ORDER IN COUNCIL

Approved and ordered:

Lieutenant Governor or Administrator

The Lieutenant Governor in Council makes the Technology Innovation and Emissions Reduction Amendment Regulation set out in the attached Appendix.

FILED UNDER THE REGULATIONS ACT AND ALBERTA REGULATION 132/2020 ON JULY 28, 2020

CHAIR

DEPUTY REGISTRAR OF REGULATIONS

For Information only

Recommended by: Minister of Environment and Parks

Authority: Emissions Management and Climate Resilience Act (section 60)
APPENDIX

Emissions Management and Climate Resilience Act

TECHNOLOGY INNOVATION AND EMISSIONS REDUCTION AMENDMENT REGULATION

1 The Technology Innovation and Emissions Reduction Regulation (AR 133/2019) is amended by this Regulation.

2 Section 1(1) is amended

(a) in clause (k) by adding “or opted-in facility” after “large emitter”;

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

(n) “direct emissions” means the quantity of all specified gases released from sources located at a facility, expressed in CO₂e tonnes, not including

(i) biomass CO₂ emissions, or

(ii) emissions from fuel used at a covered facility as defined in the Greenhouse Gas Pollution Pricing Act (Canada) and for which a fuel charge has been paid under that Act in respect of a time at which an exemption certificate applied in accordance with section 36 of that Act in relation to that covered facility;

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

(ff.1) “operator” means the person who, in respect of a conventional oil and gas facility, keeps records and submits reports under the Oil and Gas Conservation Act, Oil Sands Conservation Act or Pipeline Act to

(i) the Alberta Energy Regulator, or

(ii) the electronic information system called Petrinex that is administered by the Department of Energy;

(d) by repealing clause (hh) and substituting the following:
(hh) “person responsible” means, subject to subsection (2)(c),

(i) where the release of the specified gas occurs at a conventional oil and gas facility, the operator, if any, of the conventional oil and gas facility,

(ii) subject to subclause (i), where the release of the specified gas occurs at a facility that is the subject of an approval or registration under the *Environmental Protection and Enhancement Act*, the holder of the approval or registration,

(iii) subject to subclause (i), where the release of the specified gas occurs at a facility that is not the subject of an approval or registration referred to in subclause (ii) but is the subject of an approval or other authorization issued by the Alberta Energy Regulator or the Alberta Utilities Commission, the holder of that approval or authorization, or

(iv) subject to subclause (i), where the release of the specified gas occurs at a facility other than a facility described in subclause (ii) or (iii), the owner of the facility;

3 Section 4(1)(a) is amended

(a) in subclause (i)

(i) by striking out “3%” and substituting “1%”;

(ii) by striking out “20%” and substituting “10%”;

(b) in subclause (ii) by striking out “15% and a trade exposure that equals or exceeds 10% but is less than 20%” and substituting “3%”;

(c) by repealing subclause (iii) and substituting the following:

(iii) that has a trade exposure that equals or exceeds 80%;
4 Section 5 is amended

(a) by repealing subsection (2) and substituting the following:

(2) An application under subsection (1) must

(a) be submitted in the form and manner prescribed by the director, and

(b) include the information required by the director.

(2.1) An application under subsection (1)(a) must be received by the director on or before December 1 of the year preceding the year in which the designation is requested to be effective.

(2.2) An application under subsection (1)(b) must be received by the director on or before December 1 of the year in which the amendment is requested to be effective.

(b) in subsection (3)(a) by striking out “subsection (2)” and substituting “subsections (2) and (2.1) or (2.2)”;

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

(5) Notwithstanding any change in the person responsible for a conventional oil and gas facility or other circumstance that could affect the inclusion of a conventional oil and gas facility in an aggregate facility, subject to subsection (8),

(a) if a conventional oil and gas facility is part of an aggregate facility on January 1 of a year, the conventional oil and gas facility continues to be part of the aggregate facility for the whole year, or

(b) if a conventional oil and gas facility is added to an aggregate facility during a year, the conventional oil and gas facility is considered to be part of the aggregate facility for the whole year.

5 Section 9 is amended

(a) in subsection (1)
(i) by striking out “BHP_{E-Y}” wherever it occurs and substituting “HPB_{E-Y}”;

(ii) by striking out “BHP_{Hy-Y}” wherever it occurs and substituting “HPB_{Hy-Y}”;

(iii) by striking out “BHP_{He-Y}” wherever it occurs and substituting “HPB_{He-Y}”;

(b) in subsection (2)

(i) by striking out “BHP_{E-Y}” and substituting “HPB_{E-Y}”;

(ii) by striking out “BHP_{Hy-Y}” and substituting “HPB_{Hy-Y}”;

(iii) by striking out “BHP_{He-Y}” and substituting “HPB_{He-Y}”.

6 Section 13 is amended

(a) in subsection (4) by striking out

\begin{align*}
E_{SFC} \ &= \ \text{the quantity of specified gas emissions, expressed in CO}_2\text{e tonnes, not including the quantity of biomass CO}_2 \text{ emissions, resulting from the combustion of solid, liquid or gaseous fuel from stationary fuel combustion devices at an aggregate facility for the primary purpose of providing useful heat, or energy, for industrial, commercial or institutional use;}
\end{align*}

and substituting

\begin{align*}
E_{SFC} \ &= \ \text{the quantity of specified gas emissions, expressed in CO}_2\text{e tonnes, not including}
\end{align*}

(a) the quantity of biomass CO\textsubscript{2} emissions, or

(b) the quantity of emissions from fuel used at a covered facility as defined in the Greenhouse Gas Pollution Pricing Act (Canada) and for which a fuel charge has been paid under that Act in respect of a time at which an exemption certificate under section 36 of that Act applied in relation to that covered facility,

resulting from the combustion of solid, liquid or gaseous fuel from stationary fuel combustion devices at an aggregate facility for the primary purpose of providing useful heat, or energy, for industrial, commercial or institutional use;
(b) in subsection (5)(f) by striking out “within the 8-year period after the year in which” and substituting “within the 9-year period beginning with the year in which”.

7 Section 36 is amended

(a) in subsection (4) by striking out “September 1, 2020” and substituting “November 1, 2020”;

(b) in subsection (6)

(i) by striking out “section 5(2)(c)” and substituting “section 5(2.1)”;

(ii) by striking out “September 1, 2020” and substituting “November 1, 2020”;

(c) by adding the following after subsection (6):

(6.1) Notwithstanding section 5(3)(c), in the case of an application made under section 5(1) for a designation or amendment to a designation of an aggregate facility for 2020, the application may include one or more conventional oil and gas facilities that are part of an existing aggregate facility.

(6.2) On deciding to make a designation or amendment described in subsection (6.1), the director shall remove the conventional oil and gas facility from the existing aggregate facility.

(6.3) Notwithstanding section 5(5) and (8), a conventional oil and gas facility that is part of an existing aggregate facility when an application is made under section 5(1) for 2020 is considered to be part of the aggregate facility to which it is added or the newly designated aggregate facility for the whole year.

(6.4) Notwithstanding section 7(2)(a), in the case of an application for the assignment of a facility-specific benchmark and benchmark unit for an aggregate facility for 2020, the application must be received by the director on or before January 15, 2021.
8 Schedule 2 is amended by repealing section 1(1)(g) and substituting the following:

(g) “hydrogen” means, except in clause (f),

(i) hydrogen that is exported from a facility other than a facility that produces a product with a benchmark unit of Alberta complexity weighted barrel, or

(ii) hydrogen that is generated at a facility that produces a product with a benchmark unit of Alberta complexity weighted barrel, excluding hydrogen that is vented or combusted;