

State of Environmental Policy in Alberta

There are a number of policy changes and public investments that relate to environmental stewardship in Alberta. The following notes summarize many issues of interest.

Irrigation Expansion:

The Canada Infrastructure Bank (CIB) entered an agreement in 2021 with the Government of Alberta and Irrigating Alberta, Inc. for improving irrigation infrastructure and increasing water storage. The CIB loan amounts to \$466 million with a grant from the Government of Alberta amounting to \$244.5 million and a contribution of \$163 million from the ten irrigation districts involved.

This funding was provided without adequate consultation or an assessment of cumulative effects related to substantial additions of water storage and the conversion of nearly 200,000 acres of land to irrigation, including native grassland. There is no apparent oversight by the CIB to ensure that environmental standards are met, leaving this evaluation (or not) to the proponent of the funding.

A consortium of environmental interests, including SAGE, requested more information through the FOIP process to better understand the terms of the agreement and the commitment to maintaining the health of the rivers and the preservation of native grassland habitat for species-at-risk. Three years later

a heavily redacted document was provided by the Government of Alberta. During this period, there have been nine proposals for new or expanded reservoirs designed for expanding irrigation acres and, possibly, provide for water security during periods of drought.

Unfortunately, the decision-making process for expanding irrigated acres and water storage ignores the protection of native grassland in the region. Native grassland not only provides significant ecosystem services (water retention, water quality, air quality, erosion control and carbon sequestration to mitigate climate change, etc.) but represents an already diminished habitat for bio-diverse species including many species-at-risk.

Project & Location	Description	Review Stage	Est. Cost
Deadhorse Coulee Reservoir in BRID near Enchant	Dam and reservoir with capacity of 15 million m ³ and flooded area of 350 ha; purpose is to enable greater storage of operational spills and help BRID better manage water usage and expand	AIM program. No environmental assessment required. Project management internal to BRID.	\$58 million for construction
Chin Reservoir Expansion in SMRID near Coaldale	New dam 10 km east of existing one will increase reservoir length to 34 km and increase reservoir capacity by 173 million m ³ to total 391 million m ³ and increase flooded area by 750 ha to 2,385 ha; 18,820 ha irrigation expansion; 750+ ha grassland loss	AIM program. EIA report submitted to EPA and NRCEB on Aug 13, 2024; lengthy Supplementary Information Request (SIR) posted Nov 8, 2024; response to SIRs posted Aug 12, 2025.	\$178 million for construction
Snake Lake Reservoir Expansion in EID near Brooks	New dam east of existing one and increased reservoir capacity of 68 million m ³ and increased flooded area of 780 ha; 2,025 ha irrigation expansion	AIM program. EIA report submitted to EPA and NRCEB (Apr 16, 2025); Supplementary Information Request (SIR) posted Oct 5, 2025;	n/a
Delacour Reservoir in WID near Chestermere	Dam and reservoir with capacity of 37 million m ³ and flooded area of 305 ha; 10,235 ha irrigation expansion; could benefit WID, BRID and EID	AIM program, location undisclosed; only screening effort	\$100 million
East Central Irrigation Project (Special Areas & MD Acadia) on lower Red Deer River near Bindloss	Two off-stream reservoirs with total capacity of 168 million m ³ (may be reduced to 93 million m ³) and flooded area of 1,205 ha; 450 km of pipeline and 30 km of canals; 43,706 ha irrigation expansion; 4,262 ha grassland loss; water licence requested for 175 million m ³ with 15 m ³ /s max rate; pumps near Bindloss Bridge	Engineering analysis and cost estimates due spring 2025; two gas and one solar generation facility; EIA ToR (final) posted Oct 10, 2025	\$1.3 billion
Exmore Dam on Bow River 45 km downstream of Bassano	New on-stream dam and reservoir with capacity of 617 million m ³ + and flooded area of 2,025 ha; 55,624 ha irrigation expansion; contribute to meeting apportionment	Feasibility study by Hatch Ltd. due summer 2025 not yet released; managed by Agriculture & Irrigation	\$5 million for feasibility study; \$1,500 million for construction
Ardley Dam on Red Deer River 35 km east of Red Deer	New on-stream dam and reservoir with capacity of 571 million m ³ and flooded area of 2,025 ha; 51,000 ha irrigation expansion	Feasibility study by Hatch Ltd. due spring 2026 managed by Environment & Protected Areas	\$4.5 million for feasibility study; \$1,500 million for construction
Ghost Dam Relocation and Reservoir Expansion on Bow River west of Calgary	Move existing on-stream dam 3 km downstream; increase reservoir to storage capacity of 175 million m ³ ; increase flooded area from 1,114 ha to 1,234 ha, including portion of Stony Nakoda reserve; WID gets all of supplemental release above natural flow to expand 14,217 ha; partly decrease drought risk and flood mitigation; TransAlta agreement	Bow River Management Group Phase 2 evaluation report due early 2025 not yet released; Phase 3 engineering, and regulatory approval proceeding managed by AB Transportation & Economic Corridors	\$1,052 million construction
Upper Belly River Dam on Belly River near Mountain View and Waterton-St. Mary Headworks optimization	New on-stream dam and reservoir with capacity of 68 million m ³ and flooded area of 305 ha; WID would limit diversion to flows over 2 m ³ /s; allows additional flow into St. Mary headworks; water security for 5 IDs from southern tributaries; 6,100 ha irrigation expansion	Feasibility and optimization study contract to WSP Canada on Sep 19, 2025; managed by AB Agriculture & Irrigation	\$300 million+ construction

Converting native grasslands to irrigated agriculture represents permanent environmental loss. In evaluating such a loss, one would expect some consideration relating to the purpose of expanding agricultural output (i.e., the social benefits of the crops grown), the health of rivers and riparian areas, and an acknowledgement of the costs of continuing to ignore our commitments to achieving greenhouse gas emission targets. An economy is only as strong as the ability of the natural world to sustain its exploitation.

Furthermore, and perhaps most alarmingly, these projects are based on incomplete, outdated and flawed water modelling. Water modelling that is employed to justify these projects involve methodologies that are designed to achieve certain objectives – typically, objectives influenced by industry interests. They tend to ignore the future impacts of diminishing glaciers that supply late-summer flow, the impacts of intensified logging practices, and the projected impacts of climate change on water flowrates and timing. And they tend to ignore the realities of flow regimes that are necessary for the health of aquatic ecosystems. Existing water reservoirs already have difficulty maintaining storage capacities as a result of climate change and industrial impacts on the natural function of environmental systems in the eastern slopes, including the destruction of wetlands and headwater forests.

There are natural limits. Limits, that when exceeded, threaten environmental systems and future economic activities that rely on them. Have we arrived at such a limit in southern Alberta?

Belly River Reservoir Proposal:

One of the more problematic proposals for increasing water storage for irrigation in southern Alberta is for reservoir on the Belly River. The Belly River is one of the few free-flowing rivers in Alberta and, as such, represents a more intact ecosystem and opportunities for recreation and the appreciation of natural beauty.

The proposed Belly River reservoir would flood roughly 300 hectares along a 10 km stretch of the Belly River valley affecting extant cottonwood forests, a popular angling destination, spawning habitat for bull trout (a species-at-risk), the quality of the river for canoe and kayak enjoyment and, perhaps, destroy sites significant to the Kainai First Nation [<https://paahtomahksikimi.ca/pages/blackfoot-culture>].

Empirical studies of the Belly River suggest that water flows in the Belly River have been steadily declining for the past few decades due to overuse and the initial impacts of climate change. The data suggests that there will not be enough water in the river to fill and maintain levels of a reservoir on the Belly River: “river flow data suggests that water availability to fill will be limited and the frequency and severity of potential shortages will be high.” Only the United Irrigation District (UID) with less than 50,000 irrigated acres will directly benefit from the reservoir, when water is available. It is unlikely that the costs of ecological, recreational and cultural damage will be offset by opportunities to expand irrigation in this region.

SAGE concerns:

- Commitment to meeting instream flow needs to maintain long-term impacts on aquatic and riparian ecosystem health.
- Maintaining flow regimes that protect cottonwood forests.
- Protecting native grasslands from conversion to irrigated agriculture.
- Protecting species-at-risk affected by reservoirs and loss of native grasslands.

What can you do? The proposal to dam the Belly River is currently in a preliminary feasibility study. It would be an opportune time to express concerns about this proposal to your MLA and the Government of Alberta.

Coal Policy in Alberta

In 2020, the 1976 Coal Policy was rescinded without public consultation. Significant areas of the Eastern Slopes land were opened to coal leases, initiating a widespread response from concerned landowners, environmentalists, and Indigenous communities. Due to public pressure, the 1976 Coal Policy was reinstated in early 2021 after cancelling eleven new coal leases. Four projects were exempted from the Ministerial order, two of which being Benga's Grassy Mountain and Montem's Tent Mountain coal projects.

A Joint Review Panel (JRP) consisting of federal and provincial regulators held a hearing from October 2020 to January 2021 on the Grassy Mountain coal project. In August 2021, the Joint Review Panel report deemed the project "not in the public interest." The report identified impacts to species-at-risk, risks of contamination of surface- and ground water, risks of air pollution, and that the project did not properly consider economic risks in its evaluation (which may be significant for the agri-food sector in our region), while overstating royalty payments. There was no cost evaluation for the long-term treatment of water (long after the coal mine would be closed) and dubious commitments for restoration after mine closure. Overall, this project was deemed: not good for people, not good for the environment, and not good for the citizen-taxpayer. Under the new ownership of Northback, the Grassy Mountain project was resurrected in 2023 as an 'advanced' project.

In 2023, Montem withdrew its application to mine coal at Tent Mountain with plans to convert the old coal mine to a pumped-hydro scheme.

The Government of Alberta introduced in late 2024 a Coal Industry Modernization Initiative (CIMI) in consultation with the coal industry. In January of 2025, the Government of Alberta lifted its moratorium on coal mining again opening up nearly 1900 square kilometers of land for coal exploration. In May of 2025, the Alberta Energy Regulator approved the exploration program application by Northback at Grassy Mountain.

Five coal companies initiated a \$15 billion lawsuit against the Government of Alberta as a result of the uncertainty of the coal policy in Alberta. Atrum Coal settled for \$142.5 million in July 2025. Evolve Power settled for \$95 million in October 2025. Cabin Ridge Project and Black Eagle Holdings have yet to settle, and Northback launched a claim for damages in June 2024, to be heard separately from the other litigation processes.

Albertans continue to wait for the decisions: on the remaining litigation for the uncertainty created by the Government of Alberta due to the lack of consultation; on the new coal policy; and on the approval process for Northback's Grassy Mountain project.

The Grassy Mountain project, given the assessment of the Joint Review Panel, remains 'not in the public interest.' The reasons are simple: coal mines produce waste from which pollutants leach into surface and groundwater. Though there are many heavy metals that coal mining can release to our fresh water, selenium has been noted as a particularly risky pollutant as it bioaccumulates in the environment reaching toxic levels for fish, animals living in riparian areas, and potentially in agricultural soils and plants grown in them. This is a risk not only to human health and the health of aquatic ecosystems, but also risks the reputation of our regional agricultural products.

As part of the ongoing Coal Industry Modernization Initiative (CIMI) process, a commitment to zero-discharge of selenium standard has been suggested. This may correspond to the ongoing consultation with respect to the proposed Coal Mining Effluent Regulations under the federal *Fisheries Act* (RSC 1985, c F-14) which states: “The Regulations would impose conditions related to this authorization that would reduce the risks to the aquatic environment posed by deleterious substances in coal mining effluent.”

On November 5, 2025, Northback submitted its Terms of Reference for an Environmental Impact Assessment Report outlining the scope of environmental and socio-economic effects of the proposed project.

In December of 2025, the application by Corb Lund for a *No New Coal Mining in Alberta's Rockies* petition was approved by Elections Alberta but this approval was reversed after the Government of Alberta passed amendments to its citizen-initiated petition legislation. The petition may proceed once the Ministry of Justice revises its procedures.

SAGE suggests:

- Maintaining the moratorium on new coal projects until the Coal Industry Modernization Initiative (CIMI) has been approved by the legislature and has had the benefit of robust public consultation and parliamentary debate.
- Abiding by the Coal Mining Effluent Regulations under the federal Fisheries Act, once legislated.
- Honouring the Recommendations of the Joint Review Panel derived after technical consultation and due democratic process. The Grassy Mountain coal project is not in the public interest.
- Protecting the Eastern Slopes from industrial pressure, and preserve and restore the region as a clean and reliable source of water for the region.

What can you do? Get involved with Corb Lund’s *No New Coal Mining in Alberta's Rockies* petition when it is approved by the Minister of Justice.

Water Amendment Act, 2025 (Bill 7):

At the end of October 2025, the Government of Alberta introduced Bill 7, *Water Amendment Act*. The principle changes include:

1. Permitting “low-risk” inter-basin transfers allowing water to be moved from one river basin to another;
2. Combining the Peace-Slave and Athabasca River Basins into a single basin; and
3. Expanding Ministerial power and discretion under the *Act*.

Though the results of public feedback from the Water Availability Engagement has not been made available, it appears that the proposed changes are not consistent with the concerns expressed in the consultation.

There is a dearth of scientific observation on the ecological impacts of inter-basin water transfers. As such, precaution is imperative. Existing literature suggests that inter-basin water transfers may have physical, chemical, hydrological, and biological implications for both the donor and recipient basins. River basins have distinct characteristics, including acidity, turbidity, temperature, and chemical content of water, as well as the various species that reside within and near the aquatic environment. Inter-basin transfers result in the mixing of these distinct waters, leading to changes in chemical balance and habitat characteristics, and easing the movement of organisms that promote the introduction of invasive species and the spread of disease. To be clear, the health of aquatic ecosystems is at risk with inter-basin transfers of water.

Combining water basins appears to allow the inter-basin transfer of water without environmental assessment, evaluation of cumulative effects, adequate watershed management or public consultation beyond directly affected parties. In other words, the legislation deems the two distinct water basins to be one. Expanding Ministerial power for decision-making obviates the necessity for public consultation, environmental assessment and parliamentary debate. Public processes are an essential aspect of good decision-making.

Bill 7 also allows for the easier transfer of water use through water licenses by extending the point of use or point of diversion beyond those set out in the original licence. More positively, a more consistent measuring and reporting of actual water use may be required. Allowing the transfer of water from the licensed use to another, however, would allow for the expansion of irrigated acres and, possibly, the diversion of water to other industrial uses. Reducing return flows from existing irrigation systems may further strain rivers and riparian areas. In a closed basin, like the Oldman River basin, increasing water use is unarguably at the expense of river flows that already do not meet minimum objective a portion of the summer. Expanding irrigated acres is also not limited to existing cultivated land, but may include extant (and diminishing) native grassland.

The current *Water Act* identifies Water Conservation Objectives (WCOs) that consider aquatic and riparian health as well as needs for tourism, transportation, waste assimilation. The WCOs are not ecologically sound. The amended *Water Act* should reflect instream flow needs. A 2024 Surface Water Management Performance Audit by Alberta’s Auditor General found that (p. 9) “the Department of Environment and Protected Areas has no water conservation objectives in most basins; does not know if existing water conservation objectives are working; lacks robust processes to monitor water pressures, assess risks, and decide when water conservation objectives are needed, and; has ineffective

processes to approve licences and monitor compliance, such as not enforcing licensee compliance with conditions.”

The proposed amendments continue to promote the notion that water licences are ‘property rights’ rather than a ‘right of use’. The FITFIR approach to water management has inherent limitations considering the anticipated water regimes under prolonged drought scenarios under climate change. These limitations are complicated by the notion of property rights. Water transfers should maintain public transparency with identification of risks and benefits to the environment and the public good. To summarize, SAGE believes that meeting water conservation objectives (WCOs) and preserving grasslands should be a minimum requirement before allowing the greater use of water in closed basins. Regardless of the water licences under FITFIR, meeting minimum flows for aquatic ecosystem health is the priority. Water is not a commodity ‘owned’ by water license holders, it is a right-of-use allowed against aquatic health and competing demands in a complex economy.

Holdbacks Removed from License Transfers:

On April 4, 2025, the Government of Alberta announced the removal of the 10% holdback on most water license transfers. “Alberta’s government has released three new policy directions so that water is only held back when absolutely needed. These new rules will make water transfers easier, free up more water in southern and central Alberta, and support economic growth for agriculture, industry and municipalities.” The 10% water holdbacks were applied to 256 out of 407 license transfers undertaken in the South Saskatchewan and Battle River basins since January 2025.

The management of holdbacks for water transfers is a small but important mechanism of maintaining river flows in over-allocated basins and under diminished flows due to the impacts of climate change. Relying on the largesse of decision-makers to meet future instream flow needs puts aquatic health at risk.

Emergency Statutes Amendment Act, 2024 (Bill 21):

The *Emergency Statutes Amendment Act* amends three acts to give the province more authority during emergencies. These include the *Emergency Management Act*, the *Forest and Prairie Protection Act*, and the *Water Act*. These Acts will be amended to accommodate a greater scope of provincial power during an emergency.

Amendments to the *Emergency Management Act* are designed to ensure that the Government of Alberta can assume authority over local emergency response. Amendments to the *Forest and Prairies Protection Act* provide the province with the authority to assume command and actively support municipalities responding to a wildfire. And amendments to the *Water Act* provide Cabinet authority to determine priority of water use under water licenses, and allow ‘low risk’ transfers between major water basins for use during emergencies like a prolonged drought.

Concerns are best articulated by a ABLawg.ca report:

“We believe that the day-to-day rule of law governing water and environmental management could be comprehensive and flexible enough to set out legislated courses of action to deal with true, unexpected emergencies related to water. If there are to be Executive powers related to such emergencies, they should be clearly defined and limited and their exercise should be appealable. Emergency response is not the place to tuck huge, practically unlimited Executive power. At the very least, the non-amended emergency provisions regarding water in the *Water Act* should be restored, and the water related amendments deleted, with certain exceptions such as the provision stipulating that emergency measures apply to deemed licenses. We believe that government and Legislature, with public and expert input, and meeting Constitutional obligations to Indigenous communities, should carefully examine the day-to-day water management law with the goal that it incorporates emergency response, as much as possible and feasible. This will require amendments to effect better rational and equitable water management, including regarding the mitigation of climate change and efforts to adapt to these changes, and to live within our ecological limits. Legislatively giving the Executive broad and ill-defined power and the almost unlimited discretion to avoid complying with the laws and policies that apply in “non-emergency” situations is a failure of governance. This is especially evident in respect to responding to water related emergencies through inter-basin transfers.” (Powell, Kwasniak, Barber, Luo, 2024).

In summary, water emergencies are best avoided by good long-term monitoring of water flows and quality, preserving the eastern slopes for the natural retention of water, and planning for sustainable demand through water modelling that accommodates climate change scenarios and maintains healthy flow regimes for aquatic ecosystems. Relying on ad hoc inter-basin transfers of water to meet unsustainable demand is not an adequate response in the long term.

SAGE concerns:

- Combining water basins without public consultation and assessment of environmental impacts risks aquatic and riparian ecosystem health.
- Expanding the latitude of water use under the current water license system increases the amount of water being removed from river systems, which already do not meet minimum flows for river health for portions of the year.

What can you do? Express your concerns to your MLA regarding the over-allocation of water in the South Saskatchewan River Basin. Minimum river flows are required for aquatic health, for sustaining cottonwood forests, for recreation, for tourism, and to dilute pollutants introduced into river systems from stormwater and wastewater treatment discharges.

Forestry:

In September 2025, West Fraser Timber Company presented a Forestry Management Plan (FMP) that describes its proposal to remove timber over the next decade from public lands along the eastern slopes, from Kaninaskis Country in the north to the Castle Parks in the south. The proposed annual cut is 32% greater than the previous plan in the region.

The eastern slopes in Alberta are the source of most of the water that flows across the province and offers important habitat for wildlife and flora, including many species-at-risk. The South Saskatchewan Regional Plan (SSRP), which sets the management priorities for the region, clearly states that *“Watershed management and headwaters protection is the priority. Forests will be managed with this as the highest priority (including water storage, recharge and release functions).”*

In protest, the Land Lovers group organized a six-week defence (October and November 2025) of the headwaters at Strawberry Camp to raise awareness of the importance of protecting and restoring our eastern slopes from logging plans without public consultation.

Forests protect the downstream environment from both flooding and from drought. By slowing down the melting of the snow pack in the spring, the rivers are not as likely to flood. It also allows more water to be absorbed by the soil and become groundwater which feeds streams and rivers through the summer. Cool water flowing year round supports healthy ecosystems and sustains biodiversity.

SAGE recommends a comprehensive cumulative effects and risk management study to:

- preserve watersheds, the source aquatic ecosystem health,
- preserves wetlands that store water for late-summer river flow,
- preserve biodiversity,
- protects species-at-risk habitat including the grizzly bear and one-third of extant native trout habitat, and
- limits the linear footprint, a science-based measure of fragmentation and ecological impact.

Until then, SAGE recommends that the logging cut level should be maintained at traditional volumes.

What can you do? Communicate your concerns about maintaining forest health by reducing logging cut levels and better regulating forestry practices that protect water sources, absorb water that may be slowly released over the summer, and establish restoration practices that ensure the long-term regeneration of forests in a warming climate.

Wildlife Amendment Act (Bill 41) or Trophy Hunting in the Rockies:

In July 2024, the Government of Alberta reinstated a grizzly bear hunt which had been limited by a moratorium in 2006. In 2010, the grizzly bear was designated as threatened with extinction (endangered) in Alberta, and in 2020 *The Alberta Grizzly Bear Recovery Program* was published. The existing Wildlife Act, however, offers no protection for endangered species and no prohibition against hunting endangered wildlife. It lacks a commitment to meeting national and international obligations to protect and restore species-at-risk (including the 1995 *Canadian Biodiversity Strategy*, 1992 *Convention on Biological Diversity*, and the *Species-at-Risk Act*).

In December 2024, the Government of Alberta lifted trapping restrictions on wolverines, despite current populations of less than 1000 individuals mostly limited to the north of the province. The decision was designed to 'improve population data'. Given their low reproductive rates, low population, and sensitivity to environmental disruption the data should trend towards extirpation.

In 2025, the Government of Alberta passed Bill 41, the *Wildlife Amendment Act, 2025*, ostensibly to align the existing act to new technologies and societal needs, and "simplify the process for hunters, trappers, and wildlife officers".

Some of the amendments proposed include: allowing black bear and cougars to be hunted for food; the potential to expand the use of hunting dogs, including while hunting in provincial parks; allowing minors to hunt without supervision; allowing shooting from motorized boats (not in motion); allowing lower calibre ammunition for game hunting, and; allowing new technologies such as laser-sights.

It is argued that the current regulations are already lax, and that current hunting rates already exceed sustainable limits, impacting the viability of some populations.

SAGE is concerned that:

- Wildlife, including species-at-risk, is threatened by relaxing hunting and trapping practices.
- Wildlife habitat is diminishing at an alarming rate, further stressing at-risk populations and threatening biodiversity.

What can you do? Challenge the Government of Alberta to provide the science that supports their decisions related to hunting and trapping regulations, particularly as they relate to endangered species.

Mature Asset Strategy:

The Mature Asset Strategy (MAS) represents the working group deliberations chaired by David Yager – an adviser to the premier and an appointed member of the Alberta Energy Regulator (AER) board of directors. The stated intention is to address the financial and environmental risks of unfunded industrial (oil & gas) liabilities and restore public confidence in industry and the provincial government.

Based on the document leaked in 2025, the term ‘mature asset’ appears to lack a detailed threshold or definition, basically allowing every oil and gas asset in the province could be considered “mature.” It offers “a workable definition for a mature asset would include an oil and gas producing asset, which refers to a reservoir, field or well that has been producing for an extended period and is at a stage where production rates are declining, making it marginal or uneconomic to continue operation at present or at some point in the near future” Furthermore, the terms used in the MAS document deviate from broadly understood terms and categories of oil and gas infrastructure as they appear in related legislation.

It is assumed that the category of ‘mature asset’ would include the 100,000 decommissioned but unreclaimed (‘orphaned’) wells in the province. Alberta currently has 274,215 wellbores that are either marginal, inactive (non-producing), or decommissioned (wellbore decommissioned, reclamation incomplete, or not yet receiving a reclamation certificate) compared to almost 54,000 producing wells and almost 105,000 wells which have been successfully reclaimed. In addition to wellbores, AER reports that industry has built 38,553 production facilities, such as batteries and separators. As of the end of 2023, 7,525 (20 per cent) had been decommissioned but not reclaimed, 15,434 (27 per cent) were inactive, and 19,582 (51 per cent) were still in operation. To transport products to market, the industry has constructed 446,091 kms pipelines. By year-end 2023, 23 per cent had been decommissioned, 16 per cent were classified as “discontinued” or non-operating, and 60 per cent remained in service.

An AER presentation in 2018 suggested that conventional liabilities are approximately \$100 billion, pipeline liabilities are around \$30 billion (based primarily on estimates of federally regulated pipeline liability) and an estimated \$130 billion for oil sands liabilities, bringing the total to \$260 billion. The Rural Municipalities Association (RMA) report about \$254 million in unpaid property taxes from oil and gas companies, and that Alberta taxpayers have covered nearly \$150 million in unpaid land rents since 2010, including \$30 million in 2024.

A major concern of the Mature Asset Strategy is that it assumes public responsibility for liabilities and will weaken industry accountability (moral hazard) for the clean-up of oilfield sites and environmental reclamation to acceptable standards. This is particularly salient because the notion of the ‘mature asset’ fails to adequately differentiate between orphaned wells, inactive assets owned by nearly insolvent companies, and those that are owned by currently profitable companies (that have the ability to pay for decommissioning assets at the end of life). In other words, the vagueness of the MAS process conceals the origins of the closure liability crisis and would seem to reward an industry that has neglected its obligations by offering new financial benefits and relaxed regulatory requirements.

One the other hand, orphaned and inactive oil and gas assets are considered a significant source of fugitive methane emissions that must be eliminated in the near term. Abandoning a polluter-pays principle, however, acts as another subsidy to a very profitable industry and acts as a moral hazard into the future. The concern is that these two perspectives delimit the options available to government. Surely, public institutions can better enforce legislated expectations of decommissioning and restoration (without socializing the costs) and at a rate that meets our obligations to reduce greenhouse gas emissions.

SAGE believes that the Mature Asset Strategy should focus on eliminating fugitive emissions of methane in its commitment to meeting greenhouse gas emission targets related to the climate crisis.

For this to be affordable, all new wells should include the up-front payment for decommissioning and restoration costs and, for existing infrastructure, greater restrictions of dumping end-of-life assets onto near-insolvent companies.

What can you do? Demand that the Government of Alberta act in the public interest by protecting against socializing liabilities from a highly profitable industry.

Renewables Pause:

The Government of Alberta put a moratorium on renewable energy projects in Alberta from August 2023 until October 2024. During this period, almost 11 GW of clean energy projects were withdrawn from the development process with the Alberta Electric System Operator (AESO). With the lifting of the moratorium, the renewable energy industry was faced with restrictions to areas where projects may be sited (Class 1 and Class 2 agricultural land and 35-kilometre buffer zones around protected areas and other 'pristine viewscape') and the adding of regulatory burdens and initial costs through revisions to transmission legislation. New requirements for end-of-life management of technologies and land reclamation exceed the current expectations of the oil & gas industry. Uncertainties over the direction the Government of Alberta will take regarding renewable energy has been said to have discouraged 118 projects, 24,000 jobs, and as much as \$33 billion in investment in the near term. The projects would have contributed approximately \$263 million in tax revenues to 27 different municipalities in the project – during a period where oil & gas companies have been renegeing on their contractual obligations.

The Government of Alberta does not have a comprehensive plan to meet net-zero obligations as legislated by the federal government. There has been some interest shown in emerging (but unproven economically at scale) technologies like small modular reactors (SMRs) and carbon capture. Captured carbon must be permanently removed from the atmosphere to meet the intentions of net-zero emissions, and not simply used to enhance oil production in which the carbon dioxide returns to the surface with the produced oil and gas.

SAGE has recommended to:

- improve the electricity grid for decentralized generation of electricity
- manage demand to optimize intermittent generation by renewable energy technologies
- invest in electricity storage technologies
- collaborate on expanding low-loss, high-voltage DC interprovincial ties with low-emission electricity generation (eg. Hydro), and
- commit to a realizable plan to reach net-zero electricity by 2050.

What can you do? Consider installing a solar power system on your home or property. Challenge the Government of Alberta over the decision to discourage the development of renewable energy in the province and creating a long-term plan for a robust, decentralized electricity grid that provides more flexibility and storage.

Provincial Priorities Act (Bill 18) & Municipal Affairs Statutes Amendment Act (Bill 20)

Infrastructure Canada data indicates that the average expected useful life of a single detached home in Alberta is 65 years. The data collected was based on social and affordable housing assets in both urban and rural settings. This means that a home built today is expected to still be part of the building stock in 2090. We know that, between now and 2090, there are expectations that greenhouse gas emissions be reduced to net-zero. We have to ask ourselves: Are we building homes today for yesterday's climate? And is this affordable in the long term?

In the absence of robust public discussion, the *Provincial Priorities Act* (Bill 18) was designed to restrict Municipalities and other provincial entities to enter agreements with any other entity without prior approval from the Government of Alberta. One might imagine this approval process could include grants from corporate sponsors or the Government of Canada that are directed to the reduction of greenhouse gas emissions. If, say, climate change mitigation and adaptation were not a priority for the Government of Alberta, much needed funding for municipalities and public research may or may not be allowed. Such gatekeeping of the public good may unintentionally restrict our collective ability to explore and innovate solutions for energy transition, building performance and, ultimately, long-term affordable housing.

Similarly, the proposed *Municipal Affairs Statutes Amendment Act* (Bill 20) limits the ability of municipalities to require “non-statutory studies as requirements for building and development permits.” Again, ‘non-statutory studies’ is a loosely defined category, but could include performance modelling for homes that are expected to meet higher standards as established by a municipality.

One of the motives expressed by the Government of Alberta for components of these Bills was to ‘standardize’ building in the province to make it more ‘affordable’. The standard would be the National Building Code, which (though being updated) currently sets a performance standard that will not only fail to achieve greenhouse emission targets, but also leave the homeowner with an unaffordable liability if energy prices continue to rise.

To achieve net-zero in our built environment, the Government of Alberta must set standards that exceed the National Building Code so that homes operate with lower emissions and are built to withstand extreme weather events already being observed, and as anticipated by climate models. This means using high-quality building materials and investing in innovative designs of building envelopes; reducing heating and cooling demands by increasing insulation and installing high-performance glazings; utilizing high-efficiency technologies that favour electricity that can most effectively be de-carbonized; and designing homes for disassembly to improve the reuse of materials. It should be further noted that the decisions on home design and performance depend largely on local climate, potential extreme weather events, and energy prices. This suggests that building codes and standards should be more locally nuanced than what would be regulated in a monolithic national code.

Resilient, high-performance homes can be realized with current knowledge in building design – but the transition needs to be supported with innovative financing, climate-appropriate incentives, and collaborative partnerships with all levels of government. And it is necessary to support those most in need during an affordability crisis by providing long-term solutions. Bills 18 and 20 appear to create barriers to achieving these goals.

SAGE maintains that properly designed and properly financed housing with collaborative corporate and intergovernmental participation is the locus of long-term affordability while meeting climate emission targets and improving our collective ability to position the economy and enhance social well-being for a challenging future.

What can you do? Consider upgrading your windows and insulation when making improvements to your home. Express your support for raising building standards in your community, and designing new subdivisions for optimizing solar potential. The Government of Alberta should allow municipalities the freedom to make decisions appropriate to long-term affordability and the climate.

Extended Producer Responsibility?

Extended Producer Responsibility (EPR) is designed to shift the financial burden of recycling single-use plastics, paper and packaging to the companies that produce (or import) them. Financial incentives are expected to encourage companies to find innovative ways to recycle more materials and produce less packaging waste.

The process of centralizing the collection of funds from the producers in order to manage the collection and reuse of recyclable materials helps minimize the burden on municipalities and, ultimately, lower the costs to homes and businesses. The process may also help find more suitable markets for recycled materials, setting higher standards for maintaining the materials cycle (where materials may be reused without degradation, or down-cycled, to final disposal).

Though this has been an improvement to previous ad hoc efforts made by municipalities, there is little effort in the process (except a minor financial incentive) to encourage the standardization of materials that are more effectively recycled and, even better, the reduction of materials used in packaging – particularly single-use plastics.

Plastics generally do not disappear once they are in the environment. They just break down and become harder to clean up as they degrade into smaller and smaller bits, and ultimately become an emerging environmental and health concern in the form of microplastics. We continue to produce (and dispose of) about 400 metric tonnes of plastics on the planet each year. About a third of this plastic production (140 million metric tonnes) is directed to single-use products. That's almost 40 lbs for each person on the planet each year! Only 1% of single-use plastics comes from recycled products.

Like all pollution it is much easier and cost-effective to prevent its release to the environment than it is to try to clean it up later. One of the easiest ways to reduce the amount of microplastics in the environment is to stop using single-use items like plastic bags, cutlery, straws, etc. With respect to the Extended producer Responsibility program, more effort can be made to emphasize the 'responsibility'. Single-use plastics should simply be banned. Producers that currently (over-)use plastics in packaging or single-use applications should be directed to shift to no-waste processes or to other materials, particularly those that can be more effectively reused (or recycled).

SAGE is concerned that the current EPR is long on managing recycled materials and short on its responsibility to eliminate single-use applications of materials. Where material use is essential, the selection should focus on recyclability, to close the materials cycle.

What can you do? Avoid of single-use plastics. Express you concerns to packaging-heavy producers and retailers.

The Southern Alberta Group for the Environment has been a leading voice for a health and environmentally sustainable community in southern Alberta for the past 40 years. SAGE remains a nonpartisan advocate of the environment..