2026 Bill 42

Second Session, 31st Legislature, 5 Charles III

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 42

ENERGY, ENVIRONMENT AND UTILITIES STATUTES AMENDMENT ACT, 2026

THE MINISTER OF TECHNOLOGY AND INNOVATION

First Reading . . . . . .

Second Reading . . . . . .

Committee of the Whole . . . . . .

Third Reading . . . . . .

Royal Assent . . . . . .

BILL 42

2026

ENERGY, ENVIRONMENT AND UTILITIES STATUTES AMENDMENT ACT, 2026

(Assented to , 2026)

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

Alberta Utilities Commission Act

Amends SA 2007 cA-37.2

1(1) The *Alberta Utilities Commission Act* is amended by this section.

NOTE: 1(1) Amends chapter A-37.2 of the Statutes of Alberta, 2007.

(2) Section 9(3)(b) is amended by adding "data centre," **after** "hydro development, power plant,".

NOTE: (2) Section 9(3)(b) presently reads:

(3) Notwithstanding subsection (2), the Commission is not required to hold a hearing where

(b) on an application for the construction or operation of a hydro development, power plant, energy storage facility or transmission line under the Hydro and Electric Energy Act or a gas utility pipeline under the Gas Utilities Act, the Commission is satisfied that the applicant has met

the relevant Commission rules respecting each owner of land that may be directly and adversely affected by the Commission's decision on the application.

(3) Section 17(1) is amended

(a) by adding "data centre," **after** "hydro development, power plant," **wherever it occurs;**

(b) by adding "centre," **after** "development, plant," **wherever it occurs.**

NOTE: (3) Section 17(1) presently reads:

17(1) Where the Commission conducts a hearing or other proceeding on an application to construct or operate a hydro development, power plant, energy storage facility or transmission line under the Hydro and Electric Energy Act or a gas utility pipeline under the Gas Utilities Act, it shall, in addition to any other matters it may or must consider in conducting the hearing or other proceeding, give consideration to whether construction or operation of the proposed hydro development, power plant, energy storage facility, transmission line or gas utility pipeline is in the public interest, having regard to the social and economic effects of the development, plant, storage facility, line or pipeline and the effects of the development, plant, storage facility, line or pipeline on the environment.

(4) Section 22(1) is amended by adding "data centre," **after** "hydro development, power plant," **wherever it occurs.**

NOTE: (4) Section 22(1) presently reads:

22(1) For purposes of this section, "local intervener" means a person or group or association of persons who, in the opinion of the Commission,

(a) has an interest in, and

(b) is in actual occupation of or is entitled to occupy

land that is or may be directly and adversely affected by a decision or order of the Commission in or as a result of a hearing or other proceeding of the Commission on an application to construct or operate a hydro development, power plant, energy storage facility or transmission line under the Hydro and Electric Energy Act or a gas utility pipeline under the Gas Utilities Act, but unless otherwise authorized by the Commission does not include a person or group or association of persons whose business interest may include a hydro development, power plant, energy storage facility or transmission line or a gas utility pipeline.

(5) Section 31(1)(a) is repealed and the following is substituted:

(a) "Alberta Utilities Trust" means the corporation continued by section 75 of the *Electric Utilities Act*;

NOTE: (5) Section 31(1)(a) presently reads:

31(1) In this Part,

(a) "Balancing Pool" means the Balancing Pool established by the Electric Utilities Act;

(6) Section 39 is amended

(a) by repealing subsection (1)(b)(i.2);

(b) in subsection (2)(a)(iv) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(c) in subsection (3)

(i) in clause (a) by adding "and" **at the end of subclause (iii) and by repealing subclause (iii.1);**

(ii) in clause (c) by adding "and" **at the end of subclause (i) and by repealing subclause (i.1).**

NOTE: (6) *Section 39 presently reads in part:*

39(1) Subject to regulations made under section 59(1)(a), the Market Surveillance Administrator has the mandate

(b) to investigate matters, on its own initiative or on receiving a complaint or referral under section 41, and to undertake activities to address

(i.2) contraventions of the Utility Payment Deferral Program Act or the regulations or rules of the Commission under that Act,

including negotiating and entering into settlement agreements and bringing matters before the Commission.

(2) Without limiting the generality of subsection (1), the Market Surveillance Administrator's mandate

(a) in respect of the electricity market includes surveillance and, where applicable, investigation and enforcement, in respect of any one or more of the following:

(iv) the conduct of the Balancing Pool;

(3) In carrying out its mandate, the Market Surveillance Administrator shall assess the following:

(a) whether or not the conduct of an electricity market participant supports the fair, efficient and openly competitive operation of the electricity market and whether or not the electricity market participant has complied with or is complying with

(iii) the Rate of Last Resort Stability Act and the regulations under that Act,

(iii.1) the Utility Payment Deferral Program Act and the regulations or rules of the Commission under that Act, and

(c) whether or not the conduct of a natural gas market participant supports the fair, efficient and openly competitive operation of the natural gas market and whether or not the natural gas market participant has complied with or is complying with

(i) the Gas Utilities Act, the regulations under that Act, market rules and any arrangements entered into under the Gas Utilities Act or the regulations under that Act,

(i.1) the Utility Payment Deferral Program Act and the regulations or rules of the Commission under that Act, and

(7) Section 46(1)(a) and (f) are amended by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust".

NOTE: (7) Section 46(1) presently reads in part:

46(1) The Market Surveillance Administrator may, for the purpose of carrying out its mandate, do personally, or may authorize one or more of its officers or employees or any other person to do, any or all of the following:

(a) enter and inspect the premises of an electricity market participant or a natural gas market participant, the Independent System Operator or the Balancing Pool;

(f) request access to operate or request the operation of any computer system of an electricity market participant or a natural gas market participant, the Independent System Operator or the Balancing Pool to search any data or information contained in or available to the system and produce a record from the data.

(8) Sections 51(1)(a)(i.2) and 56(3)(a)(i.2) are repealed.

NOTE: (8) Sections 51(1)(a)(i.2) and 56(3)(a)(i.2) presently read:

51(1) If the Market Surveillance Administrator is satisfied that

(a) a person

(i.2) has contravened the Utility Payment Deferral Program Act or the regulations or rules of the Commission under that Act,

56(3) The Commission may make an order

(a) if it is of the opinion that a person

(i.2) has contravened the Utility Payment Deferral Program Act or the regulations or rules of the Commission under that Act,

(9) Section 59(1)(d) is amended by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust".

NOTE: (9) Section 59(1)(d) presently reads:

59(1) The Minister may make regulations

(d) respecting the records, reports or other information to be provided to the Market Surveillance Administrator by electricity market participants and natural gas market participants, the Independent System Operator and the Balancing Pool, the use that the Market Surveillance Administrator may make of the records, reports or information, and limitations on that use;

(10) This section comes into force on Proclamation.

NOTE: (10) Coming into force.

Electric Utilities Act

Amends SA 2003 cE-5.1

2(1) The *Electric Utilities Act* is amended by this section.

NOTE: 2(1) Amends chapter E-5.1 of the Statutes of Alberta, 2003.

(2) Section 1(1) is amended

(a) by adding the following after clause (a.2):

(a.3) "Alberta Utilities Trust" means the corporation continued by section 75;

(b) by repealing clause (c);

(c) in clause (h.01) by striking out "in regulations made by the Minister under section 41.01" **and substituting** "in the *Hydro and Electric Energy Act*";

(d) by adding the following after clause (h.01):

(h.02) "data centre system" has the meaning given to it in the *Hydro and Electric Energy Act*;

(h.03) "designated data centre system" has the meaning given to it in the *Hydro and Electric Energy Act*;

(e) by repealing clause (z) and substituting the following:

(z) "interconnected electric system" means all electric distribution facilities and transmission facilities in Alberta that are interconnected but does not include an electric distribution facility or transmission facility

(i) within the service area of the City of Medicine Hat, or a subsidiary of it, unless the City passes a bylaw that is approved by the Lieutenant Governor in Council under section 138, or

(ii) that forms a part of

(A) a designated data centre system, or

(B) an industrial system;

(f) in clause (nn)(v) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(g) by adding the following after clause (ss.11):

(ss.111) "responsible person" has the meaning given to it in the *Hydro and Electric Energy Act*;

(h) by repealing clause (yy) and substituting the following:

(yy) "system access service" means the service obtained by either of the following and includes access to exchange electric energy and ancillary services:

(i) an electricity market participant through a connection to the transmission system;

(ii) the responsible person for a designated data centre system through the data centre system's connection to the transmission system;

NOTE: (2) Section 1(1) presently reads in part:

1(1) In this Act,

(c) "Balancing Pool" means the corporation established by section 75;

(h.01) "data centre" has the meaning given to it in regulations made by the Minister under section 41.01;

(z) "interconnected electric system" means all transmission facilities and all electric distribution systems in Alberta that are interconnected, but does not include an electric distribution system or a transmission facility within the service area of the City of Medicine Hat or a subsidiary of the City, unless the City passes a bylaw that is approved by the Lieutenant Governor in Council under section 138;

(nn) "power purchase arrangement" means a power purchase arrangement included in Alberta Regulation AR 175/2000, but does not include

(v) a power purchase arrangement that is terminated by the Balancing Pool;

(yy) "system access service" means the service obtained by electricity market participants through a connection to the transmission system, and includes access to exchange electric energy and ancillary services;

(3) Section 2(1) is amended by adding the following after clause (b.1):

(b.2) the portion of electric energy produced by a designated data centre system that is directly consumed by the designated data centre system;

NOTE: (3) Adds exemption from the Act.

(4) Section 30 is amended

(a) in subsection (1)(b) by striking out "to persons connected to the transmission system";

(b) in subsection (2)

(i) by striking out "The rates to be charged" **and substituting** "Subject to subsection (2.1), the rates to be charged";

(ii) in clause (b) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(c) by adding the following after subsection (2):

(2.1) The rates to be charged must not include the costs associated with a transmission facility that forms a part of a designated data centre system.

(d) in subsection (3)(a) by striking out "customers" **and substituting** "customers who are designated data centre systems, customers".

NOTE: (4) Section 30 presently reads in part:

30(1) The Independent System Operator must submit to the Commission, for approval under Part 9, a single tariff setting out

(b) the terms and conditions that apply to each class of system access service provided by the Independent System Operator to persons connected to the transmission system.

(2) The rates to be charged by the Independent System Operator for each class of service must reflect the prudent costs that are reasonably attributable to each class of system access service provided by the Independent System Operator, and the rates must

(b) either be sufficient to recover the annualized amount paid to the Balancing Pool under section 82(7), or if the Independent System Operator receives an annualized amount under section 82(7), reflect that amount, and

(3) The rates set out in the tariff

(a) shall not be different for owners of electric distribution systems, customers who are industrial systems or a person who has made an arrangement under section 101(2) as a result of the location of those systems or persons on the transmission system, and

(5) Section 37(2) is repealed and the following is substituted:

(2) Subsection (1) does not apply to a transmission facility

(a) within the service area of the City of Medicine Hat, or

(b) that forms a part of

(i) a designated data centre system, or

(ii) an industrial system.

NOTE: (5) Section 37(2) presently reads:

(2) Subsection (1) does not apply to the City of Medicine Hat with respect to transmission facilities in the service area of the City.

(6) The following is added after section 37:

Transmission facility tariff for designated data centre system

37.1 Each owner of a transmission facility that forms a part of a designated data centre system may file with the Commission a tariff that includes information, including a copy of a legally binding contract with an owner of the designated data centre system or a part of it, that demonstrates each of the following:

(a) the manner in which the costs incurred in respect of the owner's transmission facility are to be recovered;

(b) that none of those costs incurred are included in the owner's tariff submitted to the Commission in accordance with section 37(1).

NOTE: (6) Transmission facility tariff for designated data centre system.

(7) The following is added after section 40:

Designated data centre systems

40.1(1) The responsible person for a designated data centre system must assist the Independent System Operator to enable it to carry out its duties, responsibilities and functions.

(2) If, after taking into account the needs of a designated data centre system and the capability of the designated data centre system, the Independent System Operator is satisfied that transmission facilities of the designated data centre system are required to be used for system access service, the Independent System Operator may apply to the Commission for an order.

(3) If the Commission is satisfied of each of the following in relation to a designated data centre system, the Commission may, by order, grant access to the designated data centre system:

(a) access to a designated data centre system's transmission facilities is required to meet the needs or anticipated needs to provide system access service;

(b) the needs of the designated data centre system, including the capability and reliability of that system, will continue to be met.

(4) If the Commission grants access to a designated data centre system in accordance with subsection (3), the Commission may do any of the following:

(a) establish the rates that an owner of the designated data centre system or a part of it may charge the Independent System Operator for use of its infrastructure;

(b) establish the terms and conditions under which the access is to be provided to the designated data centre system;

(c) amend the terms and conditions referred to in clause (b) under this Act or the *Hydro and Electric Energy Act*.

NOTE: (7) Designated data centre systems.

(8) Section 41.01 is repealed and the following is substituted:

Regulations — system access service for data centre

41.01(1) The Minister may make regulations

(a) respecting the provision of system access service to a data centre;

(b) respecting load management, load shedding and the consumption of electricity by a data centre as it relates to the data centre's system access service;

(c) respecting the Commission's approval referred to in section 20(1.1) of an ISO rule made under section 20(1)(i.1);

(d) respecting a complaint to the Commission in accordance with section 25(1) relating to an ISO rule made under section 20(1)(i.1);

(e) respecting the powers, duties, responsibilities and functions of the Independent System Operator in respect of the matters referred to in clauses (a) to (d);

(f) providing that a provision of this Act or the regulations does not apply to a data centre.

(2) A regulation made under subsection (1) may

(a) establish classes of data centres and provide differently for those classes;

(b) delegate a matter to or confer a discretion on the Independent System Operator in respect of a matter referred to in that subsection.

(3) If an inconsistency or conflict exists between a regulation made under subsection (1) and a rule made by the Commission or Independent System Operator under this Act, the regulation prevails to the extent of the inconsistency or conflict.

NOTE: (8) Section 41.01 presently reads:

41.01 The Minister may make regulations respecting data centres, including regulations

(a) defining "data centre";

(b) respecting classes of data centres;

(c) respecting the provision of system access service to data centres;

(d) respecting load management, load shedding and the consumption of electricity by data centres;

(e) respecting the Commission's approval of an ISO rule made under section 20(1)(i.1);

(f) respecting complaints to the Commission about an ISO rule made under section 20(1)(i.1);

(g) respecting the powers, duties, responsibilities and functions of the Independent System Operator with respect to data centres;

(h) specifying which provisions of this Act and the regulations do not apply to data centres.

(9) The heading to Part 4 is repealed and the following is substituted:

Part 4
Alberta Utilities Trust

NOTE: (9) The heading to Part 4 presently reads:

Part 4
Balancing Pool

(10) Section 75 is amended

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

Alberta Utilities Trust continued

75(1) The corporation known as the Balancing Pool is continued as a corporation under the name Alberta Utilities Trust.

(1.1) Section 155.1 applies in respect of the change of name referred to in subsection (1).

(b) in subsections (2), (3) and (5) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust".

NOTE: (10) Section 75 presently reads:

75(1) There is hereby established a corporation to be known as the Balancing Pool.

(2) The Balancing Pool consists of its members, who are appointed under section 76.

(3) The Balancing Pool is not a Provincial corporation for the purposes of the Financial Administration Act, the Auditor General Act or any other enactment.

(5) The Balancing Pool is not an agent of the Crown.

(11) Section 82 is amended

(a) in subsections (1) to (4) by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust";

(b) in subsection (6)

(i) in clause (a) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(ii) by repealing clause (b) and substituting the following:

(b) approve, with or without modification, the allocation of the annualized amount to the following:

(i) an owner of an electric distribution system;

(ii) an owner of an industrial system;

(iii) the responsible person for a designated data centre system;

(iv) a person that has made arrangements under section 101(2).

(c) in subsections (7) and (8) by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust".

NOTE: (11) Section 82 presently reads in part:

82(1) The Balancing Pool must prepare a budget for each fiscal year setting out the estimated revenues and expenses of the Balancing Pool to carry out its powers, duties, responsibilities and functions, which may include expenditures for capital assets allocated over the useful life of the asset.

(2) The Balancing Pool may amend its budget.

(3) The Balancing Pool, in establishing or amending its budget, must forecast its revenues and expenses and include an annualized amount.

(4) The Balancing Pool must notify the Independent System Operator of the annualized amount for each fiscal year.

(6) The Commission must

(a) approve the annualized amount provided to the Independent System Operator by the Balancing Pool, without modification, and

(b) approve, with or without modification, the allocation of the annualized amount to the owners of electric distribution systems, industrial systems and persons that have made arrangements under section 101(2).

(7) The Balancing Pool and the Independent System Operator must co-operate in determining the appropriate timing and methodology of transferring the annualized amount

(a) to the Independent System Operator from the Balancing Pool, if the amount is a positive amount, or

(b) from the Independent System Operator to the Balancing Pool, if the amount is a negative amount.

(8) If in respect of any year the Independent System Operator and the Balancing Pool fail to agree on the timing and methodology of transferring the annualized amount, that amount must be transferred by the Independent System Operator to the Balancing Pool in equal monthly instalments.

(12) Section 83(1) is amended

(a) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(b) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust".

NOTE: (12) Section 83(1) presently reads:

83(1) The Balancing Pool must follow prudent investment standards in making investment decisions relating to and in managing the balancing pool accounts.

(13) Section 84 is amended

(a) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(b) in clause (b) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust";

(c) in clause (d)(ii)

(i) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(ii) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust".

NOTE: (13) Section 84 presently reads in part:

84 The Balancing Pool must

(b) within 120 days after the end of its fiscal year, prepare and have audited financial statements of the balancing pool accounts in the preceding fiscal year,

(d) after the end of each fiscal year, provide the Minister a report containing

(ii) a summary of the activities of the Balancing Pool relating to the balancing pool accounts in the year,

(14) The heading preceding section 85 is amended by striking out "Balancing Pool" and substituting "Alberta Utilities Trust".

NOTE: (14) The heading preceding section 85 presently reads:

Division 2
Balancing Pool Duties

(15) Section 85 is amended

(a) in subsection (1)

(i) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(ii) in clause (a) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust";

(iii) in clauses (b) and (d) by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust";

(iv) in clause (f)

(A) by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust";

(B) by striking out "Balancing Pool's" **and substituting** "Alberta Utilities Trust's";

(v) in clause (g) by striking out "Balancing Pool's" **and substituting** "Alberta Utilities Trust's";

(vi) in clauses (h) and (i) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust";

(vii) in clause (j)

(A) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust";

(B) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(viii) by adding the following after clause (k):

(l) to carry out any function or duty given to it under the *Utility Rebate Act* or the regulations under that Act.

(b) by adding the following after subsection (1):

(1.1) A function or duty referred to in subsection (1)(l) may be carried out in respect of one or more classes of customers, owners of electric distribution systems or service areas, as

provided for in the *Utility Rebate Act* or the regulations under that Act.

(c) in subsection (2)(a) and (b) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust".

NOTE: (15) Section 85 presently reads in part:

85(1) The Balancing Pool has the following duties:

(a) to establish or continue one or more accounts which together are to be known as the balancing pool accounts;

(b) to manage generation assets in a commercial manner during the period the Balancing Pool holds generation assets;

(d) to sell generation assets when, in the opinion of the Balancing Pool, market conditions are such that a competitive sale of the assets will result in the Balancing Pool receiving fair market value for the generation assets;

(f) to participate in regulatory, dispute resolution and other proceedings and processes if, in the opinion of the Balancing Pool, it is necessary or advisable to do so in order to protect the interests of the Balancing Pool and the value of the Balancing Pool's assets;

(g) to manage risks prudently in all aspects of the Balancing Pool's operations;

(h) to ensure, in accordance with the regulations made under section 88, that any net amount in the balancing pool accounts that is greater than $0 or less than $0 is included in the ISO tariff;

(i) to oversee payments into or out of the balancing pool accounts in accordance with this Act and the regulations;

(j) to manage the balancing pool accounts so that no profit or loss results, after accounting for the

annualized amount under section 82(7) as a revenue or expense of the Balancing Pool;

(2) In this section, "generation assets" means

(a) power purchase arrangements held by the Balancing Pool that include the right to exchange electric energy and ancillary services, and

(b) agreements or arrangements derived from power purchase arrangements held by the Balancing Pool that include the right to exchange electric energy and ancillary services.

(16) Section 88 is amended

(a) in clause (a) by striking out "balancing pool" **and substituting** "Alberta Utilities Trust";

(b) in clause (b)

(i) by striking out "Balancing Pool's" **and substituting** "Alberta Utilities Trust's";

(ii) by striking out "functions or regulating" **and substituting** "functions under this or any other enactment or regulating".

NOTE: (16) Section 88 presently reads in part:

88 The Minister may make regulations

(a) respecting payments into and out of the balancing pool accounts and who is to make or receive the payments;

(b) adding to, clarifying, limiting or restricting any of the Balancing Pool's powers, duties, responsibilities and functions or regulating how they are to be exercised.

(17) Section 90(1)(b) is amended by striking out "or the *Utility Payment Deferral Program Act* and the regulations under that Act".

NOTE: (17) Section 90(1)(b) presently reads:

90(1) In this section,

(b) "Independent System Operator act" means any act or omission carried out or purportedly carried out by an Independent System Operator person in exercising its powers and carrying out its duties, responsibilities and functions under this Act and the regulations or the Utility Payment Deferral Program Act and the regulations under that Act;

(18) Section 92 is amended

(a) in subsection (1)

(i) in clause (a)

(A) by striking out "balancing pool person" **and substituting** "Alberta Utilities Trust person";

(B) in subclauses (i) to (iv) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(ii) by repealing clause (b) and substituting the following:

(b) "Alberta Utilities Trust person act" means any act or omission carried out or purportedly carried out by an Alberta Utilities Trust person in exercising its powers and carrying out its duties, responsibilities and functions under this Act and the regulations or the *Utility Rebate Act* and the regulations under that Act;

(iii) in clause (c) by striking out "a balancing pool act" **and substituting** "an Alberta Utilities Trust person act";

(b) in subsections (2) and (3) by striking out "a balancing pool person" **wherever it occurs and substituting** "an Alberta Utilities Trust person";

(c) in subsection (4)

(i) by striking out "a balancing pool person" **wherever it occurs and substituting** "an Alberta Utilities Trust person";

(ii) by striking out "the balancing pool person" **and substituting** "the Alberta Utilities Trust person";

(d) in subsection (5)

(i) in the portion preceding clause (a) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust";

(ii) in clause (a) by striking out "a balancing pool person" **wherever it occurs and substituting** "an Alberta Utilities Trust person";

(iii) in clause (b) by striking out "the balancing pool person" **and substituting** "the Alberta Utilities Trust person";

(iv) in the portion following clause (b)

(A) by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust";

(B) by striking out "that balancing pool" **wherever it occurs and substituting** "that Alberta Utilities Trust";

(e) in subsection (6)

(i) by striking out "a balancing pool person" **and substituting** "an Alberta Utilities Trust person";

(ii) by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust".

NOTE: (18) Section 92 presently reads in part:

92(1) In this section,

(a) "balancing pool person" means

(i) the Balancing Pool,

(ii) each member of the Balancing Pool,

(iii) each officer and employee of the Balancing Pool,

(iv) each agent or contractor of the Balancing Pool, and

(b) "balancing pool person act" means any act or omission carried out or purportedly carried out by a balancing pool person in exercising its powers and carrying out its duties, responsibilities and functions under this Act and the regulations or the Utility Payment Deferral Program Act and the regulations under that Act;

(c) "direct loss or damage" does not include loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract or any other indirect, special or consequential loss or damage whatsoever arising out of or in any way connected with a balancing pool act.

(2) No action lies against a balancing pool person, and a balancing pool person is not liable, for a balancing pool person act.

(3) Subsection (2) does not apply

(a) where a balancing pool person act is carried out by a balancing pool person that is not an individual, if the act constitutes wilful misconduct, negligence or breach of contract, or

(b) where a balancing pool person act is carried out by a balancing pool person who is an individual, if the act is not carried out in good faith.

(4) Where, as a result of the operation of subsection (3), a balancing pool person is liable to another person for a balancing pool person act, the balancing pool person is liable only for direct loss or damage suffered or incurred by that other person.

(5) In addition to any other indemnity the Balancing Pool may provide, where

(a) a legal action has been commenced against a balancing pool person for a balancing pool person act, and

(b) the balancing pool person is, as a result of the operation of subsection (2) or otherwise, not liable,

the Balancing Pool must indemnify that balancing pool person for, and pay to that balancing pool person, all of that balancing pool person's costs of defending the legal action, including all reasonable legal expenses and legal fees as between solicitor and client, and the amounts so paid to or on behalf of that balancing pool person are recoverable by the Balancing Pool in accordance with subsection (6).

(6) The amounts paid to or on behalf of a balancing pool person under subsection (5) may be recovered by the Balancing Pool from the Independent System Operator through a budget or amended budget established under section 82.

(19) Sections 96 to 98 are repealed and the following is substituted:

Power purchase arrangements

96.1(1) A power purchase arrangement continues to have effect in accordance with its terms and conditions, subject to this Act and the regulations.

(2) A power purchase arrangement held by the Balancing Pool immediately before the coming into force of this section continues to be held by the Alberta Utilities Trust in the capacity of a buyer for all purposes of this Act, the regulations and the power purchase arrangement.

(3) A power purchase arrangement, other than a power purchase arrangement held by the Alberta Utilities Trust, that is terminated other than under section 15.2 of the power purchase arrangement

(a) is deemed to have been sold to the Alberta Utilities Trust, and

(b) is to be held by the Alberta Utilities Trust in the capacity of a buyer for all purposes of this Act, the regulations and the power purchase arrangement.

NOTE: (19) Sections 96 to 98 presently read:

96(1) A power purchase arrangement continues to have effect in accordance with its terms and conditions, subject to this Act and the regulations.

(2) A power purchase arrangement held by the balancing pool administrator immediately before the coming into force of this section continues to be held by the Balancing Pool in the capacity of a buyer for all purposes of this Act, the regulations and the power purchase arrangement.

(3) A power purchase arrangement, other than a power purchase arrangement held by the Balancing Pool, that is terminated other than under section 15.2 of the power purchase arrangement

(a) is deemed to have been sold to the Balancing Pool, and

(b) is to be held by the Balancing Pool in the capacity of a buyer for all purposes of this Act, the regulations and the power purchase arrangement.

97 The Balancing Pool may, notwithstanding the terms and conditions of a power purchase arrangement held by the Balancing Pool under section 96(2) and (3), terminate the power purchase arrangement if the Balancing Pool

(a) consults with representatives of customers and the Minister about the reasonableness of the termination,

(b) gives to the owner of the generating unit to which the power purchase arrangement applies 6 months' notice, or any shorter period agreed to by the owner, of its intention to terminate, and

(c) pays the owner or ensures that the owner receives an amount equal to the remaining closing net book value of the generating unit, determined in accordance with the power purchase arrangement,

as if the generating unit had been destroyed, less any insurance proceeds.

98 A power purchase arrangement ceases to apply to a generating unit

(a) on the expiration of the power purchase arrangement in accordance with the unit effective term completion date specified in the power purchase arrangement,

(b) on the termination of the power purchase arrangement under section 15.2 of the power purchase arrangement, or

(c) on the termination of the power purchase arrangement by the Balancing Pool.

(20) Section 99 is amended

(a) in clause (a) by striking out "into the Balancing Pool" **and substituting** "to the Alberta Utilities Trust";

(b) in clauses (d) to (g) by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust";

(c) by repealing clause (j).

NOTE: (20) Section 99 presently reads in part:

99 The Minister may make regulations

(a) respecting the payment of an amount into the Balancing Pool by the owner of a generating unit that is

(d) respecting the holding and sale of a power purchase arrangement or agreements or arrangements derived from a power purchase arrangement by the Balancing Pool;

(e) respecting the deletion, suspension, addition or replacement of one or more provisions of a power

purchase arrangement when a power purchase arrangement is held by the Balancing Pool;

(f) respecting the duty of an owner of a generating unit to which a power purchase arrangement applies to provide information, including confidential information, to the Balancing Pool for the purpose of the sale of that power purchase arrangement or an agreement or arrangement derived from that power purchase arrangement by the Balancing Pool;

(g) respecting the approval of the Commission of decommissioning costs and the amounts to be collected from customers, or through a power purchase arrangement by the owner of a generating unit to which a power purchase arrangement applies, for the purpose of decommissioning the generating unit, including payment to be made to or to be received from the Balancing Pool;

(j) respecting the payments into or out of the Balancing Pool related to the Small Power Research and Development Act;

(21) Section 116 is repealed and the following is substituted:

Application of this Part

116(1) In this Part, "tariff application" means an application made in accordance with section 119(1).

(2) This Part

(a) applies to each of the following:

(i) an electric utility operating in Alberta;

(ii) an owner, including the Crown, of an electric utility operating in Alberta;

(iii) the ISO tariff,

and

(b) does not apply to the following:

(i) except as provided in section 122(2)(b)(iii), a designated data centre system;

(ii) an industrial system.

NOTE: (21) Section 116 presently reads:

116(1) This Part applies

(a) to electric utilities operating in Alberta,

(b) to owners of electric utilities operating in Alberta,

(c) to electric utilities owned by the Crown, and

(d) to the ISO tariff.

(2) In this Part, "tariff application" means an application to the Commission under section 119(1) for approval of the tariff of an owner of an electric utility or the ISO tariff.

(22) Section 121 is amended

(a) in subsection (2) by striking out "and" **at the end of clause (b), by adding** "and" **at the end of clause (c) and by adding the following after clause (c):**

(d) the tariff does not include the costs associated with a transmission facility or electric distribution system that forms a part of

(i) a designated data centre system, or

(ii) an industrial system.

(b) by adding the following after subsection (3):

(3.1) A tariff is not unduly preferential, arbitrarily or unjustly discriminatory or inconsistent with or in contravention of this Act simply because it gives effect to, or provides for the recovery of the costs of, a rebate required under the *Utility Rebate Act* or the regulations under that Act.

NOTE: (22) Section 121(2) presently reads in part:

(2) When considering whether to approve a tariff application the Commission must ensure that

(b) the tariff is not unduly preferential, arbitrarily or unjustly discriminatory or inconsistent with or in contravention of this or any other enactment or any law, and

(c) if the regulations so require, the tariff incorporates the standard of liability imposed by the regulations made by the Lieutenant Governor in Council under section 94, or that the Commission has, in accordance with those regulations, considered and imposed a standard of legal liability that it considers appropriate.

(23) Section 122(2)(b) is amended by striking out "or" **at the end of subclause (i) and by adding the following after subclause (ii):**

(iii) the responsible person for a designated data centre system that is connected to the interconnected electric system, or

(iv) a data centre that is connected to the interconnected electric system.

NOTE: (23) Section 122(2)(b) presently reads:

(2) When the Independent System Operator is the applicant for tariff approval, the Commission must have regard for the principles that a tariff approved by it must provide the Independent System Operator with a reasonable opportunity to recover

(b) a just and reasonable share of the costs associated with the transmission system from

(i) electricity market participants that are connected to the interconnected electric system and that self-supply, or

(ii) the owners of electric distribution systems that provide electric distribution services to market participants that self-supply.

(24) Section 142(2) is amended

(a) in clause (c) by striking out "or the *Utility Payment Deferral Program Act*";

(b) in clause (g) by striking out "this Act, the *Utility Payment Deferral Program Act* or the *Renewable Electricity Act*" **and substituting** "this Act or the *Renewable Electricity Act*".

NOTE: (24) Section 142(2) presently reads in part:

(2) The Lieutenant Governor in Council may make regulations

(c) conferring or imposing on any person or class of persons engaged in the supply, generation, transmission, distribution, trade, exchange, purchase or sale of electricity, electric energy, electricity services or ancillary services any power, duty, responsibility or function necessary to carry out the purposes of this Act or the Utility Payment Deferral Program Act;

(g) suspending the operation of any provision of this Act or making any provision of this Act inapplicable if, in the Minister's opinion, that is necessary or advisable to carry out the purposes of this Act, the Utility Payment Deferral Program Act or the Renewable Electricity Act.

(25) The following is added after section 142.1:

Consequential amendments to regulations

142.2(1) The Lieutenant Governor in Council may, by regulation, amend any regulation to make necessary changes in

respect of the change of name of the corporation continued under section 75.

(2) A regulation authorized by this section may be made notwithstanding that the regulation being amended was made by a member of the Executive Council or some other person or body.

NOTE: (25) Consequential amendments to regulations.

(26) The following is added after section 155:

Transitional — change of name

155.1(1) The change of name to Alberta Utilities Trust under section 75(1) does not affect the corporation's rights, obligations, liabilities, property, appointments, bylaws or agreements, or any proceeding by or against the corporation.

(2) A proceeding that might have been continued or commenced by or against the corporation under the name Balancing Pool may be continued or commenced by or against it under the name Alberta Utilities Trust.

(3) A ruling, order or judgment in favour of or against the Balancing Pool may be enforced by or against the Alberta Utilities Trust.

(4) A reference to the Balancing Pool in an enactment, approval, bylaw, order, direction or declaration, or in a contract, agreement, power purchase arrangement or other instrument or document, made before the coming into force of this section is to be read as a reference to the Alberta Utilities Trust.

NOTE: (26) Transitional – change of name.

(27) The following provisions are amended by striking out "Balancing Pool" **wherever it occurs and substituting** "Alberta Utilities Trust":

section 5(a) and (f);
section 76(1) to (4), (8) and (9);

section 77;
section 78;
section 79;
section 80;
section 81;
section 82.1;
section 86;
section 146(b);
section 148(2).

NOTE: (27) Updates terminology.

(28) This section comes into force on Proclamation.

NOTE: (28) Coming into force.

Environmental Protection and Enhancement Act

Amends RSA 2000 cE-12

3(1) The *Environmental Protection and Enhancement Act* is amended by this section.

NOTE: 3(1) Amends chapter E-12 of the Revised Statutes of Alberta 2000.

(2) Section 1 is amended

(a) by adding the following after clause (r):

(r.1) "dispose of" includes discharge, deposit, dump, throw, drop, discard, abandon, spill, leak, pump, pour, emit and empty;

(b) by adding the following after clause (sss):

(sss.1) "waste" means

(i) any solid or liquid material or product or combination of solid or liquid material or product, including, but not limited to,

(A) rubbish, refuse, garbage, paper, packaging, containers, bottles, cans, manure, human or animal excrement, sewage and the whole or a part of an animal carcass, and

(B) the whole or a part of any article, raw or processed material, vehicle and other machinery that is disposed of,

and

(ii) any other thing that is designated as waste in the regulations;

NOTE: (2) Adds definitions.

(3) Section 168(b) and (k) are repealed.

NOTE: (3) Section 168(b) and (k) presently read:

168 In this Part,

(b) "dispose of" in sections 176 to 182 includes discharge, deposit, dump, throw, drop, discard, abandon, spill, leak, pump, pour, emit or empty;

(k) "waste" means, for the purposes of sections 178 to 183 and section 187,

(i) any solid or liquid material or product or combination of solid or liquid material or product, including, but not limited to,

(A) rubbish, refuse, garbage, paper, packaging, containers, bottles, cans, manure, human or animal excrement, sewage or the whole or a part of an animal carcass, or

(B) the whole or part of any article, raw or processed material, vehicle or other machinery that is disposed of

and

(ii) any other thing that is designated as waste in the regulations;

(4) Section 187(1)(a) is amended by striking out "168(k)(ii)" **and substituting** "1(sss.1)".

NOTE: (4) Section 187(1)(a) presently reads:

187(1) The Lieutenant Governor in Council may make regulations

(a) designating a thing as waste for the purpose of section 168(k)(ii);

(5) Section 228 is amended

(a) in subsection (1)

(i) by striking out "is liable" **and substituting** "is liable,";

(ii) in clause (b) by striking out "$1 000 000" **and substituting** "$6 000 000";

(b) in subsection (2)

(i) by striking out "176,";

(ii) by striking out "192,";

(iii) by striking out "is liable" **and substituting** "is liable,";

(iv) in clause (b) by striking out "$500 000" **and substituting** "$3 000 000";

(c) by adding the following after subsection (3):

(4) Subject to subsection (5), a person who commits an offence referred to in section 176 or 192 is liable,

(a) in the case of an individual, to a fine of not less than $10 000 and not more than $100 000 and to imprisonment for a term of not less than 30 days and not more than 6 months, or

(b) in the case of a corporation, to a fine of not less than $100 000 and not more than $1 000 000.

(5) When imposing a sentence under subsection (4)(a), a court shall impose a shorter term of imprisonment than the specified minimum if in the circumstances the minimum term of imprisonment would amount to cruel and unusual punishment for that person.

(6) A court that imposes a shorter term of imprisonment under subsection (5) shall include in the record a statement of its reasons for doing so.

(7) Subsections (1)(b) and (2) as they read immediately before this subsection comes into force continue to apply to offences referred to in those subsections committed before this subsection comes into force.

NOTE: (5) Section 228 presently reads in part:

228(1) A person who commits an offence referred to in section 60, 87, 108(1), 109(1) or 227(a), (d), (f) or (h) is liable

(b) in the case of a corporation, to a fine of not more than $1 000 000.

(2) A person who commits an offence referred to in section 61, 67, 75, 76, 79, 88, 108(2), 109(2), 110(1) or (2), 111, 112, 137, 148, 149, 155, 157, 163, 169, 170, 173, 176, 188, 191, 192, 209, 227(b), (c), (e), (g) or (i) or 251 is liable

(b) in the case of a corporation, to a fine of not more than $500 000.

Forests Act

Amends RSA 2000 cF-22

4(1) The *Forests Act* is amended by this section.

NOTE: 4(1) Amends chapter F-22 of the Revised Statutes of Alberta 2000.

(2) The preamble is amended

(a) by adding the following after the 3rd recital:

WHEREAS the Government of Alberta seeks to enhance economic activity and value from Alberta's forests by fostering a culture of using wood in construction applications and by encouraging increased use of wood and engineered wood products;

(b) in the 7th recital by adding "the Government of" **before** "Alberta".

NOTE: (2) The preamble presently reads in part:

WHEREAS Alberta seeks to manage threats to forests from wildfires and pests, to find opportunities to reduce risks from wildfires to human life and communities, and to promote healthy ecosystems;

(3) Section 1 is amended

(a) by renumbering it as section 1(1);

(b) in subsection (1) by repealing clause (j) and substituting the following:

(j) "primary timber products" means the products designated in the regulations as primary timber products;

(c) by adding the following after subsection (1):

(2) For the purposes of sections 16(3.1) and 28(2.1), there is a direct or indirect change in control of a corporation if, as a result of a transaction or series of transactions, a person, either alone or with another person,

(a) acquires control of the corporation within the meaning of section 2(2) of the *Business Corporations Act*, or

(b) ceases to have, directly or indirectly, the power to direct the management and affairs of the corporation through any means, including through

(i) control of the corporation within the meaning of section 2(2) of the *Business Corporations Act*,

(ii) a voting trust agreement, proxy arrangement, unanimous shareholder agreement or other type of agreement, or

(iii) the right to appoint or remove a majority of the directors or governing body of the corporation.

NOTE: (3) Section 1 presently reads in part:

1 In this Act,

(j) "primary timber products" includes rough and dressed lumber, logs, untreated round wood and ties, wood chips and any other products that are designated in the regulations;

(4) Section 4 is amended

(a) by repealing clause (g);

(b) by adding the following after clause (l.7):

(l.8) respecting the establishment or designation of delegated authorities;

(l.81) respecting the delegation, with or without terms and conditions, to one or more delegated authorities of

(i) any of the rights, powers or duties of a director or forest officer under this Act, or

(ii) the performance of any of the Minister's duties or functions or the exercise of any of the Minister's powers under this Act, other than a power to make regulations and a power to delegate;

(l.82) authorizing a delegated authority to make bylaws and respecting the subject-matters on which those bylaws may be made;

(l.83) authorizing the Minister or a delegated authority to disclose information

(i) acquired in the course of or as a result of the operations of the delegated authority,

(ii) respecting the operations of the delegated authority, or

(iii) respecting the officers or employees of the delegated authority;

(l.84) authorizing a delegated authority to require persons or classes of persons specified in the regulations to provide security to ensure the carrying out of their duties under the regulations and bylaws and respecting the nature, amount and forfeiture of that security;

(l.85) respecting, in regard to the delegation of authority and with necessary modifications, any matter in respect of which the Lieutenant Governor in Council may make regulations under section 2 of Schedule 10 to the *Government Organization Act* in regard to a delegation under that Schedule;

(l.9) making applicable in regard to the delegation any of the other provisions of Schedule 10 to the *Government Organization Act*, with necessary modifications;

NOTE: (4) Section 4 presently reads in part:

4 The Lieutenant Governor in Council may make regulations

(g) designating primary timber products;

(5) Section 5 is amended by renumbering clause (a) as clause (a.1) and by adding the following before clause (a.1):

(a) designating products as primary timber products;

NOTE: (5) Adds Ministerial regulation-making authority.

(6) Section 8(1) is amended by striking out "Department" **and substituting** "department".

NOTE: (6) Section 8(1) presently reads:

8(1) The Minister may in writing delegate to any employee of the Minister's Department or to any forest officer empowered under section 3 any power, duty or function conferred on the Minister by this Act other than the power to make regulations.

(7) The following is added after section 12:

Disclosure

12.1(1) In this section,

(a) "delegated authority" means a delegated authority established or designated by the regulations made under section 4;

(b) "department" means a department established under section 2 of the *Government Organization Act*;

(c) "inventory" means an inventory, including a vegetation inventory, required by a forest management agreement and collected in accordance with specifications established in the standards respecting landscape-level forest planning established under section 13.1;

(d) "public agency" means a public agency as defined in the *Alberta Public Agencies Governance Act*;

(e) "service provider" means a person or organization that provides a service for or on behalf of the Government, a delegated authority or a public agency.

(2) Subject to subsection (4), the Minister may disclose, in a form and manner determined by the Minister, to the public or to a delegated authority, department, public agency or service provider any account, accounting, declaration, form, inventory, map, notice, plan, record, reforestation program, report, spatial cut block boundary, statement, survey or other document or information of which notice is given under this Act to, that is approved or collected under this Act by, that is prepared under this Act for the approval of, that is disclosed, furnished, made available, produced, provided or submitted under this Act to, or that is otherwise shared under this Act with, a director, a forest officer, the Minister, the Minister's department or any other person authorized by a director or the Minister.

(3) For greater certainty, the Minister may disclose all or part of a document or information under subsection (2).

(4) Disclosure to the public under subsection (2) is authorized only if the disclosure

(a) does not reveal

(i) personal information as defined in the *Protection of Privacy Act*, or

(ii) commercial, financial, labour relations, scientific or technical information of a third party,

and

(b) advances transparency in forest management.

NOTE: (7) Disclosure.

(8) The following is added after section 13:

Landscape-level forest planning standards

13.1 The Minister may establish standards respecting landscape-level forest planning.

NOTE: (8) Landscape-level forest planning standards.

(9) Section 16 is amended by adding the following after subsection (3):

(3.1) If the holder of a forest management agreement is a corporation, a direct or indirect change in control of the corporation, within the meaning of section 1(2), is deemed to be an assignment of the forest management agreement for the purposes of subsection (3).

NOTE: (9) Deems change in control of corporation to be assignment of forest management agreement.

(10) Section 18(3) is repealed.

NOTE: (10) Section 18(3) presently reads:

(3) Following the issue of a timber quota certificate, the quota holder is liable to pay holding and forest protection charges at the rates and at the times prescribed by the regulations.

(11) Section 28 is amended

(a) in subsection (2) by striking out "director" **wherever it occurs and substituting** "Minister";

(b) by adding the following after subsection (2):

(2.1) If the holder of a timber quota, timber licence or timber permit is a corporation, a direct or indirect change in control of the corporation, within the meaning of section 1(2), is deemed to be an assignment of the timber quota, timber licence or timber permit for the purposes of subsection (2).

NOTE: (11) Section 28 presently reads in part:

(2) No person shall assign a timber quota, timber licence or timber permit without the prior consent in writing of the director and any assignment without the consent of the director is void.

(12) The following is added after section 41:

Forest resources of Alberta policies, etc.

41.1 The Minister may establish and administer policies, programs, services, initiatives and administrative procedures respecting the forest resources of Alberta.

Sustainability of forest industry in Alberta policies, etc.

41.2 The Minister may establish and administer policies, programs, services, initiatives and administrative procedures respecting the sustainability of the forest industry in Alberta.

NOTE: (12) Forest resources of Alberta policies, etc.; sustainability of forest industry in Alberta policies, etc.

(13) This section comes into force on Proclamation.

NOTE: (13) Coming into force.

Hydro and Electric Energy Act

Amends RSA 2000 cH-16

5(1) The *Hydro and Electric Energy Act* is amended by this section.

NOTE: 5(1) Amends chapter H-16 of the Revised Statutes of Alberta 2000.

(2) Section 1 is amended

(a) in subsection (1)

(i) by adding the following after clause (a):

(a.1) "data centre" means one or more facilities, the purpose of which is to house computing equipment for the application of providing

(i) data hosting and cloud computing,

(ii) digital asset mining,

(iii) artificial intelligence and machine learning,

(iv) digital services and content delivery, or

(v) a prescribed purpose;

(a.2) "data centre system" means an electric energy system that operates primarily for the use of a data centre and consists of the following, as applicable:

(i) each data centre that consumes the electric energy of that electric energy system;

(ii) each generating unit that supplies the electric energy of that electric energy system;

(iii) the electric distribution system that connects the components of the data centre system;

(iv) each transmission line that connects the components of the data centre system;

(v) each energy storage facility that stores and discharges the electric energy of that electric energy system;

(a.3) "demand", in respect of a data centre, means the instantaneous consumption of electric energy by the data centre as measured in megawatts;

(a.4) "designated data centre system" means a data centre system designated in accordance with section 4.1(5) or 4.2;

(ii) by adding the following after clause (c.1):

(c.2) "generating unit" means a generating unit as defined in the *Electric Utilities Act*;

(iii) in clause (g.1) by striking out "means isolated generating unit" **and substituting** "means an isolated generating unit";

(iv) by adding the following after clause (l):

(l.1) "responsible person" means,

(i) in the case of a designation under section 4.1(5), the person who applies for the designation in accordance with section 4.1(2), or

(ii) in the case of a designation under section 4.2,

(A) a prescribed person, or

(B) a person of a prescribed class of persons;

(b) by adding the following after subsection (1):

(1.1) The Lieutenant Governor in Council may make regulations

(a) prescribing a purpose referred to in subsection (1)(a.1)(v);

(b) prescribing a person or a class of persons referred to in subsection (1)(l.1)(ii).

NOTE: (2) Section 1 presently reads in part:

1(1) In this Act,

(g.1) "isolated generating unit" means isolated generating unit as defined in the Electric Utilities Act;

(3) Section 2 is amended

(a) in clause (a) by striking out "hydro energy" **and substituting** "hydro energy, data centres";

(b) in clause (b) by striking out "development of hydro energy" **and substituting** "development and operation of hydro energy and data centres,";

(c) by adding the following after clause (b):

(b.1) to ensure that when consideration of a data centre under this Act is made in the public interest, the computing activities carried out by the data centre or how its data is used are not factors forming a part of that consideration,

(d) in clause (c) by striking out "hydro energy" **and substituting** "hydro energy and data centres,".

NOTE: (3) Section 2 presently reads in part:

2 The purposes of this Act are

(a) to provide for the economic, orderly and efficient development and operation, in the public interest, of hydro energy and the generation and transmission of electric energy in Alberta,

(b) to secure the observance of safe and efficient practices in the public interest in the development of hydro energy and in the generation, transmission and distribution of electric energy in Alberta,

(c) to assist the Government in controlling pollution and ensuring environment conservation in the development of hydro energy and in the generation, transmission and distribution of electric energy in Alberta, and

(4) Section 4 is amended

(a) by adding the following before subsection (1):

Designation of electric system as industrial system

4(0.1) In this section, "electric distribution system", "electric energy", "electricity", "interconnected electric system",

"self-supply", "service area" and "transmission facility" have the same meanings as in the *Electric Utilities Act*.

(b) in subsection (2)(c)(ii) by striking out "by-pass" **and substituting** "bypass";

(c) by repealing subsection (8).

NOTE: (4) Section 4 presently reads in part:

(2) Where the Commission is considering an application for designation as an industrial system, the Commission shall have regard to the following principles:

(c) the designation must not facilitate

(ii) uneconomical by-pass of the interconnected electric system;

(8) In this section, "electric distribution system", "electric energy", "electricity", "interconnected electric system", "self-supply" and "service area" have the meanings given to them in the Electric Utilities Act.

(5) The following is added after section 4:

Designation of electric system as data centre system

4.1(1) In this section, "electric energy", "interconnected electric system", "person", "transmission facility" and "transmission system" have the same meanings as in the *Electric Utilities Act*.

(2) A person may, in respect of a data centre system, apply to the Commission for designation of the data centre system or a part of it only if the person has the written consent of each owner of the data centre system to do so.

(3) In addition to anything specified in the rules made under subsection (7) that must be included in an application in accordance with subsection (2), the responsible person for the data centre system or part of it that is the subject of the application must include the following in the application:

(a) a copy of each owner's written consent referred to in that subsection;

(b) the ISO's assessment of the data centre system's impact on the reliability and adequacy of the interconnected electric system that is conducted in accordance with section 29(1)(b) of the *Electric Utilities Act*;

(c) evidence showing that all costs associated with each transmission facility that forms a part of the data centre system are to be wholly paid by the owners of the data centre system.

(4) On receiving an application made in accordance with subsection (2), but before designating the data centre system or a part of it that is the subject of the application, the Commission must consider whether the designation could reasonably be expected to do all the following:

(a) ensure that all costs incurred in respect of each transmission facility that forms a part of the data centre system are to be wholly paid by the owners of the data centre system;

(b) support the efficient exchange of electric energy with the interconnected electric system;

(c) based on the ISO's assessment of reliability and adequacy as referred to in subsection (3)(b), maintain or improve the reliability and adequacy of the interconnected electric system.

(5) After considering an application in accordance with subsection (4), the Commission may, by order and in accordance with subsections (6) and (7), designate the data centre system or the part of it that is the subject of the application only if the Commission is satisfied that

(a) the designation would reasonably be expected to result in all the circumstances referred to in subsection (4),

(b) the data centre system has at least one generating unit located on the property where the data centre system is located that is intended to serve the data centre system, and

(c) the data centre system has a maximum demand directly from the transmission system that is either of the following:

(i) equal to or greater than 75 megawatts;

(ii) less than 75 megawatts as established by the Independent System Operator under section 41.01 of the *Electric Utilities Act*.

(6) In respect of an order referred to in subsection (5), the Commission may make the order subject to any term or condition that it considers necessary.

(7) The Commission may make rules

(a) respecting an application for designation of a data centre system made in accordance with subsection (2),

(b) respecting the designation of a data centre system under subsection (5), including rules establishing general terms and conditions to which a designation is subject,

(c) establishing the right of the responsible person for a designated data centre system to apply to the Commission for an amendment to

(i) a general term or condition referred to in clause (b), or

(ii) a term or condition set out in the applicable designation order,

or

(d) respecting an application for an amendment to a term or condition referred to in clause (c), including rules

(i) establishing criteria that must be met before the Commission may approve the application, or

(ii) respecting the Commission's approval of an application.

Data centre system statutorily designated

4.2 Despite section 4.1, the data centre system described in the Schedule to this Act is a designated data centre system.

Responsible person's powers, duties and responsibilities

4.3(1) In this section, "electricity market participant", "interconnected electric system", "person" and "system access service" have the same meanings as in the *Electric Utilities Act*.

(2) Except as otherwise provided in the regulations, a responsible person for a designated data centre system

(a) is the sole person authorized to do any of the following in respect of the designated data centre system:

(i) apply to the Independent System Operator for system access service for the designated data centre system;

(ii) enter into an agreement with the Independent System Operator relating to the system access service for the designated data centre system;

(iii) act in the capacity of the electricity market participant for the designated data centre system;

(iv) manage the technical and operating requirements applicable to the designated data centre system's connection to the interconnected electric system;

(v) exercise a prescribed power,

(b) may, in writing, delegate to a person the exercise of a power referred to in clause (a)(iii) or (iv), and

(c) must perform a prescribed duty.

Regulations — designated data centre systems

4.4 The Lieutenant Governor in Council may make regulations

(a) for the purpose of section 4.3(2),

(i) prescribing a power referred to in section 4.3(2)(a)(v), or

(ii) prescribing a duty referred to in section 4.3(2)(c);

(b) establishing the right of the responsible person for the designated data centre system referred to in section 4.2 to apply to the Commission for its recommendation to the Lieutenant Governor in Council that the Schedule be amended;

(c) respecting the making of an application referred to in clause (b);

(d) establishing criteria that must be met before the Commission may approve an application referred to in clause (b);

(e) respecting the Commission's approval of an application referred to in clause (b);

(f) respecting the Commission's recommendation to the Lieutenant Governor in Council on approving an application referred to in clause (b);

(g) on the Lieutenant Governor in Council accepting a recommendation referred to in clause (f), amending the Schedule to give effect to the recommendation;

(h) establishing a procedure for resolving a dispute among the owners of a data centre system, which may include requiring an arbitration under the *Arbitration Act*;

(i) delegating a matter to or conferring a power on a person in respect of a matter referred to in clause (d), (e), (f) or (h).

NOTE: (5) Designation of electric system as data centre system; data centre system statutorily designated; responsible person's powers, duties and responsibilities; regulations — designated data centre systems.

(6) Section 5(1) is amended

(a) in clauses (b), (d) and (h) by striking out "power plant" **and substituting** "power plant, data centre";

(b) in clause (i) by striking out "power plants" **and substituting** "power plants, data centres";

(c) in clause (r) by striking out "power plant" **and substituting** "power plant, data centre".

NOTE: (6) Section 5(1) presently reads in part:

5(1) The Commission may make regulations

(b) excluding a hydro development, power plant, energy storage facility, transmission line or electric distribution system of a kind described in the regulations from the application of any provision of this Act or the regulations, either generally or in a particular case;

(d) prescribing conditions subject to which the holder of an approval, permit or licence under this Act or a person proposing to construct a power plant, energy storage facility, transmission line or electric distribution system may enter on land of another person in the absence of an agreement for the entry with the other person, which regulations shall be in addition to any applicable provisions of the Surveys Act;

(h) as to the measures to be taken in the construction, operation or abandonment of any power plant, energy storage facility or transmission line for

(i) as to the inspection of power plants, energy storage facilities and transmission lines both during and after construction;

(r) prescribing a uniform system of accounts applicable to any person owning or operating a hydro development, power plant, energy storage facility, transmission line or electric distribution system not exempted by the regulations or by the Commission.

(7) Section 8 is amended

(a) in subsection (1)

(i) in clause (a) by striking out "power plants" **and substituting** "power plants, data centres";

(ii) in clause (b) by striking out "power plant" **and substituting** "power plant, data centre";

(iii) in clause (c) by striking out "power plants" **wherever it occurs and substituting** "power plants, data centres";

(iv) in clause (d) by striking out "hydro developments, power plants" **and substituting** "hydro developments, power plants, data centres";

(b) in subsection (3) by striking out "hydro development, power plant" **and substituting** "hydro development, power plant, data centre".

NOTE: (7) Section 8 presently reads in part:

8(1) At any reasonable time, a member of the Commission and any person authorized by the Commission

(a) shall have access to power plants, energy storage facilities, transmission lines and electric distribution systems and routes of proposed transmission lines, and to all buildings, installations, structures and land connected with them,

(b) may enter on any land that the member or authorized person must cross to reach a power plant, energy storage facility, transmission line or electric distribution system,

(c) is entitled to make inspections, investigations or tests at power plants, energy storage facilities, transmission lines and electric distribution systems, and to take samples at power plants and energy storage facilities, and

(d) is entitled to inspect all books, records and documents pertaining to hydro developments, power plants, energy storage facilities, transmission lines and electric distribution systems.

(3) Any person who is the holder of an approval, permit or licence under Part 2 or 3, or any person in charge of a hydro development, power plant, energy storage facility, transmission line or electric distribution system, or any contractor or employee of such a person

(8) The heading to Part 2 and the heading preceding section 9 are repealed and the following is substituted:

Part 2
Hydro Developments, Power Plants, Data Centres, Energy Storage Facilities and Transmission Lines

Hydro Developments, Power Plants and Data Centres

NOTE: (8) The heading to Part 2 and the heading preceding section 9 presently read:

Part 2
Hydro Developments, Power Plants, Energy Storage Facilities and Transmission Lines

Hydro Developments and Power Plants

(9) The following is added after section 11:

Approval of data centre

11.1(1) In this section,

(a) "data centre" means a data centre that has a maximum demand of a prescribed amount;

(b) "designated high-quality agricultural land" means high-quality agricultural land designated in the regulations;

(c) "high-quality agricultural land" means high-quality agricultural land as defined in the regulations.

(2) Subject to subsection (3), no person shall construct or operate a data centre unless the construction or operation, as the case may be,

(a) subject to subsection (7) and in the case of designated high-quality agricultural land, is approved by an order made under subsection (4),

(b) is approved by an order of the Commission, and

(c) is in accordance with the regulations.

(3) Subsection (2) does not apply to the construction or operation of a data centre referred to in that subsection if the construction or operation is, as of the coming into force of this section, at a prescribed stage of construction or operation.

(4) The Lieutenant Governor in Council

(a) may, by order, approve the construction or operation of a data centre on designated high-quality agricultural land, and

(b) must specify in the order the following particulars:

(i) the data centre;

(ii) the designated high-quality agricultural land.

(5) The Lieutenant Governor in Council may make regulations

(a) prescribing the amount referred to in subsection (1)(a);

(b) designating high-quality agricultural land for the purpose of subsection (1)(b);

(c) defining "high-quality agricultural land" for the purpose of subsection (1)(c);

(d) for the purpose of subsection (2)(c),

(i) respecting the construction or operation of a data centre,

(ii) specifying a minimum setback from the following in respect of the location of a data centre:

(A) the property boundary of a parcel of land;

(B) land that is of a particular type or subject to a particular land use;

(C) a structure,

(iii) establishing classes of the following and providing for them differently:

(A) high-quality agricultural land;

(B) data centres;

(C) land uses;

(D) structures,

or

(iv) establishing a right of a municipality to request an exemption from or variance in respect of a setback specified in accordance with clause (d)(ii);

(e) prescribing a stage of construction or operation referred to in subsection (3).

(6) A regulation made under subsection (5) may

(a) delegate a matter to or confer a discretion on the Minister or the Commission in respect of a matter referred to in subsection (5)(d)(i) or (ii),

(b) incorporate standards, methods or other rules set out in a document of a government or agency in relation to the matters referred to in that subsection, or

(c) incorporate the standards, methods or other rules referred to in clause (b) as of a specific date or as amended.

(7) Subsection (2)(a) is of no force and effect as of September 20, 2027.

Deemed approval holder — data centre

11.2 If, immediately before the coming into force of this section, a person is constructing or operating a data centre,

(a) the person is deemed to be the holder of an approval referred to in section 11.1(2)(b), and

(b) for greater certainty, is subject to all other provisions of this Act that apply to the construction and operation of the data centre.

NOTE: (9) Approval of data centre; deemed approval holder — data centre.

(10) Section 12 is amended

(a) by striking out "sections 9 and 11" **and substituting** "sections 9, 11 and 11.1";

(b) by striking out "hydro development or power plant" **and substituting** "hydro development, power plant or data centre".

NOTE: (10) Section 12 presently reads:

12 Notwithstanding sections 9 and 11, the site of a hydro development or power plant may be surveyed without an order or approval.

(11) Section 16(1) is amended

(a) by striking out "or" **at the end of clause (a);**

(b) in clause (b)

(i) by striking out "transmit electric energy" **and substituting** "transmit electric energy for use only by that industrial system";

(ii) by striking out "for use solely by that industrial system";

(c) by adding "or" **at the end of clause (b) and by adding the following after clause (b):**

(c) to a person who constructs or operates a transmission line as a part of a designated data centre system

(i) on the land where the designated data centre system is located, or

(ii) across a public highway dividing the land where the designated data centre system is located.

NOTE: (11) Section 16(1) presently reads in part:

16(1) Unless the Commission otherwise directs, sections 14 and 15 do not apply

(a) to a person transmitting or proposing to transmit electric energy over the person's own land solely for the person's own use by means of a line that does not cross a public highway, or

(b) to the owner of an industrial system transmitting or proposing to transmit electric energy

(ii) across a public highway dividing land that is owned or leased by the owner of the industrial system

for use solely by that industrial system.

(12) Section 18 is amended

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

(b) to any industrial system, designated data centre system or other service if the connection may seriously affect the operation of an interconnected electric system or a prescribed communications system.

(b) in subsection (2)(c) by striking out "communications system" **and substituting** "prescribed communications system".

NOTE: (12) Section 18 presently reads in part:

18(1) The owner or operator of a power plant, transmission line or electric distribution system shall not connect that power plant, energy storage facility, transmission line or electric distribution system, or cause or permit it to be connected,

(b) to any industrial system or other service where the connection may seriously affect the operation of an interconnected electric system or a communications system as prescribed in the regulations.

(2) The Commission, either on its own initiative or on application or complaint in writing, may, with the authorization of the Lieutenant Governor in Council and by order in writing directed to the owner of a power plant, energy storage facility, transmission line or electric distribution system,

(c) require the owner to suspend the use of any connection if, in the opinion of the Commission, the continuation of a connection may seriously affect the operation of any interconnected electric system or communications system, or

(13) Section 19(2)(a) to (c) are amended by striking out "hydro development, power plant" **and substituting** "hydro development, power plant, data centre".

NOTE: (13) Section 19(2)(a) to (c) presently read:

(2) Without restricting the generality of subsection (1), the Commission may do one or more of the following:

(a) require changes in the plans and specifications of a hydro development, power plant, energy storage facility or transmission line;

(b) require changes in the location of a hydro development, power plant, energy storage facility or transmission line;

(c) prescribe a date before which the construction of, or operation of, the hydro development, power plant, energy storage facility or transmission line must commence;

(14) Section 40 is amended by striking out "hydro development, power plant," **and substituting** "hydro development, power plant, data centre,".

NOTE: (14) Section 40 presently reads:

40 An approval or permit granted pursuant to this Act does not relieve the owner or operator of a hydro development, power plant, energy storage facility, transmission line or electric distribution system from the necessity of obtaining any order, permit, licence, consent or authorization that the owner or operator is required to obtain under any other Act or regulation under any other Act.

(15) Section 45(1) and (2) are repealed and the following is substituted:

Offences and penalties

45(1) A person who fails to comply with any of the following is guilty of an offence:

(a) this Act or the regulations;

(b) a rule made by the Commission under this Act;

(c) an order or direction made under this Act;

(d) an approval, permit or licence issued under this Act.

(2) A person who advises, solicits, persuades, instructs, directs or orders another person to do either of the following is guilty of an offence:

(a) an act or thing prohibited by anything referred to in subsection (1);

(b) omit to do an act or thing required to be done by anything referred to in subsection (1).

NOTE: (15) Section 45(1) and (2) presently read:

45(1) A person who fails to comply with this Act or the regulations or any order, direction, approval, permit or licence made or issued pursuant to this Act is guilty of an offence.

(2) A person who advises, solicits, persuades, instructs, directs or orders a person

(a) to do an act or thing prohibited by this Act or the regulations or any order, direction, approval, permit or licence made or issued pursuant to this Act, or

(b) to omit to do an act or thing required to be done by this Act or the regulations or any order, direction, approval, permit or licence made or issued pursuant to this Act

is guilty of an offence.

(16) The following is added after section 45:

Schedule

Designated Data Centre System

1 In this Schedule,

(a) "Cougar switching station" means the switching station known as the Cougar 1101S Switching Station;

(b) "generating unit" means a generating unit as defined in the *Electric Utilities Act*;

(c) "Vibro Ltd." means Vibro Information Services Ltd., being a corporation registered in Alberta.

2 For the purpose of section 4.2 of this Act and except as otherwise provided in a regulation made in accordance with section 4.4(g) of this Act, the designated data centre system is the data centre system that consists of the following:

(a) the data centre that consists of the 4 facilities owned by Vibro Ltd. located on lands in sections 2, 3, 10 and 11 of Township 56, Range 22, west of the 4th meridian, consisting of

(i) the west half of section 2,

(ii) the southeast and northwest quarters of section 3,

(iii) the northwest, southwest and southeast quarters of section 10, and

(iv) the southwest and northwest quarters of section 11;

(b) the 2 generating units located at the northeast quarter of 10-056-22 W4M, Alberta;

(c) the Cougar switching station;

(d) transmission lines connecting the following:

(i) the data centre to the Cougar switching station;

(ii) the generating units to the Cougar switching station.

NOTE: (16) Adds Schedule.

(17) This section comes into force on Proclamation.

NOTE: (17) Coming into force.

Mines and Minerals Act

Amends RSA 2000 cM-17

6(1) The *Mines and Minerals Act* is amended by this section.

NOTE: **6**(1) Amends chapter M-17 of the Revised Statutes of Alberta 2000.

(2) Section 1(1) is amended

(a) by repealing clause (a) and substituting the following:

(a) "agreement" means an instrument issued in accordance with this Act or the former Act that grants rights in respect of a mineral, subsurface reservoir or geothermal resource, but does not include the following:

(i) a notification;

(ii) a contract referred to in section 9(1)(a), except to the extent specified in the contract in accordance with section 9(1)(a)(v.2) and (2);

(iii) a transfer referred to in section 12;

(iv) a unit agreement;

(a.001) "Alberta Energy Regulator" means the Alberta Energy Regulator established under the *Responsible Energy Development Act*;

(b) in clause (j) by striking out "means" **and substituting** ", unless the context indicates otherwise, means";

(c) by repealing clause (l) and substituting the following:

(l) "lessee", in respect of an agreement, means a person who is shown in the Department's records as a holder of the agreement;

(d) in clause (m) by striking out ", except in section 82.1,";

(e) in clause (p)

(i) by striking out "without restricting the generality of the foregoing, includes";

(ii) in subclause (i) by striking out "gold" **and substituting** "includes gold";

(f) by repealing clause (r) and substituting the following:

(r) "notification" means a notification issued in accordance with section 13(1);

(r.1) "obligation", unless the context indicates otherwise and in respect of a lessee, means a duty, requirement or other type of obligation imposed on the lessee under this Act or an agreement;

(g) by adding the following after clause (t):

(t.1) "prescribed", unless the context indicates otherwise, means prescribed by the regulations;

(h) in clause (w)(i) by striking out "transfer" **and substituting** "transfer or a change in control referred to in section 91.1".

NOTE: (2) Section 1(1) presently reads in part:

1(1) In this Act,

(a) "agreement" means an instrument issued pursuant to this Act or the former Act that grants rights in respect of a mineral, subsurface reservoir, or geothermal resource, but does not include a notification, a transfer referred to in section 12, a unit agreement or a contract under section 9(a);

(j) "grant" means letters patent under the Great Seal of Canada or a notification issued pursuant to The Provincial Lands Act, RSA 1942 c62, the former Act or this Act;

(l) "lessee" means, except in section 82.1, the holder according to the records of the Department of an agreement;

(m) "location" means, except in section 82.1, the tract described in an agreement;

(p) "minerals" means all naturally occurring minerals, and without restricting the generality of the foregoing, includes

(i) gold, silver, uranium, platinum, pitchblende, radium, precious stones, copper, iron, tin, zinc, asbestos, salts, sulphur, petroleum, oil, asphalt, bituminous sands, oil sands, natural gas, coal, anhydrite, barite, bauxite, bentonite, diatomite, dolomite, epsomite, granite, gypsum, limestone, marble, mica, mirabilite, potash, quartz rock, rock phosphate, sandstone, serpentine, shale, slate, talc, thenardite, trona, volcanic ash, sand, gravel, clay and marl, but

(r) "notification" means a notification in the prescribed form;

(w) "registered" means

(i) registered under Division 1 of Part 6, in relation to a transfer, or

(3) Section 5(1) is amended by adding the following after clause (l.1):

(l.11) restricting or limiting the Minister's power to provide an authorization under section 54(5);

NOTE: (3) Adds regulation-making authority.

(4) Section 9 is amended

(a) by renumbering it as section 9(1);

(b) in subsection (1)(a)

(i) by striking out "respecting" **and substituting** "that deals with any of the following matters:";

(ii) by adding the following after subclause (v.1):

(v.2) the treatment of the contract or a part of it as an agreement to the extent specified in the contract;

(iii) in subclause (vi) by striking out "(v.1)" **and substituting** "(v.2)";

(c) by adding the following after subsection (1):

(2) A contract that specifies that it is to be treated as an agreement is to be treated as an agreement to the extent specified in the contract.

(3) Subsections (1)(a)(v.2) and (2) apply to a contract entered into before the coming into force of those subsections.

NOTE: (4) Section 9 presently reads in part:

9 Notwithstanding anything in this Act or any regulation or agreement, the Minister, on behalf of the Crown in right of Alberta, may

(a) enter into a contract with any person or the government of Canada or of a province or territory respecting

(vi) any matter that the Minister considers to be necessarily incidental to, in relation to or in connection with any of the matters referred to in subclauses (i) to (v.1);

(5) Section 16 is amended

(a) by renumbering it as section 16(1);

(b) in subsection (1) by striking out "the Minister may issue" **and substituting** "the Minister may, in accordance with the regulations, if any, issue";

(c) by adding the following after subsection (1):

(2) An agreement issued in accordance with subsection (1) is binding on

(a) the Crown in right of Alberta, and

(b) each lessee that is a holder of the agreement.

(3) Except as otherwise specified in the regulations, an agreement's commencement date is the date set out in the agreement.

(4) If an agreement is required to be executed by the person in whose favour it is issued, the following applies to the person as of the agreement's commencement date and for the duration of the period that the agreement remains unexecuted by the person:

(a) the person is deemed to be a holder of the agreement unless it is cancelled in accordance with subsection (5)(a);

(b) the person is bound by the agreement as if it were fully executed.

(5) If an agreement referred to in subsection (4) is not executed and returned to the Minister within 90 days of the prescribed date,

(a) the Minister may cancel the agreement, and

(b) if the Minister cancels the agreement, the Department must, as soon as practicable, indicate in its records that the agreement is cancelled as of the date on which it was cancelled.

(6) Subject to the regulations, an agreement granting rights to win, work and recover a mineral is deemed to include the right to explore for, develop and recover geothermal resources in the course of recovering the mineral.

NOTE: (5) Section 16 presently reads in part:

16 Subject to this Act and the regulations and any express provision in any applicable ALSA regional plan limiting mineral development within a geographic area, the Minister may issue an agreement in respect of a mineral, subsurface reservoir or geothermal resource

(6) Section 20 is repealed and the following is substituted:

Crown's charge to secure lessee's debt owing

19.1 The Crown in right of Alberta has, in respect of an agreement, a charge on each of the following to secure a lessee's performance of an obligation under the agreement or the lessee's payment of a debt or other form of payment owing to the Crown in right of Alberta in respect of the agreement, including any applicable interest:

(a) each interest in land held by a lessee granted under any agreement in respect of which the lessee is a holder;

(b) all minerals, geothermal resource or other natural resource produced in accordance with a right granted under the agreement.

Lessee liability for obligations under agreement

20(1) The following apply in the case of an agreement with more than one lessee:

(a) each lessee is jointly and severally liable for all of the following obligations in respect of the agreement:

(i) each rental amount payable and owing to the Crown in right of Alberta under this Act or the agreement;

(ii) each amount of royalty compensation payable and owing to the Crown in right of Alberta under this Act or the agreement;

(iii) each amount payable and owing to the Crown in right of Alberta based on any of the following:

(A) an examination conducted under section 38(2);

(B) an amendment made in accordance with section 38(3);

(C) an audit or any other form of examination conducted under section 38(5);

(D) a calculation conducted in accordance with section 38(7);

(E) an examination conducted in accordance with an order referred to in section 49(1)(b) and (c);

(iv) each amount payable and owing to the Crown in right of Alberta as an administrative penalty imposed against one of the lessees under this Act or the agreement;

(v) each fee payable and owing to the Crown in right of Alberta under this Act or the agreement;

(vi) any other amount payable and owing to the Crown in right of Alberta under this Act or the agreement;

(vii) interest payable and owing to the Crown in right of Alberta under this Act or the agreement;

(b) each lessee is jointly and severally responsible for each obligation imposed on the lessee and every other lessee under this Act or the agreement;

(c) each interest held by a lessee in respect of the agreement is a separate and distinct interest from each interest held by another lessee;

(d) the extinguishment of a lessee's debt, including any applicable interest, due to the Crown in right of Alberta does not by itself extinguish or affect another lessee's debt, including any applicable interest, due to the Crown in right of Alberta;

(e) the following do not prevent the Crown in right of Alberta from seeking and obtaining a judgment against, or pursuing collection from, a lessee individually or more than one of the lessees jointly or severally, in respect of an obligation imposed on one or more of the lessees under this Act or the agreement or a liability arising under this Act or the agreement:

(i) a judgment, in the same or a separate proceeding, in respect of the obligation or liability that is issued in favour of the Crown in right of Alberta and against one or more of the lessees;

(ii) a release in respect of the obligation or liability by or against the Crown in right of Alberta in favour of one or more of the lessees.

(2) If a person who is not a lessee exercises a right granted to a lessee under an agreement,

(a) each lessee that is a holder of the agreement is jointly and severally liable for all amounts referred to in subsection (1)(a) that are payable and owing to the Crown in right of Alberta in relation to the exercise of the right, and

(b) despite the means by which the person and the lessee arrange for or agree to the person exercising the right, the person is to be treated as the agent of the lessee,

(i) in respect of the person's exercise of the right, and

(ii) in respect of all other matters relating to the person's exercise of the right.

(3) The Minister may, on behalf of the Crown in right of Alberta, do the following in respect of each amount referred to in subsection (1)(a) that is payable and owing in respect of an agreement:

(a) recover the amount by an action in debt against each lessee on the grounds that all lessees are jointly and severally liable for the debt;

(b) register the security interest of the Crown in right of Alberta referred to in section 19.1 in the Personal Property Registry against each lessee that is a holder of the agreement.

(4) A discharge of a registration referred to in subsection (3)(b) against a lessee is not to be treated as a discharge of the registration against the interests of every other lessee unless the full amount that is payable and owing to which the registration relates is paid to the Crown in right of Alberta.

(5) The Crown in right of Alberta is not prevented from seeking and obtaining a remedy referred to in subsection (1)(e)(i) or (3)(a) against a lessee in relation to an obligation imposed by or a liability arising from an agreement that is or was the subject of a proceeding commenced by the Crown against another lessee that is a holder of the agreement.

(6) The Minister may, at any time, collect an amount payable and owing in respect of an agreement from

(a) a lessee individually, or

(b) 2 or more of the lessees

(i) jointly and severally, and

(ii) in any combination of the lessees.

(7) This section, as it reads on the coming into force of section 6(6) of the *Energy, Environment and Utilities Statutes Amendment Act, 2026*, applies to

(a) an agreement issued before the coming into force of section 6(6) of the *Energy, Environment and Utilities Statutes Amendment Act, 2026*,

(b) each lessee in respect of an agreement referred to in clause (a), and

(c) each amount payable and owing by a lessee in respect of an agreement as a debt due to the Crown in right of Alberta that remained unpaid immediately before the coming into force of section 6(6) of the *Energy, Environment and Utilities Statutes Amendment Act, 2026*.

NOTE: (6) Section 20 presently reads:

20(1) An agreement shall be issued in the manner and in the medium provided for in the regulations.

(2) An agreement issued in accordance with subsection (1) is binding on the Crown in right of Alberta and the lessee.

(2.1) Where 2 or more persons are recorded with the Department as lessees of an agreement,

(a) those lessees in relation to the Crown are jointly responsible for the obligations and liabilities that arise under that agreement, notwithstanding that the agreement was issued before, on or after the coming into force of this subsection, and

(b) a judgment in favour of the Crown against one or more of those lessees or a release by the Crown in favour of one or more of those lessees does not preclude the Crown from obtaining judgment against the other lessees in the same or a separate proceeding.

(3) The date of commencement of the term of an agreement shall, subject to the regulations, be the date specified by the Minister.

(4) When an agreement that is required to be executed by the holder is issued, the person in whose favour it is made

(a) subject to subsection (5), is deemed to be the holder of it as against the Crown and all other persons as of the term commencement date, and

(b) is bound by the agreement as if it were fully executed.

(5) When an agreement that is required to be executed by the holder is issued and the holder does not execute the agreement and return it to the Minister within 90 days from the prescribed date,

(a) the Minister may cancel the agreement in the records of the Department, and

(b) the holder is deemed to have been the holder of the agreement only as to any liability incurred under it by the holder.

(6) Subject to the regulations, an agreement granting rights to win, work and recover a mineral is deemed to include the right to explore for, develop and recover geothermal resources in the course of recovering the mineral under the agreement.

(7) Section 38 is amended by adding the following after subsection (7):

(7.1) If a calculation referred to in subsection (7) results in an amount payable and owing to the Crown in right of Alberta,

(a) the amount is to be treated as having accrued during the period that is the subject of the calculation, and

(b) the amount is, as of the first day of that period, a debt due to the Crown in right of Alberta.

NOTE: (7) Specifies how an amount calculated as owed to the Crown as the result of an audit is a debt due to the Crown.

(8) Section 54 is amended

(a) in subsection (1) by striking out "authorized to do so under this Act or by an agreement" **and substituting** "authorized to do so under subsection (5), another provision of this Act or an agreement";

(b) by repealing subsection (5) and substituting the following:

(5) The Minister may, subject to subsection (6) and the regulations, if any, authorize the conducting of operations in respect of a mineral, geothermal resource or subsurface reservoir that is the property of the Crown in right of Alberta if the Minister determines that the operations are desirable in respect of any of the following:

(a) the exploration for, or the development, processing or recovery of, the mineral;

(b) the exploration for, or the development or recovery of, geothermal resources;

(c) the sequestration of captured carbon dioxide.

(6) The Minister may not provide an authorization under subsection (5) if, in the case of a mineral that is the property of the Crown in right of Alberta, the mineral is the subject of an agreement or other type of authorization issued under this Act.

(7) For greater certainty, the Minister may provide an authorization under subsection (5) if, in the case of a geothermal resource or subsurface reservoir that is the property

of the Crown in right of Alberta, the resource or reservoir is the subject of an agreement or other type of authorization issued under this Act.

NOTE: (8) Section 54 presently reads in part:

54(1) No person shall

(a) win, work or recover a mineral,

that is the property of the Crown in right of Alberta unless the person is authorized to do so under this Act or by an agreement.

(5) The Minister may authorize in writing the conducting of operations in respect of a mineral or subsurface reservoir that is the property of the Crown in right of Alberta and that is not the subject of an agreement issued under this Act where the Minister is of the opinion that the operations are desirable in respect of the exploration for or the development, processing or recovery of minerals, the sequestration of captured carbon dioxide or the exploration for or development or recovery of geothermal resources.

(9) Section 80(2)(a) is repealed and the following is substituted:

(a) "natural gas" means the following:

(i) in the case of a hydrocarbon gas, the production from a well that the Minister determines is initially producing hydrocarbon gas alone, or with oil at a gas-to-oil ratio of 1800:1 or higher, but does not include production that is recovered from a well that the Minister determines is initially producing gas with oil at a lower gas-to-oil ratio;

(ii) in the case of helium, hydrogen or another non-hydrocarbon gas that is prescribed, the production from a well alone or with oil or a hydrocarbon gas at the prescribed ratio;

NOTE: (9) Section 80(2)(a) presently reads:

(2) Subject to the regulations, in this Part and in an agreement granting rights to petroleum or natural gas, or both,

(a) "natural gas" means the production from any well that, in the opinion of the Minister, initially produces gas either alone or with oil at a gas-oil ratio of 1800:1 or higher, but does not include any production that may be recovered from any well that, in the opinion of the Minister, initially produces gas with oil at a lower gas-oil ratio;

(10) Section 82.1 is repealed.

NOTE: (10) Section 82.1 presently reads:

82.1(1) In this section,

(a) "determination date" means a date on which the Minister makes a decision as to the shallowest productive zone in the location of a lease or licence or in an individual spacing unit comprising a portion of the location of a lease or licence which, for the purposes of this section, may be any one of the following:

(i) the date of a notice given under subsection (3),

(ii) the date of a response given under subsection (8),

(iii) the date of an offer made under subsection (10), or

(iv) the date of a final decision under subsection (12);

(b) "lease" means a lease as defined in the Petroleum and Natural Gas Tenure Regulation (AR 263/97) that

(i) is issued before January 1, 2009, and

(ii) has been approved for continuation by the Minister after the expiration of its term pursuant to section 15(1) of the Petroleum and Natural Gas Tenure Regulation (AR 263/97);

(c) "lessee" means the holder of a lease or licence or the holder's designated representative as indicated in the Department's records;

(d) "licence" means a licence as defined in the Petroleum and Natural Gas Tenure Regulation (AR 263/97) that

(i) is issued before January 1, 2009, and

(ii) has been approved for continuation by the Minister after the expiration of its intermediate term pursuant to section 15(1) of the Petroleum and Natural Gas Tenure Regulation (AR 263/97);

(e) "location" has the same meaning as in the Petroleum and Natural Gas Tenure Regulation (AR 263/97);

(f) "notice expiry date" means the date that coincides with the end of

(i) the 3-year period from the date of a notice given to a lessee under subsection (3), or

(ii) an extension of that period allowed under subsection (6);

(g) "shallow non-productive rights" means those petroleum and natural gas rights granted by the lease or licence that are stratigraphically above a shallowest productive zone;

(h) "shallowest productive zone" means the zone that the Minister determines, from among the following zones, to be the stratigraphically shallowest zone in the location of a lease or licence, or in an individual spacing unit comprising a portion of the location of a lease or licence, as at the determination date:

(i) the shallowest zone from which, in the opinion of the Minister, a well is capable of producing petroleum or natural gas in paying quantity;

(ii) the shallowest zone that is subject to a unit agreement;

(iii) the shallowest zone that is subject to a gas storage agreement as defined in the Petroleum and Natural Gas Tenure Regulation (AR 263/97);

(iv) the shallowest offset zone from which a freehold well as defined in the Petroleum and Natural Gas Tenure Regulation (AR 263/97) is producing petroleum or natural gas, if

(A) the holder of a lease or licence, the location or part of the location of which is within a spacing unit adjoining the freehold well, has notified the Minister in writing before the notice expiry date that the lessee elects to pay offset compensation, in accordance with the Petroleum and Natural Gas Tenure Regulation (AR 263/97), in respect of the location or the part of the location within the adjoining spacing unit, and

(B) offset compensation is being paid in respect of the location or the part of the location within the adjoining spacing unit;

(v) the shallowest zone considered by the Minister to be capable of producing petroleum or natural gas in paying quantity;

(i) "spacing unit" has the same meaning as in the Petroleum and Natural Gas Tenure Regulation (AR 263/97);

(j) "zone" means a stratum or series of strata considered by the Minister to be a zone for the purposes of this section.

(2) The Minister may determine

(a) the shallowest productive zone in respect of the location of a lease or licence;

(b) the shallowest productive zone in respect of each individual spacing unit comprising a portion of the location of a lease or licence;

(c) the extent of the location of a lease or licence that no longer qualifies for continuation under the regulations.

(3) Where a determination is made pursuant to subsection (2), the Minister shall give a written notice to the lessee, which

(a) must state the shallowest productive zone in respect of the location of the lease or licence, or in respect of each individual spacing unit comprising a portion of the location of the lease or licence,

(b) may specify or indicate the extent of the location of the lease or licence that no longer qualifies for continuation under the regulations,

(c) must state that

(i) the shallow non-productive rights, and

(ii) the petroleum and natural gas rights in the whole or a portion of the location, if specified or indicated pursuant to clause (b),

will revert to the Crown at the end of a 3-year period from the date of the notice,

(d) must state that the lessee may respond to the Minister's notice by way of an application, and

(e) must be given in accordance with section 31(1).

(4) The lessee may request an extension of the 3-year period referred to in subsection (3).

(5) A request under subsection (4) must be in the form prescribed by the Minister and must be received by the Minister on or before the notice expiry date.

(6) The Minister may extend the 3-year period referred to in subsection (3) if the lessee satisfies the Minister that the extension is warranted in the circumstances.

(7) An application under subsection (3)(d) must be in the form prescribed by the Minister and must be received by the Minister on or before the notice expiry date.

(8) If an application is made by the lessee in accordance with subsection (7) and the Minister agrees with its contents, the Minister

- *(a) shall respond in writing to the lessee and advise that the Minister agrees with the contents of the application,*

- *(b) shall as part of the response to the lessee confirm the shallowest productive zone in respect of the location of the lease or licence, or in respect of each individual spacing unit comprising a portion of the location of the lease or licence, and*

- *(c) may confirm as part of the response to the lessee the extent of the location of the lease or licence that no longer qualifies for continuation under the regulations.*

(9) When the Minister gives a response to the lessee under subsection (8),

- *(a) the shallow non-productive rights shall be severed from the location of the lease or licence and revert to the Crown effective as of the notice expiry date, and*

- *(b) the petroleum and natural gas rights in the whole or a portion of the location of the lease or licence that is confirmed in the Minister's response as no longer qualifying for continuation under the regulations revert to the Crown as of the notice expiry date.*

(10) If an application is made by the lessee in accordance with subsection (7) and the Minister disagrees in whole or in part with its contents, the Minister shall make an offer to the lessee.

(11) An offer under subsection (10)

- *(a) must contain, in respect of the location of the lease or licence, or in respect of each individual spacing unit comprising a portion of the location of the lease or licence, a description of the shallowest productive zone,*

- *(b) may specify or indicate the whole or any portion of the location of a lease or licence that no longer qualifies for continuation under the regulations and in which the petroleum and natural gas rights revert to the Crown as of the notice expiry date,*

- *(c) must state that the lessee has until the end of one month from the date of the offer or until the notice expiry date, whichever occurs later, in which to respond to the offer,*

- *(d) must be in the form prescribed by the Minister, and*

- *(e) must be given in accordance with section 31(1).*

(12) After the expiry of the period specified in subsection (11)(c), the Minister

- *(a) may consider any response to the offer made by the lessee that is received by the Minister by the end of that period,*

- *(b) shall make a final decision as to the shallowest productive zone in respect of the location of the lease or licence, or in respect of each individual spacing unit comprising a portion of the location of the lease or licence,*

- *(c) shall make a final decision as to the extent of the location of the lease or licence that no longer qualifies for continuation under the regulations, if the whole or any portion of the location of the lease or licence no longer so qualifies, and*

(d) shall advise the lessee in writing of the decision made pursuant to clause (b) and, if applicable, the decision made pursuant to clause (c).

(13) When the Minister makes a final decision pursuant to subsection (12)(b) and, if applicable, subsection (12)(c),

(a) the shallow non-productive rights shall be severed from the location of the lease or licence and revert to the Crown effective as of the notice expiry date, and

(b) the petroleum and natural gas rights in the whole or any portion of the location of the lease or licence in respect of which the Minister has made a final decision under subsection (12)(c) revert to the Crown as of the notice expiry date.

(14) If no application is received by the Minister in accordance with subsection (7),

(a) the shallow non-productive rights referred to in the notice shall be severed from the location of the lease or licence and revert to the Crown effective as of the notice expiry date, and

(b) the petroleum and natural gas rights, to the extent of the location of the lease or licence that is specified or indicated under subsection (3)(b) as no longer qualifying for continuation under the regulations, revert to the Crown as of the notice expiry date.

(11) Section 83(1) is amended by renumbering clause (a) as clause (a.1) and by adding the following before clause (a.1):

(a) for the purpose of section 80(2)(a)(ii), prescribing

(i) a non-hydrocarbon gas, or

(ii) a ratio;

NOTE: (11) Section 83(1) presently reads in part:

83(1) The Lieutenant Governor in Council may make regulations

(a) respecting applications for approval of the continuation of leases or licences beyond their terms, the Minister's powers and duties in relation to those applications and the Minister's powers and duties where an application is not made within the prescribed time;

(12) Section 91.1 is repealed and the following is substituted:

Notice of change in control of lessee

91.1(1) In this section, "change in control", in respect of a lessee, means the following:

(a) a change of the legal or beneficial ownership of the lessee as specified in the regulations;

(b) a prescribed change.

(2) On a change in control of a lessee,

(a) the person who has control of the lessee must

(i) within 30 days of the date of the change in control and in the manner determined by the Minister, provide the Minister with written notice of the particulars of the change, and

(ii) comply with the terms and conditions that the registration is subject to in accordance with subsection (3)(b), if any,

and

(b) the lessee must comply with the terms and conditions that the registration is subject to in accordance with subsection (3)(b), if any.

(3) On receiving a notice of the change in control of a lessee referred to in subsection (2)(a), the Minister may, in accordance with the regulations, if any,

(a) register the notice,

(b) make the registration subject to any terms or conditions that the Minister determines are necessary, or

(c) refuse to register the notice if the Minister is satisfied that the change could result in uncertainty as to whether the lessee would be able to fulfil their obligations under an agreement.

Obligations and liabilities on transfer or change in control

91.2(1) The following applies to the transfer of an agreement that is registered in accordance with section 91 or a notice of change in control that is registered in accordance with section 91.1:

(a) each obligation that remains unfulfilled or liability that continues to exist in respect of the agreement immediately before the date of the registration is to be treated as continuing without diminishment or extinguishment on and after the registration;

(b) the transferee, transferor and, if applicable, every other lessee in respect of the agreement are jointly and severally liable for each obligation and liability referred to in clause (a) and subsection (3).

(2) A registration referred to in subsection (1) that is made before the Minister commences or completes an examination under section 38(5) as it relates to an agreement does not limit the Minister's power

(a) to complete the examination under that section, or

(b) after completing the examination, to make a calculation in accordance with section 38(7).

(3) A discharge or extinguishment of an obligation or liability of a lessee in respect of an agreement does not discharge any other obligation or liability of the lessee in respect of the agreement that arises due to a calculation made in accordance with section 38(7) after the date of the discharge or extinguishment.

(4) The following do not prevent the Crown in right of Alberta from seeking and obtaining a judgment against, or pursuing

collection from, a person referred to in subsection (1)(b) in respect of an obligation or liability referred to in subsection (1)(a) or (3):

(a) a judgment, in the same or a separate proceeding, in respect of the obligation or liability that is issued in favour of the Crown in right of Alberta and against the person;

(b) a release in respect of the obligation or liability by or against the Crown in favour of the person.

NOTE: (12) Section 91.1 presently reads:

91.1(1) Where a transfer is registered under section 91 with respect to the whole of an agreement, a specified undivided interest in an agreement or a part of the location contained in an agreement,

(a) any obligation or liability arising under the agreement that existed before the transfer was registered continues, on and after the registration of the transfer, to run with the agreement, interest or part of the location transferred, and

(b) the transferee and the transferor and any other person recorded with the Department as a lessee of the agreement prior to the transfer are jointly responsible for any obligation or liability referred to in clause (a).

(2) With respect to any obligation or liability referred to in subsection (1),

(a) any judgment in favour of the Crown in respect of that obligation or liability against one or more of the persons referred to in subsection (1)(b), or

(b) any release by the Crown in respect of that obligation or liability in favour of one or more of the persons referred to in subsection (1)(b)

does not preclude the Crown from obtaining judgment against any of the other persons referred to in subsection (1)(b) in the same or a separate proceeding.

(13) Section 93 is amended by renumbering clause (a) as clause (a.2) and by adding the following before clause (a.2):

(a) specifying the manner of a change for the purpose of section 91.1(1)(a);

(a.1) prescribing a change for the purpose of section 91.1(1)(b);

NOTE: (13) Section 93 presently reads in part:

93 The Lieutenant Governor in Council may make regulations

(a) respecting the registration of transfers;

(14) Section 94(1)(e) is amended by striking out "or" **at the end of subclause (ii), by adding** "or" **at the end of subclause (iii) and by adding the following after subclause (iii):**

(iv) the payment of an amount owing to the Crown in right of Alberta in respect of an agreement,

NOTE: (14) Section 94(1)(e) presently reads in part:

94(1) In this Division,

(e) "security interest" means an interest in or charge on collateral if the interest or charge secures

(ii) bonds or debentures of a corporation, or

(iii) the performance of the obligations of a guarantor under a guarantee given in respect of all or any part of the indebtedness referred to in subclause (i) or all or any part of amounts owing on bonds or debentures referred to in subclause (ii),

but does not include an operator's lien;

(15) Section 95 is amended by adding the following after subsection (3):

(3.1) The Minister may, on behalf of the Crown in right of Alberta, register a security notice for a security interest referred to in section 19.1 against the interests of each lessee that is a holder of the agreement to which the security interest relates.

NOTE: (15) Adds ministerial power to register a security notice in respect of an amount owing to the Crown under an agreement.

(16) The following is added after Part 9:

Part 10
Resource Asset Closure Assurance (Mature Asset Management) and Stewardship

Definitions

125 In this Part,

(a) "closure", in respect of a resource asset, means the fulfilment of all closure obligations applicable to the resource asset;

(b) "closure-assurance levy", in respect of a resource asset, means an amount paid into the Fund in accordance with section 129(1) in respect of the resource asset;

(c) "closure obligation" means a duty, requirement or other type of obligation under

(i) an energy resource enactment in respect of the abandonment of a resource asset at the end of its life cycle,

(ii) the *Environmental Protection and Enhancement Act* in respect of an energy resource activity that applies to the remediation or reclamation of a resource asset,

(iii) either of the following that applies to a responsible person for a resource asset in respect of the abandonment, restoration, remediation or reclamation of the resource asset:

(A) an energy resource enactment;

(B) a specified enactment,

or

(iv) a prescribed enactment;

(d) "closure work", in respect of a resource asset, means the work required to effect the closure of the resource asset;

(e) "closure-work payment", in respect of a resource asset, means a closure-work payment made in accordance with section 132(1) in respect of the resource asset;

(f) "energy resource activity" means an energy resource activity as defined in the *Responsible Energy Development Act*;

(g) "energy resource enactment" means an energy resource enactment as defined in the *Responsible Energy Development Act*;

(h) "Fund" means the Resource Asset Closure Assurance and Stewardship Fund established under section 128(1);

(i) "impairment or damage" means impairment or damage that results in or could reasonably be expected to result in harm to

(i) the integrity of a resource asset,

(ii) the environment,

(iii) human health or safety, or

(iv) property;

(j) "post-closure stewardship" means the following activities:

(i) the monitoring of the behaviour and condition of a resource asset after its closure;

(ii) the providing of reasonable care and measures to prevent impairment or damage in respect of a resource asset after its closure;

(iii) a prescribed activity;

(k) "post-closure stewardship reserve" means the reserve referred to in section 128(5)(b);

(l) "Regulator" means the Alberta Energy Regulator;

(m) "resource asset" means a thing used in relation to an energy resource activity that is

(i) specifically prescribed as a resource asset, or

(ii) of a prescribed class of things;

(n) "resource asset-attributed value" means the value attributed to a resource asset in accordance with section 128(5)(a);

(o) "responsible person" means a person who is of a class of persons prescribed as a responsible person in respect of a resource asset;

(p) "specified enactment" means a specified enactment as defined in the *Responsible Energy Development Act*;

(q) "top-up levy", in respect of a resource asset, means an amount paid into the Fund in accordance with section 129(2) in respect of the resource asset.

Application

126 This Part applies to a resource asset that, as of the prescribed date, meets the criteria specified in the regulations.

Ministerial decision to assume management and control of resource asset

127(1) The Minister may, on behalf of the Crown in right of Alberta and in accordance with the regulations, if any, do the following:

(a) assume management and control of a resource asset for the purposes of preventing impairment or damage in respect of the resource asset;

(b) delegate the management and control of the resource asset to a person.

(2) The Minister may take an action referred to in subsection (1) despite the rights of any person in respect of the resource asset.

(3) If the Minister takes an action referred to in subsection (1) in respect of a resource asset, that action

(a) does not release a responsible person from the responsible person's obligations in respect of the resource asset, or

(b) is not to be construed as fettering the Minister's exercise of discretion under this Part.

Resource Asset Closure Assurance and Stewardship Fund established

128(1) The Resource Asset Closure Assurance and Stewardship Fund is established.

(2) The following must be deposited into and held within the Fund:

(a) a closure-assurance levy;

(b) a top-up levy;

(c) a prescribed fee in respect of a prescribed service that the Minister provides for the purpose of administering this Part;

(d) a prescribed administrative penalty.

(3) The money held in the Fund is not to be treated as the property or held on behalf of any of the following for their benefit:

(a) a responsible person;

(b) a creditor of a responsible person;

(c) a liquidator, receiver, receiver-manager or trustee-in-bankruptcy of a responsible person;

(d) a person claiming or holding a legal or beneficial interest in a responsible person.

(4) The Minister must hold and administer the Fund in accordance with this Act and the regulations.

(5) The Minister must do the following in respect of accounting for the Fund:

(a) calculate, in accordance with the regulations, a resource asset-attributed value for each resource asset that is based on

(i) all closure-assurance levies paid into the Fund in respect of the resource asset, and

(ii) the Fund's cumulative gains or losses in respect of the resource asset-attributed value;

(b) establish and maintain, in accordance with the regulations, a post-closure stewardship reserve.

(6) All money of the Fund that is not accounted for as a resource asset-attributed value is to be accounted for as money forming the post-closure stewardship reserve.

(7) Income earned by the Fund accrues to and becomes part of the Fund.

(8) The Minister may, in respect of the money held in the Fund, be a participant under section 40 of the *Financial Administration Act*.

Closure-assurance levy and top-up levy

129(1) For the purposes of supporting adherence to safe and efficient practices as a resource asset matures through its life cycle and providing risk-managed post-closure stewardship of the resource asset, a responsible person for the resource asset must, in accordance with the regulations, pay into the Fund the amount prescribed in respect of the resource asset.

(2) On any of the following circumstances applying, at any time, to a resource asset, a responsible person for the resource asset must, in accordance with the regulations, pay into the Fund the amount prescribed in respect of the applicable circumstance:

(a) a payment of a closure-assurance levy is not made within the applicable period set out in the regulations;

(b) a payment, other than a closure-work payment,

(i) is made from the Fund in accordance with this Part, and

(ii) results in a reduction of

(A) the resource asset-attributed value for the resource asset, or

(B) the post-closure stewardship reserve;

(c) a prescribed circumstance.

Unpaid amounts as debts due

130(1) An amount that is payable and owing to the Fund is

(a) a debt due to the Fund, and

(b) recoverable by an action in debt against each responsible person for the resource asset to which the debt relates, each of which is jointly and severally liable for the debt.

(2) The Minister may, on behalf of the Fund, commence and maintain an action in debt referred to in subsection (1)(b) as a party to that action.

Authorized Fund payments

131 The Minister may, in accordance with the regulations, pay the following from the Fund:

(a) subject to section 132(1), a closure-work payment;

(b) the costs incurred by the following to complete the closure work or to carry out post-closure stewardship for a resource asset:

(i) in the case of a resource asset in respect of which the Minister has assumed management and control in accordance with section 127(1)(a), the Minister;

(ii) subject to section 132(2), in the case of a resource asset other than one referred to in subclause (i),

(A) the Regulator,

(B) a person authorized by the Regulator, or

(C) a person of a prescribed class;

(c) the costs incurred by the Minister to administer the Fund;

(d) the costs incurred in respect of a prescribed matter.

Applications for Fund payment

132(1) A responsible person for a resource asset may, in accordance with the regulations, apply for payment of the amount equal to the resource asset-attributed value for the resource asset if the responsible person has

(a) fulfilled the prescribed closure obligations applicable to the resource asset, and

(b) met all other prescribed duties, requirements or other obligations applicable to the resource asset.

(2) A person may, in accordance with the regulations, apply to the Minister for payment of the costs referred to in section 131(b)(ii).

(3) On receiving an application in accordance with subsection (1) or (2), the Minister may, in accordance with the regulations, do the following:

(a) in the case of an application made under subsection (1), if the Minister is satisfied that the responsible person who submitted the application has met all requirements referred to in subsection (1) that apply to the resource asset that is the subject of the application, pay the responsible person the closure-work payment for the resource asset;

(b) in the case of an application made under subsection (2), if the Minister is satisfied that the person who submitted the application has incurred costs eligible for payment under section 131(b)(ii) in respect of the resource asset that is the subject of the application, pay the person an amount equal to the lesser of the following:

(i) the amount equal to the eligible costs that the person reasonably incurred;

(ii) the amount equal to the resource asset-attributed value for the resource asset.

No entitlement to payment

133 No person is entitled to a payment from the Fund unless authorized under this Part.

Limitation of liability

134 Nothing in this Part is to be construed as the Crown in right of Alberta assuming or accepting responsibility or liability for a closure obligation in respect of a resource asset.

Regulations

135(1) The Lieutenant Governor in Council may make regulations

(a) for the purpose of section 125, prescribing

(i) an enactment referred to in section 125(c)(iv),

(ii) an activity referred to in section 125(j)(iii),

(iii) a thing as a resource asset as referred to in section 125(m)(i),

(iv) a class of things as resource assets as referred to in section 125(m)(ii), or

(v) a class of persons as responsible persons as referred to in section 125(o);

(b) for the purpose of section 126,

(i) prescribing a date, or

(ii) specifying criteria;

(c) for the purpose of section 127(1), respecting

(i) the assumption of the management and control of a resource asset referred to in section 127(1)(a), or

(ii) the delegation of the management and control of a resource asset for the purpose of section 127(1)(b);

(d) for the purpose of section 128,

(i) prescribing a fee or service referred to in section 128(2)(c),

(ii) prescribing an administrative penalty referred to in section 128(2)(d),

(iii) respecting the holding and administering of the Fund referred to in section 128(4),

(iv) respecting the calculation of a resource asset-attributed value under section 128(5)(a), or

(v) respecting the establishment and maintenance of the post-closure stewardship reserve referred to in section 128(5)(b), including regulations respecting the calculation, recalculation, adjustment or reassessment of the post-closure stewardship reserve;

(e) for the purpose of section 129,

(i) respecting the payment of a closure-assurance levy referred to in section 129(1),

(ii) prescribing the amount of a closure-assurance levy for a class of resource asset as referred to in section 129(1),

(iii) respecting the payment of a top-up levy referred to in section 129(2),

(iv) prescribing the amount of a top-up levy in respect of each circumstance referred to in section 129(2)(a) to (c), or

(v) prescribing a circumstance referred to in section 129(2)(c);

(f) for the purpose of section 131,

(i) respecting a payment made under section 131,

(ii) prescribing a class referred to in section 131(b)(ii)(C), or

(iii) prescribing a matter referred to in section 131(d);

(g) for the purpose of section 132,

(i) respecting an application for a closure-work payment referred to in section 132(1),

(ii) prescribing closure obligations referred to in section 132(1)(a),

(iii) prescribing other duties, requirements or obligations referred to in section 132(1)(b),

(iv) respecting an application for a payment referred to in section 132(2), or

(v) respecting the making of a payment referred to in section 132(3);

(h) establishing an offence in respect of a breach of a provision in this Part;

(i) establishing a penalty for an offence established under clause (h).

(2) A regulation made under subsection (1) may

(a) define a word or expression used but not defined in this Part,

(b) delegate a matter to or confer a discretion on a person, or

(c) establish classes of persons, things or administrative penalties and provide for each class differently.

NOTE: (16) Part 10 Resource Asset Closure Assurance (Mature Asset Management) and Stewardship.

(17) This section comes into force on Proclamation.

NOTE: (17) Coming into force.

Municipal Government Act

Amends RSA 2000 cM-26

7(1) The *Municipal Government Act* is amended by this section.

NOTE: 7(1) Amends chapter M-26 of the Revised Statutes of Alberta 2000.

(2) Section 30(3)(b) and (4) are amended by striking out "Balancing Pool" **and substituting** "Alberta Utilities Trust".

NOTE: (2) Section 30(3)(b) and (4) presently read:

(3) The approval of the Alberta Utilities Commission is not required under subsection (2) if the proposed agreement relates to or arises from the supply of electric power under

(b) a generation asset held or sold by the Balancing Pool, or

(4) In subsection (3), "power purchase arrangement", "generation asset", "direct sales agreement" and "Balancing Pool" have the same meaning as they have in the Electric Utilities Act.

(3) This section comes into force on Proclamation.

NOTE: (3) Coming into force.

Oil Sands Emissions Limit Act

Repeals SA 2016 cO-7.5

8 The *Oil Sands Emissions Limit Act* is repealed.

NOTE: 8 Repeals chapter O-7.5 of the Statutes of Alberta, 2016.

Utility Commodity Rebate Act

Amends SA 2022 cU-3.5

9(1) The *Utility Commodity Rebate Act* is amended by this section.

NOTE: 9(1) Amends chapter U-3.5 of the Statutes of Alberta, 2022.

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

UTILITY REBATE ACT

Chapter U-5

NOTE: (2) The title and chapter number of the Act presently read:

UTILITY COMMODITY REBATE ACT
Chapter U-3.5

(3) Section 1 is amended

(a) by adding the following after clause (a):

(a.1) "Alberta Utilities Trust" means the corporation continued by section 75 of the *Electric Utilities Act*;

(a.2) "electric distribution rebate" means a rebate provided under section 2(1.1);

(a.3) "electric distribution service" means electric distribution service as defined in the *Electric Utilities Act*;

(b) by adding the following after clause (c):

(c.1) "rebate funding payment" means a payment that the Alberta Utilities Trust is required to make under section 7.1;

(c) by adding the following after clause (d):

(d.1) "utility commodity rebate" means a rebate provided under section 2(1);

NOTE: (3) Adds definitions.

(4) Section 2 is amended

(a) in subsection (1)(b) by striking out "any rebate of any amount over any period of time" **and substituting** "a rebate of any amount over any period";

(b) by adding the following after subsection (1):

(1.1) Where, in the opinion of the Minister, the rates payable for electric distribution service justify providing a rebate of any amount over any period, a rebate may be provided in accordance with the regulations to assist eligible consumers with the cost of electric distribution service.

(c) in subsection (2) by striking out "A rebate" **and substituting** "A utility commodity rebate or an electric distribution rebate".

NOTE: (4) Section 2 presently reads in part:

2(1) Where, in the opinion of the Minister,

(b) the price for a utility commodity justifies providing any rebate of any amount over any period of time,

(2) A rebate is subject to any terms and conditions prescribed in the regulations or established by the Minister.

(5) Section 3 is amended

(a) in subsection (1) by striking out "A rebate" **and substituting** "A utility commodity rebate";

(b) in subsection (2) by striking out "rebates" **and substituting** "utility commodity rebates";

(c) by adding the following after subsection (2):

(2.1) The Minister may require a distributor to provide electric distribution rebates

(a) to the distributor's eligible consumers, or

(b) to the distributor's direct providers for the benefit of eligible consumers.

(d) in subsection (3) by striking out "rebates" **and substituting** "utility commodity rebates".

NOTE: (5) Section 3 presently reads:

3(1) A rebate may be provided directly to eligible consumers or to a vendor for the benefit of eligible consumers.

(2) The Minister may require a distributor to provide rebates

(a) to the distributor's eligible consumers, or

(b) to the distributor's direct providers for the benefit of eligible consumers.

(3) The Minister may require a direct provider to provide rebates to eligible consumers.

(6) Section 4 is amended

(a) in subsection (1) by striking out "a rebate" **and substituting** "a utility commodity rebate";

(b) in subsection (2) by striking out "to provide rebates" **and substituting** "to provide utility commodity rebates";

(c) by adding the following after subsection (2):

(2.1) If a distributor is required under section 3(2.1) to provide electric distribution rebates, the distributor must provide the rebates in accordance with the regulations and any direction of the Minister.

(d) in subsection (3) by striking out "for rebates" **and substituting** "for utility commodity rebates".

NOTE: (6) Section 4 presently reads:

4(1) If a rebate is provided to a distributor under section 3(1) or 6, the distributor must provide the benefit of the rebate to the distributor's

(a) eligible consumers, and

(b) direct providers for the benefit of eligible consumers,

in accordance with the regulations and any direction of the Minister.

(2) If a distributor is required under section 3(2) to provide rebates, the distributor must provide the rebates to the distributor's

(a) eligible consumers, and

(b) direct providers for the benefit of eligible consumers,

in accordance with the regulations and any direction of the Minister.

(3) The Minister must reimburse the distributor for rebates provided by the distributor in accordance with subsection (2).

(7) Section 5 is amended

(a) in subsection (1) by striking out "a rebate" **and substituting** "a utility commodity rebate";

(b) by adding the following after subsection (1):

(1.1) If a distributor provides electric distribution rebates to a direct provider under section 3(2.1)(b), the direct provider must provide the benefit of the rebates to the direct provider's eligible consumers in accordance with the regulations and any direction of the Minister.

(c) in subsection (2) by striking out "to provide rebates" **and substituting** "to provide utility commodity rebates";

(d) in subsection (3) by striking out "for rebates" **and substituting** "for utility commodity rebates".

NOTE: (7) Section 5 presently reads:

5(1) If a rebate is provided to a direct provider under section 3(1), 4 or 6, the direct provider must provide the benefit of the rebate to the direct provider's eligible consumers in accordance with the regulations and any direction of the Minister.

(2) If a direct provider is required under section 3(3) to provide rebates, the direct provider must provide the rebates to the direct provider's eligible consumers in accordance with the regulations and any direction of the Minister.

(3) The Minister must reimburse the direct provider for rebates provided by the direct provider in accordance with subsection (2).

(8) Section 6 is amended by striking out "a rebate" **and substituting** "a utility commodity rebate".

NOTE: (8) Section 6 presently reads:

6 If a rebate is provided to a contractor under section 3(1), the contractor must provide the benefit of the rebate to

(a) eligible consumers,

(b) distributors for the benefit of eligible consumers, or

(c) direct providers for the benefit of eligible consumers,

in accordance with the regulations and any direction of the Minister.

(9) The following is added after section 7:

Obligation of Alberta Utilities Trust

7.1(1) If a distributor is required under section 3(2.1) to provide electric distribution rebates, the Alberta Utilities Trust must make rebate funding payments to the distributor in respect of those rebates.

(2) Rebate funding payments must be made in accordance with the regulations.

(3) If the Alberta Utilities Trust pays a distributor rebate funding payments in excess of the amount to which the distributor is entitled under the regulations, the excess is a debt due to the Alberta Utilities Trust, and the Alberta Utilities Trust may recover it by an action in debt or by deduction from a subsequent rebate funding payment.

NOTE: (9) Obligation of Alberta Utilities Trust.

(10) Section 8 is amended

(a) in subsection (1) by striking out "rebate under this Act" **and substituting** "utility commodity rebate";

(b) by adding the following after subsection (1):

(1.1) An electric distribution rebate is to be made only in respect of electric distribution service that is received in Alberta.

(c) in subsection (2)

(i) by striking out "rebate under this Act" **and substituting** "utility commodity rebate";

(ii) by striking out "amount of rebate" **and substituting** "amount of utility commodity rebate";

(d) by adding the following after subsection (2):

(3) An electric distribution rebate made to an eligible consumer is subject to the amount of electric distribution rebate prescribed in the regulations.

NOTE: (10) Section 8 presently reads:

8(1) A rebate under this Act is to be made only in respect of a utility commodity that is consumed or used in Alberta.

(2) A rebate under this Act made to an eligible consumer is subject to the maximum amount of rebate prescribed in the regulations.

(11) Section 9 is amended

(a) in the portion preceding clause (a) by adding "or electric distribution service" **after** "utility commodity";

(b) by adding the following after clause (b):

(b.1) received electric distribution service outside Alberta,

NOTE: (11) Section 9 presently reads:

9 The Crown in right of Alberta has a cause of action in debt against a person who receives a rebate or the benefit of a rebate in respect of a utility commodity under this Act for the amount of the rebate or an amount equal to the benefit, as the case may be, if the person

(a) was not eligible for all or part of the rebate or benefit,

(b) consumed or used the utility commodity outside Alberta,

(c) breached a term or condition on which the rebate was made, or

(d) in the case of a vendor, failed to pass on the benefit of all or part of the rebate in accordance with this Act, the regulations and any direction of the Minister.

(12) Section 10(1) is amended

(a) by adding the following after clause (a):

(a.1) defining "eligible consumer", "distributor" and "direct provider" in respect of electric distribution service;

(b) in clause (e) by striking out "rebates for a utility commodity for the purposes of section 2" **and substituting** "utility commodity rebates for the purposes of section 2(1)";

(c) by adding the following after clause (e):

(e.1) authorizing electric distribution rebates for the purposes of section 2(1.1);

(d) by adding the following after clause (f):

(f.1) respecting the circumstances in which a person is considered not to be an eligible consumer in respect of electric distribution service;

(e) in clause (g) by striking out "rebates" **and substituting** "utility commodity rebates and electric distribution rebates";

(f) in clause (h)

(i) by striking out "on which rebates" **and substituting** "on which utility commodity rebates and electric distribution rebates";

(ii) by striking out "eligible for a rebate" **and substituting** "eligible for a utility commodity rebate";

(g) in clauses (i) and (j) by striking out "rebates" **and substituting** "utility commodity rebates and electric distribution rebates";

(h) by adding the following after clause (j):

(j.1) respecting rebate periods for electric distribution rebates, including authorizing the Minister to extend a rebate period by order and prescribing the maximum number and length of extensions;

(i) in clause (k) by striking out "rebate" **and substituting** "utility commodity rebate";

(j) by adding the following after clause (k):

(k.1) respecting the amount of electric distribution rebates;

(k) in clause (m) by striking out "the rebates" **and substituting** "the utility commodity rebates";

(l) by adding the following after clause (n):

(n.1) respecting rebate funding payments, including the times at which and the manner in which they are to be made and the information to be provided by a distributor in respect of them;

(n.2) respecting the review and audit by the Alberta Utilities Trust of invoices, information and records provided by distributors in respect of rebate funding payments, and respecting the recovery of amounts under section 7.1(3);

(m) in clause (p) by striking out "related to rebates" **wherever it occurs and substituting** "related to utility commodity rebates and electric distribution rebates".

NOTE: (12) Section 10(1) presently reads in part:

10(1) The Lieutenant Governor in Council may make regulations

(e) authorizing rebates for a utility commodity for the purposes of section 2;

(g) respecting applications for rebates;

(h) respecting the terms and conditions on which rebates may be made, including the use that may be made of a utility commodity that is eligible for a rebate;

(i) respecting the basis on which or methods by which rebates are to be calculated;

(j) respecting the manner in which and the frequency with which rebates may be made;

(k) respecting the maximum amount of rebate that may be made to an eligible consumer;

(m) respecting the administration of the rebates paid to vendors for the benefit of eligible consumers;

(p) respecting the obligations of vendors

(i) to keep records and accounts related to rebates, and

(ii) to comply with requests for verification, approvals and audits related to rebates;

(13) This section comes into force on Proclamation.

NOTE: (13) Coming into force.

RECORD OF DEBATE

Stage	Date	Member	From	To

		Interventions	From	To

Stage	Date	Member	From	To

		Interventions	From	To

Stage	Date	Member	From	To

		Interventions	From	To

Stage	Date	Member	From	To

		Interventions	From	To

Stage	Date	Member	From	To

		Interventions	From	To

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		Interventions	From	To