



# Accountability Report 2022–23

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Natural Resources & Renewables



## Appendix A - Accountability Statement

The Accountability Report of the Department of Natural Resources and Renewables for the year ended March 31, 2023, is prepared pursuant to the *Finance Act* and government policies and guidelines. The reporting of the (*Department/Public Service Office/Crown Corporation*) outcomes necessarily include estimates, judgments, and opinions by (*Department/Public Service Office/Crown Corporation*) management.

We acknowledge that this Accountability Report is the responsibility of Department of Natural Resources and Renewables management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the Department of Natural Resources and Renewables 2022-23 Business Plan.

Department of Natural Resources and Renewables

**Original signed by:**

Minister Hon. Tory Rushton

Deputy Minister Karen M. Gatien

## Measuring Performance

Our Department looks forward to continuing our work to safely develop the province's resources while creating jobs and economic opportunities through the power of innovation. We remain committed to pushing our climate change targets forward, reaching 80 per cent renewable electricity by 2030, and net zero by 2050. We will achieve this through our pursuit of clean energy solutions including wind, solar, green hydrogen and eventually offshore wind.

The Department also continues to focus on the proper management, conservation and protection of our forests, mines, parks and wildlife resources, and the administration of the Province's Crown lands.

Special thanks to our staff who worked tirelessly as we fought Hurricane Fiona and the province's largest wildfires in history. Your dedication and leadership helped get our province and affected communities through a difficult time, and it is greatly appreciated.

### Priority Areas:

#### **Continuing to Adapt to COVID**

- The World Health Organization declared that the COVID-19 pandemic has ended and no longer requires a global emergency-type response. Nova Scotia and the Department is changing its approach to managing the virus. COVID-19 is now treated similar to other respiratory illnesses like influenza and respiratory syncytial virus (RSV).

#### **Advancing Green Energy, Transportation and Infrastructure**

- Multiple amendments were made to the *Electricity Act* this year. The amendments:
  - open the door for more storage solutions for renewable energy;
  - allow the Department to issue contracts for well-developed, innovative energy storage projects that can be implemented quickly; and,
  - support the addition of more renewables to the electricity system while reducing costs for ratepayers.
- Amendments were also made to the *Public Utilities Act*. The amendments:
  - hold Nova Scotia Power more accountable for service delivery by increasing potential fines related to power outages and other performance standards.
  - help protect ratepayers from power rate increases related to Nova Scotia Power's general rate application.
- The Department invested \$140 million to support energy efficiency programs delivered by Efficiency Nova Scotia, with a focus on free upgrades like heat pumps for low-income households and bigger rebates for medium income households.
- The Department provided funding to complete energy efficiency upgrades in Mik'maw homes across Nova Scotia.
- The Department provided funding to ensure low-income and Mik'maw Nova Scotians had more access to free energy efficiency upgrades.
- The Province set a goal to offer leases for five gigawatts of offshore wind by 2030 to support green hydrogen projects.

## **Supporting Sustainable Resource and Business Development**

- The Department has dedicated a high production forest zone, completing its triad model of ecological forestry. The Department also established the guide for the mixed use or matrix zone of the triad. This will support the economy while ensuring that 90 per cent of Crown land is managed with biodiversity as the top priority.
- The Province's agreements with Port Hawkesbury Paper were updated to support sustainable ecological forestry practices and management of public lands.
- The Department invested \$7.1 million this fiscal year to help private woodlot owners with Fiona cleanup and an additional \$3.2 million to manage their lands sustainably.

## **Monitoring Energy Projects Promoting Forest Sector Innovation and Transformation**

- Nova Scotia Power will be using more sustainably harvested biomass over the next three years under a new renewable electricity standard implemented by the Department.

## **Maintaining the Provincial Parks System**

- For the second year in a row, Nova Scotia's provincial parks broke their record for the highest number of camper nights. Camping parks hosted 99,304 paid overnight stays in 2022, an increase of nine per cent from 2021. About 1.5 million people visited camping and day-use parks, up by about 200,000 from last year.
- Investments in park infrastructure continue to make sure everyone can enjoy these natural spaces. Upgrades to parks include things like accessible campsites, fishing docks, picnic shelters and rollout mats and equipment for beaches. They also include accessible and gender-neutral washrooms and comfort stations.

## **Achieving Land Protection Commitments Conserving Wildlife, Species at Risk and Biodiversity**

- The Department dedicated a high production forest zone, completing its triad model of ecological forestry. Ecological forestry divides Crown land into three zones that work together to balance a range of interests. The 3 zones of the triad model are: conservation zone, high production forest zone, and mixed forest or matrix zone. This approach supports the economy, while ensuring that 90 per cent of forested Crown land is managed with biodiversity as the top priority.
- The Department designated three new provincial parks.
- Avian influenza was detected in Nova Scotia in 2022-23 and the Department devoted considerable resources to properly dispose of deceased birds to help mitigate risks to human health and to the poultry industry.
- The Department invested an additional \$20 million to help protect more of Nova Scotia's land and water and designating another 9,300 hectares of Crown land for the benefit of Nova Scotians and the environment.

## **Managing Crown Lands for Public Benefits**

- The Department updated the Old-growth Forest Policy as part of the ongoing work to implement ecological forestry on Crown land.

- The Department was heavily involved in recovery from Hurricane Fiona, with more than 200 staff helping restore power, clear roads, support residents when insurance was not an option, and address damage in provincial parks.

## Appendix B - Financial Summary and Variance Explanation

<b>Departmental Expenses Summary</b> (\$ thousands)			
<b>Programs and Services</b>	<b>2022-2023 Estimate</b>	<b>2022-2023 Actuals</b>	<b>2022-2023 Variance</b>
Senior Management	759	876	117
Clean Energy	34,372	19,367	(15,005)
Business Development & Corporate Services	11,234	10,799	(435)
Subsurface Energy Development	2,088	1,931	(157)
Forestry & Wildlife	22,439	34,094	11,655
Geoscience and Mines	5,565	5,015	(550)
Regional Services	47,664	113,228	65,564
Policy and Corporate Services	7,146	7,032	(114)
Land Services	3,619	3,235	(384)
<b>Total - Departmental Expenses</b>	<b>134,886</b>	<b>195,577</b>	<b>60,691</b>
<b>Additional Information:</b>			
Ordinary Revenues	12,801	14,672	1,030
Fees and Other Charges	2,586	3,122	536
Ordinary Recoveries	16,795	4,160	(12,634)
<b>Total: Revenue, Fees and Recoveries</b>			
TCA Purchase Requirements	5,677	4,079	(1,598)
<b>Funded Staff (# of FTEs)</b>			
<b>Department Funded Staff</b>	<b>741.7</b>	<b>698.3</b>	<b>(43.4)</b>
<b>Departmental Expenses Variance Explanation:</b>			
Expenses were \$60.7 million higher than estimate primarily due to \$53.0 million for additional remediation costs for abandoned mine sites, \$7.5 million for hurricane Fiona cleanup costs and relief programs, \$7.2 million for Small Private Woodlot Owner Relief Program, and \$3.2 million for enhanced silviculture funding. These increases were partially offset by a \$10.2 million decrease in Investing in Canada Infrastructure Program spending due to cashflow shifts and project transfer to the Department of Municipal Affairs and Housing.			
<b>Revenue, Fees and Recoveries Variance Explanation:</b>			
Revenue was \$1.0 million higher than estimate primarily due to Timber and Fuel Wood Licenses and Prior Year Adjustments.			
Fees and Other Charges were \$536K higher than estimate primarily due to Park Admission Fees.			
Recoveries were \$12.6 million lower than estimate primarily due decreases for the Investing in Canada Infrastructure Program spending.			
<b>TCA Purchase Requirements Variance Explanation:</b>			
TCA was \$1.6 million less than estimate primarily due to \$1.1 million for delays in Shubenacadie Operations Centre along with decreases in vehicle and land purchases.			

**Provincial Funded Staff (FTEs) Variance Explanation:**

Variance primarily due to temporarily vacant positions.

*\*Instructions: Please note - variance explanations should be for material differences only.*

## Appendix C - Public Interest Disclosure of Wrongdoing Act

### Annual Report under Section 18 of the *Public Interest Disclosure of Wrongdoing Act*

The *Public Interest Disclosure of Wrongdoing Act* was proclaimed into law on December 20, 2011.

The Act provides for government employees to be able to come forward if they reasonably believe that a wrongdoing has been committed or is about to be committed and they are acting in good faith.

The Act also protects employees who do disclose from reprisals, by enabling them to lay a complaint of reprisal with the Labor Board.

A wrongdoing for the purposes of the Act is:

- a) a contravention of provincial or federal laws or regulations;
- b) a misuse or gross mismanagement of public funds or assets;
- c) an act or omission that creates an imminent risk of a substantial and specific danger to the life, health or safety of persons or the environment; or,
- d) directing or counselling someone to commit a wrongdoing.

Please use the following format to satisfy the disclosure obligation:

The following is a summary of disclosures received by (*Department/Public Service Offices/ Governmental Unit including Crown Corporations and Agencies*):

Information Required under Section 18 of the Act	Fiscal Year 2022-2023
The number of disclosures received	2
The number of findings of wrongdoing	2
Details of each wrongdoing (Insert separate row for each wrongdoing)	Asset misappropriation scheme in Geoscience and Minerals Branch. Losses from previous years were partially recovered.  Asset misappropriation scheme – in Regional Services Branch. \$1460.90 was lost.
Recommendations and actions taken on each wrongdoing. (Insert separate row for each wrongdoing)	Staff were sent a link to Manual 200 Budgeting and Financial Management – Chapter 27. Fraud is included in the Department’s Orientation Handbook.  The Regional Services Branch completed a Fraud Risk Assessment.  The Department has tracked staff participation in mandatory fraud training.