STANDING COMMITTEE ON THE ECONOMY Thursday, April 29, 2010

MINUTE NO. 28 8:00 p.m. – Room 8

1. **Present:** Darryl Hickie in the Chair and Members Fred Bradshaw*, Doreen Eagles*, Ron Harper, Tim McMillan*, Sandra Morin*, Laura Ross, Lyle Stewart and Nadine Wilson.

Substituting Members

Sandra Morin for Len Taylor Doreen Eagles for Dustin Duncan (for consideration of Bill No. 122) Fred Bradshaw for Dustin Duncan (for consideration of Bill No. 126) Tim McMillan for Laura Ross (for consideration of Bill No. 126)

Other Members

Hon. Bill Hutchinson, John Nilson

2. The following document was tabled:

ECO 14/26 – Ministry of Justice and Attorney General: "Re: Bill 131, The Conservation Easements Amendment Act, 2009".

3. The committee considered Bill No. 122 – The Environmental Assessment Amendment Act, 2009.

The following Environment Minister and officials appeared before the committee and answered questions:

Witnesses

Hon. Nancy Heppner, Minister Liz Quarshie, Deputy Minister Mark Wittrup, Assistant Deputy Minister, Environmental Protection and Audit Division Lin Gallagher, Assistant Deputy Minister, Resource Management and Compliance Division Kim Graybiel, Director, Climate Change Jennifer McKillop, Director, Aboriginal Affairs Ron Zukowsky, Acting Director, Environmental Assessment Branch Shannon Carson, Crown Counsel, Civil Law, Ministry of Justice Leanne Lang, Crown Counsel, Civil Law, Ministry of Justice

- 4. The questions being put on clauses 1 to 26, they were agreed to.
- 5. During consideration of new clause 6.1, it was moved by Ms. Morin:

New Clause 6.1

Add the following Clause after Clause 6 of the printed Bill:

"New section 4.1

6.1 The following is added after section 4:

Non-derogation of existing rights

(4.1) Nothing in this Act shall be construed or interpreted so as to abrogate or derogate, directly or indirectly, any treaty or aboriginal rights recognized and affirmed by subsection 35(1) of the *Constitution Act*, 1982".

The question being put on the amendment, it was agreed to.

The question being put on new clause 6.1 as amended, it was agreed to.

6. It was moved by Mr. Stewart:

That the committee report Bill No. 122 – The Environmental Assessment Act, 2009 – with amendment.

The question being put, it was agreed to.

- 7. The committee recessed from 9:10 p.m. until 9:16 p.m.
- 8. The committee considered Bill No. 126 The Management and Reduction of Greenhouse Gases Act.

The following Environment Minister and officials appeared before the committee and answered questions:

<u>Witnesses</u>

Hon. Nancy Heppner, Minister Liz Quarshie, Deputy Minister Lin Gallagher, Assistant Deputy Minister, Resource Management and Compliance Division Mark Wittrup, Assistant Deputy Minister, Environmental Protection and Audit Division Kim Graybiel, Director, Climate Change Jennifer McKillop, Director, Aboriginal Affairs Ron Zukowsky, Acting Director, Environmental Assessment Branch Shannon Carson, Crown Counsel, Civil Law, Ministry of Justice Leanne Lang, Crown Counsel, Civil Law, Ministry of Justice

- 9. The questions being put on clauses 1 to 4, they were agreed to.
- 10. During consideration of clause 5, it was moved by Mr. Stewart:

Clause 5 of the printed Bill

Amend Clause 5 of the printed Bill by adding "in the regulations" after "shall establish".

The question being put on the amendment, it was agreed to.

The question being put on clause 5 as amended, it was agreed to.

- 11. The question being put on clause 6, it agreed to.
- 12. During consideration of clause 7, it was moved by Mr. Stewart:

Clause 7 of the printed Bill

Amend Clause 7 of the printed Bill:

(a) by striking out clause (2)(k) and substituting the following:

"(k) subject to the regulations, determine when an investment will be determined to be a pre-certified investment and, for that purpose, may:

(i) establish guidelines, policies and standards respecting the criteria for approving the granting of tonnes of CO_2e with respect to investments, who may apply for the grant of those tonnes of CO_2e and the manner of applying; and

(ii) approve the granting of tonnes of CO_2e in recognition of investments mentioned in subclause (i) and impose any terms and conditions that the minister considers appropriate on those approvals"; and

(b) by adding the following subsections after subsection (8):

"(9) If the minister is satisfied that it is in the public interest to do so, the minister may:

(a) impose terms and conditions that must be met before the minister will accept any documents or written materials prepared by a qualified person; or

(b) refuse to accept any documents or written materials prepared by a qualified person.

"(10) Before the minister takes any action pursuant to subsection (9), the minister shall give the qualified person:

(a) written notice of the minister's intended action and the reasons for that intended action; and

(b) an opportunity to make written representations to the minister, within 30 days after the written notice mentioned in clause (a) is served, as to why the intended action should not be taken.

"(11) The minister is not required to give an oral hearing to any person to whom a notice has been given pursuant to subsection (10).

"(12) After considering the representations mentioned in subsection (10), the minister shall:

- (a) issue a written decision; and
- (b) serve a copy of the written decision mentioned in clause (a) on

the qualified person who made the representations".

The question being put on the amendment, it was agreed to.

The question being put on clause 7 as amended, it was agreed to.

- 13. The questions being put on clauses 8 to 16, they were agreed to.
- 14. During consideration of clause 17, it was moved by Mr. Stewart:

Clause 17 of the printed Bill

Amend Clause 17 of the printed Bill by adding the following subsections after subsection (9):

"(10) In the prescribed circumstances, the minister may:

(a) direct, in writing, that a regulated emitter provide the minister with information or documentation that the minister may specify in the written direction respecting the emissions from the facility or facilities specified in the written direction for the year or years specified in the written direction; and

(b) establish a new baseline emission level for a regulated facility or amend or revise the baseline emission level for a regulated facility.

"(11) If the minister establishes a new baseline emission level or amends or revises a baseline emission level pursuant to clause (10)(b), the minister shall advise the regulated emitter, in writing, of:

(a) the new baseline emission level or the amendment or revision; and

(b) the reasons for the new baseline emission level or the amendment or revision.

"(12) Before the minister takes any action pursuant to subsection (10), the minister shall give to the regulated emitter mentioned in that subsection:

(a) written notice of the minister's intended action and the reasons for that intended action; and

(b) an opportunity to make written representations to the minister, within 30 days after the written notice mentioned in clause (a) is served, as to why the intended action should not be taken.

"(13) After considering the representations mentioned in subsection (12), the minister shall:

- (a) issue a written decision; and
- (b) serve a copy of the written decision mentioned in clause (a) on the

regulated emitter who made the representations.

"(14) The minister is not required to give an oral hearing to any person to whom a notice has been given pursuant to subsection (8) or (12)".

The question being put on the amendment, it was agreed to.

The question being put on clause 17 as amended, it was agreed to.

- 15. The questions being put on clauses 18 to 24, they were agreed to.
- 16. During consideration of clause 25, it was moved by Mr. Stewart:

Clause 25 of the printed Bill

Strike out subclause (c)(i) of Clause 25 of the printed Bill and substitute the following:

"(i) carbon capture and sequestration".

The question being put on the amendment, it was agreed to.

The question being put on clause 25 as amended, it was agreed to.

- 17. The questions being put on clauses 26 to 45, they were agreed to.
- 18. During consideration of clause 46, it was moved by Mr. Stewart:

Clause 46 of the printed Bill

Strike out subclause (a)(i) of Clause 46 of the printed Bill and substitute the following:

"(i) carbon capture and sequestration".

The question being put on the amendment, it was agreed to.

The question being put on clause 46 as amended, it was agreed to.

- 19. The questions being put on clauses 47 to 64, they were agreed to.
- 20. During consideration of clause 65, it was moved by Mr. Stewart:

Clause 65 of the printed Bill

Strike out Clause 65 of the printed Bill and substitute the following:

"Minister may direct production of information

65(1) Prescribed persons, or members of prescribed classes of persons, who are engaged in any prescribed commercial or other activity in Saskatchewan that results in greenhouse gas emissions and who are not regulated emitters shall:

(a) calculate the greenhouse gas emissions of that activity in the manner

directed by the minister;

(b) conduct tests to determine greenhouse gas emissions as directed by the minister; and

(c) file reports with the minister containing information specified by the minister.

(2) With respect to any report filed pursuant to subsection (1), the minister may require that the report or any information mentioned in clauses (a) and (b) be verified by a qualified person".

The question being put on the amendment, it was agreed to.

The question being put on clause 65 as amended, it was agreed to.

- 21. The questions being put on clauses 66 to 82, they were agreed to.
- 22. During consideration of clause 83, it was moved by Mr. Stewart:

Clause 83 of the Printed Bill

Amend Clause 83 of the printed Bill:

(a) by adding the following clause after clause (1)(g):

"(h) for the purposes of section 5, establishing a greenhouse gas emission reduction target for Saskatchewan"; and

(b) by striking out clause (o) and substituting the following:

"(o) for the purposes of subsection 17(10), prescribing circumstances in which the minister may direct regulated emitters to provide information and documentation, establish new baseline emission levels or amend or revise baseline emission levels for a regulated facility;

"(p) for the purposes of section 18, prescribing the amount of the reduction of CO_2e from the baseline emission level for a regulated emitter and prescribing years, including:

(i) prescribing different classes of regulated emitters;

(ii) prescribing different amounts of reduction of CO_2e for different classes of regulated emitters; and

(iii) authorizing the minister to establish the amount of the reduction of CO_2e from the baseline emission level for a regulated emitter, to revise or amend the amount of reduction of CO_2e that was prescribed and to establish years".

The question being put on the amendment, it was agreed to.

The question being put on clause 83 as amended, it was agreed to.

- 23. The questions being put on clauses 84 and 85, they were agreed to.
- 24. During consideration of new clause 23, it was moved by Mr. Stewart:

New Clause 23

Add the following after Clause 22 of the printed Bill:

"Duties imposed on qualified person re certificates, documents and opinions

23 If a qualified person is required to provide a certificate or document required by this Act, the regulations or the code and the certificate or document certifies or provides an opinion on any matter set out in the certificate or document, the qualified person shall, with respect to those actions:

(a) take all reasonable and prudent actions to ensure that the certificate or opinion does not contain any misrepresentation;

(b) disclose all material facts; and

(c) comply with all professional standards applicable to the qualified person".

The question being put on the new clause, it was agreed to.

The question being put on new clause 23 as amended, it was agreed to.

25. It was moved by Ms. Wilson:

That the committee report Bill No. 126 – The Management and Reduction of Greenhouse Gases Act – with amendment.

The question being put, it was agreed to.

26. It was moved by Mr. Bradshaw:

That this committee do now adjourn.

The question being put, it was agreed to.

27. The committee adjourned at 10:23 p.m. to the call of the Chair.

Nathan Elliott Committee Clerk Darryl Hickie Committee Chair

Standing Committee on the Economy April 28, 2010