOA and Provincial Authorities (Alberta Agriculture and Rural Development)
Alex MacKenzie, GOA and Provincial Authorities (Alberta Health and Wellness)
Jason Unger, NGO (Environmental)
Allan Wells, Government (Métis Settlements General Council)

Attachment 2: Meeting #24 Action Item Log

Action	Who	By when
Action: 24.1: Staff will circulate the approved revised 2009 Core Operating Budget to Board members.	Staff	June 12
Action: 24.2: Staff will email the board by June 5 requesting names of sector representatives for the working group and project team.	Staff	June 5
Action 24.3: Staff will examine the role and criteria for steering committee membership, one member from each broad category, and strike this committee by June 12.	Staff	June 12
Action 24.4: Staff will revise the AWC 2009 – 2010 Operational Plan to include the project to develop criteria for areas of significance to maintaining aquatic ecosystem health and circulate it to Board members.	Staff	June 12
Action 24.5 Staff will organize a conference call date in late summer to approve the WATSUP team’s final report and recommendations.	Staff	June 12

Attachment 3: Decision Log

Decision 24.1: The summary report for Meeting 23 was adopted by consensus and will be posted on the Council website.

Decision 24.2: The revised 2009 Core Operating Budget was approved by consensus.

Decision 24.3: The board approved the 2009-2010 Operational Plan and added a project to develop criteria for areas of significance to maintaining aquatic ecosystem health.

Decision 24.4: The board:

- 1. Approved the review report from the Water for Life Implementation Review Committee.*
- 2. Approved the communications plan for the release of the Council’s third review report.*

Decision 24.5: The board:

- 1. Approved the amended terms of reference for the SP for CEP team, to include the AAMD&C as a member.*
- 2. Agreed that the project team could post updates to the AWC website, provided the team has reached consensus on them, and that there is a caveat on the website indicating that the updates are “draft.”*

Decision 24.6: The board approved meeting by conference call by the end of August 2009 for the purpose of approving the WATSUP team’s final report and recommendations.

ALBERTA WATER COUNCIL
AGENDA, MEETING #24
June 4, 2009
McDougall Centre, Calgary

NOTE: Broad Category caucusing will occur from 8:00 to 9:30 am.

GENERAL BUSINESS OF COUNCIL

- 9:00 1.0 Administration – Chair 30 min**
- 1.1 Welcome and approve agenda
 - 1.2 Approve Summary Report from March 19, 2009 meeting
 - 1.3 Review of actions from last meeting
 - 1.4 Executive Director’s report
 - 1.5 Approve Revised AWC 2009 Core Operating Budget
- 9:30 2.0 Operational Planning 45 min**
Review and approve the Council’s 2009 - 2010 Operational Plan, including new work.
- 10:15 Break 15 min**
- 10:30 3.0 WFL Implementation Review Committee 45 min**
Approve the final report and communication plan.
- 11:15 4.0 Sector Planning for Conservation, Efficiency and Productivity 30 min**
The project team will present an update in their “What We’ve Learned” report.
- 11:45 5.0 Martha Kostuch Legacy Workshop 15 min**
Hear a presentation from staff on this initiative.
- 12:00 Lunch (provided in the room) 45 min**
- 12:45 6.0 Water Allocation Transfer System Upgrade Project Team 90 min**
Review and provide feedback on the team’s work to date.
- 1:30 Break 15 min**
- 1:45 6.0 Water Allocation Transfer System Upgrade Project Team – Cont’d**
- 2:30 7.0 Alberta WaterPortal Demonstration 30 min**
See a demonstration on what information is available on the Alberta WaterPortal website.
- 3:00 8.0 Alberta Water Research Institute Update 15 min**
Hear an update on the work of the Institute.
- 3:15 9.0 New or Other Business 15 min**
New items of business or other items of information for Council
- 3:30 Adjournment**