

2019 Bill 19

First Session, 30th Legislature, 68 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 19

**TECHNOLOGY INNOVATION
AND EMISSIONS REDUCTION
IMPLEMENTATION ACT, 2019**

THE MINISTER OF ENVIRONMENT AND PARKS

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 19

2019

TECHNOLOGY INNOVATION AND EMISSIONS REDUCTION IMPLEMENTATION ACT, 2019

(Assented to _____, 2019)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

Amends SA 2003 cC-16.7

1 The *Climate Change and Emissions Management Act* is
amended by this Act.

2 The title and chapter number of the Act are repealed and the
following is substituted:

Emissions Management and Climate Resilience Act
Chapter E-7.8

3 Section 5 is amended

- (a) in the portion preceding clause (a) by striking out “and
any sectoral agreements entered into under section 4,”;
- (b) in clause (g) by striking out “Climate Change and
Emissions Management Fund” and substituting
“Technology Innovation and Emissions Reduction Fund”.

Explanatory Notes

1 Amends chapter C-16.7 of the Statutes of Alberta, 2003.

2 Change of Act title and chapter number.

3 Section 5 presently reads in part:

5 The Lieutenant Governor in Council may make regulations respecting emission offsets, credits and sink rights for the purpose of achieving reductions in specified gas emissions consistent with specified gas emission targets established under section 3 and any sectoral agreements entered into under section 4, and the regulations may include, without limitation, provisions

(g) respecting the payment into the Climate Change and Emissions Management Fund of any or all amounts payable to the Government through the operation of the regulations under this section.

4 Section 10 is amended

(a) by repealing subsection (1) and substituting the following:

(1) The Climate Change and Emissions Management Fund is continued under the name Technology Innovation and Emissions Reduction Fund.

(b) in subsection (3) by striking out “The Fund” and substituting “Subject to subsection (4.2), the Fund”;

(c) by adding the following after subsection (4):

(4.1) The Minister may transfer money from the Fund to the General Revenue Fund, except for

- (a) money paid into the Fund before January 1, 2021 and income earned by that money that accrues to and becomes part of the Fund under subsection (6), and
- (b) money paid into the Fund under subsection (5)(c) or (d) on or after January 1, 2021 and income earned by that money that accrues to and becomes part of the Fund under subsection (6).

(4.2) Subsection (3) does not apply with respect to a transfer of money under subsection (4.1) or to the use of money transferred to the General Revenue Fund under that subsection.

(d) in subsection (5)(a) by striking out “pursuant to the terms of a sectoral agreement entered into pursuant to section 4 or”.

4 Section 10 presently reads:

10(0.1) In this section,

- (a) “Independent System Operator” means the Independent System Operator as defined in the Electric Utilities Act;*
- (b) “Provincial corporation” means a Provincial corporation as defined in the Financial Administration Act.*

(1) The Climate Change and Emissions Management Fund is established.

(2) The Fund shall be held and administered by the Minister in accordance with this Act.

(3) The Fund may be used only for purposes related to reducing emissions of specified gases or supporting Alberta’s ability to adapt to climate change, including, without limitation, the following purposes:

- (a) energy conservation and energy efficiency;*
- (b) demonstration and use of new technologies that emphasize reductions in specified gas emissions in the discovery, recovery, processing, transportation and use of Alberta’s energy resources;*
- (c) demonstration and use of new technologies that emphasize reductions in specified gas emissions through the use of alternative energy and renewable energy sources;*
- (d) demonstration and use of specified gas capture, use and storage technology;*
- (e) development of opportunities for removal of specified gases from the atmosphere through sequestration by sinks;*
- (f) measurement of the natural removal and storage of carbon;*
- (g) climate change adaptation programs and measures;*
- (g.1) education initiatives, including education programs, research programs and scholarships;*
- (g.2) outreach initiatives, including initiatives to provide information to stakeholders and the public;*

- (g.3) reimbursing salaries, fees, expenses, liabilities or other costs incurred by the Government in respect of activities or functions related to reducing emissions of specified gases or supporting Alberta's ability to adapt to climate change;*
 - (g.4) funding salaries, fees, expenses, liabilities or other costs incurred by a Provincial corporation or the Independent System Operator in respect of activities or functions related to reducing emissions of specified gases or supporting Alberta's ability to adapt to climate change;*
 - (h) funding salaries, fees, expenses, liabilities or other costs incurred by a delegated authority in carrying out a duty or function of or exercising a power of the Minister in respect of the Fund that has been delegated to the delegated authority, if authorized by the regulations.*
- (4) The Minister may make payments out of the Fund*
- (a) for the purposes of the Fund, or*
 - (b) in accordance with the regulations, to a delegated authority to enable the delegated authority to make payments for the purposes of the Fund.*
- (5) The following shall be paid into the Fund:*
- (a) money required to be paid into the Fund pursuant to the terms of a sectoral agreement entered into pursuant to section 4 or pursuant to regulations under section 5(g);*
 - (b) money received by the Government as a result of enforcement activities under this Act;*
 - (c) money from a supply vote appropriated for the purposes of the Fund;*
 - (d) gifts, donations, bequests and other contributions to the Fund.*
- (6) The income earned by the Fund accrues to and becomes part of the Fund.*

5 Section 60(1)(z.1) and (aa) are amended by striking out “Climate Change and Emissions Management Fund” and substituting “Technology Innovation and Emissions Reduction Fund”.

Consequential Amendments

Amends SA 2018 cC-13.3

6(1) This section applies only if Bill 20, introduced during the first session of the 30th Legislature and entitled the *Fiscal Measures and Taxation Act, 2019*, does not receive Royal Assent on or before January 1, 2020.

(2) The *City Charters Fiscal Framework Act* is amended in the Schedule by repealing section 1(1)(e)(ii) and substituting the following:

- (ii) reported revenue paid into the Technology Innovation and Emissions Reduction Fund continued under section 10 of the *Emissions Management and Climate Resilience Act*;

Amends SA 2006 cF-28.1

7 The *Fuel Tax Act* is amended in section 63(1.1) and (6) by striking out “*Climate Change and Emissions Management Act*” and substituting “*Emissions Management and Climate Resilience Act*”.

5 Section 60(1) presently reads in part:

60(1) The Lieutenant Governor in Council may make regulations

- (z.1) authorizing the Climate Change and Emissions Management Fund to be used for the purpose of paying salaries, fees, expenses, liabilities or other costs incurred by a delegated authority in carrying out a duty or function of or exercising a power of the Minister in respect of the Fund that has been delegated to the delegated authority and respecting any matter relating to the use of the Fund for that purpose;*
- (aa) respecting the administration of the Climate Change and Emissions Management Fund;*

Consequential Amendments

6 Amends chapter C-13.3 of the Statutes of Alberta, 2018.

Section 1(1)(e)(ii) of the Schedule presently reads:

1(1) In this Schedule,

- (e) “provincial revenue”, in respect of a fiscal year, means the amount reported as total revenue for the fiscal year in the consolidated financial statements of the Province under section 8(2)(a) of the Fiscal Planning and Transparency Act, minus the following:*
 - (ii) reported revenue paid into the Climate Change and Emissions Management Fund established under section 10 of the Climate Change and Emissions Management Act;*

7 Amends chapter F-28.1 of the Statutes of Alberta, 2006.

Section 63(1.1) and (6) of the Schedule presently read:

(1.1) Information collected under this Act may be disclosed as necessary to the Minister responsible for the Climate Change and Emissions Management Act or any regulation under that Act for the purpose of administering or enforcing that Act or regulation.

(6) The Minister or the Minister responsible for the Climate Change and Emissions Management Act or any regulation under that Act may collect and use information as necessary for the purpose of formulating or analyzing tax, fiscal, enforcement, climate change or renewable fuels standard policy.

Amends SA 2019 cL-21.5

8(1) This section applies only if Bill 20, introduced during the first session of the 30th Legislature and entitled the *Fiscal Measures and Taxation Act, 2019*, receives Royal Assent.

(2) The *Local Government Fiscal Framework Act* is amended in section 1(1)(c) of the Schedule by striking out “Climate Change and Emissions Management Fund established under section 10 of the *Climate Change and Emissions Management Act*” and substituting “Technology Innovation and Emissions Reduction Fund continued under section 10 of the *Emissions Management and Climate Resilience Act*”.

Amends SA 2016 cO-7.5

9 The *Oil Sands Emissions Limit Act* is amended in sections 3 and 4 by striking out “*Climate Change and Emissions Management Act*” wherever it appears and substituting “*Emissions Management and Climate Resilience Act*”.

8 Amends chapter L-21.5 of the Statutes of Alberta, 2019.

9 Amends chapter O-7.5 of the Statutes of Alberta, 2016.

Sections 3 and 4 presently read:

3 Without limiting the authority of the Lieutenant Governor in Council to make regulations in respect of this Act under the Climate Change and Emissions Management Act, the Lieutenant Governor in Council may make regulations

- (a) prescribing specified gases as gases to which this Act applies;*
- (b) defining “enhanced recovery”, “experimental scheme”, “primary production” and “synthetic crude oil” for the purposes of this Act;*
- (c) prescribing fully upgraded products that are comparable to synthetic crude oil for the purposes of section 1(l);*
- (d) prescribing a method for determining the cogeneration emissions attributable to the electric energy portion of the total energy generated or produced by cogeneration;*
- (e) prescribing a method for determining upgrading emissions excluded under section 2(2)(b);*
- (f) respecting the administration of upgrading emissions excluded under section 2(2)(b);*
- (g) prescribing experimental schemes, primary production and enhanced recovery and classes of experimental schemes, primary production and enhanced recovery for the purposes of section 2(2)(c), (d) and (e);*

Amends SA 2016 cR-16.5

10 The *Renewable Electricity Act* is amended in section 12 by **striking out** “Climate Change and Emissions Management Fund under the *Climate Change and Emissions Management Act*” **and substituting** “Technology Innovation and Emissions Reduction Fund under the *Emissions Management and Climate Resilience Act*”.

Coming into Force

Coming into force

11(1) This Act, except section 8, comes into force on January 1, 2020.

(2) Section 8 comes into force on the later of

(a) January 1, 2020, and

(b) the day the *Fiscal Measures and Taxation Act, 2019* receives Royal Assent.

- (h) *establishing and governing mechanisms to keep greenhouse gas emissions from oil sands sites within the limit established by section 2(1), including, without limitation, regulations*
- (i) *prescribing thresholds, including limits, triggers, ranges, measures or indices;*
- (ii) *establishing a system of greenhouse gas emission allowances and governing the purchase, auction, trading or retirement of greenhouse gas emission allowances or any other matter related to a system of greenhouse gas emission allowances.*

4 This Act shall be construed as forming part of the Climate Change and Emissions Management Act, and the Climate Change and Emissions Management Act shall be construed accordingly.

10 Amends chapter R-16.5 of the Statutes of Alberta, 2016.
Section 12 presently reads:

12 On notice from the Minister to the President of Treasury Board, Minister of Finance, payments shall be paid from the General Revenue Fund for the amounts payable by the Minister to the ISO under sections 10(1) and 11(2) that have not been paid from the Climate Change and Emissions Management Fund under the Climate Change and Emissions Management Act.

Coming into Force

11 Coming into force.

