



Province of Alberta

The 30th Legislature
Third Session

Alberta Hansard

Tuesday morning, May 3, 2022

Day 28

The Honourable Nathan M. Cooper, Speaker

Legislative Assembly of Alberta
The 30th Legislature
Third Session

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Legislative Assembly of Alberta

10 a.m.

Tuesday, May 3, 2022

[The Deputy Speaker in the chair]

The Deputy Speaker: Good morning, hon. members.

Prayers

The Deputy Speaker: Let us pray. Lord, the God of righteousness and truth, grant to our Queen and her government, to Members of the Legislative Assembly, and to all in positions of responsibility the guidance of Your spirit. May they never lead the province wrongly through love of power, desire to please, or unworthy ideals but, laying aside all private interests and prejudices, keep in mind their responsibility to seek to improve the condition of all. Amen.

Please be seated.

Orders of the Day

Government Bills and Orders Second Reading

Bill 22

Electricity Statutes (Modernizing Alberta's Electricity Grid) Amendment Act, 2022

The Deputy Speaker: The hon. Associate Minister of Natural Gas and Electricity.

Mr. Nally: Thank you, Madam Speaker. I rise today to move second reading of Bill 22, Electricity Statutes (Modernizing Alberta's Electricity Grid) Amendment Act, 2022.

This is part of our ongoing efforts to modernize the electricity grid and keep our system safe and reliable. It is also another piece in the suite of measures we are taking to ensure our system remains stable. If passed, the Electricity Statutes (Modernizing Alberta's Electricity Grid) Amendment Act, 2022, will help address the changing ways that electricity producers and consumers interact with and use Alberta's power grid.

It will encourage new investment in technologies and support the establishment of a planning framework while maintaining our overarching requirement that infrastructure costs borne by Alberta ratepayers be reasonable and fair. This legislation builds on some previous work that the AUC has been doing.

Madam Speaker, the reason that this work is necessary now is because Albertans have come through a period of high pricing on electricity. You know, it's at this point in second reading where I insert a trigger warning because we're going to talk about how we got here. Albertans have gone through four years of having the NDP use the electricity grid as ground zero for their inappropriate meddling in pursuit of their progressive goals, and that's what they did. The first thing that they did was that they got rid of coal. Don't get me wrong; please don't misinterpret. There is a need to decarbonize – we recognize that – but you can't swing the pendulum so hard that you harm Albertans. We need to find that right balance. Unfortunately, they didn't explore clean-coal technology. They didn't explore carbon capture. They just got rid of coal.

Then they ran the victory lap with their extremist environment friends, but they forgot to tell Albertans that they were going to be paying more for electricity. That was the net result of what they did. Before we started to see the effects of getting out of coal, we would see the price go up because we got rid of the cheapest form of electricity. We believe that we have to decarbonize methodically,

responsibly, and that means moving at a balanced approach. We also know that the NDP spent 7 and a half billion dollars on infrastructure when they were in government.

Now, Madam Speaker, as you know, I am the first one that will be fair with the NDP. I will be the first one to admit that the NDP did not start the overbuild on the transmission grid. They are guilty of not stopping it. I am proud to say that our government has been doing the hard work that will bring forward long-term price reductions for Albertans.

One of the first things that we did was that we stopped the overbuild from happening. We put a stop to it, and I'm proud to say that in 2020 we only spent a hundred million dollars on infrastructure in this province. In 2021 we spent zero dollars on transmission infrastructure, Madam Speaker. Compare that to the 7 and a half billion dollars that was spent under the NDP. We brought significant changes.

The Alberta Electric System Operator actually released their long-term forecast. When you read that forecast – and I encourage everyone to read it if you're concerned about the price of electricity – they actually deferred a billion dollars' worth of infrastructure investment, Madam Speaker. I mean, I wish the NDP had deferred some of that infrastructure investment.

Now, in addition to delaying that, they also forecast that we will build between \$150 million to \$200 million a year in new infrastructure investment. Build-outs will have to be made. There must be current investments, but you must invest at the appropriate level that is sustainable for Albertans. You can't overbuild the system. AESO is forecasting \$150 million to \$200 million a year in infrastructure investments compared to the \$7.5 billion that was spent under the NDP.

Yes, Madam Speaker, we are bringing forward long-term changes that will bring relief to Albertans. We'll be winding down the Balancing Pool as well, because, as we know, the Balancing Pool was allowed to be used to pursue the progressive policies of the previous administration, and they hung \$1.3 billion on the ratepayer. Everybody can go to their electricity bill, look at the Balancing Pool rate rider, and we still have \$700 million that has to be paid off by the ratepayer. That will take upwards to 2030.

The problem is that the Balancing Pool used to be a profitable organization. Since its inception the Balancing Pool has refunded \$4 billion back to the ratepayer. For the NDP to lose \$1.3 billion in four years is just incredible, Madam Speaker, so we must do a couple of things. We must NDP-proof the electricity grid, and that means taking organizations like the Balancing Pool and creating environments where they cannot be used to drive ideological, politically driven agendas to the harm and detriment of ratepayers in this province.

Madam Speaker, we are bringing forward meaningful changes that will help us modernize the electricity grid. One of the first things that this bill is going to do is bring forward self-supply with export. See, we know that the path forward for lower prices is through increased choice and more competition, so we need to create environments where we encourage more generation coming online, and that's exactly what self-supply with export will do. It will allow companies to generate electricity for themselves and then sell that electricity into the grid, and that, of course, will increase the supply that is available to all Albertans and then bring down the prices over time.

We are excited. Self-supply with export is not something that is currently allowed under current electricity legislation, Madam Speaker. This will not just help us bring down prices for Albertans, but it will also be an investment attraction tool. It will be one more thing – I apologize to the hon. member. Was that standing for an intervention?

Ms Phillips: No.

Mr. Nally: Okay. I thought it was.

Madam Speaker, this will be an investment attraction tool because companies will look to this as one more reason, not just our reduced red tape and our lowest corporate taxes in Canada, cheaper than in 44 U.S. states. They will also look at the investment attraction tool of being able to provide self-supply with export.

This has a number of benefits to the electricity system, Madam Speaker. We are also going to allow energy storage to come online. See, right now energy storage is not something that exists in our legislation. The AUC has been approving projects. I believe they've approved upwards of 14 projects. They are at various stages of approval or construction right now, but there isn't the legislative framework to support it, so they've been approved on a one-off basis. We need to provide a legislative framework that will not just enable and support those project but bring online new projects.

This is very exciting. As you know, the Canada Energy Regulator said that Alberta is a Canadian destination for renewable energy, and having a legislation framework that supports energy storage supports our leading as a clean energy provider, Madam Speaker.

Energy storage does a couple of things. One, it deals with the intermittency of renewable energy. As you know, there are some efficiency issues because the sun doesn't always shine, the wind doesn't always blow, so renewable is at times not the most efficient form of electricity. Storage will help us deal with that intermittency issue. That, of course, will help us have more generation that is going to be part of the supply mix that is available to Albertans, bringing down prices in the future. So we're very excited to be able to provide that.

Storage also is a nonwires alternative, and this is something that was not explored under the previous administration. We wish it had been. Had they used energy storage, Madam Speaker, as a lower cost alternative to wires, we could have spent less money on infrastructure build-out and not gold-plating it like the NDP did.

We're very excited about having the opportunity to have storage as a nonwires alternative. It may not be a 100 per cent replacement for transmission wires, Madam Speaker – in fact, we know that it won't be – but there will be cases where energy storage will be a cheaper alternative to costly wires. So we're very excited about having an opportunity to make that available to companies in Alberta.

In addition to those advantages, Madam Speaker, energy storage will also provide some arbitrage opportunities, and it will be an opportunity for entrepreneurial individuals to buy electricity during the periods of the day when prices are cheaper and resell it later on in the day, when prices are higher, helping provide more supply at that that peak time, which then, of course, is not just an arbitrage opportunity but will actually help bring down prices for consumers as well. So we're very excited about enabling energy storage in our electricity grid.

10:10

We will also be winding down the Balancing Pool, Madam Speaker. As I mentioned, the Balancing Pool is something that the NDP do not like to talk about. The Balancing Pool is, obviously, a conversation they feel uncomfortable having, and that's because they lost \$1.34 billion on the Balancing Pool driving Alberta towards their progressive, ideological agenda, that just gave us one result, which is reduced reliability and higher costs. We see that through the \$1.34 billion that they hung on the Alberta ratepayer, using the Balancing Pool to do it.

We know that we must NDP-proof the electricity grid, and that means winding down the Balancing Pool. The PPAs have expired,

so there really is an opportunity, now that the PPAs have expired, to reassign many of those responsibilities and to come up with a strategy to wind down the Balancing Pool.

Now, as you're aware, the Balancing Pool still owes \$700 million, and in addition to that, there are other liabilities and other companies that have signalled they may or may not sue because of what transpired under the NDP. Of course, we need to keep a shell of a corporation or a shell of an organization in place to manage those liabilities. You might want to refer to this as the hangover from the NDP. I certainly view it that way, Madam Speaker. If we hadn't lost that \$1.34 billion, if we hadn't created liability opportunities, then we wouldn't have to keep it open through 2030, but we do have to keep a shell of an organization there to deal with those liability opportunities.

I couldn't help but glance over at the NDP, and they're all looking down at their shoes. Of course they are. They should be. They should be embarrassed, Madam Speaker, because they brought two things to Albertans. [interjections]

Mr. Schow: Point of order.

The Deputy Speaker: The hon. Deputy Government House Leader on a point of order.

Point of Order Language Creating Disorder

Mr. Schow: Thank you, Madam Speaker. I rise under 23(h), (i), and (j), specifically language to cause disruption. While the hon. Minister of Natural Gas and Electricity said that the NDP should be embarrassed, they responded, in turn, by saying: you are an embarrassment. I believe I heard it from the member from – there are so many constituencies over there. Just ramble off your constituencies. Edmonton-Beverly-Clareview certainly was one of them, and the former Minister of Education and current critic of postsecondary was another. I would ask that both of those members apologize. That is certainly language that is not parliamentary in this Chamber, calling someone else an embarrassment. Certainly, policies of a government or the previous government could be considered embarrassing. That is a matter of debate, but personal attacks are not welcome in this Chamber. They should apologize and withdraw.

The Deputy Speaker: The hon. Member for Calgary-Bhullar-McCall.

Mr. Sabir: Thank you, Madam Speaker. This is not a point of order. For the last little while, while I was listening to the minister, he has not said one thing that was relating to the bill or factually correct. It's not a point of order.

The Deputy Speaker: Hon. members, I didn't hear the comments that were made in the accusation by the Deputy Government House Leader. However, if those were to be comments that were used in this House, it's certainly most inappropriate. Comments are to be directed through the chair. Speaking directly to a member using words like "you" is not welcome language in this Chamber. So I ask all members, whether they're heckling or speaking, to keep their comments directed through the chair and on topic.

The hon. associate minister.

Debate Continued

Mr. Nally: Thank you for that ruling, Madam Speaker. It's not even 10:30 in the morning, and they're already lighting their hair on fire.

The truth hurts, and facts are inconvenient, and it's unfortunate that this is going to be an awkward conversation. Make no mistake. We will debate this bill, and we will hear about the progressive government that preceded us that used the Balancing Pool to drive their ideological agenda and hung \$1.34 billion – it's unbelievable that we have to have this conversation. It's going to be uncomfortable for them.

You know, there was a member of that caucus that was actually defending that \$1.34 billion in the media. If you can believe it, Madam Speaker, that member was actually justifying it, saying that it was the right thing to do. [interjection] I think I just heard more defence of that.

I mean, talk about doubling down on something, Madam Speaker. To hang \$1.34 billion on Albertans and then double down and saying that it was the right thing to do: I've got to tell you that there are 4.3 million Albertans that think otherwise. Not only that; that's probably why they got tossed aside in April of 2019. I would encourage the members opposite to participate in this conversation and to keep an open mind. But it is going to be difficult for them, to be able to listen to these accusations, because they did not do a single thing on the electricity grid that didn't result in either higher costs or reduced reliability.

Yeah, we're going to be having some awkward conversations. It's not even 10:30 in the morning, and this is only second reading, Madam Speaker. I'm sorry about that, but we were elected on a campaign to stand up and fight for Albertans, and putting in electricity legislation that will modernize the electricity grid: that is what Albertans asked us to do, and that's what we're going to proceed with.

Those are the three areas that I talked about: self-supply with export, energy storage, and the Balancing Pool wind-down strategy. We will also be putting forward a distribution planning framework, Madam Speaker, because planning and co-ordination are critical to ensuring the retirement of existing assets and that the addition of new technologies happens in an orderly, efficient, and cost-effective way. Competitive market forces will continue to be relied upon to develop many of the distributed energy resources, including residential, solar battery storage, and electrical vehicle charging. They are transforming the electricity sector on a global scale.

To ensure that Alberta's distribution system can effectively accommodate these changes, Bill 22 will require distributional system owners to prepare electric distribution system plans in accordance with future regulations. The act would also give the Minister of Energy regulation-making authority, which ensures government can provide further guidance around the planning framework as needed. Proactive planning of grid modernization will provide for better cost management to ensure ratepayer dollars are used as efficiently as possible and provide long-term savings. It is essential to ensure the system continues to meet the evolving needs of consumers in an orderly and efficient manner.

While the amendments are not expected to have an immediate impact on utility costs in the short term, Madam Speaker, they do set the stage for longer term benefits for all ratepayers and a more robust system. I'm happy to say that while we are doing the heavy lifting that's going to require us to bring down the cost of electricity long term, we are providing short-term supports for Albertans, like the electricity rebate, the gas rebate, and, of course, the 13 cents a litre that we paused at the pump. That's \$2 billion worth of short-term supports to provide relief to Albertans.

A number of consequential amendments to existing acts are also required to support implementation, specifically the Hydro and Electric Energy Act, Electric Utilities Act, and Alberta Utilities Commission Act. Our approach to strengthening the electricity grid

is measured, responsible, and pragmatic. It opens doors for new investment and limits the risk of overregulation and unnecessary red tape while ensuring that the regulatory regime remains responsive and appropriate.

Alberta is on the cusp of the greatest economic recovery that our province has ever seen, Madam Speaker, and it will need a modern and innovative electricity system to power that recovery. The Electricity Statutes (Modernizing Alberta's Electricity Grid) Amendment Act represents a step forward in creating that system. It builds on recommendations gained through extensive consultation with consumer groups, industry stakeholders, agencies, and investors, and it makes the long-term changes needed to create a stronger electricity system that keeps energy affordable and reliable for Albertans for years to come.

We've always said that the path to affordability is through increased competition and consumer choice. That is exactly what this legislation will do. I hope that all members support me in moving forward with Bill 22. Thank you, Madam Speaker.

The Deputy Speaker: Are there others to join the debate? The hon. Member for Lethbridge-West.

Ms Phillips: Thank you, Madam Speaker. I'm pleased to be able to rise to speak at second reading to Bill 22, the guiding legislation framework for the regulatory treatment of energy storage. I'm going to begin my comments with – in any discussion of electricity anyone who purports to be part of a government that is full of adults in the 21st century begins their conversations about electricity with the statement that is very straightforward, which is that climate change is real. Decarbonization has as its anchor electrification in our current industrial, residential, and building processes and systems. This is the key and the foundation to how we become more resilient and adapt to the reality of the climate change that is already baked in to the atmosphere and how we mitigate our greenhouse gas emissions such that we mitigate further catastrophic climate change.

10:20

Let's start with first principles, Madam Speaker, because I believe that a responsible government starts with the reason why we might undertake a particular piece of legislative action. It is not to stand up and yell or to engage in unnecessary disorderly speech in a Legislature for one's own personal satisfaction. It is not, in fact – you don't even introduce legislation in order to, you know, get up and use inappropriate phrases, such as the minister just did, like "trigger warning," which is entirely inappropriate, and he should refrain from continuing to do it.

Mr. Schow: Explain why.

Ms Phillips: Rather, a government that knows how to govern itself and to regulate its own emotional reactions, which is a course of action that I would recommend to the other side seeing as emotional self-regulation seems to be a little bit difficult on the other side this morning.

Mr. Schow: Explain why it's a trigger warning, why it's bad.

Ms Phillips: We ground our conversations in electricity particularly in storage because this is a reaction to decarbonization, to the incredible amount of private capital that is working around the globe to, in fact, decarbonize our electricity system, being our lowest cost emissions.

Mr. Schow: You can't even explain why it's inappropriate. If you're going to say something, back it up.

Ms Phillips: If the hon. Member for Cardston-Siksika would like the floor, he is welcome to it, Madam Speaker. I'm happy to sit down if he would like to provide his extemporaneous thoughts on electricity storage, but right now I have the floor. Thank you.

Climate change is real. This is the way that we ground our conversations in electricity. The Intergovernmental Panel on Climate Change released their Sixth Assessment Report, which was quite alarming, to the world in the summer of 2021. It stated – and scientists are not given, especially atmospheric scientists and these sorts of scientific experts, to unequivocal statements. Yet in the IPCC Sixth Assessment Report the first line is:

It is unequivocal that human influence has warmed the atmosphere, ocean and land. Widespread and rapid changes in the atmosphere, ocean, cryosphere and biosphere have occurred.

In terms of climate futures:

Global warming of 1.5°C and 2°C will be exceeded during the 21st century unless deep reductions in carbon dioxide . . . and other greenhouse gas emissions occur in the coming decades . . . Continued global warming is projected to further intensify the global water cycle, including its variability, global monsoon precipitation and the severity of wet and dry events . . . the ocean and land carbon sinks are projected to be less effective at slowing the accumulation of CO₂ in the atmosphere . . . ice sheet collapse, abrupt ocean circulation changes, some compound extreme events and warming substantially larger than the assessed very likely range of future warming cannot be ruled out and are part of risk assessment.

The risks are massive to our food supply, to our biodiversity, to our ability to be resilient to extreme weather events, to our infrastructure. We already have around the world millions of climate refugees, and there will be more. This indeed does present an existential risk to our children and our grandchildren.

Decarbonization, though, does have a great deal of promise and hope. There is opportunity as well. I'll read now from Wood Mackenzie, one of the world's largest consulting firms to the private sector on these matters. They say that electrification "enables demand flexibility." It indeed incents new economic activity in terms of "ecosystems of software companies [that] have developed to leverage . . . capabilities, connecting loads to wholesale and retail energy markets." It notes the great economic potential of energy efficiency, both in grid management but also in industrial processes, and it notes that

building and transportation sectors account for 33% of global CO₂ emissions, making the electrification of those sectors key to decarbonisation.

In countries with sufficiently decarbonised power sectors, electrification not only directly reduces emissions through reduced fuel carbon-intensity but offers an array of benefits that contribute to emissions-reduction, [indeed] public health, and equity.

There is no question that fossil fuels will continue to play a role in the global economy. However, what we are seeing is that our lowest cost emissions are often in electrification of industrial processes, in buildings, and in transportation and that over time fossil fuels will become less of a combustion-related activity and more of a durables-related activity and CCUS will be undertaken in order to deal with the emissions associated with extraction.

Now, I have read from the overall scientific assessment and from some of the global economic assessment. I'll refer now to the American Securities and Exchange Commission, who just put out the proposed rules to enhance and standardize climate-related disclosures for investors. This came out of the American SEC a couple of weeks ago on March 21. These rules would provide investors with "consistent, comparable, and decision-useful

information for making their investment decisions and . . . provide consistent and clear reporting obligations for issuers."

The SEC chair says, in a very key phrase, that

our core bargain from the 1930s is that investors get to decide which risks to take, as long as public companies provide full and fair disclosure and are truthful in those disclosures . . . Today, investors representing literally tens of trillions of dollars support climate-related disclosures because they recognize that climate risks . . . pose significant financial risks to companies.

Assets managers representing hundreds of trillions of dollars have asked securities regulators for these rules.

Why is this important to Alberta, and why is it important to this bill? Well, there are trillions of dollars in the capital markets looking for a home and looking for investments that they can justify to their investors according to a climate-related disclosure risk that makes economic sense, and oftentimes those folks are looking for a home in Alberta. This is why Alberta attracted the lowest cost renewables in the price discovery exercise that we undertook through a contract for different procurement framework in 2017 and 2018.

Now, it remains to be seen whether that price discovery is required anymore. What is definitely required is regulatory overhaul at the AUC given the thousands of megawatts that are stuck in the regulatory queue of renewables projects looking to move forward. What is certainly required is the regulatory certainty provided under this bill, and it's too bad that when it was first introduced six months ago, that regulatory clarity could not have been provided to the private sector.

The other piece that power markets need most certainly is regulatory certainty around industrial pricing, and it is not helpful that the Minister of Environment and Parks will not sign the ministerial order and signal to markets on the industrial price of the output-based allocation framework until the last possible moment. But, finally, of course, he did in March, signalling the industrial price moving to \$50 per tonne and the associated movement in the offsets markets. But there's no need for this kind of investment uncertainty, Madam Speaker.

I have made a case for why we are doing this: because climate change is real. Why else are we doing this? Because electrification is a big part of decarbonization. In fact, electrification forms our lowest cost emission reductions. Indeed, the coal phase-out begun under Stephen Harper, 12 of the 16 plants, and then with some community transition funding completed between 2015 and 2019: certainly, those costs per tonne of phase-out were approximately \$10 per tonne whereas nearby, in Saskatchewan, the Boundary Dam CCUS project that has still not moved forward under its original promised parameters has cost taxpayers there in excess of \$100 per tonne in abatement for abating the GST cost per tonne.

10:30

There is no question that electrification remains the nearest term, the quickest, and the measure that we can take often when we are doing things like retiring old coal plants, as Mr. Harper did in 2012 when 12 of our 16 plants were phased out. As the Harper government justified in their associated documents, there were hundreds of millions of dollars in avoided health care costs for people with various forms of pulmonary complications, heart disease, COPD, asthma, and so on. There's no question that there are also public health benefits to some of these electrification efforts as we move away from combustion and towards durables for the role of our fossil fuel resources.

That is how a government comprised of folks who understand what the problem is in front of them and what the lowest cost solutions for best economic growth are to address them – that is how a government capable of emotional self-regulation talks about

a bill on energy storage and frames the challenges for the regulatory environment, for the way that distribution facility owners actually interact with the regulatory system, how, certainly, self-supply with export is handled in the regulatory system and the regulatory treatment for energy storage.

Now, energy storage can take a number of forms and is complementary to a number of different types of power generation. It is not just wind and solar although it is helpful with those particular sources of power generation. It can also very nicely complement natural gas plants, who don't necessarily, too, run all of the time. Certainly, large facilities are not as able to turn on and off as quickly. They are large plants, although they are faster than coal, certainly, and they can respond to peak in demand. But energy storage can also take the form of pump storage in hydro facilities as well. It can also potentially take the form of repurposing some of our oil wells for geothermal. There are all kinds of interesting projects out there, some of whom are attempting to get to scale, and lots of ways that Alberta can innovate and create jobs and use our natural strengths as an energy province to meet the challenges of the future.

There is no question that we have a number of challenges before us as a province. A report by climate scientist Katharine Hayhoe, that was commissioned in 2018 and that the current government attempted to bury upon its publication, indicates that Alberta very likely will experience "a 2°C [rise] in average winter [temperatures] and 1.5°C increase in average summer temperature." That is some time ago now, and climate models certainly out of the University of Lethbridge and elsewhere are actually now modelling higher summer temperature rises as a result of climate change. This is not something that we can just summarily dismiss as, "Oh, it would be nice to have a warmer wintertime," as I have sometimes heard the members, various people say, Facebook uncles, elected and otherwise.

You know, the fact of the matter is that this is very, very serious for precipitation, for food supply, for crop yields, for feed supply, for our livestock industries. You name it, Madam Speaker. It is deadly serious for those of us who will be on the receiving end of more extreme and severe weather events given Alberta's particular vulnerability to those and the vulnerability of our infrastructure.

Also, it's really important to ensure we have the right investment climate. So standing up and saying, "Oh, you know, the phase-out of coal," which was not reversed by this government – it was in fact introduced by the Harper government, which ought to be something that the House should look favourably upon given that the companies that it affected also supported it and have used the slight early retirement of those plants to invest in renewables. I'm thinking here of Capital Power and TransAlta, who have not only retired the remaining plants that were supposed to go beyond 2030 early but also made massive investments and enjoyed significant growth since those 2017 decisions – it's been a while now – in not only renewables here but elsewhere as well but certainly here in Alberta. Both companies have created jobs, they have created more shareholder value, and they have been able to meet the challenges of the 21st century.

In Alberta's deregulated electricity market we should be welcoming new investment in renewables and in storage and in grid upgrades and in better grid management for efficiency and so on. We should have an eye to the sophistication of what the capital markets and investors are looking for, not giving them, essentially, uncertainty when people come into this place, that is supposed to be a place of serious debate, and undermine the case for investor certainty in renewable storage, new natural gas, whatever the case may be, new innovations in hydro. Certainly, it does nothing to

instill confidence in the offsets market, a significant measure of asset value on a company's balance sheet, as the TIER price goes up in accordance with schedule 2 of the federal Greenhouse Gas Pollution Pricing Act, which was upheld by the Supreme Court of Canada.

Madam Speaker, I am going to leave it to my colleagues to describe the various elements of this bill for the public and engage with some of the questions that we may have for government to reflect some of the conversations that certainly I have had with folks in the power sector, with industrial interests, with prospective investors in this province. I am going to leave those serious elements of the bill to my colleagues on this side of the House, who, in fact, are very serious about grappling with questions of electrification and decarbonization; so serious, in fact, that we have indicated a goal to move towards a net-zero grid and a goal towards working with people in the power sector, investors from all over the world and those here in Alberta, to get to that goal because we understand that it is urgent. It is necessary. Above all, it's real. We understand that on this side of the House as well.

We also understand that there are tremendous opportunities: economic opportunities, opportunities in the construction sector, engineering sector, software, data, artificial intelligence. All of those areas are captured by attracting new investment in decarbonization, energy efficiency, and the build-out of new renewables.

Thank you, Madam Speaker.

The Deputy Speaker: Are there others to join the debate on the second reading of Bill 22? The hon. Member for Edmonton-Riverview.

Ms Sigurdson: Thank you very much, Madam Speaker. It's my pleasure to join the debate on Bill 22, the Electricity Statutes (Modernizing Alberta's Electricity Grid) Amendment Act, 2022. Certainly, you know, on this side of the House we certainly think that this is an important bill, and we do support it. We know that there are four main areas that it covers. The first is about defining energy storage; second is self-supply and export; third is requiring distribution facility owners to prepare long-term distribution system plans; and the fourth is dissolving of the Balancing Pool. We take no concern with these aspects of the bill.

10:40

I guess, Madam Speaker, the key issue for us on this side of the House is just, first of all, that something quite similar was introduced about six months ago by the associate minister, and it was, for some reason, not followed through on, and now this similar bill is being brought forward. There's been a, you know, significant delay, over six months.

We know that this is a key, imminent issue in our society, on our planet, as was well articulated by the Member for Lethbridge-West. Climate change is real. We need to be working hard to make sure that we are caring for our planet and making sure that we are doing everything we can as a provincial government to make sure that we're being responsible regarding the environment.

You know, I just really ask, I think, a pretty straightforward question of the associate minister: what happened previously? What was wrong? How come that bill was never actually voted for and passed? And then: why was there such a long delay? As I said, this is a time-sensitive issue, and the quicker we move on it, the better.

I guess one of the things that we certainly do support is that we think that it's really important to add more energy to the grid, energy storage. We've been consulting about this extensively with people in industry, other stakeholders. Certainly, there are ways that we can achieve a net-zero grid by 2035 while creating 60,000 jobs,

and if Albertans are interested in more details on that, they can go to albertasfuture.ca, because it does have our extensive paper regarding that and gives extensive details about that. You know, certainly, the NDP caucus is completely in support of this aspect of the bill and certainly know the importance of that.

But I guess the questions come with the delay, as I've articulated already, and also, frankly, Madam Speaker, just the competence of this government. Will they be able to fulfill on what they are proposing? Sadly, so many things, it seems, that the UCP does touch sort of end in disarray and confusion and back and forth-ing, so Albertans are left feeling that we don't have a competent government. Certainly, there are many questions about the leadership of the government, and I guess we'll know in a few weeks exactly who will be the leader of the government and by default the Premier of our province.

Certainly, Albertans have been loud and clear. I mean, I hear it, you know, every time I'm at the doors, when I'm talking to people on the phones, which I do extensively: Albertans don't trust this government, and they don't feel like they're stewarding the province in the best interests of Albertans. Certainly, there are some people who are benefiting, sort of a more elite population, but not the average Albertan. As I said, I hear this all the time, and I certainly can give many examples of policy concerns that I have and that my constituents have about a government that doesn't really care about the average Albertan.

This bill: while, you know, it looks good on paper, we just really want to make sure that what it says it will do, the UCP will be able to implement and fulfill on.

You know, we've had a pretty tough last few months through the winter of really skyrocketing utility costs, and that's really created so much chaos for many Albertans. Certainly, as the critic for seniors, many seniors are on fixed incomes, so if they're living in their own home, which most seniors are – the vast, vast majority live in private homes – that means that they've had these extremely high-cost utility prices. Of course, what did the associate minister say about that, the very real concern of Albertans? "The market is working. We don't need to do anything. Everything is fine." Certainly, for the seniors I've talked to, it made it impossible for them to make ends meet, going into debt, and when you're on a fixed income, of course, that can be very difficult.

The affordability issue. It's like the UCP don't really understand or seem to have any compassion for Albertans who are challenged by – you know, this is something beyond the individual control. That's the thing about government. Government is meant to actually support the collective of whatever jurisdiction they're responsible for. Of course, here we are in Alberta. We're a provincial government.

The price of oil is nothing that can be controlled. I mean, certainly when we were government and we had rock bottom – I think it was \$26 a barrel at one point when we were government. The UCP at that time liked to say that it was our fault that the price of oil was that low, but, you know, we know that's not true. Certainly, now that they've been government – and, of course, they have quite a buoyant market right now for oil, but it is definitely nothing that they can control themselves. Certainly, individuals can't control that, so it's really important for government to mitigate, you know, to try to have the best interests of the population in mind so that they can help them manage that. That is a really significant role of government, to make sure that everyone is supported.

Unfortunately, the UCP perhaps – we could say that it's incompetence, unwillingness, disregard. I'm not quite sure how we want to call it. But it seems like for certain people in our province, certain groups, they are vastly supported, and others are forgotten. I mean, I could happily list so many examples of the incompetence of this government. We know, I think, this fiasco with the high cost

of utility bills and them saying, "We're not going to do anything; the market is working; don't worry about it" and then deciding, "Okay; yes, it is so concerning; we will do something," but then it's like a minuscule response, \$50 rebates to a maximum \$150, when people's bills are \$400, \$500, \$600, even more. That's, you know, really a drop in the bucket, Madam Speaker. It's not much help for people.

Then there's always the question of when. When is it going to come into Albertans' pockets? We still don't know that. Albertans need support now. It seems like the UCP is really dragging their feet on this issue. Then that is a question of whether the government is competent, whether they can manage this, and really, you know, support the best interests of Alberta.

I mean, I did bring up seniors just a moment ago because I think that they're a particularly vulnerable population in this regard. Oftentimes being retired, they're on fixed incomes. So this extraordinary increase – and perhaps it's not going to be extraordinary anymore; it might be the way it's going to be going forward – makes it very difficult for them to be able to manage that. We know that the affordability of so many things has gone up, and a lot of it has directly to do with the policies, the decisions of the UCP government. You know, we could identify insurance. Certainly, the removal of the cap means that individual Albertans are paying much, much more, and we know the price of groceries is skyrocketing.

Guess what else is happening, in turn, when that goes on? This is directly the policies of the UCP government. They deindexed the Alberta seniors' benefit. This is for low-income seniors. This is a little bit of income support for them on a monthly basis, especially with the skyrocketing inflation rates. They don't get that bump. That helps them have the same earning power they did the previous year. Things cost more, you know, inflation, so it should be indexed to inflation. But the UCP have willfully decided that, no, seniors shouldn't have that money, and that means that sometimes they get pushed further behind. They may not be able to pay their bills. They may go into debt. It could really diminish their quality of life. They're able to connect less.

10:50

That was definitely a policy of the UCP government that is beside sort of these extraordinary situations on the global front. There are some real policies the UCP could do things differently on, so they're accountable for that. They're really ignoring this population in Alberta, seniors, for sure. We know that one of the first things they did, too, was cut the Alberta Seniors Advocate office, which was an office that supported seniors to navigate public programs, help them overcome issues that they might be having. You know, let's face it, our government system is complex, and it made a big difference. Certainly, that's one of the major issues that I hear about, that seniors feel abandoned by the UCP, that they're not focusing on their particular interests or supporting them.

Another thing, too, is that they've cut grants to nonprofits which, you know, seniors need in order to be connected. We know that's all really very important for the mental health of people. We need to be connected. Oftentimes we do that through our workplace, but when you're retired, there need to be other mechanisms in society to connect. But those grants have been cut by over \$1 million.

These are just further examples of the UCP not caring about affordability and some concerns about, certainly, the incompetence of this government before us. Bill 22: we certainly hope that it will be implemented in an appropriate manner and that we can count on this to be sustained and that it will support our system here in Alberta and make a big difference for us over many, many years to come. We want to make sure that, you know, we have a stable

system so that we can be confident we'll have the energy when we need it, and if we can store energy, that can mitigate times when we won't have perhaps as much access.

These are good steps forward, but we want to make sure that it's done well, of course. You know, there are just some things that we don't know what's happening behind the scenes on, so that question that I mentioned already about – a similar bill was introduced six months ago. How come that bill didn't go forward, and why was there that delay? I mean, it would be great if the associate minister could explain that to us, and that would make a big difference to sort of understanding where this has come from.

We certainly want to make sure that the UCP is going to be able to, you know, fulfill on what the vision is for this bill. As I've said already, certainly we in the NDP feel that we can achieve a net-zero grid by 2035, and if Albertans chose us in the next election, we would certainly work very hard to make that happen and fulfill that commitment because we know how important it is and we know how essential it is for us in the long term.

With that, Madam Speaker, I will end my comments.

The Deputy Speaker: Are there others to join the debate? The hon. Member for Spruce Grove-Stony Plain.

Mr. Turton: Yes. Thank you very much, Madam Speaker. It's a pleasure to be here today and talk about Bill 22. Before I get started, I just want to talk about that amazing sports battle that is happening, that I know everyone in the province is paying attention to this week. I'm happy to say that the Spruce Grove Saints are tied with the Brooks Bandits for the AJHL championship. I know they're playing tonight. I just want to recognize them real quick.

As my colleagues know, I'm the parliamentary secretary for Energy, so when this bill came across my desk, I knew I had the opportunity to share just how beneficial it would be for all Albertans. Energy is a topic very close to my heart and something I'm very passionate about, and I wouldn't be standing here speaking on Bill 22 if it wasn't. You know, as I've mentioned many times in the House before, one of my first jobs out of high school was in energy and oil exploration. I spent many years working out at the power plants west of Spruce Grove, both at the K3 expansion in 2007 and the G3 expansion in 2004, so a long history working at power plants and in the energy industry here in Alberta.

The electricity statutes amendment act is going to make long-term changes to help keep electricity safe, reliable, and affordable for Albertans in the years to come. As we all know, many have voiced concerns, starting with the costs of electricity prices over the winter months, and like every Albertan, we know just how high those bills can get when the temperature dips below zero. But electricity is more than heat in our homes. It's a necessity that we use every day, from the moment we wake up to when we go to sleep at night, when we use it to drive our cars or sit at home and watch TV with our families. It's such a key item in the modern world that most of us don't even consider how reliant we are on it. We all need to do everything we can to make sure that this resource is available for use in the long term.

That's why Bill 22 is needed. It'll encourage the adoption of new technologies and create a planning framework to improve distribution while making sure the infrastructure costs for Alberta ratepayers are reasonable and fair. These proposed amendments would enable energy storage, allow more self-supply and export, improve future distribution and system planning, and begin winding down the Balancing Pool by redistributing its remaining responsibilities and laying the groundwork for its dissolution in the coming years.

These changes will help Alberta's electricity system meet the evolving needs of consumers and create a low-carbon future through investment from industry rather than costly subsidies from taxpayers. How are we going to do that, Madam Speaker? I know you're wondering. Well, the electricity statutes act includes four key initiatives to meet those goals. As mentioned, they include energy storage, self-supply with export, distribution policy, and Balancing Pool distribution.

Energy storage gives consumers the ability to retain surplus energy for later use. We've seen a massive rise in these types of projects in the province as more Albertans try to understand the importance of using electricity responsibly and efficiently. Energy storage is an evolving technology, with potential benefits for all aspects of Alberta's electric energy system. Energy storage has many different attributes and, depending on the application, may look like generation, load, transmission, or distribution.

Another aspect of this amendment is self-supply with export. If enabled, any developer who gets approval from the Alberta Utilities Commission could generate electricity for their own use and then export it to the grid. Now, this would help make sure that transmission system costs are balanced, and I know that's what all Albertans are wanting.

Alberta's current policy framework does not require distribution companies to proactively plan for the adoption of distributed energy resources, but proactive planning and co-ordination of grid modernization could provide for better cost management and long-term savings for taxpayers. When it comes to distribution policy, Bill 22 will require owners to prepare plans for the Minister of Energy, where the ministry will be able to provide some guidance on the initiative and its planning process.

Proposed changes to the Balancing Pool dissolution mean the administration of the small-scale generation program would be assigned to the Alberta Electric System Operator. It would also mean that admin for the pilot program and any revenues would be transferred to Treasury Board and Finance, with funding of the Utilities Consumer Advocate facilitated by the AUC. The Balancing Pool would also wind down once it has completed its remaining responsibilities.

Madam Speaker, the proposed legislative amendments will help build investor confidence in Alberta's electric grid and support a modern and innovative system. This legislation was developed with input from a wide range of stakeholders, including consumer groups, and builds off legislation tabled last fall. After the legislation was tabled, this government received questions from some stakeholders on the implementation of the bill. Now, instead of rushing the process, the ministry took the time to speak with stakeholders and come up with a better plan when it comes to Alberta's energy future. This choice was made to balance the needs of job-creating industries and the well-being of the Alberta ratepayers nearby.

Now, this bill does the right balance of protecting Alberta ratepayers and the job-creating industries they rely on, and I thank the Associate Minister of Natural Gas and Electricity for bringing it forward. Bill 22 will allow new technologies to modernize our grid and keep electricity affordable in the long run.

With that, Madam Speaker, I'd like to adjourn debate.

[Motion to adjourn debate carried]

11:00

Bill 21

Red Tape Reduction Statutes Amendment Act, 2022

The Deputy Speaker: The hon. Associate Minister of Red Tape Reduction.

Ms Fir: Thank you, Madam Speaker. I rise to move second reading of Bill 21, the Red Tape Reduction Statutes Amendment Act, 2022.

Bill 21 continues to build upon the significant progress this government has made in reducing red tape for Albertans and Alberta businesses. In 2019 we committed to reducing red tape by one-third by 2023. Since that time we've removed thousands of burdensome regulatory requirements and saved Albertans, Alberta businesses, and other organizations millions of dollars. We've also removed or streamlined administration and processes that were outdated or duplicative while improving access to government services through digitization and innovation. Meanwhile we've helped speed up regulatory approvals to help businesses do what they do best: innovate, create jobs, and grow the economy.

This important work has been guided by specific recommendations of everyday, hard-working Albertans and the province's businesses and industries. Through the work of our nine industry panels we've benefited from the knowledge of experts in the province's key economic sectors, including agriculture, forestry, construction, oil and gas, industrial manufacturing, chemical manufacturing, tourism, nonprofit, and small business. We've also heard from hundreds of Albertans who shared their ideas through our cut red tape website on specific areas where improvements can be made. As a result, Bill 21 focuses on key legislative amendments that help enable common-sense change.

This is our government's sixth red tape reduction bill and the most comprehensive to date. Bill 21 proposes amendments to 15 pieces of legislation across nine different government ministries. This includes supporting small business by enabling the creation of intermunicipal business licences, making it easier for, say, a food truck operator in Blackfalds to serve customers in Lacombe or for a photographer in Calgary to shoot pictures in Okotoks, all without the administrative burden of obtaining licences from all of the municipalities in which they want to do business. Of course, I use these place names as examples; municipalities will have the freedom to choose to offer these licences.

We're also helping municipalities move forward with economic development and revitalization. By speeding up the review and approval processes for municipal community revitalization levy bylaws, freeway designations, and new freeway access locations, communities can get on the road to economic growth sooner.

Bill 21 offers even more support to rural Albertans and rural businesses by increasing the sustainability of rural utilities. Proposed changes would allow rural electrification associations, or REAs, to purchase one another and allow rural utilities to add new lines of potential business, all of which helps to support the long-term sustainability of REAs while enabling economic opportunity and diversification in Alberta's rural communities.

We are also modernizing land surveying, saving time and money for surveyors and their clients, and we are encouraging investment by updating legislation around governing co-operatives. Changes would allow co-operatives to choose the most qualified people for boards of directors and support modern approaches to communications and operations.

Other changes in the bill will remove onerous requirements that Albertans, Alberta businesses, or other organizations must follow and replace them with more flexible and common-sense ways of regulating. For instance, is it common sense to require the Fort Edmonton Park heritage railway to operate under the same set of rules as industrial railways that interline with CN? Of course not. That's why we're allowing Alberta's heritage railways to operate under alternative rules that are better tailored to the needs of each operator while still ensuring railway safety.

We are also allowing for more tailored regulations relating to recreational activities on Crown land by enabling the development

of area-specific rules and regulations that reflect local needs and conditions. These changes replace the current one-size-fits-all approach while protecting these important areas for future generations.

These amendments are about looking to the future and making changes to support growth and adapt to a changing world. That's why we're proposing changes that would allow pharmacy operators to be more responsive to evolving needs and circumstances by enabling the Alberta College of Pharmacy to create and enforce standards of practice addressing specific areas of pharmacy operations. These new standards could be readily adapted to meet the changing needs of patients and to respond to major issues and events such as natural disasters, pandemics, and drug shortages.

We continue to recover from the pandemic. We are applying learnings to support Albertans and Alberta businesses. For instance, we know that electronic and virtual options for doing business worked well when we had to work from home and practise physical distancing, so livestock owners and veterinarians will now be able to report animal diseases to government by e-mail while Alberta's landlords will be able to use e-transfers to return security deposits to tenants. These may seem like small changes, but they make a big difference in the lives of everyday Albertans.

Additionally, we are clarifying some areas where we do need to regulate by making our legislation clearer and easier for Albertans to understand and follow. This includes ensuring that municipalities and school boards have a clear set of rules and legislation that ensures the protection of personal information of local election candidates and campaign donors, and we are making it clear that Alberta foster parents can exercise their right to appeal government decisions affecting their foster home licence.

We are also making legislative changes to enable regulations to help our accredited publicly funded private schools and private early childhood services operators by eliminating one specific additional schedule that independent schools submit. Going ahead, parents and government will receive reporting of a school's public and private dollars through audited financial statements, and we are extending the Minister of Education's authority to improve spending of reserve funds by school boards from September 1, 2022, to September 1, 2023.

Madam Speaker, these are significant amendments we are proposing that will reduce red tape in the province even further, continuing to make life better for Albertans and Alberta businesses.

I hereby move second reading of Bill 21, Red Tape Reduction Statutes Amendment Act, 2022.

The Deputy Speaker: Are there others to join the debate on second reading of Bill 21? The hon. Member for Edmonton-West Henday.

Mr. Carson: Well, thank you, Madam Speaker. It's an honour to rise on Bill 21, the Red Tape Reduction Statutes Amendment Act, 2022. As we just heard in comments from the associate minister of red tape, we are dealing with a bill touching on many different issues, about 16 sections in this legislation amending 16 different acts. I would begin, I suppose, by stating that while there are certain pieces within this legislation, certain amendments to acts, that I see myself very likely being able to support, unfortunately there are other pieces contained in this legislation that I feel the complete opposite on.

It takes me back to a point, which has been raised time and time again in this Legislature, that when we are seeing such consequential changes or amendments to legislation, it's unfortunate that we see time and time again from this government a willingness where, instead of seeing the appropriate minister responsible for these amendments coming forward to put them forward to the

Legislature, we are seeing omnibus legislation being put forward by the associate minister of red tape. It truly is unfortunate because many of the consequential amendments that we see in this legislation should have an opportunity for fulsome debate in this Legislature one by one, and we should have the opportunity to vote on each of those pieces one by one. Instead, we are being asked by this associate minister and this government to accept them as a whole, which is a deeply flawed system, in my opinion.

You know, when we look at the 16 sections that are being amended in here, just in terms of the differences in ministries and how they might affect our community, a few examples: from the Animal Health Act amendments to the Municipal Government Act to the Education Act to the Public Lands Act to the Rural Utilities Act. I mean, these are issues that are in no way connected, for the most part, Madam Speaker, and again it's truly unfortunate that instead of having the opportunity to debate each of these amendments or each of these acts by themselves, we are being asked to accept them wholesale.

Again, many of these amendments are administrative. In some respects I see myself being able to accept some of the amendments that are being proposed, and in some cases they are good amendments. But, on the other hand, again, when we look at changes to the Education Act that are being put forward in here, which has been a truly interesting debate to follow in itself, with the amendments that are being proposed to the Education Act in this legislation, it seems that the associate minister of red tape and the Education minister are on quite different pages in terms of their messaging, in terms of how they believe it's going to affect the Education Act and the reporting of tuition specifically for private schools in our province. For that point alone it raises red flags, and it raises many concerns because we find ourselves with a government that is unable to even co-ordinate between the associate minister of red tape and the Education minister to be able to explain to Albertans truly what these changes are going to mean.

11:10

Again, specifically when we're looking at the Education Act, I would say that many Albertans are confused because the Minister of Education is claiming again and again that audited statements, including tuition fees, would be required and that they would be reported to the public whereas the opposite was said by the Associate Minister of Red Tape Reduction. I think that we've raised this concern in the Legislature previously or maybe in the public that we need to be able to fully understand the changes that are being proposed and that we need to, I guess, have certainty that these reporting requirements as well as the ability of Albertans to see this information are still available to them. If that's not the case, I'm not sure how this government can try to claim that this is about accountability when it comes to changes to the Education Act because it certainly doesn't seem to be the case from what we can see.

I think that there is a piece regarding amendments to the Rural Utilities Act which I find very interesting as the critic for Service Alberta. Obviously, there have been many conversations about the need for expanding broadband Internet across the province. That has been a very important topic for Albertans over the last many years, so I think it's interesting to see the amendments that are being proposed through Bill 21 regarding, first of all, the ability of rural electrification associations to purchase other REAs. I would be interested to find out what consultation the government has done on that and what they heard, what feedback they gathered that made them believe that this was, first of all, an issue that needed to be

addressed as well as that this was the right path forward for addressing that issue.

There is another point on this specific issue in subsection (5) regarding rural utility associations being able to expand their scope to include other lines of business such as fibre optic. I think that this is a very interesting conversation as we have been consulting on Internet connectivity and bridging that digital divide. This is an opportunity, Madam Speaker, that has come up again and again, that associations, specifically regarding rural utilities, have come forward saying that, you know, these are the associations that helped power this province in the first place and that they feel they have the opportunity or the right people and understandings in place to be able to expand that to support bridging that digital divide.

[The Speaker in the chair]

I think this is a very interesting point, and I would hope, again, to hear the conversations that the government has had on this issue and how they expect that to be moved forward, if they do see a vision for including these associations in the expansion of rural connectivity or Internet connectivity across the province, if they are in discussions to ensure that those associations have an opportunity to be a part of the expansion of those services. I think that is a great idea and a great opportunity, so I would be very hopeful that those consultations are ongoing and would want to find out exactly what that consultation process looked like as well as when we can expect the regulations regarding this specific topic to be released.

Now, when it comes to the issues that we are seeing regarding the opportunities that are being provided to expand ministerial power for the environment minister specifically on amendments to parks, again and again we've heard in this House and from the public that Albertans do not trust this government and, specifically, this minister when it comes to changes to public lands and the management of them. We've seen this minister, first of all, tell Albertans one thing and make decisions that are contrary to what those initial comments were from the minister. We know this specifically on the K pass decision, charging Albertans to access our beautiful province, which has been a completely unfortunate turn of events from what the environment minister originally told Albertans and proposed. Unfortunately, Albertans, again, cannot trust this minister on issues of public lands and protecting our parks across the province, so as we see this legislation proposing to expand the powers of the minister to provide exemptions on these public lands, I am deeply concerned about this.

The associate minister of red tape made it sound like it was a good decision, that it was going to make things easier, but unfortunately it seems that, you know, based on the conversations that the environment minister has put forward regarding the issue at hand, the powers that are being proposed through this legislation are expanding much more than what is necessary. Whenever the government, whether it be this one or any other government, proposes that the minister should have expanded power, I think that Albertans should be deeply concerned. I think that we in the opposition have seen this happen already, and in many cases it is consequential to the accountability of that minister as well as to the transparency to all Albertans, so that will continue to be a concern for us.

On the other hand, we heard the associate minister name a couple pieces of amendments within the legislation that very well could be beneficial. I think we see changes to the Municipal Government Act that are positive in many cases, making it easier to license across municipal boundaries if desired. I think that we in the opposition are likely to support changes like that as well as some of the other

administrative changes that we see regarding the MGA in this legislation.

But again, Mr. Speaker, we have this government come forward to the Legislature with massive omnibus pieces of legislation that in this case affect 16 different pieces of legislation, in many cases moving things that are currently legislated into regulations and being asked by the government to just trust them. But whether it's on provincial parks or public lands, whether it's on consequential amendments to the Education Act, we simply cannot trust this government when they're asking us to give them more power to make decisions to make things like tuition for private schools less transparent, to provide the opportunity to the environment minister to make specific exemptions without coming to this Legislature. There are many reasons to be deeply concerned about this legislation, to believe that it is truly flawed simply on the fact that it is reducing transparency in many cases.

With that, Mr. Speaker, I do not see myself being able to support this legislation. There are too many questions that are left, which is exactly why the ministers themselves should be bringing this forward. We should be able to have debates on each of these changes that are being proposed, especially when some of these changes are so significant. Again, while there are some administrative changes that are within this legislation that I could see myself supporting, unfortunately overall I will not be able to support Bill 21, the Red Tape Reduction Statutes Amendment Act.

Thank you.

The Speaker: Hon. members, are there others on Bill 21? The hon. Member for Edmonton-Beverly-Clareview.

Mr. Bilous: Thank you, Mr. Speaker. It's my pleasure to rise and speak to Bill 21, the Red Tape Reduction Statutes Amendment Act, 2022, a very comprehensive bill in that it does amend a significant number of pieces of legislation. I will walk my way through it. I have some questions that I hope the minister or ministers can answer regarding some of these changes that are being made, of course, fair questions as far as who's been asking specifically for certain changes and who's been consulted.

11:20

I appreciate that the minister in her opening comments had talked about speaking with many different business leaders and industry experts. My hope is that the Chamber and Albertans can get a little more detail as far as: who are some of those groups who are asking for the changes, and what are the proposed benefits?

Broadly, when I look at this bill, Mr. Speaker, there are a number of changes being made to pieces of legislation where different laws or rules are being pulled out of the legislation and put into regulation. I don't see a significant red tape reduction in moving it. I guess if you consider democracy red tape, then, of course, cabinet can much more efficiently and quickly make decisions without having to bring it through the Chamber.

My comments will make a little more sense as I go through the individual pieces of this. Again, you know, I would love to see – and I don't know if the minister or her ministry or working with the Ministry of JEI can do some modelling or has the figures on some of the proposed job numbers from some of these changes. How many jobs will be created? I appreciate that for some of this there may be some savings for businesses, but I, again, would love to hear more of the specifics, which, I would imagine, the ministries would have brought forward to the associate minister when they brought it.

Now, you know, critics or skeptics of this government could make the comment that possibly the UCP is moving a number of important

pieces of legislation into regulation to avoid accountability. It's possible. Again, it's possible, and I know that that has been a comment that we've heard from some stakeholders on this legislation.

We'll go through it. You know, at first, the Animal Health Act questions that I have really just go around – I mean, I don't have a problem with this first change per se. I'm not sure why there's no form of accountability or there's no way to ensure that the 24-hour time limit has to remain in regulations and it can't be increased. Sorry, Mr. Speaker. I'm talking about the need to report the presence of notifiable disease within 24 hours. That's being moved from legislation to regulation. Again, that 24-hour time period: will that ever be increased? Is that being changed at all? Again, that move out of legislation to regulations: at the outset I don't see – oh, I guess the 24 hours is removed, so there's no length of time whatsoever. I'm not sure, then, what the government will do to ensure accountability. I mean, it's possible that the 24 hours, for some, might have been onerous. I would think that if electronic communication was permitted, 24 hours is not that onerous.

The challenge with this change without any time limits being attached to it is that – my understanding of that 24 hours is to ensure that the proper authorities are notified so that measures can be taken so that we don't have animal diseases spreading and spreading quickly. If there is no time limit on that, how does the government ensure that they're going to be learning about challenges quickly enough that it will not spread through multiple farms? So that's one question that I have. If there isn't a time limit, what is the government and the minister thinking in terms of through regulations? What are farmers asking for?

When it comes to the child and family enhancement act, the challenge that I have with this one is that we know, Mr. Speaker, that it's been an extremely sad year in that more young people have died in care this year than they have in previous years, so there is much more work that needs to be done and quickly. I mean, you know, I appreciate the minister and others saying: well, this is a call to action. Well, quite frankly, the call, in my opinion, was years ago. The fact that these numbers continue to climb isn't a call to action; it should be a call that the system is broken and needs to be fixed.

Now, the change in this piece of legislation: my understanding is that it's going to remove the one-year maximum on all licences, both new and renewals, for residential facilities in the child intervention system, which includes foster homes, group homes, et cetera, and move those limits to the regulations. Now, yes, that may result in a more expedient system, but the danger is that you're taking away what is in legislation, which is discussed and debated in this Chamber and put in the window for all to see and to be aware so that there's a significant amount of transparency and accountability, and moving it into regulations. Again, of course, the challenge with regulations is that regulations are done by cabinet behind closed doors, so Albertans have to trust cabinet, trust the Premier, trust that the decisions that are being made behind closed doors are, in fact, the best decisions.

The challenge that I have is example after example, month after month this government has proven to Albertans that they are untrustworthy. So moving something of this significance and importance from legislation, which is the most transparent way to discuss laws, to regulation, which is probably the least transparent way, is sounding the alarm bells for me. So this piece of Bill 21 I struggle with. I haven't had time to contact many operators. I know in my riding there are quite a number of group homes, and I'd be curious to hear what they have to say about this and if they have concerns that renewals are moving from legislation to regulation.

Now, the one piece of this section that I do think is positive is the amendment to add in that a foster parent is able to appeal the renewal or alteration of an existing licence. At the outset, or my first blush through this, I think that that is a positive change, but, again, you know, Mr. Speaker, I'm glad that we're just in second reading so that we have time to engage with stakeholders to ensure that they have in fact asked for some of these changes and are behind them.

I'll try to move – I'm going a little slower than I meant to, to be honest.

Questions that I have. I know the opposition has asked the ministers both of red tape and of Education, but there's been some – we need clarity. There's been quite a bit of confusion because the Education minister said one thing and the Associate Minister of Red Tape Reduction said another. The issue is around that private schools no longer have to produce financial data, like how much it collects in tuition fees.

11:30

Now, the Associate Minister of Red Tape Reduction has claimed that they no longer have to report that, that that was red tape, which – I mean, the irony is that we're really expanding the definition of red tape, because I don't believe that accountability is red tape. I think that's just smart business practice, and it's what Albertans deserve to know as the government spends their tax dollars. Again, you know, government programs and services are not nor should ever be considered the government's money. It comes from Albertans, so Albertans deserve to know where their money is going. The fact of the matter, Mr. Speaker, is that 70 per cent of dollars that private schools have to operate are provincial dollars. Now, I'm not trying to argue – and I know that there are arguments. There are some that want that changed, some that feel it's not enough, some that feel that it's too much. For me, that oversight that Albertans have, I think, is important. If an entity is receiving tax dollars, then Albertans have the right to know how it's being spent and where it's going.

What's confusing with this is that the Minister of Education has claimed that the audited statements, including tuition fees, are still going to be required, but the government produced some kind of media release or handout stating that tuition fee data would not be collected. This obviously needs clarity as far as: you know, will this be reported, or will it not be reported? I know that other changes include how private schools can be regulated and, as well, how boards can spend their noncapital reserves, which I also recognize requires ministerial approval and that it's being extended out for another year.

I want to jump briefly to some other changes. The Highways Development and Protection Act: it moves the power from cabinet to the minister to designate new freeways or the approval of freeway access locations. I don't know if that was overly burdensome for cabinet to deal with, but again the challenge: when you move something from cabinet to the minister, you take away the oversight that cabinet has for each other to get input from a variety of cabinet ministers through a decision as opposed to one person doing it unilaterally.

The one piece of the bill that I have to say is my favourite is enabling municipalities to provide a single business licence for a company operating in multiple municipalities. That is good news. I think that's positive for all parts of the province, especially for the Edmonton metro region, knowing businesses operate in – I mean, we have, you know, more than 12 municipalities in our direct surrounding areas, so that's positive.

There are other parts of this bill that I do want to comment on – but I believe I will have to wait for Committee of the Whole – including the public lands. There are some concerns with changes

to the Public Lands Act that I will get into more detail the next time I speak to this bill.

The Speaker: Hon. members, are there others wishing to join in the debate this morning? The hon. Member for Edmonton-Gold Bar has the call.

Mr. Schmidt: Thank you, Mr. Speaker. I want to thank my friend from Edmonton-Beverly-Clareview for setting up the comments that I am about to make on Bill 21, the red tape reduction act, because he said that he had some further comments on some changes to the provincial Public Lands Act as well as the Provincial Parks Act that he had concerns about but, unfortunately, didn't have the time to get to. That's what I'd like to focus my comments on today because we see that within this bill the legislation is being altered to give the minister the power to adopt any policy, position paper, anything as a regulation affecting parks or public lands. This is extremely worrisome because we've already seen the Minister of Environment and Parks break trust with the people of Alberta on a couple of key policy decisions that this government has tried to make.

The first was his stated policy goal, established in February 2020, to close down or sell off hundreds of provincial parks. As soon as he issued that press release, he said that the thing that he was going to do is not the thing that he was going to do, and for the rest of the year he was in a pitched battle with the people of Alberta over his plans to sell off and close parks. Even though the press release was quite clear that the plan was to sell off or close parks, he spent the rest of the year saying that he wasn't doing the thing that he said he was going to do. And then in December 2020, just before other members of his family jetted off to Hawaii in the middle of a pandemic, he said that he was backing away from the thing that he never intended to do. So the people of Alberta, rightfully, from that one instance, have lost trust in the minister, in his ability and intention of protecting parks and public lands in the province of Alberta.

At the same time he and his cabinet colleague the Minister of Energy were moving to expand the mining of coal in the province of Alberta. Of course, again all along, once they released the press release saying that they were rescinding the coal policy to enable further coal development in the eastern slopes, they started backing away from it, saying: "No; the policy was redundant. It doesn't do the thing that it says it does. There's no need to be alarmed." But the people of Alberta kept pushing back against this government's terrible plans, and at least now we have a temporary reprieve in the form of a ministerial order curtailing the activities of coal-mining companies in the eastern slopes for the time being. But just a reminder that a ministerial order can be changed or revoked at any moment without consultation or even without notice. I don't think the people of Alberta should rest easy in the belief that the eastern slopes are protected from the depredations of coal miners. This is a precarious protection that can be rolled back at any time.

When we've seen the behaviour of the Minister of Environment and Parks and the Minister of Energy with respect to allowing the privatization and the further industrialization of our public lands and our parks, they should be rightfully concerned when they see clauses like those that are included in amendments to the Provincial Parks Act and the Public Lands Act.

One of the things that I think is again worrisome, Mr. Speaker, is the fact that the minister is centralizing a lot of this power for himself. Not only is he centralizing power for himself with respect to the management of provincial parks and public lands, but he's also throwing out the normal process by which regulations impacting provincial parks and public lands are drafted. Now, right

now there is a standard process of drafting regulations, ministerial regulations, regulations passed by orders in council, and with these changes to the Provincial Parks Act and the Public Lands Act those processes are being completely thrown out the window, saying that almost any document can be adopted by the minister as a regulation applying to provincial parks and public lands. There's no consultation required. There's no standard drafting required. This is not the way that regulations regarding any matter of public policy should be drafted but certainly not for provincial parks and public lands.

11:40

What I'm concerned about also is the loss of oversight over these documents. Once the minister signs the order that adopts whatever policy document that he's adopted as a regulation in a provincial park or public land, that document can be updated or thrown out at any time, and the minister doesn't even have to be notified. That begs the question, Mr. Speaker, as to who will actually be in charge of setting the regulations that are applying to provincial parks and public lands in these cases. Is it the minister himself, or is it the people who are bringing forward these policy documents that will be adopted as regulations? How will the people of Alberta know that the regulations that are being adopted are in the public interest and not in the interest of a particular user group that the minister seeks to favour over the interests of others? There's no assurance that that will be the case if these changes are adopted.

I think one of the concerns that we've heard from people who are interested in the management of parks and public lands is the fact that there seems to be no formal structure for conducting consultations or for allowing Albertans to provide feedback for the adoption of any of these policy documents as regulations are completed. I think one thing that, if the minister is intent on forcing through these changes, they should at least consider is structuring some formal policy on incorporating feedback from the people of Alberta, broadly speaking, before adopting these regulations, because right now, as the bill is structured, the people of Alberta don't have confidence that the minister will make regulations that reflect the wishes of a broad cross-section of people who are interested in management of parks and public lands. I would urge members of the Executive Council to consider formalizing a consultation process if they want to adopt these changes.

Also, they need to be clear about the process that people will have to go through in order to even write any of these policy documents. That part is not even clear. How will the minister and the ministry working on his behalf evaluate whether a policy document that is going to be considered to be adopted as a regulation is suitable, even meets any sort of criteria or standard for adoption as a regulation? I would like to have seen something in this legislation that would at least set out a framework for a policy document to comply with in order to even be considered to be adopted as a regulation. Right now potentially anything could be considered to be adopted as a regulation under these changes, and I don't think that that's right. The people of Alberta don't trust this government to engage properly with the people of Alberta with respect to these changes or potential changes to regulations regarding parks and public lands, and they have a right to know. They have a right to know how these things will be adopted, how the people of Alberta will be consulted before the adoption of these things. That's really what I think people are looking for in this bill.

I'm going to listen intently to the debate to hear if the Associate Minister of Red Tape Reduction or any of her colleagues on the Executive Council can provide any more clarity or assurances to the people of Alberta that this process won't be misused to curry favour with particular groups that the minister is interested in favouring

and that this process will be above board and conducted fairly and transparently.

You know, there are a lot of other pieces of this bill, but I think I will leave it to my colleagues to address the other pieces of the bill that are of concern to them. I look forward to listening to the other contributions that will be made on debate in this stage.

Thank you, Mr. Speaker.

The Speaker: Hon. members, second reading of Bill 21. Is there anyone else wishing to join the debate? The hon. Member for Edmonton-Rutherford has risen.

Mr. Feehan: Thank you, Mr. Speaker. I appreciate the opportunity to speak to Bill 21. This is the type of bill, of course, that is very concerning for the opposition because it's a bill where the ministers responsible for the various items are not held accountable because they are not introducing the bill and not speaking to the bill. Instead, we have a minister who is not focused on any of these particular amendments or the activities that these amendments will reflect on here in the House. We clearly know that there have been examples already of confusion between the minister properly responsible for the item and the ministers presenting the bill, having seen a document come out of the minister presenting this bill fundamentally contradicting information that the minister responsible for the area says to be true. So we see some confusion right from the very beginning with this bill.

That's, of course, the reason why we're very concerned about these kinds of bills. It means that it's not being presented in a holistic way, in the context in which the information should be presented, and debated with regard to other aspects of the ministry which will be affected. That always leads to confusion and doubt. We certainly have plenty of doubt with regard to this government already, so to provide us a bill that exacerbates that doubt is somewhat problematic.

Of course, I'm also concerned that what happens with these types of bills is that the government puts together a whole variety of different things, some of which, of course, we can simply support: some of the changes to the municipalities act, some of the changes for foster parents. You know, some of those kinds of things we're more than happy to support, but they put that in the same bill with things that we absolutely cannot support, so they create a poison pill effect where when we vote against the things we do not like, they then go out into the public and tell the public we voted against the things that we, in fact, do like, which is a devious thing to be doing.

We've seen it happen repeatedly in this government, where the public is told we voted against something when, in fact, it was not the part we voted against, but because you can only vote for the bill either all or none, when we have these kinds of unfair omnibus bills, then we end up in a situation where the public ends up having to be informed about the nuances, which is not something that is very easy to do, for the most part. You know, clearly, this government is doing these kinds of things not because they care for the public to be fully informed; rather, they wish to push something through that they don't really want the public to pay attention to.

11:50

What I do when I look at these bills is that I look at the variety of different things that are being changed, some of which, as I had mentioned, I already will dismiss quickly because I just simply accept them. On other ones, which I, you know, might have a question about, for example with co-ops, the decision to reduce Canadian ownership from 50 per cent to 25 per cent, why would that be done? Why would that be just slipped into a bill that deals

with wildlife and education and child and youth and family enhancement? Like, why would you slip that in there when it, actually, is probably going to have very significant consequences for public ownership and private ownership in this province and reduces the conditions under which Canadians can actually be owners?

Why would you slip that into the middle of this bill? Is there some relationship with some foreign entities that this government is trying to enhance? Should I be concerned about which foreign entities the government is in a relationship with? Why would you not want to support Alberta owner-operators? Those kinds of questions come up, and I think that we should be making sure that those kinds of things are addressed appropriately and properly, and the government should not be using an omnibus bill to hide activities, as they clearly are here in this particular case.

I simply, you know, can't support a bill that isn't transparent to the citizens of the province, and that is certainly what we have in this particular case. The decisions seem to be minor that are addressed in simple lines like the reduction of Canadian ownership from 50 per cent to 25 per cent in the co-ops. Actually, they have very significant consequences and will really affect things moving forward in this province in terms of Albertans having governance over their own lives.

We know that this government has often made deals with corporations that have caused problems later on. They slip a poison pill into a bill that says that if the government changes its mind on anything, then we will pay you out. What kind of a ridiculous line is that to put into a bill? And here we are. We're back into the situation now where we're taking power and control away from Albertans and handing it off to others.

We've learned already in this province that correcting Conservative mistakes is a very expensive proposition, and here we are. The government is setting up another situation where if another government wants to come along and say, "No; we should be having Canadian ownership," we're going to be on the hook, because there's now been a contract that's allowed foreign ownership to be doubled in this circumstance. These are the kinds of things that I absolutely find unacceptable with a bill of this nature. Something that we should be talking about at great length is not being spoken about at all here.

In the few minutes that I have left, I want to speak about one of the biggest poison pills for me here, and that is a change with regard to the ministerial powers in Environment and Parks to make decisions with regard to, well, essentially everything. The nature of the bill widens the minister's regulation-making powers to actually literally encompass all aspects: to set standards, to set directives, to set practices, to identify codes, to write guidelines or objectives or any other rule. Any other rule. I'm very concerned about this because I see that in that same section there are also changes in the regulation-making power from "controlling domestic or other animals not defined as wildlife under the Wildlife Act" to "respecting domestic or other animals not defined as wildlife under the Wildlife Act." I want to know what that's about. I want to know what's going on here.

The reason why I'm concerned is because I know that the First Nations people are very interested in expanding the presence of bison, buffalo, depending on who you're talking to, even in the Indigenous community. They are very interested in expanding these kinds of wildlife in the parks areas and beyond the parks areas. This doesn't tell me anything about how the changes will affect that kind of decision-making. We have a minister who can just go in and randomly make any kind of decision they want.

I know that right now we have, for example, a Buffalo treaty, that's been signed by many First Nations, that is working toward

the expansion of this wildlife in the parks, yet we have a minister here who can just make a decision to do anything they want with those bison. Should we allow that to happen, or should there be in here a clause that says that the minister cannot make those decisions unless they have consultations with First Nations first?

There's no limit put on the minister here. How can you give ministers the power to make every possible change? What's the point of having regulations and laws at all if the ministers can do whatever they want? What would happen if a minister, looking at the park, said: "Oh, look. We have all these wild horses that are running around the park. Why don't we just eliminate them all?" What would happen if we had a minister that decided to make the decision just to shoot all the wild horses in the parks? That would be completely ridiculous, yet this bill allows that to happen.

The Speaker: It would also be equally as ridiculous for a member to assert that a minister would suggest or do such a thing.

Mr. Feehan: I'm sorry. I have to disagree. The bill is . . .

Speaker's Ruling Accusations against a Member

The Speaker: You can't make an accusation that a minister would go and commit crimes in provincial parks. You can make an assertion about all sorts of things, but making the accusation that someone is going to commit a crime . . .

Mr. Feehan: I didn't say that.

The Speaker: What you said was that it's reasonable or it's possible, inside this legislation, that a minister would go and shoot all the wild horses in a provincial park. I'm not going to debate with you what the *Hansard* says or doesn't say, as neither of us has the benefit of the Blues, but I just think that continuing down this line of conversation is quite likely to create disorder.

Debate Continued

Mr. Feehan: The point is that a minister, under these regulations, can make regulations to do things. I'm not saying that they would break the law, but they would establish a law to allow them to do things. For example, if First Nations people want to expand the buffalo, what happens if the minister decides that they want to eliminate and do some kind of buffalo cull? If they did that kind of buffalo cull, would they have to consult with the First Nations first or not? How does this fit into the Buffalo treaty, signed by so many First Nations in this province?

You know, I can understand the Speaker's sensitivity because I used the example of horses, but they're also very important to the Indigenous people, and many of the horses run wild in the parks in this province. This bill allows the minister to make decisions about those wild horses. That's my point. I cannot tell you that I trust this minister or any minister of the government to make decisions like that without proper and due consultation, yet we have a bill that allows the minister to make all kinds of regulation decisions over standards, directives, practice codes, all of these kinds of things. It's completely unnecessary to write a bill this wide to achieve something as narrow as the environment minister suggests that this is all about.

There have been serious concerns by groups such as CPAWS saying that you have designed a tool that is far too extensive for the actual activities that are being intended here. I think that's just unacceptable. If the minister needs some specific ability to do something within a particular area, then that can be written in for

the minister to have the discretion, but simply just to open the door up and say that the minister has the widest of all possible discretions in all kinds of areas is not acceptable. We just certainly haven't seen, under this minister, any reason to trust them. We saw that when we saw the minister's attempt to sell parks in this province. We saw that when we saw this minister's attempt to mine the Rockies in this province.

You know, we have just seen this minister consistently go after the environment, which is pretty ironic for an environment minister. They have certainly not gotten the support of people who devote

their lives to the environment, and it certainly should give us all pause to not want to give this minister, who has attempted to do these things that have been completely and ultimately resisted by people who are the most knowledgeable in this area, the power to do whatever they wish to do. This is the biggest poison pill in this bill.

The Speaker: Hon. members, I hesitate to interrupt. However, pursuant to Standing Order 4(2.1) the House stands adjourned until this afternoon at 1:30.

[The Assembly adjourned at 12 p.m.]

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For inquiries contact:

Editor

Alberta Hansard

3rd Floor, 9820 – 107 St

EDMONTON, AB T5K 1E7

Telephone: 780.427.1875

E-mail: AlbertaHansard@assembly.ab.ca