

October 13, 2005

Mme. Cynthia Wright
Director General
Strategic Policy Directorate
Environment Canada
351 Saint-Joseph Boulevard, 21st Floor
Gatineau, Quebec
K1A 0H3

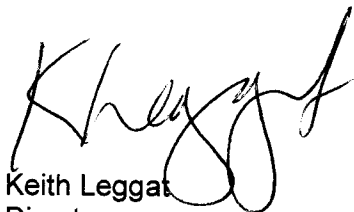
Dear Madame Wright:

This letter serves as a formal Notice of Objection on the proposed Order Adding Toxic Substances to Schedule 1 to the *Canadian Environmental Protection Act*, 1999: Canada Gazette Notice Part 1, September 3, 2005.

Enclosed is a recent letter from the Ministers of Alberta Environment and Alberta Energy outlining our broader concerns regarding the regulation of greenhouse gas emissions using the *Canadian Environmental Protection Act*, as well as our specific issues around defining greenhouse gas emissions as "toxic" through their inclusion in Schedule 1. There is a range of issues with this approach, including associated compliance and penalty provisions in supporting regulations.

We look forward to a detailed response to this concern, and in particular, how the federal government plans to follow-through on commitments to further review and make potential changes based on this approach (process, timelines, etc.). Should you require further information or clarification, please do not hesitate to contact me.

Yours truly,



Keith Leggat
Director
Environmental Policy Branch

Enclosure

cc: CEPA NAC Members



ALBERTA
MINISTER OF ENVIRONMENT

Office of the Minister
M.L.A. Fort McMurray – Wood Buffalo

AR18423

September 16, 2005

The Honourable Stéphane Dion
Minister of Environment Canada
Parliamentary House of Commons
Ottawa, Ontario K1A 0A6

The Honourable John Efford
Minister of Natural Resources Canada
508 Booth Street
Ottawa, Ontario K1A 0E4

Dear Ministers Dion and Efford:

Earlier this month, the federal government announced its intention to regulate greenhouse gas (GHG) emissions in Canada. As you are aware, the Government of Alberta has shown consistent leadership on the greenhouse gas issue over many years:

1. We are the first and only province in Canada to pass greenhouse gas legislation, the *Climate Change and Emissions Management Act*.
2. We are the first province in Canada to take action on climate change through establishing Climate Change Central approximately 6 years ago, and through our comprehensive action plan, *Albertans and Climate Change: Taking Action*.
3. We are currently in the process of finalizing climate change regulations, which we hope to have completed late this fall through consultations with Albertans.

These actions, taken under the leadership of Premier Ralph Klein, flow from our constitutional jurisdiction as the owners and managers of Alberta's resources.

While federal regulation of GHGs may be supported in some parts of the country, we are fundamentally opposed to federal regulation of GHGs in Alberta. The province of Alberta has years of effective regulatory experience and success. A second outside regulatory framework on top of our existing system would work against our common goals of efficiency, effectiveness and making the best use of resources available to manage the environment.

We do not believe in the use of the *Canadian Environmental Protection Act* to regulate GHGs. Among other shortcomings, that legislation defines GHGs as a "toxic" – contrary to the normal understanding of the term. The Act also fails to reflect the link among the economy, environment, and technology that we discussed in Buenos Aires, a link that is fundamental to sustainable progress on climate change.

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Alberta stakeholders have told us they want an integrated GHG regulatory system in Canada. From that perspective, we note a number of elements in the Gazetted proposal that were advocated by Alberta. These include partnership with provinces and territories, targets based on emission intensity, and the determination of any longer term targets by the federal government with provinces and territories. These elements would facilitate the integrated system – based on a true federal, provincial and territorial partnership – a partnership that is required to manage GHG emissions successfully in this country.

As you know, we believe technology must be a major part of any successful climate change plan. Among the technical options available, a carbon dioxide pipeline to support enhanced oil recovery and clean coal technologies offer huge potential opportunities that should be exploited. EnergyNet should be supported as one important mechanism coordinating, promoting and ensuring research and the development and deployment of climate change technologies. Funding for Climate Change Central would bring substantial benefits as well. I note your proposal would offer companies the option of paying into a recognized technology investment fund. Direct federal expenditure is also needed to gain the dramatic reductions possible from a CO2 pipeline, clean coal technology and perhaps renewable energy ventures.

As a follow-up to our discussions earlier this year, we look forward to concluding a workable framework M.O.U. that will achieve the objectives of Albertans and Canadians.


Guy Boutin
Minister of Alberta Environment


Greg Melchin
Minister of Alberta Energy

cc: Honourable Ralph Klein
Premier

Honourable Ed Stelmach
Minister of International and Intergovernmental Relations