

# Legislative Assembly of Alberta The 30th Legislature Second Session

# Standing Committee on Alberta's Economic Future

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Armstrong-Homeniuk, Jackie, Fort Saskatchewan-Vegreville (UC) Barnes, Drew, Cypress-Medicine Hat (Ind) Bilous, Deron, Edmonton-Beverly-Clareview (NDP) Frey (formerly Glasgo), Michaela L., Brooks-Medicine Hat (UC) Irwin, Janis, Edmonton-Highlands-Norwood (NDP) Phillips, Shannon, Lethbridge-West (NDP)\* Rosin, Miranda D., Banff-Kananaskis (UC) Rowswell, Garth, Vermilion-Lloydminster-Wainwright (UC) Sweet, Heather, Edmonton-Manning (NDP) van Dijken, Glenn, Athabasca-Barrhead-Westlock (UC) Walker, Jordan, Sherwood Park (UC)

\* substitution for Janis Irwin

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# Standing Committee on Alberta's Economic Future

Participant

Radicle Solutions Alastair Handley, Founder and Board Member

8 a.m.

Thursday, December 9, 2021

[Mr. Neudorf in the chair]

**The Chair:** Good morning, everyone. I'd like to call the meeting to order. Welcome to members and staff in attendance at this meeting of the Standing Committee on Alberta's Economic Future.

My name is Nathan Neudorf, and I'm the MLA for Lethbridge-East and the chair of this committee. I'd ask that members and those joining the committee at the table introduce themselves for the record, starting to my right.

Mr. Rowswell: I'm Garth Rowswell, Vermilion-Lloydminster-Wainwright.

Mr. Walker: Jordan Walker, Sherwood Park.

**The Chair:** I will go to those online, but I will call out your name and have you introduce yourself at that time. Ms Goehring.

**Ms Goehring:** Good morning. Nicole Goehring, MLA for Edmonton-Castle Downs.

**The Chair:** Thank you. I should note for the record that she is also the deputy chair.

Mr. van Dijken.

**Mr. van Dijken:** Good morning. MLA Glenn van Dijken, Athabasca-Barrhead-Westlock.

The Chair: Thank you. Ms Sweet.

Ms Sweet: Good morning. MLA Sweet, Edmonton-Manning.

**The Chair:** Thank you. Mr. Bilous.

Mr. Bilous: Good morning. Deron Bilous, Edmonton-Beverly-Clareview.

**The Chair:** Thank you. Ms Phillips.

Ms Phillips: Good morning. Shannon Phillips, Lethbridge-West.

**The Chair:** Thank you. Where are we at? Ms Armstrong-Homeniuk.

**Ms Armstrong-Homeniuk:** Good morning, everybody. I don't know. It took me a long time to sign on for some reason. My computer was asleep this morning.

The Chair: And you are the MLA for ...

**Ms Armstrong-Homeniuk:** Oh, sorry. I'm the MLA for Fort Saskatchewan-Vegreville. I didn't catch what all you said there. Sorry.

**The Chair:** That's okay. Thank you very much. And Mr. Barnes.

**Mr. Barnes:** Yeah. Good morning. Drew Barnes, MLA, Cypress-Medicine Hat and, since 4 o'clock this morning, grandfather for the second time.

The Chair: Oh. Congratulations. Thank you for joining us.

Mr. Barnes: Thank you.

The Chair: I will now have Dr. Melanie Niemi-Bohun please introduce herself.

**Dr. Niemi-Bohun:** Hi. Good morning. I'm Melanie Niemi-Bohun, research officer with the Legislative Assembly Office.

The Chair: Thank you very much for that.

I was in error. There are two more members at the table that I should have introduce themselves.

**Ms Robert:** Good morning. Nancy Robert, clerk of *Journals* and committees.

Mr. Roth: Good morning. Aaron Roth, committee clerk.

The Chair: Thank you very much.

I would like to note for the record the following substitution: Ms Phillips for Member Irwin.

A few housekeeping items to address before we turn to the business at hand. I would note for members that masks should be worn in the committee room except when you are speaking, and members are also encouraged to leave an appropriate amount of physical distance around the table.

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We will now proceed to approval of the agenda. Could I have somebody who would move the agenda? I see Mr. Walker. Moved by Mr. Walker that the agenda for the December 9, 2021, meeting of the Standing Committee on Alberta's Economic Future be adopted as distributed. All in favour in the room, please say aye. Anyone opposed? Online, all in favour, please say aye. Anyone opposed, please say no. That motion is carried.

Approval of the minutes for November 18, 2021. We have the minutes from the November 18, 2021, meeting of the committee. Are there any errors or omissions to note?

If not, would a member move that? Mr. Rowswell. Moved by Mr. Rowswell that the minutes of the November 18, 2021, meeting of the Standing Committee on Alberta's Economic Future be adopted as circulated. In the room, all in favour, please say aye. Anyone opposed, please say no. Online, all in favour, please say aye. Anyone opposed, please say no. That motion is carried.

Hon. members, at our November 18, 2021, meeting the committee agreed to a request from Radicle Solutions to make a presentation to the committee. Today we have Mr. Alastair Handley, founder and board member of Radicle, to make a presentation to committee members. Just to remind members as to the process when we receive presentations, Mr. Handley will have up to 20 minutes to present, and we will have approximately 30 minutes for committee members to ask questions. The committee will then consider the preparation of a report to the Assembly summarizing the contents of the presentation and including any recommendations that the committee might wish to make in that regard.

With that, Mr. Handley, thank you for joining us. You have up to 20 minutes for your presentation.

**Mr. Handley:** Right. Well, let me start by saying thank you to everyone on the committee for allowing me to present this morning. It's good to see a few friendly faces. It makes me a little bit less nervous perhaps. Let's make sure I have the right screen up. Can you all see my screen?

The Chair: We can in the room.

Mr. Handley: You can in the room.

## Mr. Bilous: Yes, we can online.

Mr. Handley: You can online as well. Thank you very much.

Well, I will begin. I'm Alastair Handley. I'm the founder of Radicle. I'm coming to you today from Calgary, and I want to acknowledge that this is the traditional territories of the Blackfoot Confederacy, the Tsuu T'ina, and the Stoney Nakoda nations, and the Métis nations, region 3. I really appreciate you giving me the time to come and talk to you today. Today what I'm looking to do is offer you a different perspective on what Alberta's future global role can be. It's a role that some of you may not have considered before, but I think it's a critically important one, and I think the future is extremely bright for the province.

I'll start by saying that I think we're past the tipping point when it comes to the transition to a low- or zero-emission economy. It's happening whether we like it or not. Support for ambitious climate targets and emission reductions is increasing around the world. There's a graph on the slide – it's from the BBC – a survey that was done this year, and it shows changes over time, from 2015 to 2021, with the perspective of people on action around lowering emissions. You can see on the right that 3 per cent of the population surveyed in 2021 were against nations and subnational jurisdictions signing up to reduce emissions.

In addition to that, we've seen a massive increase in the number of countries, regions, cities, and companies making net zero commitments. Out of 198 countries, 136 have made net zero commitments; out of the 1,200 largest cities in the world, 235 cities have made commitments to become net zero; and of the 2,000 largest corporations in the world, 681 have made commitments to become net zero. What does that really mean from a global net zero coverage: 88 per cent of emissions, 90 per cent of the GDP, and 90 per cent of the population. It's an incredible push towards change.

This change is now being reflected in financial institutions as well. The Net-Zero Banking Alliance consists of 95 banks from 39 countries that manage \$66 trillion, 43 per cent of the global banking assets. It may come as a surprise or not that every major bank in Canada has signed onto this Net-Zero Banking Alliance. What does this mean? Well, the banks, I think, are still figuring that out. But functionally banks are looking at lending money to organizations that can demonstrate they're going to be implementing projects that are going to have a net zero impact or have net zero emissions.

This is \$66 trillion that is going to be in play, pushing towards this net zero future. And while this in some respects can seem very daunting and maybe a little bit negative, I actually think that it's an incredible opportunity. The global transition to a low GHG economy is expected to cost \$130 trillion USD. And the Royal Bank of Canada is forecasting that it's a \$2 trillion cost in Canada. When people think about cost, that it's going to cost \$130 trillion, what I hear is: someone is going to make \$130 trillion delivering the goods and services that are required to facilitate this transition.

While I think Alberta is concerned about this transition, I actually think that we've been dealt a royal flush. I think we are so well positioned to take advantage of this transition. In fact, I would go as far as to say that we've got a royal flush and that the deck is stacked in our favour. Here's why. We have a sustainability sixpack. What I mean by that is that the six pathways to a net zero future are through agriculture, oil and gas, heavy industry, renewable electricity, buildings, and transportation.

When you look at that slide and you look at those pathways, it's pretty clear to me – right? – that this is what we do. In Alberta, I would argue, our resources and experience across those pathways are the foundation of this transition, and in many ways we've had a head start. We've had a head start because of the carbon market that was put into place in 2007. It was the first carbon market in the Americas. We were the first jurisdiction in North or South America to put a price on GHG emissions. The outcomes from this have really been incredible, and most people don't know about them.

8:10

From a purely monetary perspective, the government of Alberta has generated over \$2 billion into its revenue coffers through the implementation of this market. Companies and individuals have generated over \$2 billion by reducing 107 million tonnes of carbon dioxide equivalent through the creation of carbon credits. Emissions Reduction Alberta, which receives funding from the carbon market revenues, has provided \$821 million to 221 clean technology projects worth over \$6.6 billion. Here in Alberta we've generated 17 million agricultural credits for farmers in the province, and there have been 20 million carbon credits generated from the oil and gas sector. This market, that's been around since 2007, has stimulated innovation, investment, and that's resulted in new companies, new jobs, new products and services that are now being exported to the world.

When we look at what's going on in this space, there are innovators here today and there are future unicorns in the mix. This is a subset of the companies that are operating in Alberta, that are in Alberta, that are working towards profiting from this transition by helping organizations reduce emissions. These companies today, many of them, are operating globally, and over the last year they've shown job growth of 70 per cent to 500 per cent. There are two specific examples that I'm going to mention here where we can see what the results have been of this transition.

The first one is a company called Westgen Technologies. Westgen is a 2.5-year-old company, a start-up, that specializes in retrofitting gas-emitting pneumatic devices in upstream oil and gas facilities. They have grown from a staff of eight to 21 staff members in the last four months and currently up 28 jobs posted. Sales were \$6 million this year. They're forecasting \$24 million next and over \$180 million by 2026, at which time they expect to employ over 400 people in Alberta. As I said, this is just one small example of the opportunity in front of our province if government creates the environment where companies like ours can prosper.

This is a point of interest. One of the things that has Westgen and other companies like it so excited is the EPA regulations that were proposed in the U.S. for oil and gas companies to reduce methane emissions. It's an \$11 billion opportunity for companies that are going to go in and retrofit those devices. Guess what? We've been doing that for years. It's just an example of how we can take the experience that we've got and export it.

Another result, I think, is Radicle. We've been around since 2014, but we had tremendous traction in the last few years. Over the last three years we've doubled in size. Our revenue growth over six years is over 2,000 per cent, and I believe that we're going to be Alberta's next tech unicorn. We expect to have 2,600 employees by 2026, when our revenues hit a billion dollars a year.

Our biggest constraint to growth today is people. Just like all these other companies, we need a highly intelligent and skilled workforce that believes in what we are doing, and Alberta needs to create an environment that's going to attract the best and brightest minds to our province so that a company like ours and the ones on the previous slide can prosper. This transition is going to make a lot of people very, very wealthy, and, as I said before, it's unstoppable, I think, at this point in time.

Let's talk about leadership. It's really clear to me today that individuals and companies in Alberta are already taking a leadership role in this transition. Money is being invested. Wealth and jobs are being created here today. But the real question now is: will these companies and jobs stay here? Now, I think that to get to a resounding yes – because I know all the people I speak to are planning to or want to – we really need to think about doing more.

Over the past five years I've travelled to well over 19 countries and a hundred cities promoting Radicle and Alberta's carbon market. Over that time period I've met with thought leaders, innovators, entrepreneurs, billionaires, presidential advisers, farmers, First Nation representatives, politicians, CEOs, COOs, CFOs, and the average Joe. I've spoken at many international conferences. I sit on a committee advising the World Bank on the operationalization of article 6 of the Paris agreement. I also sit on the steering committee for Natural Climate Solutions, where we're trying to create markets for natural climate solution credits in various regions around the world. At COP 26 this year I met with three executives whose companies collectively generate over \$100 billion USD a year, and I also met with a climate adviser to the Prime Minister's office of Australia, and that was all in one day.

These people understand what Radicle does, and they understand why we do it. Intuitively they understand what all of our other innovators are doing in this space and why they do it. Their enthusiasm for what we're doing is energizing and infectious. I believe that it's imperative that representatives of the government of Alberta support what we are doing and why we are doing it and understand why so many people are enthusiastic about it. We will attract the best and brightest minds to Alberta to make the most of this transition opportunity when we show them that we're ready for it.

So, to get to yes, I think the following types of statements made by the government of Alberta will accelerate this. For example: "We understand that the world is moving to low GHG fuels, and we're committed to helping our energy companies transition their operations to provide the world with these fuels. We have the resources, knowledge, and people to make this happen." Or: "Our goal is to become a global centre of excellence and a clean technology hub fostering the development of the goods and services that will be needed to transition to a low GHG economy and thrive in it."

I truly believe that this is what Alberta can do, but I know that's a big ask. If that's too much, I want to talk about a few other actions that can be taken now that will get us closer to this yes and support Albertans in this transition. Three things: provide more funding to Environment and Parks so that they can support and expand our amazing carbon market, because in many ways it's one of the best carbon markets in the world; commit to the creation of what I'm calling the Alberta healthy soil initiative; and support the creation of a methane abatement protocol for a new technology, created in Alberta, that will drive revenue to regional waste management authorities in communities across Alberta.

Let me talk about the last two. An Alberta healthy soil initiative would create an overarching, consolidated organization to promote the development and management of Alberta's rich soils. It would create an appropriate reward program that recognizes the climate benefits from healthy soils and encourages the adoption of climatesmart agricultural practices. It would be a farmer-friendly system, eliminating the costs of complexities of carbon markets. It can be paid for from revenues generated by Alberta's carbon market; \$821 million collected by our carbon market has been provided to 221 clean technology companies around the world. Surely, we can invest \$50 million a year, collected through Alberta's carbon market, in our agricultural sector to promote climate-smart agricultural practices with the people that are the backbone of our rural communities.

### 8:20

The landfill biocover. We've been working with Tetra Tech engineering. It's developed a new landfill biocover, since about 2016, 2017, to create a protocol that would allow this technology to generate carbon credits. This technology, this landfill cover, is really quite simple in some respects. It creates an environment that supports bacteria known as methanotrophs. These are bacteria that live on methane. They eat it, they consume it, and they produce  $CO_2$  as a by-product. There are more than 100 landfills in Alberta today where this technology can be deployed. This technology, successfully deployed in Alberta, can be deployed in Saskatchewan, Australia, parts of the United States. It's a global export opportunity. If the government of Alberta published a protocol to produce credits from these emission reductions, the sale of these credits could generate a new revenue stream for more than 100 communities in Alberta. Again, this would be a world first.

This is a list of 25 landfills that are currently operating where this biocover could be implemented. The Leduc landfill is piloting this cover now and has been for a few years and has seen a 90 per cent reduction in methane. If all of these landfills implemented this technology, they could generate up to \$40 million worth of carbon credits every year, with that revenue going into the communities in which these landfills are located.

So what's next? I think, as you can see, I've got a great deal of passion for this space and for the province, and I really do believe that Alberta has been dealt a royal flush. We have the sustainability sixpack. We have the resources and experience that are required to become world leaders in this transition. Truly, my hope is that I can continue to dialogue with you and other members of the government to help us all get to the big, "Yes, we won" so that we can bring more people into Alberta and create new revenue streams so that we can support the lives and livelihoods of everyone who lives here.

I'm happy to take questions, and I thank you for your time.

The Chair: Thank you, Mr. Handley.

I would now like to open the floor to questions from committee members. As is the practice, we will go back and forth. I see Mr. Walker in the room. If you'd like to ask a question.

**Mr. Walker:** Yeah. Thank you so much, Chair, and thank you, Mr. Handley, for your time and for all that you do as an entrepreneur. It's my understanding that you have helped Shell. They've been one of your clients. And if I'm mistaken, no worries. You can perhaps provide another example as to how your company has provided service. The reason I'm interested in the Shell Quest carbon capture and storage program, obviously, is that it's in my and MLA Armstrong-Homeniuk's area.

Strathcona county has three refineries producing two-thirds of western Canada's crude oil refining capacity, not to mention 75 per cent of petrochemical refining capacity in Canada through the Industrial Heartland. If Shell was a client of yours, I'd be really curious, in that specific example, sir, how you provided service to that very successful carbon capture project, having stored 5 million tonnes of CO<sub>2</sub> since it came online in I think late 2015. And if you weren't providing service to that client, please provide other examples of Radicle Solutions' service to clients.

Thank you so much.

**Mr. Handley:** Thank you for your question. In fact, there are members of the team at Radicle that helped develop the protocol that's used to quantify the emissions from the Shell Quest project, the CCS project. It's also publicly known that we are working with Shell and a number of other nature conservancy organizations to develop credits from the first avoided grasslands conversion project in Canada. This is a project – and I'm going to come back to oil and gas – where landowners that want to preserve their grasslands can earn carbon credits for doing so. This is another example of a protocol that could be put into our compliance market if the government so chose. Right now we're doing this through the voluntary market in the U.S.

We've helped Shell from a technology piece within the CCS project and the development of that carbon capture protocol. We're also helping them with nature-based solutions. With the 40-plus other oil and gas companies that are clients, we're actually helping them go out into the field to inventory all of the devices that are emitting methane at their upstream oil and gas facilities. We are then helping them create an abatement plan to reduce those emissions. So they're going to be in compliance with directive 060 when it comes into effect at the end of next year, and between that time when directive 060 comes into effect, we'll help them generate carbon credits so they can either use those carbon credits to create a new revenue stream or use those carbon credits to meet their compliance obligation.

I think I can say, with a high degree of certainty, that this year in Alberta, for our oil and gas clients, we're going to put about \$50 million worth of credits onto their bottom line. The technology that we've got now: we're in discussions with oil and gas companies in Australia that are interested in using our software systems down there. This same organization has got a CCS project expected to reduce, sequester 10 to 12 million tonnes of  $CO_2$  a year. They also have the capacity to create credits, and we're talking to them about helping them with that as well.

Does that answer your question, sir?

## Mr. Walker: Yes, it does. Thanks so much.

The Chair: Mr. Walker, do you have a follow-up?

**Mr. Walker:** Yeah. Just quickly, I would say that you've been mentioning Australia a lot in your presentation. They're also a leader in clean tech moving forward through the 21st century. I'm just wondering. On the natural gas file, as you know, our government has announced a very robust natural gas strategy, and we're proud of that. Now, Australia is the LNG export leader. With regard to the services that Radicle Solutions provides, what can we learn from the Australia model that perhaps could be broadly applied here? Or is it a bit different because we're in Alberta landlocked to a certain extent? Your thoughts.

**Mr. Handley:** Well, I think Australia is really interesting. I'm talking about Australia a lot for a couple of reasons. First of all, Radicle operates in Canada, the United States, and Brazil, and we expect to be up and running in Australia within the next few months – that's one of our objectives – and then Europe next year.

Australia is interesting, from a political perspective, in that Australia seems to have been on with emission reductions and then off with emission reductions. But for the last few years Australia has provided over 4 and a half billion dollars into their market to buy carbon credits out of that market through their emission reduction fund. In addition to that, they have something called the safeguard mechanism, which allows companies to buy credits to meet their own voluntary emission reduction obligations. They recently announced I think it was 150 million Australian dollars for the Indo-Pacific offset system. So they're now investing money throughout the Pacific, the island states, and into Indonesia and such for projects pushing emission reductions down. Of course, Australian companies are going to be taking advantage of that money and expanding into those new regions.

Just this morning I read that there's a representative of Woodside on the Natural Climate Solutions steering committee, that I'm on, and Woodside announced that they will be spending \$5 billion or investing \$5 billion in emission reduction activities as the years go on. They recently purchased – don't quote me on the exact number – several thousand, maybe as many as 5,000, hectares of land to plant trees so they can start to sequester carbon.

Australia is really very active. In fact, we've seen KKR invest \$200 million into a project developer to acquire 50 per cent of them. Shell purchased a company called Select Carbon, and another investment group just picked up a company called climate – I'm going to get the name wrong. But a third company was also just acquired in Australia. So we're seeing a lot of money flowing into this space, not just in Australia but in the United States and Europe and, really, around the world.

# 8:30

The Chair: Thank you.

I will note for the record that MLA Miranda Rosin from Banff-Kananaskis has joined us in the room.

Ms Phillips, do you have questions?

**Ms Phillips:** Thank you, Mr. Chair, and welcome to Mr. Handley. Thank you for joining us at this standing committee. I appreciate the presentation and certainly some of the overview of the impressive numbers that are at stake in terms of investment into Alberta. But a few things stood out to me. I don't know if I'm going to get a chance to ask questions about all of them. It sounded to me like there were three kind of priorities for new protocol development, at least two from your perspective: the landfill biocover and a new methane protocol. You're nodding, so okay. And then there was some talk of a grasslands avoidance piece, right?

I'll just leave that aside for a minute and just ask a more basic question around the regulation and support of the market. You indicated some more support to AEP for both the development of the protocols, I'm going to assume, but also, then, the appropriate structure of regulation oversight of the market, market surveillance. Understanding the new trends in the market would also be helpful. Can you tell me, then, what the state of that market development is from a national perspective? There is some development happening Canada-wide, so I'm wondering if you can speak to that.

I also want your thoughts on – as this market develops, the way I see it is that there are kind of two aspects here. There's the development of the protocols, which is a more sciencey sort of piece and a measuring, reporting, verification, technology piece, and then there's the actual functioning of the market. We're seeing around the world that oftentimes it's securities regulators and others that are actually taking over that piece because this is an economic instrument. Can you provide some thoughts on, as we go forward, as these markets grow in significance – trillions of dollars sloshing around – how Alberta and Canada, in your view, should approach that market oversight piece?

**Mr. Handley:** Okay. We've got all day, right? It's a complicated question in some respects, but in some respects there's, I think, a reasonably simple answer. First of all, just for the benefit of everyone on the committee, there are really two types of carbon markets in the world today. There's a compliance market, which is a market that is implemented by a national or subnational government, typically put in

because of an act and then regulations that support the functioning of that market.

There is also a global voluntary market, and these are markets that have been developed through a number of what I would say are internationally known, well-respected registries, typically run by not-for-profits, that create a market structure or a structure for developing carbon credits that can be sold into these voluntary markets. You've likely heard of the Mark Carney Taskforce for Scaling Voluntary Carbon Market. That group has suggested or is forecasting that by the end of the decade that voluntary market will require between 1.8 and 2.7 billion carbon credits.

Internationally, when we look at article 6 of the Paris agreement, which was agreed to in Glasgow, that creates the potential for a large international market, where countries are trading these credits. But here in Canada we have the federal government's output-based pricing system, which is effectively a market framework, and within that market framework the federal government is currently working on forestry protocols; ODS, ozone-depleting substances, destruction; and a landfill gas methodology. These are three of their priority areas. The fourth is a protocol for the agricultural sector.

When those protocols are adopted, you'll be able to generate credits anywhere in Canada using those protocols. Credits developed from those protocols may or may not be allowed into the Alberta system – right? – because that's up to the Alberta government. Again, we have some layers of complexity, but within the Alberta government itself and the Alberta system in Alberta today Environment and Parks approves protocols that can be used to generate these credits. Some of those protocols have been recognized by the federal government, and protocols such as the oil and gas new protocol for reducing greenhouse gas emissions from pneumatic devices can generate credits, which can be sold to companies in other provinces, opening up our market to revenues coming into Alberta from other jurisdictions for credits that we create here, and that's really a first.

What we see in the markets today is that they're insular. There are a lot of walls built up between markets within Canada and globally, and as pressure comes, financial pressure in terms of scrutiny, I think we are going to start to see more oversight with respect to the credits that are being developed, how they're being developed, and how they're being verified.

I'll go one step further and come to sort of one of the fundamental opportunities, which is that everything related to these markets, everything related to net zero, everything comes down to the quantification or the measurement of emissions, emission reductions, and emission removals, emissions that are being stored in the ground or pulled out of the atmosphere. Companies in Alberta know how to do that as well as if not better than any company in the world, and that in and of itself is one of our biggest export opportunities.

#### The Chair: Ms Phillips, do you have a follow-up?

**Ms Phillips:** Sure, Mr. Chair. Thank you. For the benefit of the committee, then, I'm wondering if you can tell us just a little bit more about some of the developments between COPs Paris and Glasgow around what article 6 is and why it's important for us in Alberta. You kind of said that, like, look, we have a carbon market and others don't, and that's a starting point, so if there's an international framework and companies are following this money, it helps to have a provincial framework, which we have had for, I mean, 15 years now, right? I'm wondering if you can say a little bit more about what that opportunity means and why companies like yours but also big companies that are affiliated with the International Emissions Trading Association – where they see the opportunities. And if you can provide maybe more of a qualitative

observation on how much energy is going into these markets, like, quite literally, I guess, and just kind of share with Albertans why you think that as an Albertan, when you go to those tables, you see opportunity in those spaces.

**Mr. Handley:** Yeah. Well, COP in and of itself, not any particular COP but COP, has so many different levels of engagement in it and so many different levels of activities going on; we have to pull them out into buckets. One of the primary purposes of COP is to create a system or a global agreement on how we reduce GHG emissions, and in Paris in 2015 the Paris agreement was sort of an agreement that allowed countries – and I'm going to oversimplify – to create plans individually on how they were going to reduce emissions, and these were recorded in what's called their nationally determined contribution. That agreement was signed, and then it was later ratified by I believe it was 196 of 198 countries. Two countries, Syria and a Central American country, didn't agree to it because they didn't think it was going far enough. The United States pulled out. But despite those issues, the momentum around COP continued for the Paris agreement.

Missing from the original Paris agreement was an arrangement that would define how countries would be able to trade emission reductions between each other. What does this mean? It means that if there is a country that magically figures out a way to reduce millions of tonnes of carbon dioxide a year by pulling it out of the atmosphere, for example, and Canada, which has got an NDC, or a nationally determined contribution or commitment, to being net zero in the future, is unable to do that by using technology or changing the way we do business, Canada could purchase these emission reductions generated in another country and apply them against their emissions and say: look, we've now reduced, and we're bringing them down. This creates this massive international market.

#### 8:40

You see the government of Singapore supporting the development of an international exchange, right? They're engaged at the exchange level. You see corporations looking at this from the perspective of, "Well, how are we going to become intermediaries in these markets?" or "How are we going to continue to create value or accelerate our transition by leveraging these markets?" For a company like ours, in Radicle, we look at this and go: we have a very robust price on carbon in North America. For Canada or for a province, for a company to meet their net zero commitments, they might be looking at investing in or purchasing credits from overseas.

My concern is that those credits that they might purchase overseas might be at a really low price, right? I'd like to see, for example, the federal government of Canada set up a structure where they go: if we're going to bring credits into the country, we're going to bring credits into the country that Canadian technology has been used to create or where Canadian companies operating abroad have undertaken activities to reduce these emissions, and we want to make it a priority to bring those emissions back to Canada.

COP also has a whole series of bilateral agreements that take place. There was a global methane pledge; 103 countries have signed on to the global methane pledge to reduce methane from landfills, from agriculture, from oil and gas emissions. This isn't just oil and gas; it's from all these different sources of methane, and 103 countries and the U.S. pushed that forward. There's the Glasgow financial alliance that came out of this. At this particular COP there were a dozen bilateral agreements, all of these agreements creating opportunities.

The Chair: Thank you very much.

I will now proceed back to the government side. Mr. Rowswell, you have a question.

**Mr. Rowswell:** Yeah. Thank you very much. I've got so many questions, but I guess I'll start. I'm trying to understand – like, a windmill company wanted to build a windmill farm, and their source of revenue would be the electricity that they sell. Is there a source of revenue that comes from the carbon credits that they're trading right now, and where would that typically come from?

**Mr. Handley:** Yes. Thank you, sir. In Alberta currently a company that is putting up a wind turbine or an individual that's putting up a wind turbine or companies or individuals that are putting up solar panels to generate renewable energy: under the technology innovation and emissions reduction regulation they are able to generate carbon credits for undertaking those activities if they fully fund them themselves. If they take government money, they can't claim those credits. Investors that put those renewable energy systems in place can create these credits.

The way it works in the market is that the government sets an emission reduction target for a company. At the end of every year – again, oversimplifying a bit – a company will report its emissions to government, and they will have either met their emission reduction target, exceeded that emission reduction target, which means they have fewer emissions, or missed their emission reduction target, so they have too many emissions. If they have too many emissions, they can meet their compliance obligation by paying money to the government, and next year it will be \$50 per tonne of carbon dioxide equivalent.

They can pay that to the government, we'll say, as a penalty or a fine or a voluntary payment, or they can buy carbon credits and they can retire those credits. So they can submit those credits like a tax credit to the government, and they don't have to pay that penalty, if you will. Carbon credits generate their revenue by selling the credits to companies in Alberta that have an obligation to reduce emissions in the province. A company that has a compliance obligation functionally has a choice: what's the best way for me to reduce emissions? What's the most economic way for me to reduce emissions today? It could be investing in technology to drive their emissions down, it could be simply writing a cheque to the government, or it could be investing in carbon credits or in a project that has specific interest to them and buy those credits and retire them. Does that answer the question?

**Mr. Rowswell:** Yeah, to some degree. You know, there's lots of things I'd like to ask, but I've got a follow-up.

The Chair: Please proceed.

**Mr. Rowswell:** I'll carry on with that. One of my concerns is affordability. You talked a lot about revenue to companies and revenue to governments, but in the end it's the consumer of the product that's going to pay for this. My understanding is that hydrogen is about six or seven times more expensive than natural gas. Geothermal-produced electricity is about three and a half times more expensive than natural gas, I've just heard recently, is about 10 times the price of natural gas. My concern is: in the end who is going to pay for this, and how are they going to be able to afford it?

I'll just throw in another question here. Relative to yourself and your revenue source, I read your company information a little bit, and it looks like you consult with companies. You try to help them reduce their carbon footprint and manage the new world that they operate within. Also, it seems like you facilitate the exchange of carbon credits. I'm wondering: do you take a commission on that part, or how does that work? If there was no carbon tax, does your business model still operate? **Mr. Handley:** Good questions. I'll start at the latter questions while I try and remember the former ones. Yes, our company will continue to operate with or without a carbon tax in Alberta. The reality is that in different parts of the world there are far more. They're acting in areas where we're simply talking about it. Europe would be a particularly good example. In fact, I know a start-up company here in Calgary that started last year with four people. They're going up to, I think, 50 people this year, and all of their revenue is coming out of Europe, right? They don't do any sales in Canada because there is no real demand for their services here yet.

Our organization: we do take a commission when we generate credits for a farmer or a company, but we don't charge them anything up front for our service. We take a success fee, typically. If we're not successful in generating credits for our clients, we don't get paid. We also invest globally in credit streams where you are investing in projects around the world right now. We're investing in credit streams around the world because we see a significant appreciation in value and demand for those credits as this market unfolds.

When we talk about affordability, I think it's a really important question. I think it's a bit of a balancing act. If I go back to – and you'll have to forgive my lack of knowledge in certain areas of the history of the province, but if we go back to the oil sands, my understanding is that when we first started extracting oil from the oil sands, it was prohibitively expensive, far above what the market would pay, yet the government derisked investment at the time. The Lougheed government derisked investment in the oil sands, understanding what an opportunity it was. Through technology, through efficiency gains the cost of extracting that oil became much lower. We became more competitive, and that oil was more competitive.

If we look at what's going on, say, in the electric vehicle market, I read this morning that the percentage of EV sales globally has cracked 10 per cent: 20 per cent of the cars sold in China were EVs; about 17 per cent of the cars sold in Europe were EVs; 4 per cent of the cars in North America were EVs. And the costs of these cars are coming down – right? – as consumers choose to buy more. So as more money is invested in hydrogen, as more money is invested in renewable natural gas, as more money is invested in other clean emission sources – be it infusion or small-scale nuclear reactor, tidal, wind, solar – these costs are going to come down.

## 8:50

This is the transition. We do have to balance our way through the transition. The costs are going to be high in certain areas, but those costs are going to come down. We really have to ask ourselves, you know: is the short-term pain of the transition going to be worth the long-term gain that we get out of it, even from a business perspective and investing in it? I think that it is. I think, too, that younger people, younger generations are now choosing to spend their money on products and goods that they believe are coming from, that were developed or sold or manufactured by, organizations that are looking to reduce.

## The Chair: Thank you.

Last set of questions will go to Ms Sweet.

**Ms Sweet:** Thank you, Mr. Chair. I appreciate all the information that's been coming forward today. Of course, as the critic for Agriculture and Forestry I'm interested in the carbon market in relation to that sector. Now, we obviously have a long history of different ag protocols and lots of experience in Alberta around how we've been looking at the carbon market. I'm wondering, from your experience, what you would see has been the most effective for Alberta farmers, which ones we should be looking at for future

development, and then how we're going to ensure that the local farmer is able to access this market and that it isn't unattainable or too complicated to be able to access these different protocols.

**Mr. Handley:** Yeah. That's also a very, very good question. Radicle has been developing agricultural carbon credits since we started business in 2008. In fact, we've generated carbon credits for over 3,200 farmers in Alberta, that manage about 10 million acres of land. That land is owned by, I think, over 18,000 individuals. The money that's generated from those carbon credits is flowing to those farmers, and in some instances it's been flowing down to the landowners as well.

There are two agricultural protocols that have generated credits in Alberta recently, the conservation cropping protocol and a protocol for feedlots, where they're reducing enteric emissions in cattle by adjusting their diet. I'm going to focus on the conservation cropping protocol. The conservation cropping protocol I'm going to say has existed since 2007. There was a different protocol in front of it, but it morphed into the conservation cropping protocol. That protocol has generated close to 17 million carbon credits.

That protocol is ending at the end of this year. It's been determined – and I don't know how it was determined because it wasn't made public – that the activities generating those credits are no longer additional. So the revenue that's been going into farmers' hands since 2007 is going to stop at the end of this cropping year. There is, to my knowledge, no plan to replace that protocol or amend that protocol so that those farmers can participate in the benefits of the market at a time when they're seeing their carbon tax under the federal program increase year over year to an anticipated cost of over \$13 per acre by the end of the decade.

We have a protocol that was approved called the nitrogen emission reduction protocol, the NERP protocol. That protocol has never been implemented, created zero credits because the protocol has been designed in a way that it's just not economically viable. There were a lot of people who were making suggestions on how to modify that protocol so that it could be used, but no action has been taken on it. If that protocol had been approved, farmers who have been taking action to reduce nitrous oxide emissions through following the four Rs, the 4R nutrient stewardship plan, would be able to generate credits by demonstrating they're using nitrogen more efficiently. But it's not there.

We don't have an avoided grassland conversion protocol. We don't have a forestry protocol, right? We don't have a soils protocol. That's why I'm suggesting that the government look at creating the Alberta healthy soil initiative, because that healthy soil initiative could in fact foster the activities or the implementation of these activities that are better for the environment and do it in a manner that avoids the complexity of the market while still having a high degree of rigour with respect to third-party verification or monitoring the activities on farms to make sure that they're occurring.

One of the things that I want to impress on everybody – and I love this question – is that Alberta is really the only jurisdiction in the world that's created a large volume of credits from the agricultural sector for growing annual crops. In the United States since about 2010 multiple methodologies have been created for the agricultural sector to create credits. Millions of dollars coming through USDA conservation innovation grants and in-kind contributions have resulted in the creation of about 777 credits in the United States from a nitrogen emission reduction protocol and from a rice cultivation methodology. We know this well because members of our company worked on all of those projects, not necessarily with us but worked on those projects at that time.

Australia has just come out with a new soils methodology. To date there are only a few thousand credits that have come out of that soils methodology. Indigo Ag: big name out there, talking about developing these carbon credits. Nutrien, Bayer, Cargill, Telus Ag are all going down this path, and it's complicated. There is a potential pathway that will align with what these corporations are doing, align with what governments want, and help farmers implement these agricultural practices and do it in a manner that avoids some of the complexities of the carbon markets. Frankly, I think that might be the way forward, and I think it might be the way forward globally.

But having said all that, if you can create carbon policies for farmers, I would give you credit, and I would love ...

**The Chair:** Thank you very much. We are at the end of our time, unfortunately. Thank you, Mr. Handley, for meeting with the committee today and making your presentation. We appreciate you taking that effort to meet with us. You are welcome to continue watching, but we will be moving on to other business within the committee. Again, thank you for your presentation and time today.

Mr. Handley: Thank you for your time, everyone. Bye-bye.

**The Chair:** Hon. members, as you are aware, the practice of the legislative policy committees after receiving presentations of the kind we have today is to report to the Legislative Assembly on the information received. These reports contain introductory remarks about how the committee proceeded with hearing the presentation and also a summary of the presentation itself. Standing Order 52.08(3) also provides the ability for the committee to report to a minister or responsible public official on issues arising from a public meeting.

At this time I would open the floor to any comments, questions, or motions in relation to the committee reporting to the Assembly on today's presentation.

#### Mr. Bilous: Mr. Chair?

**The Chair:** Okay. I saw Mr. Rowswell, and I'll come back to you, Mr. Bilous.

Mr. Rowswell.

**Mr. Rowswell:** Yeah. I'd like to make a motion to start the ball rolling here, that

the Standing Committee on Alberta's Economic Future direct research services to prepare a draft report to the Legislative Assembly summarizing the presentation heard by the committee at its December 9, 2021, meeting and that the committee authorize the chair and deputy chair to approve the final report after its distribution to the committee.

The Chair: Thank you. We'll have that put up on the screen.

Once it's on the screen, Mr. Bilous, we will come to you for comment if you would like. I hope you can see it there.

Mr. Bilous, you have first response.

9:00

**Mr. Bilous:** Yeah. I'll thank Mr. Rowswell for proposing this motion. I was going to propose a similar motion, so I'm in favour of this.

The Chair: Thank you, Mr. Bilous. I appreciate that.

Any others wishing to comment or provide debate on this motion?

Seeing none, I will just take a moment – I'm remiss. I would like to introduce – MLA Michaela Frey from Brooks-Medicine Hat has joined us online, just for the record.

Seeing no other discussion on this motion, I will ask those in the room. All in favour, please say aye. Any opposed, please say no. Online, all those in favour of the motion as presented, please say aye. Anybody opposed online, please say no. Hearing none,

that motion is carried.

Thank you very much, committee, for that.

Moving to the next section, additional requests to make a presentation to the committee. Hon. members, the committee has also received two additional requests from organizations to make presentations to the committee. The first is from the southern Alberta alternative energy partnership, and the second is a revised request from Health Cities. These were posted to the committee's internal website. For the record, after discussion with the southern Alberta alternative energy partnership they have decided to reissue a request to present to the Standing Committee on Resource Stewardship as the topics they wish to discuss are more in line with the mandate of that committee. Is there any discussion about that presentation?

Seeing none ....

Mr. Bilous: Can I ask a question, Mr. Chair?

The Chair: Yes, you may, Mr. Bilous.

**Mr. Bilous:** Just curious to know – and I appreciate that they've adjusted their request and they're going over to the other standing committee. Is there any mechanism or way to ensure that they will have an opportunity to present to that other committee in a - you know, I hesitate to use the word "timely" but that it doesn't become a request that sits on the table for an extended period of time.

The Chair: I will ask the clerk or Parliamentary Counsel to respond to that. Nancy.

**Ms Robert:** Thank you, Mr. Chair. I know that the request has been sent over to Resource Stewardship. The clerk has been in contact with the chair. The chair is aware of it, and I believe that the committee will make a decision on whether or not to meet with the organization, but it's definitely on the chair's radar.

**The Chair:** So, Mr. Bilous, I would imagine that it would be a committee process. I don't know that there's any other mechanism from this committee to interact with that committee beyond that. Hopefully, that answers your question.

Mr. Bilous: Yeah, it does. Thank you very much.

#### The Chair: Thank you.

Seeing no other comments or discussion, in addition, as the revised request from Health Cities was made relatively recently, I would suggest that the committee take up discussion of this request at our next meeting if there is no objection. I open the floor to any comments or questions in that regard.

Seeing none, we will place that on a future committee agenda. Thank you.

We will now move to number 6 on the agenda, Lobbyists Act review, part (a), overview of written submissions. Hon. members, as you may recall, the committee determined that the deadline for written submissions from identified stakeholders and members of the public in relation to its review of the Lobbyists Act was set for December 2, 2021; 146 written submissions were received by the deadline. An additional two submissions were received shortly after that deadline.

At this time I would like to call upon Dr. Niemi-Bohun with the Legislative Assembly Office, research services, to provide an overview of the submissions received so far. If I mispronounced your name, I deeply apologize again. Would you please proceed. **Dr. Niemi-Bohun:** Hi. Good morning, everyone. Chair, you were very, very close. My name is Dr. Melanie Niemi-Bohun, and, again, I'm a research officer with the LAO. Thank you for the opportunity to present research services' summary of submissions to assist the committee is review of the Lobbyists Act. As part of the review the committee invited written submissions from both identified stakeholders and members of the public, as the chair mentioned. This briefing now provides a summary of the issues raised in submissions from 26 stakeholders and 102 members of the public.

Stakeholder submissions were received mainly from registered lobbyists and volunteer service organizations. Two late submissions, as the chair mentioned, were received. Those submissions are included in our summary. In addition, I'd like you to note that 19 public submissions commented on issues unrelated to the Lobbyists Act and were therefore excluded from our summary.

Also of note for the committee is the office of the Ethics Commissioner and lobbyist registrar submission, which included 24 recommendations along with rationales and crossjurisdictional comparisons. While this briefing has summarized each recommendation made by the office of the Ethics Commissioner and the associated rationale, the committee may wish to read that submission in its entirety.

This briefing contains a summary of the major issues identified in stakeholder and public written submissions, including recommendations. The document is organized into two parts. Part (a) addresses stakeholder submissions while part (b) addresses public submissions. Each part is then organized by general issues, as a thematic approach, with more detailed information provided within each section.

Themes that emerged from the stakeholders' written submissions included suggestions for changes to reporting requirements; changes to the minimum time threshold for organization lobbyists; in addition, questioning the appropriateness of the definition of gift, favour, or other benefit; whether current exemptions under the act should be adjusted; in addition, comment on the powers of the lobbyist registrar as it stands. An example would be perhaps granting the lobbyist registrar the ability to issue alerts and advisory options with respect to the act. And then, in addition, we have a general comments section with additional issues raised by stakeholders.

Part (b) of this briefing presents issues raised in submissions from the public. Nine themes emerged from public submissions, which include the prohibition of lobbying activities, adjustments to the cooling-off period for former elected officials, limitations on who should be permitted to lobby, conflicts of interest and limitations on gifts, limitations on public contributions, increased need for transparency, increased penalties for violations, and, finally, the need for limitations on participation of out-of-province and foreign interests in lobbying.

Thank you very much for your time this morning, and we hope that you will find this briefing of assistance in your review.

The Chair: Thank you, Dr. Niemi-Bohun. Hope I got it closer that time.

Are there any questions right now? I see Mr. Rowswell.

Mr. Rowswell: Yeah. I'd like to make a motion.

The Chair: Thank you. Please proceed.

## Mr. Rowswell: I'd like to move that

the Standing Committee on Alberta's Economic Future accept all submissions made to the committee before December 6, 2021, as part of its review of the Lobbyists Act and that these submissions be made public, with the exception of the submissions 14, 16, 17, 28, 29, 34, 41, 44, 45, 47, 49, 59, 64, 66, 88, 111, 118, 121, and 146, after removing all personal and confidential information from the submissions.

The Chair: Thank you, Mr. Rowswell.

We will wait until that is up for those online. I believe Ms Goehring had a question or comment.

Now that it is on the screen, Ms Goehring, your comments or questions please.

**Ms Goehring:** Thank you, Mr. Chair. I actually have a question for the presenter. I'm not sure if now is the appropriate time based on the motion being on the floor, but I also have a question regarding the motion, so I'll take your advice as to how to proceed with my questions.

**The Chair:** Sure. I'm happy for you to ask the question of the presenter at this time, and then, upon the answer, you can have a question or comment on the motion that's put forward.

Ms Goehring: Perfect. Thank you.

Were you able to identify any themes from the different volunteer organizations?

**Dr. Niemi-Bohun:** So those were added sort of, and everything is sort of – we pulled information from volunteer organizations and included those in the themed headings that you will find in the report.

9:10

Ms Goehring: Thank you very much.

Dr. Niemi-Bohun: You're welcome.

The Chair: Do you have a supplemental, Ms Goehring?

**Ms Goehring:** I don't have a supplemental, but I do have a question regarding the motion.

The Chair: You may now proceed with that question.

**Ms Goehring:** Thank you, Mr. Chair. I know that there's quite a significant number of omissions that have been presented, and I'm curious if research services can comment if they would recommend that these be removed or if they have just a recommendation based on the relevancy as to why these are being removed and if they would agree with those removals.

The Chair: Thank you.

First, if you don't mind, Ms Goehring, I would ask Mr. Rowswell to provide rationale for the submissions removal, if he's willing to do that, and then I will go to the doctor for her comments on that.

## Ms Goehring: Thank you.

**Mr. Rowswell:** Yeah. We did a little work on that. There were some that used offensive language, some profanity and stuff, in them, and then some, I think, as she mentioned, were unrelated to the topic at hand. Those were the two rationales for identifying those.

## The Chair: Thank you.

Dr. Niemi-Bohun.

**Dr. Niemi-Bohun:** Yes. I would agree with the member. We are happy to take direction from the committee. Typically the committee makes all the submissions public with the exception of personal or sensitive information, but research services, you know, can absolutely provide the committee a list of submissions that did

not provide comment on issues relevant to the Lobbyists Act. That is, obviously, up to the committee.

Thank you.

The Chair: Thank you.

Ms Goehring, does that sufficiently answer your inquiry?

**Ms Goehring:** Sort of in the sense that she is taking direction from us. I'm just curious if the profanity can be edited out if it still relates to the actual submissions that we requested and their relevancy. Is that an option, to just remove the profanity?

The Chair: I will go to Parliamentary Counsel. Ms Robert.

**Ms Robert:** Thank you, Mr. Chair. Yes, Ms Goehring. That's definitely been certainly a past practice, that when there's a submission that's relevant but has profanity or other sort of sensitive language, that can definitely be redacted before it's published. It's completely up to the committee. In the past, as Dr. Niemi-Bohun suggested, committees have generally published all of the submissions, but it's certainly up to the committee. If the committee doesn't want – I mean, there are quite a few that appear to be not relevant to the review, so if the committee doesn't want them on the public website, that's perfectly fine. It's completely your decision, and the LAO will adhere to whatever it is that you decide. I hope that helps.

Thank you.

The Chair: Thank you.

I would like to ask Dr. Niemi-Bohun if she would mind commenting on those submissions that used offensive or vulgar language. If that portion was redacted from that submission, would there be anything of substance left worth posting? If she wouldn't mind commenting on if she'd feel free to make that differentiation for us.

**Dr. Niemi-Bohun:** I would say that the 19 submissions that we did not summarize did not have any information in them that was relevant to the work of the committee in terms of its review of the Lobbyists Act.

**The Chair:** Thank you. The 19 that you did not: would those align with the 19 numbers in Mr. Rowswell's submission for motion?

Dr. Niemi-Bohun: Yes, they do.

**The Chair:** Thank you very much. Ms Goehring, does that clarify it enough at this point?

Ms Goehring: Absolutely. Thank you so much.

The Chair: Thank you, Ms Goehring. Are there any other questions?

Mr. Bilous: Can I ask a follow-up question, Mr. Chair?

The Chair: Yeah. Mr. Bilous.

**Mr. Bilous:** I'll turn on my camera. No, I appreciate the questions in the exchange. Just to clarify, the 19 that are being excluded are the 19 that do not have relevance to the committee, but other submissions that did include offensive or vulgar language are different from the 19, and they'll still be included. Is that correct?

The Chair: Dr. Niemi-Bohun, would you please comment?

**Dr. Niemi-Bohun:** Yes, that is correct. If there was offensive language, however, there were issues raised that are relevant to the

Lobbyists Act and the work of the committee: those are included in the summary that we have provided for you.

**Mr. Bilous:** Okay. Wonderful. That answers my question. Thank you, Chair.

The Chair: Thank you, Mr. Bilous.

Any further questions on this motion? Seeing none, I'm prepared to ask the question. All those in the room in favour of this motion, please say aye. Any opposed, please say no. Online, all those in favour, please say aye. Online, any opposed, please say no. Thank you.

That motion is carried and so ordered.

Hon. members, the committee has an opportunity at this time, in section (b), to determine whether it wishes to receive oral presentations from stakeholders and/or the public in relation to its review of the Lobbyists Act. It is common practice for committees conducting comprehensive reviews to invite those who have made written submissions, particularly stakeholders, to make oral presentations to the committee, which helps the committee to clarify and seek more detail on topics raised in those submissions.

I would like to open the floor to questions and comments on the matter of oral presentations. Mr. Walker.

Mr. Walker: Well, I have a motion I would like to move, Chair.

The Chair: Please proceed.

Mr. Walker: Yeah. My motion, Chair, is that

the Standing Committee on Alberta's Economic Future invite the office of the Ethics Commissioner and the lobbyist registrar to provide an oral presentation on the recommendations made in a written submission to the committee as part of its review of the Lobbyists Act.

I think they always provide great insight and would be of great value to this committee.

Thanks, Chair.

The Chair: Thank you, Mr. Walker. We will wait for that to be put on the screen.

I apologize, Ms Goehring, I didn't see your request earlier. We will go to you as soon as that is on the screen for questions, comments, or whatever you would require. It is now on the screen, Ms Goehring, if you have any comments or questions at this time.

**Ms Goehring:** Thank you, Mr. Chair. I'm having some issues with my video. I think that it's so important that we're able to hear what people have to say about the review and give them the opportunity to ask questions. I'm appreciative that this motion has come forward. I would like, however, to do a subamendment regarding this motion if this is the appropriate time, Chair.

**The Chair:** Yes. It's just an amendment and, yes, please feel free to proceed with that at this time.

# Ms Goehring: Thank you. So

after "registrar" I would like to include "the Edmonton and Calgary Chambers of Voluntary Organizations, the Alberta Chambers of Commerce, the Alberta Teachers' Association, Alberta Municipalities, Prairie Sky Strategy, Suncor Energy, Canadian Renewable Energy Association of Alberta, Independent Power Producers Society of Alberta, the Muttart Foundation, and Dr. Geoffrey Hale from the University of Lethbridge," and (b) striking out "submission" and replacing it with "submissions."

This was already provided to the chair prior to the meeting.

The Chair: Thank you. We will allow that to be posted.

### Ms Goehring: Thank you.

The Chair: I believe that we can see that on there.

I am remiss. I should have allowed the mover of the motion to speak to that motion before having an amendment. I apologize, Mr. Walker. Do you have any further comments to make on your motion?

**Mr. Walker:** Well, as I said briefly earlier, Chair, I think, you know, that this is really within the wheelhouse of the Ethics Commissioner and the lobbyist registrar. This is what they do. They always provide such great insight and value, so really wanting them to provide an oral presentation – such effective speakers and very thoughtful. That's all I would add to my rationale.

The Chair: Thank you, Mr. Walker.

I will now go back to Ms Goehring if she has any further comments on her amendment to the motion that she wishes to make at this time.

**Ms Goehring:** Thank you, Mr. Chair. I think that it's really important that we hear from the specific list that we've provided. I think that in the past, when this act was reviewed, both opposition and government members provided names. I think that the list that we brought forward has some specifics that we should be able to hear from. They offer some unique perspectives when it comes to this review, and I hope that all members support the revision that I requested.

Thank you.

# 9:20

The Chair: Thank you, Ms Goehring.

I see MLA Rosin has a comment or question at this time.

**Ms Rosin:** Thank you, Chair. I certainly agree with Member Goehring that we want to have more stakeholders participate in this review going forward. However, I do believe that, in the essence of being diligent with committee time and resources, there are some similar or duplicative stakeholders on this list so if I could, I would like to propose a subamendment to the amendment.

The Chair: All right. Please proceed.

**Ms Rosin:** Thank you, Chair. Again, in the essence of being diligent with our time, there are some duplicative stakeholders when it comes to energy and charitable organizations. I do also believe we want to be careful not to invite any organizations that are hardline partisan in front of the committee. I don't believe that that's in the public's best interest. I would like to move, then, that

MLA Goehring's amendment be amended by striking out the following groups: the Alberta Teachers' Association, Prairie Sky Strategy, Suncor Energy, the Muttart Foundation, and Dr. Geoffrey Hale from the University of Lethbridge.

**The Chair:** Thank you, Ms Rosin. We will wait so all that gets added to the list. Do you have any further comments that you would like to make at this time?

**Ms Rosin:** Yeah. I think that striking out those specific stakeholders leaves us with a good list that still covers both renewable and nonrenewable energy lobbyists as well as voluntary and charitable organizations. I think we've still got good coverage on both sides of the argument, but it does remove any potential duplicative content we may receive and any hard partisanship.

**The Chair:** Thank you, Ms Rosin. Can you just verify that what is on the screen captures your...

Ms Rosin: Yes, that is correct. Yes, that's good.

#### The Chair: Thank you.

I would invite any other members who have any comments or questions regarding the subamendment. Mr. Bilous, please feel free to take the floor.

**Mr. Bilous:** Thank you very much, Mr. Chair. I do appreciate what MLA Rosin is proposing. However, you know, I'd like to just speak to a couple of organizations that I think should be left on the list. I appreciate her comment about duplication. I would submit that hearing from Suncor – they are not a partisan association, and they will bring a different perspective to the conversation.

As well, I'd like to argue in favour of the Muttart Foundation. They are a national organization and as such will bring a broader perspective than the Edmonton and Calgary chambers. I think it is critical to hear from our voluntary organizations.

With that, I will only try to put back on the list – because I believe Alberta Municipalities will stay on the list – that we keep the Edmonton and Calgary Chambers of Voluntary Organizations, the Alberta Chambers of Commerce but to add back on Suncor and the Muttart Foundation.

**The Chair:** Okay. Just for the knowledge of the committee, we are unable to amend a subamendment. I would suggest that when we vote on the subamendment, if it was to be defeated, another subamendment could be put in place at that time. Is that correct? Okay. I have confirmation on that.

Again just for the knowledge of the committee, I would look to a member from the government side or the mover of the subamendment to speak to Mr. Bilous' comments at this time. Ms Rosin.

**Ms Rosin:** Yeah. Just confirming, can I amend my own subamendment?

The Chair: No.

Ms Rosin: No. Okay.

**The Chair:** You can speak to it. We'll vote on the subamendment, and then I would offer the opportunity for you to present a new subamendment if that was the will of the committee.

**Ms Rosin:** Okay. I actually am very okay with Member Bilous' recommendations. I do think Suncor has a very specific focus, and I actually do believe that potentially inviting a national charitable organization might provide an interesting perspective on what other jurisdictions in the country do. So if it is the will of the committee, I would be willing to vote down my own subamendment and then allow Member Bilous to propose the new subamendment that reflects my subamendment plus his.

**The Chair:** I will provide just a little bit more clarity here. I was speaking with Parliamentary Counsel and the clerk. The more advisable path, if it is the will of the committee, would be for the mover, MLA Rosin, to withdraw her subamendment, present a reworded new subamendment, and then we would vote on that. It would require unanimous consent of the committee to do such. My first question will be to MLA Rosin: if she were to withdraw her subamendment, is it her intention to propose a new subamendment considering MLA Bilous' comments?

#### Ms Rosin: Yes.

**The Chair:** Having heard her answer to that question before the entire committee, do we have unanimous consent to proceed with those actions? I will only ask one question. If you are against this, please comment no at this time. Hearing none, I believe

we have unanimous consent to proceed.

MLA Rosin, are you willing to withdraw your subamendment?

Ms Rosin: Yes, I will withdraw.

**The Chair:** Thank you. Now, would you please proceed with providing a new subamendment?

#### Ms Rosin: Yes. I will move that

the amendment be amended by striking out the following groups: the Alberta Teachers' Association, Prairie Sky Technology, and Dr. Geoffrey Hale from the University of Lethbridge.

**The Chair:** We will wait for that to come up on the screen. While we are waiting, is there anyone online who would like to add further comment to this complicated procedure? Seeing none. We will just wait for confirmation that our new subamendment is as intended. I thank everyone in the committee for their patience as Parliamentary Counsel and the clerk work to catch up to our discussions.

All right. Just to confirm: moved by Ms Rosin that the amendment be amended by striking out the Alberta Teachers' Association, Prairie Sky Strategy, and Dr. Geoffrey Hale from the University of Lethbridge. Ms Rosin, does that align with your new subamendment?

Ms Rosin: It looks perfect.

**The Chair:** Any other comments from anyone online at this time? Seeing none, I will ask the question. In the room, all those in favour of the new subamendment, please say aye. Any opposed, please say no. Hearing none. Online, all those in favour of the new subamendment, please say aye. Anyone online opposed to the subamendment, please say no. Hearing none.

That subamendment is carried.

To the amendment. All those in favour in the room to the amendment, please say aye.

Ms Rosin: Can you correct the amendment?

**The Chair:** We will pause on that while we correct the amendment as it has been addressed, and then I will read that amendment out again and ask for confirmation that it is in order. The amendment moved by Ms Goehring that

the motion be amended by adding the following after "registrar": the Edmonton and Calgary Chambers of Voluntary Organizations, the Alberta Chambers of Commerce, Alberta Municipalities, Suncor Energy, Canadian Renewable Energy Association of Alberta, Independent Power Producers Society of Alberta, the Muttart Foundation, and (b) by striking out "submission" and replacing it with "submissions."

Ms Goehring, is that in alignment with your understanding of the amendment that you proposed?

## 9:30

Ms Goehring: Absolutely.

## The Chair: Thank you very much.

Seeing no other comments, I will go to the room. All those in favour of the amended amendment, please say aye. Anyone opposed, please say no. Online, all those in favour of the amended amendment, please say aye. Online, anyone opposed, please say no. Hearing none,

that amendment is passed and so ordered.

Now on to the original motion as amended. For clarity, are there any other comments to the motion as amended by anyone in the room or online?

Seeing none, we will call the question on the motion put forward by MLA Walker as amended. All those in favour, please say aye. Any opposed, please say no. Online, all those in favour of the motion as amended, please say aye. Online, anyone opposed, please say no. Hearing none,

the amended motion is passed and so ordered.

Thank you, everyone on the committee, for working through that challenging motion. Are there any other comments, questions, or discussion on oral presentations at this time? Seeing none. Thank you, everyone. Other business. Are there any other issues for discussion before we wrap up today's meeting? Looking online or in the room, I see none. Thank you.

Date of the next meeting. The next meeting will be at the call of the chair.

If there is nothing else for the committee's consideration, I will call for a motion to adjourn. Mr. Rowswell. Moved by MLA Rowswell that the December 9, 2021, meeting of the Standing Committee on Alberta's Economic Future be adjourned. All those in the room in favour, please say aye. Anyone opposed? Hearing none. Online, all those in favour, please say aye. Anyone opposed, please say no. That motion is carried.

Thank you very much, everyone. Please take care and drive safely. May you have a very happy Christmas. Thank you, everyone.

[The committee adjourned at 9:33 a.m.]

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