

Environment and Sustainable Resource Development

SUMMARY

DEPARTMENT

Matters from current audit

ESRD—AEMERA—Joint Canada–Alberta Plan for Oil Sands Monitoring—see page 23

Matters from prior audit

The department has implemented our 2013 recommendation to improve its server patch management process—see below

NATURAL RESOURCES CONSERVATION BOARD

Matters from prior audit

ESRD—Natural Resources Conservation Board—Confined Feeding Operations Follow-up—see page 67

FINDINGS AND RECOMMENDATIONS

DEPARTMENT

Matters from prior audit

Security patch management of servers—implemented

Our audit findings

The department implemented our 2013 recommendation to improve its server patch management process.¹

The department:

- automated the installation of security and operating system patches
- developed a patch management policy and control procedure
- demonstrated that its critical business computer servers had been updated with the latest available security patches on a consistent and timely basis

¹ *Report of the Auditor General of Alberta—October 2013*, no. 10, page 113.

OUTSTANDING RECOMMENDATIONS

MINISTRY AND DEPARTMENT

The following recommendations are outstanding and not yet ready for follow-up audits:

Drinking water: Information systems—October 2006, no. 4, vol. 1, p. 52

We recommend that the Department of Environment and Sustainable Resource Development improve the information systems used to manage its drinking water businesses by:

- updating the Environmental Management System forms and improving reporting capacity
- coordinating regional, district, and personal information systems to avoid overlap and encourage best practice, and
- using data to improve program effectiveness and efficiency

Sand and gravel: Flat fee security deposit—October 2008, no. 41, p. 362

We recommend that the Department of Environment and Sustainable Resource Development assess the sufficiency of security deposits collected under agreements to complete reclamation requirements.

Climate change: Outsourced service providers—October 2009, p. 49

We recommend that the Department of Environment and Sustainable Resource Development develop controls to gain assurance that data hosted or processed by third parties is complete, accurate and secure. We also recommend that the Department of Environment and Sustainable Resource Development formalize its agreement with its service provider for the Alberta Emissions Offset Registry.

Managing Alberta's water supply: Assessing compliance with the *Water Act*

—April 2010, no. 5, p. 68

We recommend that the Department of Environment and Sustainable Resource Development ensure its controls provide adequate assurance that performance in the field by licence and approval holders as well as others complies with the *Water Act*.

Managing Alberta's water supply: Watershed planning and advisory councils grants and contracts—April 2010, no. 7, p. 73

We recommend that the Department of Environment and Sustainable Resource Development strengthen its control of grants and contracts with Watershed Planning and Advisory Councils.

Climate change: Public reporting—October 2012, no. 10, p. 38

(Originally October 2008, no. 11, p. 101)

We again recommend that the Ministry of Environment and Sustainable Resource Development improve the reliability, comparability and relevance of its public reporting on Alberta's results and costs incurred in meeting climate change targets.

Climate change: Improve planning—July 2014, no. 2, p. 41

(Originally October 2008, no. 9, p. 97)

We again recommend that the Department of Environment and Sustainable Resource Development improve Alberta's response to climate change by:

- establishing overall criteria for selecting climate change actions
- creating and maintaining a master implementation plan for the actions necessary to meet the emissions intensity target for 2020 and the emissions-reduction target for 2050
- corroborating—through modeling or other analysis—that the actions chosen by the ministry result in Alberta being on track for achieving its targets for 2020 and 2050

Climate change: Improve monitoring processes—July 2014, no. 3, p. 44
(Originally October 2008, no. 10, p. 100)

We again recommend that for each major action in the 2008 Climate Change Strategy, the Department of Environment and Sustainable Resource Development evaluate the action's effect in achieving Alberta's climate change goals.

Sand and gravel: Enforcement of reclamation obligations—July 2014, no. 4, p. 51
(Originally October 2008, no. 40, p. 360)

We again recommend that the Department of Environment and Sustainable Resource Development improve processes for inspecting aggregate holdings on public land and enforcing land reclamation requirements.

Sand and gravel: Quantity of aggregate removed—July 2014, no. 5, p. 52
(Originally October 2008, p. 364)

We again recommend that the Department of Environment and Sustainable Resource Development develop systems to verify quantities of aggregate reported as removed by industry from public lands so that all revenue due to the Crown can be assessed and recorded in the financial statements.

Management has identified this recommendation as implemented—to be confirmed with a follow-up audit:

Climate change: Data quality—October 2009, p. 40

We recommend that the Department of Environment and Sustainable Resource Development strengthen its guidance for baseline and compliance reporting by:

- clarifying when uncertainty calculations must be done
- prescribing the minimum required quality standards for data in terms of minimum required frequency of measurement and connection to the period being reported on
- describing the types of data controls that facilities should have in place

Climate change: Guidance to verifiers of facility baseline and compliance reports—October 2009, no. 3, p. 42

We recommend that the Department of Environment and Sustainable Resource Development strengthen its baseline and compliance guidance for verifiers by improving the description of the requirements for:

- the nature and extent of testing required
- the content of verification reports
- assurance competencies

Climate change: Cost-effectiveness of regulatory processes—October 2009, no. 5, p. 51

We recommend that the Department of Environment and Sustainable Resource Development assess the cost-effectiveness of the *Specified Gas Emitters Regulation*.

Financial security for land disturbances—October 2009, no. 23, p. 207
(Originally 1999, no. 30, p. 158; repeated 2001, no. 8, p. 90; and unsatisfactory progress October 2005, no. 31, p. 180)

We again recommend that the Department of Environment and Sustainable Resource Development implement a system for obtaining sufficient financial security to ensure parties complete the conservation and reclamation activity that the department regulates.

Managing Alberta's water supply: Backlog of *Water Act* applications—April 2010, no. 4, p. 65

We recommend that the Department of Environment and Sustainable Resource Development minimize the backlog of outstanding applications for *Water Act* licences and approvals.

Managing Alberta's water supply: Wetland compensation—April 2010, no. 6, p. 71

We recommend that the Department of Environment and Sustainable Resource Development formalize its wetland compensation relationships and control procedures.

Climate change: Clarify guidance—November 2011, no. 1, p. 17

(Originally October 2009, no. 4, p. 46)

We again recommend the Department of Environment and Sustainable Resource Development clarify the guidance it provides to facilities, verifiers, offset project developers and offset protocol developers, to ensure they consistently follow the requirements in place to achieve the Alberta government's emissions reduction targets.

Climate change: Ensure all protocols meet new standard, and improve transparency—November 2011, no. 2, p. 23

We recommend the Department of Environment and Sustainable Resource Development implement processes to ensure that all approved protocols adhere to its protocol development standard. We also recommend the Department of Environment and Sustainable Resource Development improve its transparency by making key information about how protocols are developed publicly available.

NATURAL RESOURCES CONSERVATION BOARD

There are no outstanding recommendations to the Natural Resources Conservation Board.