
ST RA TE GY

2024-27



OUR MISSION

TO PROVIDE FOR THE
EFFICIENT, SAFE, ORDERLY,
AND ENVIRONMENTALLY
RESPONSIBLE
DEVELOPMENT OF ENERGY
AND MINERAL RESOURCES
IN ALBERTA THROUGH
OUR REGULATORY ACTIVITIES



OUR VISION

THE AER IS A TRUSTED
REGULATOR THAT DELIVERS
EFFECTIVE AND EFFICIENT
OVERSIGHT OF RESOURCE
DEVELOPMENT



OUR VALUES

THESE VALUES GUIDE OUR WORK,
BOTH INTERNALLY AND EXTERNALLY

ACCOUNTABILITY

EACH OF US IS RESPONSIBLE
FOR OUR WORK, OUR ACTIONS,
AND OUR RESULTS.

TRANSPARENCY

WE ARE COMMITTED TO
TIMELY, OPEN, AND CLEAR
COMMUNICATION.

TRUST AND RESPECT

WE ARE COMMITTED TO FOSTERING
AND GROWING RELATIONSHIPS
BASED ON INTEGRITY, TRUST, AND
RESPECT. WE WORK TO ENSURE
CONFIDENCE IN OUR WORK
AND OUR DECISIONS.

COLLABORATION

WE ARE CURIOUS, AND WE
LISTEN, LEARN, CONTRIBUTE, AND
CREATE TOGETHER THROUGH
MUTUAL SUPPORT.

OUR STRATEGY

MESSAGE FROM OUR CEO

At the heart of the AER is a community of highly skilled, passionate professionals driven to deliver our mandate on behalf of Albertans united by the common ideal of service. We are guided by our core values of accountability, transparency, trust and respect, and collaboration.

Our strategy takes a rolling three-year approach, and we apply our latest thinking to an annual refresh to ensure it evolves to reflect changes in policy, external expectations, and technology. Meanwhile, the four strategic themes remain consistent: **Taking Care of our People, Leading Operational Effectiveness and Innovation, Enhancing our Regulatory Framework**, and – perhaps now more pertinent than ever – **Strengthening our Credibility and Trust**. You can read more about what we’ve learned, where we’re headed, and how we will measure progress on that journey in the pages that follow.

Through the process of updating our strategy, we paid close attention to the mirror being held up for us by Indigenous communities and stakeholders across the province. Notably, we continue to work through a robust plan for responding to the recommendations held in the Board’s independent review into our handling of Imperial Oil’s Kearl seepage and spill incidents.

Much of our renewed focus will be on more transparent and timely sharing of data. We are already working on making our data platforms – such as the aer.ca website – more accessible and easier to navigate. We are also actively enhancing our online data HUB, the central access point for information about Alberta’s energy industry, as part of our redoubled commitment to transparency.

In refreshing our strategy, we also paid close attention to the Office of the Auditor General’s liability management audit and will ensure our Liability Management Framework addresses those recommendations and advances our work to reduce the outstanding inactive liability across the province.

As the AER becomes a more modern and efficient regulator, we are also planning for further expansion of our mandate as the provincial government considers the future of the rock-hosted minerals sector.

We have listened closely to Albertans province-wide over the past year and have learned much about how we need to continue to grow in living our values, especially in rebuilding trust and respect in communities across the province. This refreshed 2024–27 strategy will serve as the foundation for our efforts in ensuring we continue to achieve our mandate while remaining a values-driven organization.

Laurie Pushor, President and CEO

STRATEGY 2024-27

INTRODUCTION

Energy development is constantly evolving to align with new policies, and to make use of new technology. New challenges, such as the global energy transformation, are also emerging. At the same time, expectations around data and information sharing have also changed. Landowners, Indigenous communities, community members, and stakeholders want to know more about where and how development will occur and how it might affect them—and they want to be part of those discussions. With so many changes surrounding energy development, we know that we need to continue to adapt. We need to create a more modern and efficient regulatory system that keeps pace with innovation, considers the development of new resources, and can easily pivot to support new government policies. It also means making sure that we are keeping Albertans, Indigenous communities, and stakeholders informed about energy development activities and communicating in a clear, open, timely, and transparent manner.

Key drivers of this multiyear strategy are strengthening the AER's culture, establishing a more efficient way of regulating, and ensuring we are meeting the expectations of Albertans, Indigenous communities, and stakeholders. We remain focused on what matters most: protecting the public and the environment while ensuring responsible development. The guidance outlined in this strategy lays the foundation for us to continue to build on our success.

LINKING OUR STRATEGY TO OUR CORE BUSINESS

The four focus areas in our strategy provide the foundation to excel and continuously improve in delivering on our mandate. Having staff who feel safe and supported, systems and data to meet our evolving needs, an adaptive and innovative regulatory system, and positive external relationships will enhance our ability to deliver on all aspects of our work.



FOCUS AREAS

TO PRIORITIZE AND GUIDE THE
ORGANIZATION'S EFFORTS IN ACHIEVING
OUR MISSION AND VISION, FOUR FOCUS
AREAS WERE DEVELOPED

TAKING CARE OF OUR PEOPLE



LEADING OPERATIONAL EFFECTIVENESS AND INNOVATION



ENHANCING OUR REGULATORY FRAMEWORK



STRENGTHENING OUR CREDIBILITY AND TRUST



2024-27 STRATEGIC PRIORITIES



FOCUS
AREAS

TAKING CARE OF
OUR PEOPLE



LEADING OPERATIONAL
EFFECTIVENESS AND INNOVATION

OBJECTIVES

- The AER retains engaged, diverse, contributing employees
- The AER empowers and develops talent in a manner that is transparent
- The AER attracts talent aligned with our values and culture

- The AER will integrate data between Integrated Resource Management System (IRMS) partners using cloud technologies
- Increase organizational effectiveness by improving internal business processes
- Increase accessibility of high-quality data to internal and external users including stakeholders and Indigenous communities



ENHANCING OUR REGULATORY FRAMEWORK

Long-term net reduction in liabilities
of AER-regulated assets

Use relevant data within the broader
regulatory context to make risk-
informed, evidence-based, and
timely regulatory decisions



STRENGTHENING OUR CREDIBILITY AND TRUST

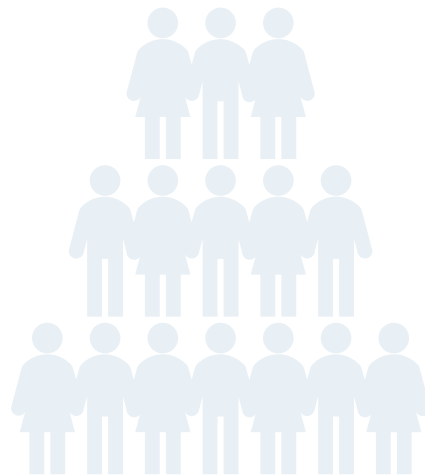
Build the AER's credibility
and trust

The AER understands and respects
the relevance of Indigenous
worldviews and considers risk of
harm to Aboriginal rights, treaty
rights, and Indigenous interests
when making regulatory and
corporate decisions

TAKING CARE OF OUR PEOPLE

Building the foundation of a trusted regulator starts within our organization and centres around taking care of our people. Continuing to develop and empower our people will be critical to our success. The AER strives to be a great place to work, where our people feel valued and equitably compensated. We continue to ensure that we have the right people with the right expertise in the right place to move us forward. By providing a respectful, safe, diverse, and inclusive work environment, our people feel supported to do their work, empowered to voice their opinions, and driven to be their best. The AER strives to attract and retain engaged people who are committed to contributing to the success of the organization and are aligned with our values and culture.

We will ensure that we have the right processes in place and that our people have access to the right tools and training to enable them to be successful. Our people will be given the opportunity to develop their career and acquire new skills to tackle new challenges created by new technology and an evolving energy industry. This can only be done by creating an environment where continuous learning and innovation is encouraged.



LEADING OPERATIONAL EFFECTIVENESS AND INNOVATION

Meeting our mandate of efficient, safe, orderly, and environmentally responsible development of Alberta's energy resources will require the organization to innovate and promote operational effectiveness and performance.

To be a truly effective regulator, we must constantly evaluate our systems and processes to ensure they continue to serve Albertans, Indigenous communities, and stakeholders. The AER will continue our work to streamline, right size, and improve. We are committed to increasing the operational effectiveness of risk-informed and evidence-based regulatory decisions throughout the entire regulatory life cycle. High-quality data will continue to inform our evidence-based decision-making processes through authorizations, regulatory appeals, inspections, and audits.

In order to improve seamless sharing of information, we will transition from point-to-point interfaces to cloud technologies among Government of Alberta (GoA) ministries and agencies (Integrated Resource Management System [IRMS] partners). The AER will also expand and enhance the amount of non-confidential information we share publicly on our website to invite Albertans, Indigenous communities, and stakeholders to be part of the regulatory conversation.

The AER is committed to enhancing our data transparency and will be focusing on timely sharing of information and data (e.g., liability management). Improvements to data transparency continue to be considered in our response to the Imperial Oil Kearl recommendations included in the Board review. Work is also ongoing to make AER data platforms (such as aer.ca) easier to navigate and more accessible to Albertans, Indigenous communities, and stakeholders.

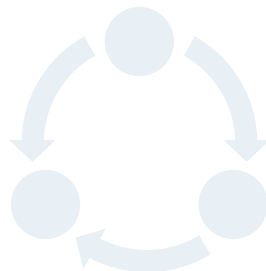


ENHANCING OUR REGULATORY FRAMEWORK

The AER's regulatory framework ensures strong environmental oversight while minimizing the costs for stakeholders and industry. This includes audits, inspections, approvals, enforcement, and other regulatory interventions enabled by AER processes, data, and technology. We will continue to enhance the AER's regulatory framework to deliver on Government of Alberta policy direction, support the energy transition, and work to ensure that the regulatory framework is efficient, adaptive, and innovative. The AER's regulatory framework will better enable risk- and evidence-informed decision making in order to meet the challenges of regulating emerging energy and mineral resources and work to ensure that the costs of regulation are proportional to the risks being managed. We will continue to work with Albertans, Indigenous communities, and stakeholders to consider their perspectives in our decision making and enhancement of our regulatory framework.

The AER ensures that licensees are managing their liabilities and meeting their regulatory and liability obligations throughout the life cycle of energy development. We are working to reduce inactive infrastructure inventory and sites by implementing the GoA's *Liability Management Framework (LMF)* and policy direction. Requirements set out in *Directive 088: Licensee Life-Cycle Management* hold industry accountable for end-of-life closure activities (i.e., decommissioning, remediation, and reclamation activities). In addition, the Area Based Closure (ABC) approach supports licensees in conducting efficient closure projects, reducing the inactive inventory, and thereby decreasing the overall liability in Alberta.

With the transition away from the Liability Management Rating, introduction of a new security framework, continued implementation of the LMF and enhancements to new liability programs and associated directives, additional actions will be taken to drive down liabilities over the long term.



STRENGTHENING OUR CREDIBILITY AND TRUST

Every conversation that we have with Albertans, Indigenous communities, and stakeholders is an opportunity to understand expectations and to build better relationships. These relationships influence how Albertans, Indigenous communities, and stakeholders view us. We will continue to foster positive relationships with all those we serve.

We understand our responsibility to consider potential adverse impacts on existing treaty rights, harvesting and traditional use activities in our regulatory decisions. We will follow through on this responsibility by engaging consistently with Indigenous communities and the Government of Alberta. To support our relationships with Indigenous peoples, we will continue to develop intercultural competency across the organization. Our Resident Elder and internal advisor provide counsel to the organization. They help us find common ground with Indigenous peoples by implementing the teachings of *Voices of Understanding*. *Voices of Understanding* is the foundation for a learning path for the AER as an organization that reflects reconciliation. Also, qualified training is offered to employees on historic and contemporary Indigenous peoples, worldviews, oral systems, and the relationship between Aboriginal and treaty rights and our core regulatory functions.

We have a responsibility to ensure that companies in Alberta develop energy resources in a safe and environmentally responsible manner. Ensuring industry understands what is expected, are compliant with requirements, and are held accountable, are keys to our goal of enhancing performance on credibility and trust.

Data drives our risk-informed, evidence-based decision-making. As data becomes integrated across the organization, it will further improve how we engage with Albertans, Indigenous communities, and stakeholders. We will make public data more easily accessible so everyone can better understand Alberta's complex energy landscape. For the AER, that means publicly reporting on our ability to meet key aspects of our mandate and goals and the proper use of data to tell our stories. For industry, that means expanding the type of information we share publicly about their performance and updating that information on a regular basis in a clear and user-friendly format.

The AER has reviewed the recommendations from the Board's independent review of our actions in the handling of the Imperial Oil Kearl seepage and spill incidents. Work is underway to address the recommendations from the review. Focus will be placed on improving AER's policies, standards, procedures and communication processes for emergency response, incident reporting, and investigation. In the spirit of openness, honesty and transparency, the review's findings have been publicly shared, and regular updates will be provided on our progress towards fulfilling the recommendations.

Every single one of us contributes to building, maintaining, and improving the AER's reputation by understanding the impact our everyday actions, behaviours, and decisions have on Albertans, Indigenous communities, and stakeholders. We will continue to show how we're doing, and should we fall behind, we'll show real actions that we are taking to improve. We hold ourselves and industry accountable, and in doing so, we will improve the trust and confidence in our ability to effectively regulate energy development.



