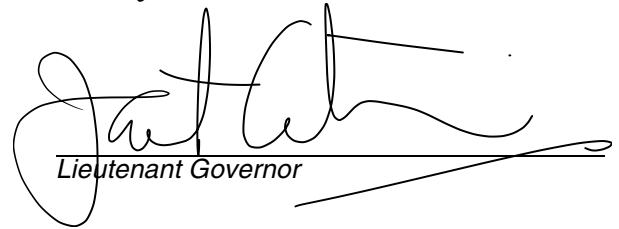


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 70

, Approved and Ordered February 16, 2024



Lieutenant Governor

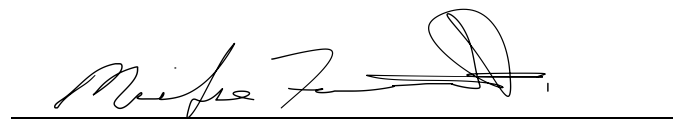
**Executive Council Chambers, Victoria**

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that

- (a) sections 15 to 40, 41 (a), (b), (c), (g) and (i) and 42 to 47 of the *Budget Measures Implementation Act, 2023*, S.B.C. 2023, c. 23, are brought into force,
- (b) Part 5.1 of the Carbon Tax Regulation, B.C. Reg. 125/2008, is repealed,
- (c) the Greenhouse Gas Emission Administrative Penalties and Appeals Regulation, B.C. Reg. 248/2015, is amended as set out in the attached Schedule 1,
- (d) the Greenhouse Gas Emission Control Regulation, B.C. Reg. 250/2015, is amended as set out in the attached Schedule 2, and
- (e) the Greenhouse Gas Emission Reporting Regulation, B.C. Reg. 249/2015, is amended as set out in the attached Schedule 3.



Minister of Environment and Climate Change Strategy



Presiding Member of the Executive Council

*(This part is for administrative purposes only and is not part of the Order.)*

**Authority under which Order is made:**

Act and section: *Budget Measures Implementation Act, 2023*, S.B.C. 2023, c. 23, ss. 181 and 185;  
*Carbon Tax Act*, S.B.C. 2008, c. 40, s. 84;  
*Greenhouse Gas Industrial Reporting and Control Act*, R.S.B.C. 2014, c. 29, ss. 46 to 49 and 51 to 53

Other: O.C. 804/2015; O.C. 807/2015; O.C. 805/2015

## SCHEDULE 1

- 1 Section 1 of the Greenhouse Gas Emission Administrative Penalties and Appeals Regulation, B.C. Reg. 248/2015, is amended by repealing the definition of “environmental legislation” and substituting the following:**

“environmental legislation” means the following enactments:

- (a) the Act and the regulations under the Act;
- (b) the *Environmental Management Act* and the regulations under that Act;
- (c) the *Low Carbon Fuels Act* and the regulations under that Act;
- (d) the *Energy Resource Activities Act* and the regulations under that Act

- 2 Section 2 is repealed and the following substituted:**

### **Automatic administrative penalties**

- 2** (1) In this section, “**unmet compliance obligation**”, in relation to an operator of a regulated operation for a compliance period, means the amount of the operator’s compliance obligation for the compliance period that is unmet on the day immediately after the compliance obligation deadline, expressed as a dollar amount calculated in accordance with section 6 (3) (b) [*compliance obligation*] of the Act.
- (2) Subject to this section, for the purposes of section 23 (1) [*automatic administrative penalties: failure to meet compliance obligation*] of the Act, the operator of a regulated operation is subject to the monetary administrative penalty calculated in accordance with subsections (3) and (4) of this section if any of the following indicates that the operator has failed to meet the operator’s compliance obligation by the compliance obligation deadline:
- (a) a compliance report under section 7 (1) [*compliance reports*] of the Act;
  - (b) a supplementary report under section 7 (3) of the Act, or a corrected report under section 7 (5.1) of the Act, submitted before the compliance obligation deadline;
  - (c) a determination of the director under section 7.1 (1) of the Act made before the compliance obligation deadline.
- (3) The administrative penalty for an operator referred to in subsection (2) of this section is the product obtained when 0.38% of the unmet compliance obligation is multiplied by the number of complete days from the compliance obligation deadline to the day the compliance obligation is paid, compounded daily.
- (4) If an operator makes a partial payment of the compliance obligation after the compliance obligation deadline, the number of days for the purposes of the calculation under subsection (3) in respect of the partial payment ends on the day the partial payment is made.
- (5) The maximum amount of the administrative penalty under subsections (3) and (4) is 3 times the unmet compliance obligation.
- (6) For the purposes of section 23 (1) of the Act, the operator of a regulated operation is subject to the monetary administrative penalty calculated in accordance with

subsections (7) and (9) of this section if either of the following indicates that the operator has failed to meet the operator's compliance by the compliance obligation deadline:

- (a) a supplementary report under section 7 (3) of the Act, or a corrected report under section 7 (5.1) of the Act, submitted after the compliance deadline, or
  - (b) a determination of the director under 7.1 (1) of the Act made after the compliance obligation deadline.
- (7) The administrative penalty for an operator in the circumstances referred to in subsection (6) is equal to the interest calculated under subsection (8) on the unmet compliance obligation for the period from the day immediately after the compliance obligation deadline to the day the compliance obligation is paid
- (a) compounded monthly, and
  - (b) calculated on the number of days since the last compounding of interest, or where no compounding has yet occurred, since the day immediately after the compliance obligation deadline.
- (8) For the purposes of subsection (7) the rate of interest is, during each successive 3-month period beginning on January 1, April 1, July 1 and October 1 in each year, 3% above the prime lending rate of the principal banker to the Province on the 15th day of the month immediately preceding the 3-month period.
- (9) If an operator makes a partial payment toward the unmet compliance obligation, the period referred to in subsection (7) for the purposes of the calculation under that subsection in respect of the partial payment ends on the date the partial payment is made.
- (10) Despite subsection (6) and (7), the administrative penalty set out in subsection (3) applies to the following:
- (a) in the case of an unmet compliance obligation that is an additional compliance obligation described in section 6.1 [*greenhouse gas emission correction*] of the Act, any amount of the additional compliance obligation that is not met by the date prescribed by section 41.16 (1) (a) (ii), (b) (ii) or (c) (ii) [*emission correction*] of the Greenhouse Gas Emission Reporting Regulation;
  - (b) in the case of an unmet compliance obligation that is an amount described in section 41.16 (2) (b) (i) or (ii) of the Greenhouse Gas Emission Reporting Regulation, any amount that is not met by the date prescribed by section 41.16 (3) of that regulation.
- (11) For certainty, for the purposes of subsection (10), the administrative penalty set out in subsection (3) applies to the amount of the unmet compliance obligation as if the date referred to in paragraph (a) or (b), as applicable, was the compliance obligation deadline.

#### **Imposed administrative penalties – Act**

- 2.1** (1) For the purposes of section 25 (1) [*imposed administrative penalties in relation to other matters*] of the Act, the provisions of the Act set out in subsections (2) and (3) of this section are prescribed.

- (2) The maximum administrative penalty that may be imposed for a contravention of the following provisions of the Act is \$1 000 000:
  - (a) section 2 [*non-reporting operations*];
  - (b) section 3 (1), (3), (5.2), (7) and (8) [*emission reports*];
  - (c) section 7 (1) to (3), (5.2), (7) and (8) [*compliance reports*];
  - (d) section 22 (5) [*inspection and seizure powers*].
- (3) The maximum administrative penalty that may be imposed for a contravention of section 9 (6) [*emission offset projects*] of the Act is \$100 000.

**Imposed administrative penalties – Emission Offset Project Regulation**

- 2.2**
- (1) For the purposes of section 25 (1) [*imposed administrative penalties in relation to other matters*] of the Act, the provisions of the Emission Offset Project Regulation set out in subsections (2) and (3) of this section are prescribed.
  - (2) The maximum administrative penalty that may be imposed for a contravention of the following provisions of the Emission Offset Project Regulation is \$1 000 000:
    - (a) section 26 (1) and (3.1) [*monitoring reports*];
    - (b) section 26.1 (2) (a) [*reversal events – retirement of compliance units*].
  - (3) The maximum administrative penalty that may be imposed for a contravention of section 27 (1) or (4) [*record retention*] of the Emission Offset Project Regulation is \$100 000.

**Imposed administrative penalties – Greenhouse Gas Emission Reporting Regulation**

- 2.3**
- (1) For the purposes of section 25 (1) [*imposed administrative penalties in relation to other matters*] of the Act, the provisions of the Greenhouse Gas Emission Reporting Regulation set out in subsections (2) and (3) of this section are prescribed.
  - (2) The maximum administrative penalty that may be imposed for a contravention of the following provisions of the Greenhouse Gas Emission Reporting Regulation is \$1 000 000:
    - (a) section 11 [*registration of potential reporting operations*];
    - (b) section 11.1 [*director may request information*];
    - (c) section 43 [*record retention*].
  - (3) The maximum administrative penalty that may be imposed for a contravention of the following provisions of the Greenhouse Gas Emission Reporting Regulation is \$100 000:
    - (a) section 9 (2) [*emissions below threshold*];
    - (b) section 11.2 [*registration of reporting operations*];
    - (c) section 11.4 [*change to registration information*];
    - (d) section 4.12 (7) [*notification that ceased to meet eligibility criteria*].

- 3** *Section 3 (1) is amended by striking out “section 24 (2) [imposed administrative penalties: inaccurate report or failure to report] or”.*
- 4** *Section 4 is amended*
- (a) *in subsection (3) by striking out “24 (2) [imposed administrative penalties: inaccurate report or failure to report] or”, and*
- (b) *by repealing subsection (4).*
- 5** *Section 5 is repealed.*
- 6** *Section 7 is amended by striking out “sections 24 (2) [imposed administrative penalties: inaccurate report or failure to report] and” and substituting “section”.*
- 7** *Section 8 is amended by striking out “If a contravention under section 25 [imposed administrative penalties in relation to other matters] of the Act” and substituting “If a contravention of a provision prescribed under section 2.1, 2.2 or 2.3 [imposed administrative penalties] of this regulation”.*
- 8** *Section 9 is amended*
- (a) *by repealing subsection (1) and substituting the following:*
- (1) *An administrative penalty under section 23 [automatic administrative penalties: failure to meet compliance obligation] of the Act must be paid to the government within 30 days after the date the compliance obligation is met. , and*
- (b) *in subsection (2) by striking out “In the case of an administrative penalty under section 25 of the Act that is a monetary amount, the administrative penalty” and substituting “An administrative penalty under section 25 [imposed administrative penalties in relation to other matters] of the Act” and by adding “[when administrative penalty is imposed and must be satisfied]” after “section 26 (1)”.*
- 9** *Section 10 is amended*
- (a) *in subsection (1) by striking out “that is a monetary amount” and substituting “under section 25 of the Act”, and*
- (b) *by repealing subsection (2).*
- 10** *Section 11 is amended*
- (a) *in subsection (1) by striking out “, 24 [imposed administrative penalties: inaccurate report or failure to report]”, and*
- (b) *in subsection (2) by striking out “24 or”.*
- 11** *Section 12 is amended*
- (a) *by repealing subsections (1) and (2) and substituting the following:*

- (1) The following decisions made under the Act are prescribed for the purposes of section 40 (1) (c) [*what decisions may be appealed*] of the Act:
  - (a) a determination of the director under section 1 (3) [*what constitutes a facility, industrial operation, reporting operation, regulated operation or part*];
  - (b) a determination of the director under section 7.1 (1) (a) to (c) [*emission limit, attributable greenhouse gas emissions or excess greenhouse gas emissions*];
  - (c) a decision of the director under section 8 (1) [*offset units*] to refuse to issue an offset unit;
  - (d) a decision of the director under section 9 (1) [*emission offset projects*] to refuse to accept an emission offset project;
  - (e) a decision of the director under section 12 (1) [*earned credits*] to refuse to issue an earned credit;
  - (f) a decision of the director under section 20 [*suspension or cancellation of compliance units*];
  - (g) a decision of the director under section 20.1 (2) [*opting in and out*] to refuse to designate an industrial operation as a reporting operation, or as a reporting operation and a regulated operation, as applicable;
  - (h) a decision of the director under section 20.1 (4) to refuse to revoke the designation of an industrial operation as a reporting operation, or as a reporting operation and a regulated operation, as applicable;
  - (i) a decision of the director under section 20.2 (2) [*new entrant*] to refuse to designate an industrial operation or a proposed industrial operation as a new entrant.
  
- (2) The following decisions made under the Emission Offset Project Regulation are prescribed for the purposes of section 40 (1) (c) of the Act:
  - (a) a decision of the director under section 13 (4) (b) [*validation bodies and verification bodies*];
  - (b) a decision of the director under section 17 (2) [*acceptance of project plan*] to refuse to accept a project plan;
  - (c) a decision of the director under section 23 (2) [*issuance of offset units*] to refuse to issue offset units;
  - (d) a determination of the director under section 26.1 (1) (b) [*reversal events – retirement of compliance units*].
  
- (2.1) The following decisions made under the Greenhouse Gas Emission Reporting Regulation are prescribed for the purposes of section 40 (1) (c) of the Act:
  - (a) a decision of the director under section 16 (2) (a) or (3) (a) [*choice between direct measurement and mass balance-based methodology*] to refuse to approve a change in methodology;
  - (b) a decision of the director under section 26 (3) (b) [*verification bodies*] to refuse to accept a verification statement;
  - (c) a decision of the director under section 41.5 [*revocation of designation*].

(2.2) The following decisions made under the BC Carbon Registry Regulation are prescribed for the purposes of section 40 (1) (c) of the Act:

- (a) a decision of the director under section 6 [*general account – other person*] to refuse to authorize a person to establish a holding account in the registry;
- (b) a decision of the director under section 14 (1), (4) or (5) [*suspension or cancellation of accounts*] to suspend, continue a suspension of or cancel an account holder’s participation in the registry;
- (c) a decision of the registry administrator under section 18 [*compliance units – account closure or suspension or cancellation of account holder*] to refuse to credit or transfer compliance units.

**(b) in subsection (3) by striking out** “subsection (1) or (2), the director” **and substituting** “any of subsections (1) to (2.2), the director or registry administrator, as applicable.”.

## SCHEDULE 2

**1** *The title of the Greenhouse Gas Emission Control Regulation, B.C. Reg. 250/2015, is repealed and the following substituted:*

### EMISSION OFFSET PROJECT REGULATION .

**2** *Part 1 is repealed.*

**3** *Section 11 is amended*

**(a) by adding the following definition:**

“**monitoring period**”, in relation to a project, means the period determined in accordance with section 25 [*monitoring and maintenance requirements*]; .

**(b) by repealing the definition of “sequestration project” and substituting the following:**

“**sequestration project**” means a project that provides for

- (a) storage in a reservoir of greenhouse gas, or a component of greenhouse gas, that is
  - (i) captured before being emitted into the atmosphere, or
  - (ii) removed from the atmosphere, or
- (b) the avoidance of greenhouse gas emissions from sources that are part of the biosphere; , **and**

**(c) by repealing the definition of “storage project”.**

**4** *Section 14 (3) (n) (x) and (o) is amended by striking out “or storage project”.*

**5** *Section 18 is amended*

**(a) in subsection (1) (b) (ii) (B) by striking out “or storage”, and**

*(b) in subsection (3) (a) by striking out “or storage project”.*

**6** *Section 23 (2) is repealed and the following substituted:*

- (2) The director may refuse to issue offset units in relation to the project report in the following circumstances:
- (a) the project report or verification statement is inconsistent with the Act, this regulation or the applicable protocol;
  - (b) the verification body is under investigation by the member of the International Accreditation Forum that accredited the verification body;
  - (c) the participation of the project proponent in the registry has been suspended or cancelled.

**7** *Section 24 (1) and (2) is amended by striking out “or storage project”.*

**8** *Section 25 is amended*

*(a) by renumbering the section as section 25 (2),*

*(b) by adding the following subsection:*

- (1) The monitoring period for a sequestration project
- (a) begins on the day after the crediting period for the project ends, and
  - (b) ends on the earlier of the following:
    - (i) the last day of the monitoring period, if any, specified in the applicable protocol;
    - (ii) 100 years after the crediting period for the project ends. , **and**

*(c) in subsection (2) by striking out “The proponent of a sequestration project or storage project must ensure that, for 100 years after the crediting period for the project ends,” and substituting “The proponent of a sequestration project must ensure that, for the duration of the monitoring period.”.*

**9** *Section 26 is amended by striking out “If, under section 25 and the applicable protocol, a project proponent must monitor and maintain a project after the crediting period for the project has ended, the proponent” and substituting “The proponent of a sequestration project”.*

**10** *Part 3 is repealed.*

### SCHEDULE 3

**1** *Section 1 of the Greenhouse Gas Emission Reporting Regulation, B.C. Reg. 249/2015, is amended*

*(a) in subsection (1) by adding the following definitions:*

“facility” includes

- (a) all buildings, structures, fixtures and equipment that



- (i) are located or used primarily on a single site, contiguous sites or adjacent sites,
- (ii) are controlled and directed by the same person, and
- (iii) function as a single integrated site,
- (b) wastewater collection and wastewater treatment systems that treat wastewater from a facility, if the systems are
  - (i) located on or adjacent to a site or sites referred to in paragraph (a) (i), and
  - (ii) controlled and directed by the person referred to in paragraph (a) (ii),
- (c) storage of petroleum or natural gas products at a terminal that receives petroleum or natural gas products from a facility, if the terminal is
  - (i) located adjacent to a site or sites referred to in paragraph (a) (i), and
  - (ii) controlled and directed by the person referred to in paragraph (a) (ii), and
- (d) mobile equipment that
  - (i) is used primarily at the site or sites referred to in paragraph (a) (i), and
  - (ii) functions as part of the single integrated site referred to in paragraph (a) (iii); ,

**(b) in subsection (2) by repealing the definition of “authorization date” and substituting the following:**

**“authorization date”**, in relation to an industrial operation, means

- (a) if, after construction of the operation, the operation is not authorized to begin operations without receiving an authorization, including a permit or an approval, under an enactment or a municipal or regional district bylaw, the first date on which the operation receives all provincial, municipal and regional district authorizations to begin operations, and
- (b) if paragraph (a) does not apply, the first day of operations after construction of the operation is completed; ,

**(c) in subsection (2) by adding the following definitions:**

**“BC Energy Regulator”** means the regulator as defined in section 1 of the *Energy Resource Activities Act*;

**“business mailing address”**, in relation to a person, means the mailing address to which written communication to the person relating to the administration of this regulation should be sent;

**“date of first shipment”**, in relation to an industrial operation, means the date on which the operation transports its first shipment of a regulated product from the operation for delivery

- (a) to a commercial purchaser of the product for consumption or resale,
- (b) to another regulated operation that is to refine or otherwise add commercial value to the product, or
- (c) outside of British Columbia;

**“fuel usage information”**, in relation to pneumatic venting or flaring, means information

- (a) as to whether or not the substance vented or flared is sweet or sour or processed or unprocessed natural gas, or another substance,
- (b) if the substance is another substance, identifying the substance, and
- (c) providing the amount of the substance used or flared, measured in standard cubic metres; ,

**(d) in subsection (2) by repealing the definitions of “NAICS code” and “operation representative” and substituting the following:**

**“NAICS code”** means the numerical code applicable to one or more producing units within a reporting operation under the North American Industry Classification System published by Statistics Canada, as amended from time to time;

**“operation representative”** means

- (a) in the case of a single operator of an industrial operation,
  - (i) the operator, or
  - (ii) an individual authorized by the operator to act on behalf of the operator in relation to the administration of this regulation, and
- (b) in the case of multiple operators,
  - (i) an individual authorized by all the operators to act on behalf of the operators in relation to the administration of this regulation, or
  - (ii) if no individual is authorized by all the operators, an individual authorized by the person or persons described in subsection (6) (b) to act on behalf of that operator in relation to the administration of this regulation; ,

**(e) in subsection (2) by adding the following definitions:**

**“oil and gas extraction and gas processing activities”** means

- (a) activities occurring at crude oil wells, crude oil batteries and associated pipelines, storage facilities and pumping stations that have the overall purpose of extracting crude oil and delivering it to a custody transfer point,
- (b) activities occurring at natural gas wells, natural gas batteries, natural gas gathering pipelines, natural gas processing plants and the sites of associated compressing stations, pipeline heating, dehydrators and storage facilities that have the overall purpose of producing natural gas and delivering marketable natural gas to natural gas transmission pipelines,
- (c) activities occurring at exploration and injection wells, and
- (d) water production, treatment, disposal and recycling, including for use in hydraulic fracturing or drilling operations;

**“regulated product”** means a product listed in column 2 of Table 2 of Schedule A.1; ,

**(f) in subsection (2) by repealing the definition of “reporting-only emissions” and substituting the following:**

**“reporting-only emissions”** means emissions in the Schedule B categories listed in items 1, 2, 3, 4, 6 and 11 of that Schedule; ,

**(g) in subsection (2) by adding the following definitions:**

**“sour natural gas”** means natural gas that contains 2% or more, by mole fraction, hydrogen sulfide;

**“sweet natural gas”** means natural gas that contains less than 2%, by mole fraction, hydrogen sulfide. , **and**

**(h) by adding the following subsection:**

(5.1) For the purposes of the definition of “new entrant period” in the Act, a new entrant period, in relation to an industrial operation that has been designated under section 20.2 (2) of the Act as a new entrant, means the period set out in section 41.10 of this regulation in relation to the operation.

## **2 Section 3 is amended**

**(a) in subsection 2 by adding “, or to a facility within a linear facilities operation,” after “linear facilities operation”;**

**(b) in subsection 2 (a) and (b) by adding “or facility,” after “operation”;**

**(c) in subsection (3) by striking out “or a linear facilities operation” and substituting “, a linear facilities operation or a facility within a linear facilities operation”, and**

**(d) by adding the following subsection:**

(5) Emissions attributable to an industrial operation under this section for the purposes of section 3 of the Act include emissions that are captured and are not emitted to the atmosphere.

## **3 Section 4 is amended**

**(a) in subsection (1) by striking out “or a linear facilities operation,” and substituting “, a linear facilities operation or a facility within a linear facilities operation”;**

**(b) in subsection (1) (a) by striking out “The following” and substituting “Subject to this section, the following”;**

**(c) by repealing subsections (1) (b), (c) and (d) and (2), and**

**(d) by repealing subsection (3) and substituting the following:**

(3) If an industrial operation becomes a regulated operation part way through a compliance period, emissions otherwise attributable to the operation under section 3 before the date the operation becomes a regulated operation are not attributable for the compliance period for the purposes of section 6 of the Act. ,

(4) Emissions otherwise attributable under section 3 for a compliance period to a regulated operation that is a new entrant are not attributable to the new entrant for the purposes of section 6 of the Act during its new entrant period.

(5) For the 2024 compliance period, the emissions attributable to a regulated operation under this section must be determined in accordance with Schedule G.

**4 Section 8 is amended**

(a) *in subsection (1) by adding “item 1 of” before “Schedule C”, and*

(b) *in subsection (1.1) by striking out “in a class set out in column 1 of the schedule to the Act” and substituting “an LNG operation”.*

**5 Section 9 is amended**

(a) *in subsection (1) by adding “item 1 of” before “Schedule C”, and*

(b) *by adding the following subsection:*

(3) For certainty, this section does not apply to an opted-in operation.

**6 Section 11 is amended**

(a) *in subsection (1) (a) by striking out “during the reporting period” and substituting “during the current reporting period” and by adding “item 1 of” before “Schedule C”,*

(b) *in subsection (1) (b) by striking out “this section” and substituting “section 11.3”,*

(c) *in subsection 2 (a) by striking out “March 31” and substituting “May 31”,*

(d) *in subsection 1 (b) (ii) by adding “item 1 of” before “Schedule C”,*

(e) *in subsection (2) (b) by adding “item 1 of” before “Schedule C”, and*

(f) *by repealing subsections (3) and (4).*

**7 The following sections are added:**

**Registration of reporting operations**

**11.2** (1) The operator of an industrial operation that is either of the following must register in accordance with section 11.3:

(a) a reporting operation that is a reporting operation for the 2024 reporting period;

(b) an operation for which an application has been made under section 20.1 [opting in and out] of the Act for designation as an opted-in operation.

(2) An operator must register as follows:

(a) in the case of an operator of an operation referred to in subsection (1) (a), on or before May 31, 2025;

(b) in the case of an operation referred to in subsection (1) (b),

(i) if the application for designation as an opted-in operation was intended to be effective for the 2024 reporting period, on or before February 28, 2024, and

- (ii) if paragraph (a) does not apply, on or before August 1 of the of the calendar year immediately preceding the reporting period for which the application is made.

**Registration requirements – reporting operations and potential reporting operations**

- 11.3** (1) In this section, “**process flow diagram**”, in relation to a reporting period, means a diagram that
- (a) provides an overview of facility operations, processes, product flow and key equipment, and
  - (b) sets out in reasonable schematic detail the processes that produce emissions at a single facility operation or the facilities of a linear facilities operation, as applicable, that are attributable to the operation under section 3 [*attribution of emissions for reporting purposes*], indicating
    - (i) each source of emissions that produces or is likely to produce over 100 tonnes of carbon dioxide equivalent in the reporting period, and
    - (ii) the sources of emissions of each source type if the emissions cumulatively exceed or are likely to exceed 250 tonnes of carbon dioxide equivalent in the reporting period.
- (2) The registration of an operator under section 11 [*registration of potential reporting operations*] or 11.2 must be submitted in the form and manner specified by the director and include the following information:
- (a) if the operator is an individual, the individual’s legal name;
  - (b) if the operator is a corporation,
    - (i) the legal name of the corporation, and
    - (ii) except in the case of a corporation established or continued by an enactment, the incorporation number or registration number assigned to the corporation by the Registrar of Companies;
  - (c) if the operator is a partnership,
    - (i) the legal name of the partner submitting the registration,
    - (ii) the legal name of the partnership,
    - (iii) if the partner is an individual, the individual’s full legal name,
    - (iv) if the partner is a corporation, the information required under paragraph (b) in relation to the corporation, and
    - (v) the registration number, if any, assigned to the partnership by the Registrar of Companies;
  - (d) the legal name of each parent company, if any, of the operator, and the parent company’s head office business mailing address;
  - (e) the operator’s trade name, if any;
  - (f) the operator’s business mailing address;
  - (g) if section 1 (7) [*definitions and interpretation*] applies,
    - (i) the information required under paragraphs (a) to (f) for each of the multiple operators, and

- (ii) if any operator is an extraprovincial company, as defined in the *Business Corporations Act*, that has its head office outside British Columbia, the business mailing address of the attorney for the extraprovincial company;
- (h) if the facility is a single facility operation or a linear facilities operation, the NAICS codes of the operation;
- (i) the operator's business number as defined in the *Income Tax Act* (Canada);
- (j) any other identifier specified by the director in relation to the operator;
- (k) the legal name, job title and position and business contact information, including business mailing address, email address and telephone number, of each operation representative for the operation;
- (l) a statement specifying whether the reporting operation is a single facility operation, a linear facilities operation or an electricity import operation;
- (m) in the case of a single facility operation or a linear facilities operation, a process flow diagram for the current reporting period;
- (n) whether the operation is one or more of the following:
  - (i) an operation registering under section 11;
  - (ii) a reporting operation registering under section 11.2;
  - (iii) a regulated operation registering under section 11.2;
  - (iv) an electricity import operation registering under section 11.2;
  - (v) an operation that has applied under section 20.1 [*opting in and out*] of the Act for designation as an opted-in operation;
  - (vi) an operation that has applied under section 20.2 [*new entrant*] of the Act for designation as a new entrant;
- (o) in the case of a single facility operation,
  - (i) the name of the facility,
  - (ii) the street address, if any, of the facility,
  - (iii) a facility boundary map,
  - (iv) the geographic coordinates of
    - (A) for an operator registering under section 11, the anticipated or actual largest single point source of emissions attributable under section 3 from the facility during the reporting period in which the operation becomes or is expected to become a reporting operation, and
    - (B) for an operator registering under section 11.2, the largest single point source of emissions attributable under section 3 from the facility during the immediately preceding reporting period;
- (p) in the case of a linear facilities operation, the information referred to in paragraph (o) reported separately for each individual facility within the operation that has
  - (i) for an operator referred to in section 11 (2) who registers within the current reporting period, emissions attributable under section 3 in the current reporting period that are or are likely to be greater than or

equal to 1 000 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C, and

- (ii) for an operator referred to in section 11 (2) (b) who registers after the current reporting period or an operator registering under section 11.2, emissions attributable under section 3 in the reporting period immediately preceding the registration that are greater than or equal to 1 000 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C;
- (q) in the case of a single facility operation or a linear facilities operation, a list that, for each piece of equipment in the single facility operation, or in each facility within the linear facility operation, as applicable, that
- (i) in the case of an operator referred to in section 11 (2) who registers within the current reporting period, produced or is likely to produce emissions attributable under section 3 exceeding 100 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C, in the reporting period, and
  - (ii) in the case of an operator referred to in section 11 (2) (b) who registers after the current reporting period or an operator registering under section 11.2, produced emissions attributable under section 3 exceeding 100 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C, in the immediately preceding reporting period,

includes the following information:

- (iii) the equipment name assigned to the equipment by the operator;
  - (iv) the equipment type;
- (r) in the case of a single facility operation or a linear facilities operation, the following information:
- (i) the activities listed in column 2 of Table 1 or Table 2 of Schedule A carried out by the operation;
  - (ii) if the operation is a regulated operation, the regulated products produced by the operation;
  - (iii) if the operation is a linear facilities operation, the regulated products produced by each facility;
- (s) in the case of a linear facilities operation, other than a reporting operation referred to in section 14 (6) [*content of emission reports*], that includes one or more natural gas or oil wells, the BC Energy Regulator well authorization number for each well;
- (t) in the case of a single facility operation or a linear facilities operation, whether any of the following events occurred in relation to the operation or a facility within the linear facilities operation, as applicable, in the immediately preceding reporting period or in the current reporting period before the registration:
- (i) a closing or temporary shutdown;

- (ii) an acquisition or a divestment;
- (iii) a change in the operator having control and direction or a transfer of control and direction to the operator;
- (iv) a start up of a new facility;
- (u) if any of the events referred to in paragraph (t) occurred, the following information in relation to the event:
  - (i) in the case of the closure or temporary shutdown of a facility or operation controlled and directed by the operator,
    - (A) the name, geographic coordinates and street address, if any, of the facility or operation, and
    - (B) the dates of the closure or shutdown;
  - (ii) in the case of the acquisition by the operator of a facility,
    - (A) the name, geographic coordinates and street address, if any, of the facility, and
    - (B) the legal name and head office business mailing address of the person from whom the facility was acquired;
  - (iii) in the case of the divestment of a facility or operation controlled and directed by the operator,
    - (A) the name, geographic coordinates and street address, if any, of the facility or operation,
    - (B) the information referred to in paragraphs (a), (b) (i), (c) (i) and (e) in relation to the person to whom the facility or operation was divested, and
    - (C) if the person to whom the facility or operation was divested is a partner in a partnership having control or direction of the facility or operation, the legal name of the partnership;
  - (iv) in the case of a transfer of control and direction of a facility to the operator,
    - (A) the name, geographic coordinates and street address, if any, of the facility, and
    - (B) the legal name and business mailing address of the person from whom the control and direction was transferred;
  - (v) in the case of the acquisition by the operator of an operation, the legal name and business mailing address of the person from whom the operation was acquired;
  - (vii) in the case of a transfer of control and direction of an operation to the operator, the legal name and business mailing address of the person from whom the control and direction was transferred;
  - (viii) in the case of a facility that began operations, the name, geographic coordinates and street address, if any, of the facility;
- (v) any other information required by the director.



## **Change to registration information**

- 11.4** (1) An operator who registers in accordance with section 11.3 must notify the director in the form and manner specified by the director, within 30 days after a change to any information
- (a) required under section 11.3 (2) (a), (b) (i), (c) (i), (e), (f) and (k), or
  - (b) specified by the director on receiving the operator's registration.
- (2) An operator who registers in accordance with section 11.3 must, within 30 days after the occurrence of an event described in section 11.3 (2) (t) (i) to (iv), provide to the director, in the form and manner specified by the director, the information specified in section 11.3 (2) (u) in relation to the event.
- (3) An operator must, on or before May 31 in each reporting period after the reporting period in which the operator registers under section 11.3, submit to the director, in the form and manner specified by the director, any changes to the information required under section 11.3 other than a change referred to in subsection (1) or (2) of this section.

## **8 Section 12 is amended**

### ***(a) by adding the following subsection:***

- (2.1) If one or more facilities within a linear facility operation become a part of another reporting operation in a reporting period, the person who is the operator of the other reporting operation on the last day of the reporting period is responsible for complying with section 3 of the Act for that reporting period.

### ***(b) in subsection (3) by adding "or a facility" after "a reporting operation", and by adding "in relation to that operation or facility" after "the Act", and***

### ***(c) by repealing subsections (4) and (5).***

## **9 Section 13 (1) is amended**

### ***(a) by repealing subsection (1) and substituting the following:***

- (1) For the purposes of section 3 (1) [*emission reports*] of the Act, the operator of a regulated operation must ensure that a report including the information set out in section 14 is submitted to the director.

- (1.1) A report under subsection (1) must be submitted
- (a) in the form and manner specified by the director, and
  - (b) subject to subsection (2), on or before May 31 of the calendar year immediately following the reporting period.

### ***(b) in subsection (2) by striking out "28 (1) and (3)" and substituting "28 (1)".***

## **10 Section 14 is amended**

### ***(a) by repealing subsections (1) and (2) and substituting the following:***

- (2) An emission report must include the following information:

- (a) the reporting period to which the report relates;
  - (b) the date the report is submitted;
  - (c) the legal name of the operator;
  - (d) the legal name, job title and position and business contact information, including business mailing address, email address and telephone number, of the person primarily responsible for preparing and submitting the emission report;
  - (e) the name of the reporting operation;
  - (f) the unique identification number of the reporting operation, and of each facility of the reporting operation, provided by the director, if any;
  - (g) a statement signed and dated by the operation representative certifying that
    - (i) the operation representative has examined the emission report, and
    - (ii) the emission report has been prepared in accordance with this regulation;
  - (h) if the reporting operation is a single facility operation or a linear facilities operation, the emissions attributable to the operation under section 3, for the reporting period captured at the operation during the reporting period
    - (i) for on-site use,
    - (ii) for on-site sequestration, or
    - (iii) for transfer off-site;
  - (i) a verification statement, if required under Part 5 *[verification]*.
- (b) in subsection (3) by adding** “in addition to the information required under subsection (2),” **after** “an electricity import operation,”
- (c) by repealing subsection (3) (b) and substituting the following:**
- (b) the emissions referred to in paragraph (a) within the Schedule B categories listed in items 1 and 5 to 13 of that Schedule, determined as the sum of the emissions set out opposite the Schedule B category in column 3 of Schedule B;
- (d) by adding the following subsection:**
- (3.1) In addition to the information required under subsection (3) (d), in the case of a linear facilities operation with emissions from pneumatic venting or flaring, the emission report must include fuel usage information.
- (e) by repealing subsection (4) and substituting the following:**
- (4) In the case of a reporting operation that is a linear facilities operation, other than a reporting operation referred to in subsection (6), or a reporting operation that is a regulated operation, in addition to the information required under subsection (2), the emission report must include
    - (a) the information referred to in subsections (3) and (3.1) reported separately for each individual facility within the operation that has emissions attributable under section 3 in the reporting period that are greater than or equal

to 10 000 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C,

(b) the information referred to in subsections (3) (a) to (d) and (3.1) reported separately for each individual facility within the operation that has emissions attributable under section 3 in the reporting period that are greater than or equal to 1 000 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C, and

(c) the information referred to in subsections (3) (a) to (d) and (3.1) reported for the aggregate of the individual facilities within the operation that have emissions attributable under section 3 in the reporting period that are less than 1 000 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C.

(4.1) In the case of a reporting operation that is a single facility operation and a regulated operation, in addition to the information required under subsection (2), the emission report must include the information referred to in subsection (3) reported separately for each regulated product produced by the operation.

(4.2) In the case of a reporting operation that is a linear facilities operation and a regulated operation, in addition to the information required under subsection (2), the emission report must include

(a) in relation to the individual facilities within the operation, the information referred to in subsection (4) reported separately for each regulated product produced by the operation, and

(b) a statement as to whether the linear facilities operation is an LNG operation or a linear facilities operation that does not contain an LNG operation.

(4.3) For the purposes of subsection (4.1) and (4.2) (a), emissions must be allocated to products in accordance with section 23 (1) (a.1) and (a.2) [*content of compliance reports*]. ,

**(f) in subsection (5) by striking out “The operator of an electricity import operation” and substituting “In addition to the information required under subsection (2), the operator of an electricity import operation”,**

**(g) in subsection (6) by adding “item 1 of” before “Schedule C” wherever it appears and by adding “, in addition to the information required under subsection (2),” after “the emission report must include”. and**

**(h) in subsection (6) (b) by striking out “electronic or other form, if any,” and substituting “form and manner”.**

## **11 Section 15 is amended**

**(a) by repealing subsection (2) (b),**

**(b) in subsection (6) (a) (ii) by adding “item 1 of” before “Schedule C”, and**

**(c) in subsection (8) by striking out “electronic or other form, if any,” and substituting “form and manner”.**

**12** *Section 16 (2) (b) (ii) and (3) (d) (ii) is amended by adding “item 1 of” before “Schedule C”.*

**13** *Section 18 is amended*

*(a) in subsection (1) (a) and (b) by striking out “electronic or other form, if any,” and substituting “form and manner”,*

*(b) in subsection (2) by striking out “60 days” and substituting “90 days, or a longer period specified by the director,”,*

*(c) in subsection (3) (a) by striking out “reporting-only emissions” and substituting “carbon dioxide produced from biomass listed in item 1 of Schedule C”,*

*(d) in subsection (3) (b) by striking out “reporting-only emissions” and substituting “carbon dioxide produced from biomass listed in item 1 of Schedule C” and by striking out “and reported in the supplementary report”,*

*(e) in subsection (3) (d) by striking out “reporting-only emissions” and substituting “carbon dioxide produced from biomass listed in item 1 of Schedule C”,*

*(f) in subsection (4) by adding “in information included in an emission report” after “An inaccuracy, omission or change”,*

*(g) by repealing subsection (4) (a),*

*(h) in subsection (4) (b) (i) and (ii) by striking out “reporting-only emissions” and substituting “carbon dioxide produced from biomass listed in item 1 of Schedule C”,*

*(i) in subsection (4) (b) (iv) by striking out “or”,*

*(j) by repealing subsection (4) (c),*

*(k) by adding the following subsection:*

*(4.1) An inaccuracy, omission or change in information included in an emission report of a regulated operation must be reported in a supplementary report if correcting the inaccuracy or omission or the change has the effect of increasing the total emissions attributable to the regulated operation under section 3 during the reporting period from an amount that is less than to an amount that is greater than or equal to 10 000 tonnes of carbon dioxide equivalent, not including carbon dioxide produced from biomass listed in item 1 of Schedule C. , and*

*(l) in subsection (5) by striking out “section 14 (2) (a) or (c) to (o)” and substituting “section 14 (2) (c) to (e) and (g)”.*

**14** *The following section is added:*

**Corrected emission reports**

**18.1** A corrected report under section 3 (5.1) [*emission reports*] of the Act must be submitted in the form and manner specified by the director and include the following:

- (a) a revised emission report, in accordance with section 14 [*content of emission reports*] of this regulation, that includes the following, as specified by the director:
  - (i) corrections to inaccuracies in or omissions from the most recent emission report submitted for the reporting period;
  - (ii) updates to information that was required to be reported in the emission report for the reporting period and that has changed;
- (b) if required by the director, an annex, in the form specified by the director, that includes the following, as specified by the director:
  - (i) a description of the differences between the corrected report and the most recent emission report submitted for the reporting period;
  - (ii) for a corrected report that includes corrections of inaccuracies or omissions, a description of why the inaccuracies or omissions occurred;
  - (iii) for a corrected report that includes corrections of inaccuracies in or omissions from an emission report for which a verification statement was required under section 28 or 29 (1) [*requirement for verification of emission reports and supplementary emission reports*], a calculation of the difference between
    - (A) the total emissions attributable under section 3 to the reporting operation during the reporting period, as reported in the most recent emission report for the same reporting period for which a verification statement was required, and
    - (B) the total emissions attributable under section 3 to the reporting operation during the reporting period, as reported in the revised emission report,
 expressed as a percentage of the total emissions attributable under section 3 to the reporting operation during the reporting period, as reported in the emission report referred to in clause (A).

15 *The following Part is added:*

### **PART 3.1 – REGULATED OPERATIONS**

#### **Regulated operations**

- 18.2** (1) In this section, “**energy utility**” means an industrial operation engaged in the production, generation, storage, transmission, sale, delivery or provision of electricity, natural gas, steam or any other agent for the production of light, heat, cold or power to or for the public or a corporation for compensation, but does not include the following:
- (a) an industrial operation engaged in oil and gas extraction and gas processing activities;
  - (b) a common carrier, within the meaning of section 65 of the *Utilities Commission Act*, or other operator, of a pipeline for natural gas transmission or oil transmission.

- (2) Subject to this section, for the purposes of paragraph (a) of the definition of “regulated operation” in the Act, the following classes of reporting operation are designated:
  - (a) reporting operations with a date of first shipment on or before March 31, 2024;
  - (b) reporting operations other than reporting operations referred to in paragraph (a) of this subsection that produce, or are designed and constructed to produce, a regulated product.
- (3) A reporting operation in a class referred to in subsection (2) (a) is a regulated operation effective April 1, 2024.
- (4) A reporting operation in a class described in subsection (2) (b) is a regulated operation effective on the earlier of the following:
  - (a) the date on or after the operation’s authorization date that the director receives an application under section 20.2 of the Act for designation of the operation as a new entrant, if
    - (i) the application requests designation effective on receipt of the application, and
    - (ii) the director designates the operation as a new entrant;
  - (b) the operation’s date of first shipment.
- (5) A reporting operation that is any of the following is not a regulated operation:
  - (a) an energy utility;
  - (b) an electricity import operation;
  - (c) a reporting operation whose primary economic activity is classified by NAICS as follows:
    - (i) NAICS Code 11 – agriculture, forestry, fishing and hunting sector;
    - (ii) NAICS Code 22 – utilities sector;
    - (iii) NAICS Code 562 – waste management and remediation services subsector.
- (6) The operator of a regulated operation that meets the following criteria may choose that the operation not be a regulated operation if the operation
  - (a) has, for a reporting period, a total amount of emissions attributable to the operation under section 3 [*attribution of emissions for reporting purposes*] that is less than the amount set out in section 8 (1) [*reporting operations*], and
  - (b) continues to be a reporting operation under any of section 9 (1) (a) to (c) [*emissions below threshold*].
- (7) An operator of a regulated operation described in subsection (6) may choose that the operation not be a regulated operation by notifying the director in writing within the first or second reporting period in which the operation has emissions of less than the amount set out in section 8 (1).

- (8) A regulated operation ceases to be a regulated operation at the end of the compliance period in which notice was received by the director under subsection (7).

#### **Emission limit**

- 18.3** For the purposes of the definition of “emission limit” in the Act, the emission limit for a regulated operation for a compliance period is determined in accordance with Schedule E.1.

**16** *Section 19 (1) is repealed and the following substituted:*

- (1) Subject to subsection (2), a compliance report under section 7 (1) [*reporting emissions*] of the Act must be submitted to the director, in the form and manner specified by the director,
- (a) in the case of a compliance report required under section 22.1 [*compliance report*], on or before May 31 of the calendar year immediately following the compliance period, and
  - (b) in the case of a compliance report required under section 23.1 [*compliance report – excess emissions*], on or before November 30 of the calendar year immediately following the compliance period.

**17** *Sections 20 and 21 are repealed.*

**18** *Section 22 is amended*

- (a) *by repealing subsection (1) (b) and substituting the following:*

(b) each regulated product produced. ,

- (b) *by repealing subsection (2) and substituting the following:*

(2) The operator of a regulated operation must maintain a log of the quantity of each regulated product, in units set out in column 4 of Table 2 of Schedule A.1 for the product, produced each day. ,

- (c) *in subsection (3) by adding “, or one or more facilities within a linear facility operation become a part of another regulated operation,” before “in a compliance period”*,

- (d) *in subsection (4) by adding “or a facility” after “a regulated operation” and by adding “in relation to that operation or facility” after “the Act”, and*

- (e) *by repealing subsections (5) and (6).*

**19** *The following section is added:*

#### **Compliance report**

- 22.1** For the purposes of section 7 (1) [*compliance reports*] of the Act, the operator of a regulated operation must ensure that a report including the information set out in section 23 of this regulation is submitted to the director in the form and manner specified by the director.

**20 Section 23 is amended**

- (a) in subsection (1) by striking out “under section 7 (1) of the Act” and substituting “required under section 22.1”,**
- (b) in subsection (1) (a) by striking out “section 14 (2) (a), (b) and (c) [content of emission reports]” and substituting “sections 14 (2) (d), (e) and (f) [content of emission reports] and 11.3 (2) (e) [registration requirements – reporting operations and potential reporting operations]”,**
- (c) in subsection (1) by adding the following paragraphs:**
- (a.1) for each source of emissions referred to in section 14 (3) (c) that is attributable to each facility in the regulated operation for the compliance period under section 4 [attribution of emissions for compliance purposes],
    - (i) whether the emissions are from a source that exists solely to produce a single regulated product,
    - (ii) if the source exists to produce more than one regulated product, the amount of the emissions that can reasonably be allocated to each product, and
    - (iii) for each source referred to in subparagraph (ii), the methodology used to determine the amount of the emissions that can reasonably be allocated to each product;
  - (a.2) on the basis of the allocation of emissions to regulated products under paragraph (a.1), the percentage of the total emissions attributable to the regulated operation under section 4 that can reasonably be allocated to each regulated product, so that the allocations equal 100% of the attributable emissions;
  - (c.1) for each regulated product produced by the regulated operation, the quantity of product, in units set out in column 4 of Table 2 of Schedule A.1 for the product, calculated in accordance with any directions of the director,
    - (i) produced during the compliance period,
    - (ii) in storage at the beginning of the first day of the compliance period, if applicable,
    - (iii) in storage at the end of the last day of the compliance period, if applicable,
    - (iv) sold during the compliance period, if applicable, and
    - (v) throughput at point of sale during the compliance period, if applicable;
  - (c.2) identification of the methodologies used to quantify production under paragraph (c.1);
  - (e.1) the emissions referred to in paragraph (e) within the Schedule B categories listed in items 2 to 4 of that Schedule, determined as the sum of the emissions set out opposite the Schedule B category in column 3 of Schedule B;
  - (f.1) the calculations used to determine the emission limit in accordance with the equation set out in Schedule E.1, including any supporting calculations;



(f.2) the value for each variable in the equation set out in Schedule E.1, including the value of each variable used in any supporting calculations; ,

**(d) by repealing paragraph (1) (h),**

**(e) in subsection (1) by adding the following paragraph:**

(i) any other information required by the director. ,

**(f) by repealing subsections (2) and (3) and substituting the following:**

(2) In addition to the information required under subsection (1), a compliance report required under section 22.1 for the following must include the information set out in subsection (3):

(a) a regulated operation that is a new entrant;

(b) a regulated operation for which an application has been made under section 20.2 of the Act for designation as a new entrant requesting a new entrant period beginning during the compliance period.

(3) Subject to subsection (4), a compliance report referred to in subsection (2) must include the following:

(a) the information required under subsection (1) (a.1) and (e) calculated in accordance with both of the following:

(i) despite the exclusion under section 4 (4), during the new entrant period, of emissions otherwise attributable to the new entrant under that section, as if emissions during the new entrant period were attributable to the new entrant under that section;

(ii) taking into account the exclusion of attributable emissions under section 4 (4);

(b) the information required under subsection (1) (c.1) (i) and (f) to (f.2) calculated in accordance with both of the following:

(i) despite the exclusion under Schedule E.1 of

(A) the production of a regulated product produced by an industrial operation during a compliance period before it became a regulated operation, and

(B) the production of a regulated product by a new entrant during its new entrant period,

as if production during those periods was included for the purposes of calculating the emission limit under Schedule E.1 for the compliance period;

(ii) taking into account the exclusion of production referred to in subparagraph (i) of this paragraph.

(4) In the case of a regulated operation referred to in subsection (2) (b), the information required under subsection (3) must be calculated as if the designation of the operation as a new entrant has been made with the new entrant period beginning on the date requested in the application.

- (5) In addition to the information required under subsection (1) and (3) the compliance report required under section 22.1 of an operator of a regulated operation referred to in subsection (2) must include the following:
- (a) if the operation's date of first shipment is on or before March 31, 2024,
    - (i) a statement asserting that the operation was a reporting operation on the date the operator's application for designation as a new entrant was submitted to the director, and
    - (ii) the operation's date of first shipment;
  - (b) if the operation's date of first shipment is on or after April 1, 2024,
    - (i) a statement asserting that the operation was a reporting operation on the date the application for designation as a new entrant was submitted to the director,
    - (ii) the operation's authorization date,
    - (iii) the operation's date of first shipment, if applicable, and
    - (iv) if the operation is a new entrant, the date under section 41.10 (1) or (2) that the operation's new entrant period began.
- (6) The operator of a regulated operation must submit an additional compliance report for a compliance period including the information required under subsection (3) and (5) if
- (a) an application is made under section 20.2 of the Act for designation of the operation as a new entrant after the date the compliance report including the information required under subsection (1) for the compliance period is submitted, and
  - (b) the operation is designated as a new entrant with a new entrant period beginning during the compliance period.
- (7) A compliance report required under subsection (6) must be submitted within 30 days after the director gives the operator notice of the designation.
- (8) In addition to the information required under subsection (1), a compliance report required under section 22.1 for an industrial operation that becomes a regulated operation part way through a compliance period must include the following:
- (a) the information required under subsection (1) (a.1) and (e) calculated in accordance with both of the following:
    - (i) despite the exclusion under section 4 (3) of emissions otherwise attributable to the operation during the compliance period under that section before the date the operation became a regulated operation, as if emissions otherwise attributable to the operation for the compliance period before that date were attributable to the operation under that section;
    - (ii) taking into account the exclusion of attributable emissions under section 4 (3);
  - (b) the information required under subsection (1) (c.1) (i) and (f) to (f.2) calculated in accordance with both of the following:

- (i) despite the exclusion under Schedule E.1 of the production of a regulated product produced by an industrial operation during a compliance period before the operation became a regulated operation, as if production in the compliance period before the operation became a regulated operation was included for the purposes of calculating the emission limit under Schedule E.1 for the compliance period;
- (ii) taking into account the exclusion of production referred to in subparagraph (i) of this paragraph;
- (c) the operation's date of first shipment.

**21** *The following section is added:*

**Compliance report – excess emissions**

**23.1** In addition to the compliance report required under section 22.1, the operator of a regulated operation, other than a regulated operation that is a new entrant, that had excess emissions in the compliance period must ensure that a report including the following information, as applicable, respecting how the regulated operation met its compliance obligation for the compliance period is submitted to the director:

- (a) the amount of the monetary payment made to the government, with proof of payment that the director considers satisfactory;
- (b) the number of compliance units made available in a compliance account of the regulated operation for retirement, including the unique identifiers assigned to each compliance unit by the registry administrator;
- (c) any other information required by the director.

**22** *Section 24 is amended*

*(a) in subsection (a) and (b) by striking out “electronic or other form, if any,” and substituting “form and manner”,*

*(b) by adding the following subsection:*

(1.1) In addition to the matters under subsection (1), a supplementary compliance report for an operator of a regulated operation referred to in section 23.1 of this regulation that has an additional compliance obligation under section 6.1 (2) (a) [greenhouse gas emission correction] of the Act must include the information required under section 23.1 of this regulation respecting how the regulated operation met its additional compliance obligation for the compliance period. ,

*(c) in subsection (2) by striking out “60 days” and substituting “90 days, or a longer period specified by the director,”, and*

*(d) by adding the following subsections:*

(3) Inaccuracies, omissions or changes relating to information reported under section 23 (1) (c.1) are considered to be immaterial for the purposes of section 7 (5) of the Act if the difference between the following quantities does not exceed 0.1%:

- (a) the quantity of a regulated product produced during a compliance period as reported in the most recent compliance report for the same compliance period;
  - (b) the quantity of a regulated product produced during that compliance period calculated in accordance with this regulation.
- (4) Subject to subsection (5), inaccuracies, omissions or changes are considered to be immaterial for the purposes of section 7 (5) of the Act if the difference between
- (a) the total emissions attributable to the regulated operation during a compliance period as reported in the most recent compliance report for the same compliance period, and
  - (b) the total emissions attributable to the regulated operation during that compliance period calculated in accordance with this regulation and reported in the supplementary report,
- does not exceed the lesser of the following:
- (c) 1 000 tonnes of carbon dioxide equivalent;
  - (d) 1% of the total emissions attributable to the regulated operation during the compliance period as reported in the compliance report referred to in paragraph (a).
- (5) An inaccuracy, omission or change must be reported in a supplementary report if correcting the inaccuracy or omission or the change has the effect of increasing the total emissions attributable to the reporting operation during the reporting period from an amount that is less than to an amount that is greater than or equal to 10 000 tonnes of carbon dioxide equivalent.

**23** *The following section is added to Part 4:*

**Corrected compliance reports**

- 24.1** (1) A corrected compliance report under section 7 (5.1) [*compliance reports*] of the Act must be submitted in the form and manner specified by the director and include
- (a) a revised compliance report, in accordance with section 23 [*content of compliance reports*] of this regulation, that includes the following, as specified by the director:
    - (i) corrections to inaccuracies in or omissions from the most recent compliance report submitted for the compliance period;
    - (ii) updates to information that was required to be reported in the compliance report for the compliance period and that has changed;
  - (b) an annex that includes
    - (i) a description of the differences between the revised compliance report and the most recent compliance report submitted for the compliance period,

- (ii) for a corrected report that includes corrections of inaccuracies or omissions, a description of why the inaccuracy or omission occurred, and
- (iii) a calculation of the difference between
  - (A) the total emissions attributable to the regulated operation during the compliance period, as reported in the most recent compliance report for the same compliance period, and
  - (B) the total emissions attributable to the regulated operation during the compliance period, as reported in the revised compliance report,expressed as a percentage of the total emissions attributable to the regulated operation during the compliance period, as reported in the compliance report referred to in clause (A).

(2) In addition to the matters under subsection (1), a corrected compliance report for an operator of a regulated operation referred to in section 23.1 of this regulation that has an additional compliance obligation under section 6.1 (2) (a) [*greenhouse gas emission correction*] of the Act must include the information required under section 23.1 of this regulation respecting how the regulated operation met its additional compliance obligation for the compliance period.

**24 Section 27 (1) is amended by striking out “reporting-only emissions” and substituting “carbon dioxide from biomass listed in item 1 of Schedule C”.**

**25 Section 28 (3) and (4) is repealed.**

**26 Section 29 is amended**

**(a) in subsection (2) (b) by adding “item 1 of” before “Schedule C”, and**

**(b) by adding the following subsection:**

(3.1) A corrected emission report submitted under section 3 (5.1) of the Act that corrects inaccuracies in or omissions from an emission report of a reporting operation to which this Division applies must, if required by the director, be accompanied by a verification statement verifying the information specified by the director.

**27 Section 30 is amended**

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

- (a) a review by the verification body of records relevant to the verification of information included in the emission report, including, but not limited to,
  - (i) inventory and stock records,
  - (ii) sales and purchase records,
  - (iii) onsite and offsite delivery records,
  - (iv) input purchase and delivery records,
  - (v) fuel measurement records,

- (vi) equipment rated capacity, power, run time and load factor records, as applicable, and
- (vii) any other information that provides financial or direct measurement information about the emissions, product and energy data reported; ,

**(b) in subsection (2) (b) by striking out “the verification body’s assessment” and substituting “an assessment by the verification body” and by striking out “misrepresentations” and substituting “misstatements”,**

**(c) in subsection (2) by adding the following paragraph:**

- (d.1) the procedures by the verification body that, in the professional judgment of the verification body, are required in the verification process, including, but not limited to,
  - (i) conducting interviews with relevant operation and facility personnel, including those responsible for preparation and accounting of emissions, product and energy data,
  - (ii) making direct observations, in person or virtually, of equipment and elements of the facility and operation that are material for the verification process,
  - (iii) reviewing relevant financial transactions necessary to confirm the complete and accurate reporting of emissions, product, and energy data, and
  - (iv) conducting an appropriate number of data checks in accordance with an evidence-gathering plan that
    - (A) identifies each facility in the reporting operation that has emissions attributable under section 3 for the reporting period,
    - (B) focuses on the largest and most uncertain estimates of emission and energy data,
    - (C) ensures the accuracy of calculations and allocations of emission and energy data,
    - (D) enables the verification body to conclude with a reasonable level of assurance whether the emission report is free of material errors, omissions, or misrepresentations,
    - (E) reviews meter and analytical instrumentation measurement accuracy and calibration for consistency with manufacturer’s specifications, and
    - (F) identifies and assesses the validity of any data substitutions in accordance with the directions of the director, or, if there are no directions, with best industry practice; ,

**(d) by repealing subsection (2) (f) and substituting the following:**

- (f) an evaluation by the verification body of whether the emission report was prepared and the emissions reported in it quantified in accordance with the requirements of this regulation; ,

**(e) in subsection (2) (g) by striking out “the verification body’s assessment” and substituting “an assessment by the verification body” and by striking out “misrepresentations” and substituting “misstatements”,**

**(f) in subsection (2) by adding the following paragraph:**

- (h) an assessment by the verification body of
  - (i) whether any data substitutions used in quantifying information in the emission report have been prepared in accordance with the requirements of section 15 (2) [methodologies for quantifying emissions], or, if no requirements are specified, whether any data substitutions used in quantifying information in the emission report have been prepared in accordance with best industry practice, and
  - (ii) whether the operator corrected any errors identified in the verification process that can be corrected within a reasonable time and reasonable effort. ,

**(g) by repealing subsection (3) (c) (i) and substituting the following:**

- (i) for an operation that is not a regulated operation, at least one site visit must be made to each individual facility within the operation where emissions attributable under section 3 from the facility are greater than or equal to 25 000 tonnes of carbon dioxide equivalent, and ,

**(h) in subsection (3) by adding the following paragraph:**

- (e) for an electricity import operation, a site visit must be made to the primary operations centre if necessary to provide a reasonable level of assurance that the emission report is materially correct. , **and**

**(i) in subsection 4 (c) by striking out “section 14 (2) (d) (iv) or (e), as applicable,” and substituting “section 11.3 (2) (m), if applicable”.**

## **28 Section 31 is amended**

**(a) by repealing subsection (1) (b) (i) and substituting the following:**

- (i) information in the emission report that was corrected as a result of the verification process; ,

**(b) by striking out “and” at the end of subsection (2) (b) and by repealing subsection (2) (c) and substituting the following:**

- (c) the sum of all errors, omissions and misstatements do not result in a net overstatement or understatement of total emissions attributable under section 3 to the reporting operation during the reporting period, not including carbon dioxide from biomass listed in item 1 of Schedule C, that exceeds the lesser of
  - (i) 1 000 tonnes CO<sub>2</sub>e, not including carbon dioxide from biomass listed in item 1 of Schedule C,
  - (ii) 1% of the total emissions attributable to the reporting operation during the reporting period, not including carbon dioxide from biomass listed in item 1 of Schedule C, and

- (iii) an amount specified by the director that is less than the lesser of the amounts in subparagraph (i) or (ii), , **and**

**(c) in subsection (2) by adding the following paragraphs:**

- (d) any single error, omission or misstatement does not result in a net overstatement or understatement of total emissions attributable under section 3 to the reporting operation during the reporting period, not including carbon dioxide from biomass listed in item 1 of Schedule C, that exceeds the lesser of
  - (i) 1 000 tonnes CO<sub>2</sub>e, not including carbon dioxide from biomass listed in item 1 of Schedule C,
  - (ii) 1% of the total emissions attributable to the reporting operation during the reporting period, not including carbon dioxide from biomass listed in item 1 of Schedule C, and
  - (iii) an amount specified by the director that is less than the lesser of the amounts in subparagraph (i) or (ii), and
- (e) the verification body is of the opinion that the judgment of a reasonable person, having knowledge of the business and greenhouse gas accounting, evaluating an assertion required to be in the report, would not have been changed or influenced by one or more errors, omissions, or misstatements in the emission report.

**29 Section 32 is repealed.**

**30 Section 33 (2) is amended**

**(a) in subsection (2) (d) by striking out “section 14 (2) (a) to (e), (h) and (l)” and substituting “sections 11.3 (2) (a) to (c), (e) to (g), (m) and (o) [registration requirements reporting operations and potential reporting operations] and 14 (2) (a), (d) and (f)”;**

**(b) in paragraph (d.1) (i), (ii) and (iii) by adding “item 1 of” before “Schedule C”, and**

**(c) by repealing paragraph (g) and substituting the following:**

- (g) the amount referred to in section 14 (3) (a), with a subtotal setting out the total amount of reporting-only emissions;
- (g.1) with respect to a regulated operation, the total emissions attributable to the operation under section 4; .

**31 Section 34 is repealed and the following substituted:**

**Application of Division 3**

**34** This Division applies to a regulated operation in respect of

- (a) an emission report submitted under section 3 of the Act, and
- (b) a compliance report submitted under section 7 of the Act.

**32 Section 35 (1) is amended by striking out “an emission report submitted under section 3 (1) [emission reports] of the Act, and a compliance report submitted under section 7 (1) [compliance reports] of the Act” and substituting “an emission report required under**



section 13 (1) [*emission report*] and a compliance report required under section 22.1 [*compliance report*]”.

**33 Section 36 is amended**

**(a) in subsection (4) (a) by striking out “section 14 (3) (a), (4) (a) or (6) (a)” and substituting “section 14 (3) (a), (4) or (6) (a)”;**

**(b) by repealing (4) (b) and substituting the following:**

(b) the difference between the amount of emissions most recently reported under section 14 (3) (a), (4) or (6) (a) and verified for a reporting period and the amount reported in the supplementary emission report for the reporting period is less than 250 tonnes of carbon dioxide equivalent. , **and**

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

(5) A supplementary compliance report need not include a verification statement in relation to the following:

(a) corrections referred to in subsection (2) that relate to the total emissions reported under section 23 (1) (e) [*content of compliance reports*] and verified if the difference between the amount of emissions most recently reported under that paragraph and verified for a compliance period and the amount reported in the supplementary compliance report for the compliance period is less than 250 tonnes of carbon dioxide equivalent;

(b) corrections referred to in subsection (2) that relate to information reported under section 23 (1) (c.1) for a regulated product and verified if the difference between the quantity of the regulated product reported under that paragraph for a compliance period and verified and the quantity reported in the supplementary compliance report for the compliance period is less than 0.1%;

(c) corrections referred to in subsection (2) to information reported under section 23.1 [*compliance report - excess emissions*].

(6) Subject to subsection (7), a corrected compliance report submitted under section 7 (5.1) of the Act must be accompanied by a verification statement if required by the director.

(7) A corrected compliance report need not include a verification statement in relation to corrections to information reported under section 23.1.

**34 Section 37 is amended**

**(a) by renumbering the section as section 37 (1), and**

**(b) by adding the following subsections:**

(2) In addition to the requirements under section 30 (2), a verification process referred to in section 30 (1) in relation to the compliance report of a regulated operation must include

(a) a review by the verification body of product records relevant to the verification of information included in the compliance report, and

- (b) an evaluation by the verification body of whether the compliance report and the methodologies used to quantify production data in the report are consistent with the requirements of this regulation.
- (3) In addition to the requirements under section 30 (3), at least one site visit must be made to each individual facility within a regulated operation where emissions are greater than or equal to 10 000 tonnes of carbon dioxide equivalent.
- (4) In addition to the requirements under section 30 (2), a verification process referred to in section 30 (1) in relation to the compliance report of a regulated operation must include
  - (a) the procedures by the verification body that, in the professional judgment of the verification body, are required in the verification process, including an appropriate number of data checks in accordance with an evidence-gathering plan that
    - (i) identifies the regulated products, if any, produced by each facility that has emissions attributable under section 4 [*attribution of emissions for compliance purposes*] for the reporting period,
    - (ii) focuses on the largest and most uncertain estimates of product data, and
    - (iii) ensures the accuracy of calculations and allocations of product data, and
  - (b) an evaluation by the verification body of whether the compliance report and the methodologies used to quantify production data in the report are consistent with the requirements of this regulation.

**35 Section 38 (2) is repealed and the following substituted:**

- (2) In addition to the matters under section 31, a verification statement in relation to a compliance report for a regulated operation must include a statement, based on the process and procedures used by the verification body, that it is the opinion of the verification body that
  - (a) the assertions in the compliance report are materially correct and are a fair and accurate representation of the matters set out in section 23 (1) (a) to (b) and (c.1) to (g) and (2) to (4) [*content of compliance reports*] in relation to the regulated operation for the compliance period, and
  - (b) if the regulated operation produced more than one regulated product during the compliance period,
    - (i) the allocation of emissions to the regulated products produced by the regulated operation under section 23 (1) (a.1) and (a.2) is materially correct, based on the allocation methodology used, and
    - (ii) the allocation methodology used was fair and reasonable.
- (3) A verification body must not provide a statement referred to in subsection (2) unless
  - (a) the verification body is of the opinion that the verification statement contains as few qualifications as possible,

- (b) any errors, omissions and misstatements with respect to information required under section 23 (1) (a) to (b), (c.1) to (e.1) and (f.1) to (g) and (2) to (4) have been corrected if possible in a reasonable amount of time at a reasonable effort, and
- (c) the net effect of all errors, omissions and misstatements does not result in an overstatement or understatement that exceeds 0.1% of the amounts referred to in section 23 (1) (c.1) and (2) (b).

**36 Section 39 is amended**

- (a) *in subsection (2) by striking out “(a) to (e) and (h) to (m)”, and*
- (b) *in subsection (3) (b) by striking out “section 23 (1) (d) to (h) and (2)” and substituting “section 23 (1) to (4), as applicable”.*

**37 Section 40 is amended by striking out “an LNG” and substituting “a regulated” and by striking out “first LNG” and substituting “first regulated product”.**

**38 The following Parts are added:**

## **PART 5.1 – OPTED-IN OPERATIONS**

### **Application to opt in**

- 41.1** (1) For the purposes of section 20.1 [*opting in and out*] of the Act, the operator of an industrial operation may apply to the director in accordance with this section for designation of the operation as
- (a) a reporting operation, or
  - (b) a reporting operation and a regulated operation.
- (2) An application must be submitted, in the form and manner specified by the director,
- (a) if the application is for a designation that is intended to be effective for the 2024 reporting period, on or before February 28, 2024, or
  - (b) if paragraph (a) does not apply, on or before August 1 of the calendar year immediately preceding the reporting period for which the designation is intended to be effective.
- (3) An application must include the information required by the director for the purposes of determining the applicant’s eligibility, under section 41.2, to be designated as a reporting operation, or as a reporting operation and a regulated operation, as applicable.

### **Eligibility criteria**

- 41.2** (1) Subject to subsections (3) and (4), for the purposes of section 20.1 (2) of the Act, the director must be satisfied that the following criteria are met in order to designate an industrial operation as a reporting operation:
- (a) the operation has emissions that are attributable to the operation for the purposes of section 3 [*emission reports*] of the Act;

- (b) the operation is not an electricity import operation;
  - (c) the operation is not a part of a single facility operation or a linear facilities operation;
  - (d) the director does not have reason to believe that
    - (i) the operator is incapable of fulfilling the obligations of a reporting operation under the Act and the regulations, or
    - (ii) designating the operation as a reporting operation is contrary to the public interest.
- (2) Subject to subsections (3) and (4), for the purposes of section 20.1 (2) of the Act, the director must be satisfied that the following criteria are met in order to designate an industrial operation as a reporting operation and a regulated operation:
- (a) the criteria set out in subsection (1) (a) to (c) of this section;
  - (b) the operation has emissions that are attributable to the operation for the purposes of section 6 [*compliance obligation*] of the Act;
  - (c) the operation is not an operation whose primary economic activity is classified by NAICS as follows:
    - (i) NAICS Code 11 – agriculture, forestry, fishing and hunting sector;
    - (ii) NAICS Code 22 – utilities sector;
    - (iii) NAICS Code 562 – waste management and remediation services subsector;
  - (d) the operator produces a regulated product;
  - (e) the director does not have reason to believe that
    - (i) the operator is incapable of fulfilling the obligations of a reporting operation and a regulated operation under the Act and the regulations, or
    - (ii) designating the operation as a reporting operation and a regulated operation is contrary to the public interest.
- (3) An industrial operation that is a part of a single facility operation or a linear facilities operation may be designated as a reporting operation, or as a reporting operation and a regulated operation, if the industrial operation would be a regulated operation if one or both of the prohibitions in section 18.2 (5) (a) and (c) (ii) did not apply.
- (4) For the purposes of section 20.1 (2) of the Act, the criteria set out in subsection (1) (a), (b) and (d) of this section must be met in order for an industrial operation described in subsection (3) to be designated as a reporting operation.
- (5) For the purposes of section 20.1 (2) of the Act, the director must be satisfied that the following criteria are met in order to designate an industrial operation described in subsection (3) of this section as a reporting operation and a regulated operation:
- (a) the criteria set out in subsections (1) (a) and (b) and (2) (b), (c) (i) and (iii), (d) and (e);

- (b) the designation is consistent with the objective of limiting to regulated operations that are emission-intensive and exposed to competition in international markets the application of any exemption from the payment of tax under the *Carbon Tax Act*, or any refund of tax paid under that Act, provided for in regulation made under section 84 (3) (n) of that Act.
- (6) For the purposes of subsection (5) (b) of this section, the director must consider
    - (a) the extent to which the regulated products produced by the industrial operation are intended primarily for international markets or are subject to competition from international producers, and
    - (b) whether the regulated products produced by the industrial operation are intended to be sold to wholesale purchasers or marine users.
  - (7) The operator of an opted-in operation that ceases to meet any of the criteria for the designation of the operation as a reporting operation, or as a reporting operation and a regulated operation, as applicable, must notify the director without delay.

#### **Notification of decision**

- 41.3** The director must notify the applicant of an approval or rejection of the application on or before December 1 of the calendar year immediately preceding the reporting period for which the application was made.

#### **Opting-in effective**

- 41.4** (1) The designation of an opted-in operation under section 41.3 is effective as follows:
- (a) if the application is for a designation that is intended to be effective for the 2024 reporting period, on April 1, 2024;
  - (b) if paragraph (a) does not apply, on January 1 of the reporting period for which the application for designation is made.
- (2) The designation of an opted-in operation remains in effect until the earliest of the following:
- (a) if the director revokes the designation, the date on which the revocation is effective under section 20.1 (5) [*opting in and out*] of the Act;
  - (b) in the case of an opted-in operation that is designated as a reporting operation, the date the operation becomes a reporting operation under section 8 of this regulation;
  - (c) in the case of an opted-in operation that is designated as a reporting operation and a regulated operation, the date the operation becomes a reporting operation under section 8 and a regulated operation under section 18.2.

#### **Revocation of designation**

- 41.5** The director may revoke the designation of an opted-in operation if the criteria for the designation under section 41.2 (1) or (2) [*eligibility criteria*], as applicable, are no longer met.

### **Application to opt out**

- 41.6** (1) The operator of an opted-in operation may apply to the director in accordance with this section for the designation of the operation under section 20.1 [*opting in and out*] of the Act to be revoked.
- (2) An application must be submitted to the director
- (a) on or before August 1 of the calendar year immediately preceding the reporting period for which the revocation is intended to be effective, and
  - (b) in the form and manner specified by the director.
- (3) An application must include the following information:
- (a) a statement signed and dated by the operation representative requesting that the designation be revoked;
  - (b) the compliance period for which the revocation is intended to be effective;
  - (c) the date the report is submitted;
  - (d) any identifier specified by the director in relation to the operator or the operation.
- (4) For the purposes of section 20.1 (4) of the Act, the director may revoke the operation's designation if the director does not have reason to believe that the revocation is contrary to the public interest.

### **Notification of decision**

- 41.7** The director must notify the applicant of an approval or rejection of the application on or before December 1 of the calendar year immediately preceding the reporting period for which the application was made.

## **PART 5.2 – NEW ENTRANTS**

### **Application for designation as new entrant – transitional**

- 41.8** (1) As an exception to section 20.2 of the Act, an application for designation of an industrial operation as a new entrant may be made only by the operator of a reporting operation that is, or is expected to become, a regulated operation.
- (2) An application for designation as a new entrant of a reporting operation with a date of first shipment on or before March 31, 2024 must be made on or before May 31, 2025.
- (3) An application for designation as a new entrant of a reporting operation other than an operation referred to in subsection (2) must be made
- (a) on or after the operation's authorization date, and
  - (b) on or before May 31 of the compliance period in which the operation's first compliance report is due if the designation is made.
- (4) An application must be in the form and manner specified by the director and include the following:

- (a) a statement signed and dated by a senior officer of the operator of the operation requesting the designation and attesting to the truth of the information provided in the application;
- (b) a statement specifying whether the operation is forecasted to have emissions attributable under section 3 exceeding 100 000 tonnes carbon dioxide equivalent per year;
- (c) the date the application is submitted;
- (d) the information referred to in section 11.3 (2) (a) to (k) [*registration requirements – reporting operations and potential reporting operations*] in relation to the operator and the operation, as applicable;
- (e) the legal name, job title and position and business contact information, including mailing address, email address and telephone number, of the person primarily responsible for preparing and submitting the application;
- (f) an assertion that the operation is a reporting operation;
- (g) if the application is for an operation with a date of first shipment on or after April 1, 2024 requesting a new entrant period beginning before the date of first shipment,
  - (i) assertions that
    - (A) the date of first shipment has not occurred, and
    - (B) the authorization date has occurred,
  - (ii) confirmation that the operator wishes the operation to become a regulated operation with a new entrant period beginning on the date of receipt of the application, and
  - (iii) a description of
    - (A) the authorizations, including permits and approvals, required under an enactment or a municipal or regional district bylaw after completion of construction of the operation in order for the operation to begin operations, or
    - (B) if no authorizations referred to in clause (A) are required, the operations that have begun;
- (h) an assertion as to the date of first shipment, if the application is for either of the following:
  - (i) an operation with a date of first shipment on or before March 31, 2024 the application for which is submitted after the date of first shipment;
  - (ii) an operation with a date of first shipment on or after April 1, 2024 the application for which
    - (A) is submitted after the date of first shipment, and
    - (B) requests a new entrant period beginning on the date of first shipment;
- (i) any other information required by the director.

### **Eligibility criteria**

- 41.9** For the purposes of section 20.2 (2) [*new entrant*] of the Act, the director must be satisfied that the following criteria are met in order to designate an industrial operation referred to in section 41.8 of this regulation as a new entrant:
- (a) the operation is a reporting operation;
  - (b) the operation has registered under section 11 or 11.2 [*registration of reporting operations*];
  - (c) the operation is not an opted-in operation;
  - (d) the operation's date of first shipment, if any, is on or after January 1, 2022.

### **New entrant period**

- 41.10** (1) The new entrant period for a reporting operation with a date of first shipment on or before March 31, 2024 that is designated as a new entrant begins April 1, 2024.
- (2) The new entrant period for a reporting operation other than one referred to in subsection (1) that is designated as a new entrant begins on the earlier of the following:
- (a) the date on or after the operation's authorization date that the director receives an application under section 41.8 for designation of the operation as a new entrant, if the application requests designation effective on receipt of the application;
  - (b) the operation's date of first shipment.
- (3) The new entrant period for a new entrant ends as follows:
- (a) if the new entrant's date of first shipment is on or before March 31, 2024, at the end of second calendar year after the calendar year in which the date of first shipment occurred;
  - (b) if the new entrant's date of first shipment is on or after April 1, 2024, at the end of second compliance period immediately following the compliance period in which the new entrant's new entrant period began.

## **PART 5.3 – MEETING A COMPLIANCE OBLIGATION**

### **Interpretation**

- 41.12** For the purposes of the definition of “compliance obligation deadline” in the Act, the compliance obligation deadline for a compliance period is November 30 in the calendar year immediately following the compliance period.

### **Prescribed class of regulated operations**

- 41.13** For the purposes of section 6 (2) [*compliance obligation*] of the Act, the prescribed class is all regulated operations.

### **Monetary payment**

- 41.14** A monetary payment to the government under section 6 (2) or 6.1 (2) (a) or (d) (ii) of [*greenhouse gas emission correction*] the Act must be paid to the Minister of Finance in the manner specified by the director.



### **Compliance units**

- 41.15** (1) In this section, “project reduction” has the same meaning as in section 11 (1) of the Emission Offset Project Regulation.
- (2) The use of compliance units by the operator of a regulated operation to meet a compliance obligation for a compliance period under section 6 (2) (a) of the Act is subject to the following restrictions:
- (a) the maximum number of compliance units that may be used is the number required to meet the compliance obligation for each compliance period as follows:
    - (i) for the 2024 compliance period, 50 percent of the excess emissions, rounded down to the nearest whole number of compliance units;
    - (ii) for the 2025 compliance period, 40 percent of the excess emissions, rounded down to the nearest whole number of compliance units;
    - (iii) for the 2026 compliance period and each subsequent compliance period, 30 percent of the excess emissions, rounded down to the nearest whole number of compliance units;
  - (b) an offset unit may be used only if the end of the calendar year in which the project reduction for which the offset unit was issued occurred is less than 3 years before the beginning of the compliance period.

### **Emission correction**

- 41.16** (1) For the purposes of section 6.1 (2) (a) of the Act, the operator of the regulated operation must meet the additional compliance obligation as follows:
- (a) in the case of a supplementary compliance report,
    - (i) if the report is submitted on or before the compliance obligation deadline, by the compliance obligation deadline, and
    - (ii) if subparagraph (i) does not apply,
      - (A) the date specified by the director on receiving the supplementary compliance report, or
      - (B) if no date is specified by the director, 30 days after the date the report is submitted to the director;
  - (b) in the case of a corrected compliance report,
    - (i) if the report is submitted on or before the compliance obligation deadline, by the compliance obligation deadline, and
    - (ii) if subparagraph (i) does not apply, the date the corrected report is due as specified by the director;
  - (c) in the case of a determination by the director,
    - (i) if the determination is given to the operator at least 30 days before the compliance obligation deadline, by the compliance obligation deadline, and
    - (ii) if subparagraph (i) does not apply, within 30 days after the determination is given to the operator.
- (2) Subsection (3) applies if

- (a) a correction described in section 6.1 of the Act is made in relation to a regulated operation for a compliance period before the operator has, under section 6 (2) [*compliance obligation*] of the Act, met a compliance obligation, or the director has, under section 12 (1) [*earned credits*] of the Act, issued earned credits to the operator in relation to the compliance period, and
- (b) the correction results in
  - (i) an increased amount required to meet the compliance obligation of the regulated operation under section 6 (2) of the Act, or
  - (ii) an amount required to meet a compliance obligation of the regulated operation under section 6 (2) of the Act instead of credits to be issued to the regulated operation under section 12 of the Act.
- (3) In the circumstances described in subsection (2) of this section, the operator must meet the additional compliance obligation within the applicable period set out in subsection (1).
- (4) If there is a change in operator of a regulated operation, or one or more facilities within a linear facility operation become a part of another regulated operation, in a compliance period,
  - (a) the person who is the operator of the regulated operation on the last day of the compliance period is responsible for complying with section 6.1 of the Act and this section, and
  - (b) any compliance unit or monetary refund issued under section 6.1 (2) (b) or (c) of the Act is to be issued to the person referred to in paragraph (a).
- (5) For the purposes of section 6.1 (2) (d) of the Act, the prescribed period for an operator is the applicable period set out in subsection (1).
- (6) The director may establish restrictions on the use of compliance units by an operator to meet an obligation under section 6.1 (2) (d) (i) of the Act.
- (7) An operator must ensure that compliance units are available as required under section 6.1 (2) (d) (i) of the Act in accordance with any restrictions established by the director.

**39 Section 42 is amended**

- (a) *in subsection (1) (c) by striking out “misrepresentations” and substituting “misstatements”,*
- (b) *in subsection (2) by striking out “an LNG” and substituting “a regulated”, and*
- (c) *in subsection (2) (a) by striking out “section 23 (1) (d) and (e) and (2)” and substituting “section 23 (1) to (4), as applicable”.*

**40 Section 43 (1) is amended**

- (a) *by repealing paragraph (h) (ii) and substituting the following:*

- (ii) in the case of a regulated operation, the matters set out in section 23 (1) (a.1), (a.2), (c.1), (d), (e), (f.1) and (f.2) [*content of compliance reports*];, **and**

**(b) by repealing paragraph (m) and substituting the following:**

- (m) in relation to a regulated operation,
  - (i) all records relating to the information required under section 23 (1) (a.1), (a.2), (c.1), (d), (e), (f.1) and (f.2), and
  - (ii) records of the calculations used to determine the information referred to in subparagraph (i) and the methods used to quantify each regulated product produced by the operation.

**41 The following section is added:**

**Notice of determination**

- 43.1** The director must, on making a determination under section 7.1 (1) of the Act in relation to a regulated operation, give notice to the operator of the regulated operation.

**42 Section 44 is amended**

**(a) in subsection (2) (a) by striking out “section 14 (2) (a) to (d) and (f) to (h)” and substituting “sections 11.3 (2) (a) to (c), (e) to (i) and 14 (2) (a) and (f) [*registration requirements – reporting operations and potential reporting operations*]”;**

**(b) in subsection (2) (e) (iv) be adding “whether the verification statement includes” before “any qualifications”;**

**(c) in subsection (3) (a) by striking out “section 23 (1) (b) to (h), (2) and (3)” and substituting “section 23 (1) (b), (c) and (e)”;**

**(d) in subsection (3) (b) by striking out “section 39 (3)” and substituting “section 39 (3) (a)”;**

**(e) in subsection (3) (f) by adding “whether the verification statement includes” before “any qualifications”;**

**(f) in subsection (3) by adding the following paragraphs:**

- (g) the information referred to in section 10 (1) (c) of the BC Carbon Registry Regulation;
- (h) whether the operation is in compliance with section 6 of the Act.,

**(g) by adding the following subsection:**

- (4.1) An operator of a regulated operation may include within a compliance report
  - (a) a claim that disclosure of the information referred to in section 44 (3) (a) to (h) of this regulation or in section 10 (1) (c), 12 (d) (i) or (ii) or (f) (i) of the BC Carbon Registry Regulation would be prohibited under section 21 (1) [*disclosure harmful to business interests of a third party*] of the *Freedom of Information and Protection of Privacy Act* if a request for the information were received under that Act, and

(b) a request that the information be kept confidential. ,*and*

(h) *in subsections (5) and (6) by adding “or (4.1)” after “subsection (4)”.*

**43 Section 1 of Schedule A is amended**

(a) *by adding the following definitions:*

**“compression and processing activity”** means an activity for the purpose of natural gas transmission, natural gas storage or oil and gas extraction and gas processing activities other than a non-compression and non-processing activity;

**“compression and processing combustion”** means combustion for the purpose of natural gas transmission, natural gas storage or oil and gas extraction and gas processing activities other than non-compression and non-processing combustion;

**“disaggregated combustion emissions”** means emissions from combustion disaggregated into the following types:

- (a) carbon dioxide from non-biomass not listed in Schedule C.1;
- (b) carbon dioxide from non-biomass listed in Schedule C.1;
- (c) carbon dioxide from biomass listed in Schedule C;
- (d) carbon dioxide from biomass not listed in Schedule C;
- (e) methane from non-biomass not listed in Schedule C.1;
- (f) methane from non-biomass listed in Schedule C.1;
- (g) methane from biomass listed in Schedule C;
- (h) methane from biomass not listed in Schedule C;
- (i) nitrous oxide from non-biomass not listed in Schedule C.1;
- (j) nitrous oxide from non-biomass listed in Schedule C.1;
- (k) nitrous oxide from biomass listed in Schedule C;
- (l) nitrous oxide from biomass not listed in Schedule C;

**“line tracing”** means the generation and application of heat by a an industrial operation that refines petroleum to pipes, terminal storage equipment, water treatment equipment or air compression equipment to prevent freezing;

**“non-compression and non-processing activity”** means an activity for the purpose of natural gas transmission, natural gas distribution, natural gas storage, carbon dioxide transportation or oil transmission, or an oil and gas extraction and gas processing activity that is carried out solely for purposes other than the processing of natural gas or the compression of natural gas or carbon dioxide;

**“non-compression and non-processing combustion”** means combustion for the purpose of natural gas transmission, natural gas distribution, natural gas storage, carbon dioxide transportation or oil transmission, or an oil and gas extraction and gas processing activity, carried out solely for purposes other than the processing of natural gas or the compression of natural gas or carbon dioxide for feeder or other pipelines; , *and*

(b) *by repealing the definition of “oil and gas extraction and gas processing activities”.*

44 *Section 2 of Schedule A is amended in the description of “EF” by adding “for the type of coal specified by the director for the reporting period, or if no emission factor is specified, the emission factor” after “the emission factor”.*

45 *Table 1 of Schedule A is amended*

(a) *in item 1 by adding “or solely for the purpose of line tracing” in column 2 after “Table 2”,*

(b) *in items 1 (a) and (b) by striking out the text in column 4 and substituting “Disaggregated combustion emissions”,*

(c) *by adding the following item:*

Column 1	Column 2	Column 3	Column 4	Column 5
Item	Activity	Source Type	Greenhouse Gas Type	Relevant Requirements or Calculations
1.1	General stationary combustion solely for the purpose of line tracing	General stationary combustion of fuel or waste with production of useful energy	Disaggregated combustion emissions	WCI.020 <sup>1</sup>

, and

(d) *in items 2 and 9 (a) by striking out the text in column 4 and substituting “Disaggregated combustion emissions”.*

46 *Table 2 of Schedule A is amended*

(a) *in item 1 by adding “, other than non-compression and non-processing combustion” in column 2 after “General stationary combustion”,*

(b) *in item 1 (a), (b) and (c) by striking out the text in column 4 and substituting “Disaggregated combustion emissions”,*

(c) *by adding the following item:*

Column 1	Column 2	Column 3	Column 4	Column 5
Item	Activity	Source Type	Greenhouse Gas Type	Relevant Requirements
1.1	General stationary non-compression and non-processing combustion.	General stationary combustion of fuel or waste at a linear facilities operation resulting in the production of useful energy	Disaggregated combustion emissions	WCI.020 <sup>1</sup>

(d) *in item 2 by adding “, other than an activity listed in this column of item 2.1” in column 2 after “transmission”,*

(e) *by repealing item 2 (g) and (h) in columns 3 and 4,*

(f) *in item 2 (j) by striking out the text in column 3 and substituting “Releases from tanks used for storage, production or processing”,*

(g) *by repealing item 2 (k) and (l) in columns 3 and 4 and substituting the following:*

Column 3	Column 4
Source Type	Greenhouse Gas Type
(l) Associated gas venting	Carbon dioxide from non-biomass Methane
(1.1) Associated gas flaring	Carbon dioxide from non-biomass Methane Nitrous oxide

(h) *in item 2 (u) by adding “produced” after “recovery” in column 3,*

(i) *by adding the following item:*

Column 1	Column 2	Column 3	Column 4	Column 5
Item	Activity	Source Type	Greenhouse Gas Type	Relevant Requirements
2.1	Non-compression and non-processing activities that are (a) oil and gas extraction and gas processing activities, or (b) for the purpose of carbon dioxide transportation or oil transmission	(a) Natural gas pneumatic high bleed device venting	Carbon dioxide from non-biomass Methane	WCI.360, except substitute Table 4 of Schedule A for Table 360-6 for a device listed in Table 4
		(b) Natural gas pneumatic pump venting	Carbon dioxide from non-biomass Methane	
		(c) Natural gas pneumatic low bleed device venting	Carbon dioxide from non-biomass Methane	
		(d) Natural gas pneumatic intermittent bleed device venting	Carbon dioxide from non-biomass Methane	

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Item</b>	<b>Activity</b>	<b>Source Type</b>	<b>Greenhouse Gas Type</b>	<b>Relevant Requirements</b>
		(e) Dehydrator venting	Carbon dioxide from non-biomass Methane	
		(f) Well venting for liquids unloading	Carbon dioxide from non-biomass Methane	
		(g) Gas well venting during well completions and workovers with or without hydraulic fracturing	Carbon dioxide from non-biomass Methane	
		(h) Drilling flaring	Carbon dioxide from non-biomass Methane Nitrous oxide	
		(i) Drilling venting	Carbon dioxide from non-biomass Methane	
		(j) Hydraulic fracturing flaring	Carbon dioxide from non-biomass Methane Nitrous oxide	
		(k) Blowdown venting	Carbon dioxide from non-biomass Methane	
		(l) Releases from tanks used for storage, production or processing	Carbon dioxide from non-biomass Methane	
		(m) Well testing venting	Carbon dioxide from non-biomass Methane	

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Item</b>	<b>Activity</b>	<b>Source Type</b>	<b>Greenhouse Gas Type</b>	<b>Relevant Requirements</b>
		(n) Well testing flaring	Carbon dioxide from non-biomass Methane Nitrous oxide	
		(o) Associated gas venting	Carbon dioxide from non-biomass Methane	
		(p) Associated gas flaring	Carbon dioxide from non-biomass Methane Nitrous oxide	
		(q) Flaring stacks	Carbon dioxide from non-biomass Methane Nitrous oxide	
		(r) Centrifugal compressor venting	Carbon dioxide from non-biomass Methane	
		(s) Reciprocating compressor venting	Carbon dioxide from non-biomass Methane	
		(t) Equipment leaks detected using leak detection and leaker emission factor methods	Carbon dioxide from non-biomass Methane	
		(u) Population count sources	Carbon dioxide from non-biomass Methane	
		(v) Transmission storage tanks	Carbon dioxide from non-biomass Methane	



<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Item</b>	<b>Activity</b>	<b>Source Type</b>	<b>Greenhouse Gas Type</b>	<b>Relevant Requirements</b>
		(w) Enhanced oil recovery injection pump blowdowns	Carbon dioxide from non-biomass	
		(x) Produced water dissolved carbon dioxide and methane	Carbon dioxide from non-biomass Methane	
		(y) Enhanced oil recovery produced hydrocarbon liquids dissolved carbon dioxide	Carbon dioxide from non-biomass	
		(z) Other venting sources	Carbon dioxide from non-biomass Methane	
		(aa) Other fugitive sources	Carbon dioxide from non-biomass Methane	
		(bb) Third-party line hits with release of gas	Carbon dioxide from non-biomass Methane	

(j) *in item 4 by striking out the text in column 2 and substituting “Activities for the purpose of natural gas transmission, natural gas distribution or natural gas storage other than non-compression and non-processing activities”;*

(k) by adding the following item:

Column 1	Column 2	Column 3	Column 4	Column 5
Item	Activity	Source Type	Greenhouse Gas Type	Relevant Requirements
4.1	Non-compression and non-processing activities for the purpose of natural gas transmission, natural gas distribution or natural gas storage	(a) Natural gas pneumatic high bleed device venting	Carbon dioxide from non-biomass Methane	WCI.350, except substitute Table 4 of Schedule A for Table 350-6 for a device listed in Table 4
		(b) Natural gas pneumatic pump venting	Carbon dioxide from non-biomass Methane	
		(c) Natural gas pneumatic low bleed device venting	Carbon dioxide from non-biomass Methane	
		(d) Natural gas pneumatic intermittent bleed device venting	Carbon dioxide from non-biomass Methane	
		(e) Blowdown venting	Carbon dioxide from non-biomass Methane	
		(f) Flare stacks	Carbon dioxide from non-biomass Methane Nitrous oxide	
		(g) Equipment leaks detected using leak detection and leaker emission factor methods	Carbon dioxide from non-biomass Methane	
		(h) Population count sources	Carbon dioxide from non-biomass Methane	
		(i) Transmission storage tanks	Carbon dioxide from non-biomass Methane	

Column 1	Column 2	Column 3	Column 4	Column 5
Item	Activity	Source Type	Greenhouse Gas Type	Relevant Requirements
		(j) Other venting sources	Carbon dioxide from non-biomass Methane	
		(k) Other fugitive sources	Carbon dioxide from non-biomass Methane	
		(l) Third-party line hits with release of gas	Carbon dioxide from non-biomass Methane	

(l) in item 5 (h) by striking out the text in column 3 and substituting “Releases from tanks used for storage, production or processing”, and

(m) in item 5 (q) by adding “produced” after “recovery” in column 3.

47 Table 3 of Schedule A is repealed.

48 The following Schedule is added:

### SCHEDULE A.1

#### Definitions for Schedule

1 In this Schedule,

“**BC-specific refinery complexity throughput**” means the amount of refined petroleum products produced by a regulated operation that refines petroleum, measured as the sum of the products obtained by multiplying, for each processing unit listed in column 2 of Table 1,

- (a) the amount of average daily production of the processing unit for a compliance period, measured in the units listed in column 4 for a compliance period, on the basis listed in column 3 for the processing unit,
- (b) the BC refining complexity factor listed in column 5 opposite the processing unit, and
- (c) the number of days in the compliance period;

“**C5+Alkylate**” means an alkylate containing hydrocarbons with at least 5 carbon atoms;

“**saleable**”, in relation to a product, means that the product is produced for the purposes of sale and, for certainty, is not a byproduct or intermediate product produced during the production of a product for the purposes of sale.

**Table 1**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Item</b>	<b>Processing Unit</b>	<b>Capacity Basis</b>	<b>Unit of Measure</b>	<b>BC Refining Complexity Factor</b>
1	Atmospheric crude distillation	Feed <sup>3</sup>	BPD <sup>6</sup>	1.00
2	Vacuum distillation	Feed	BPD	1.73
3	Fluid catalytic cracking	Feed	BPD	7.57
4	Catalytic reforming	Feed	BPD	3.07
5	Distillate desulfurization and treating <sup>1</sup>	Feed	BPD	1.46
6	Gasoline/naphtha desulfurization and treating <sup>2</sup>	Feed	BPD	0.62
7	Steam methane reforming	Product <sup>4</sup>	k SCF/d <sup>7</sup>	5.24
8	C5/C6 isomerization	Feed	BPD	0.43
9	Sulfur recovery unit	Product	LT/day <sup>8</sup>	106.61
10	Alkylation with sulfuric acid	C5+ Alkylate <sup>5</sup>	BPD	5.87
11	Cryogenic LPG recovery	Feed	k SCF/d	0.04
12	De-hexanizer	Feed	BPD	1.11
13	De-isobutanizer	Feed	BPD	1.39
14	Conventional mild crude unit	Feed	BPD	0.87

<sup>1</sup> Ultra-high severity hydrotreating.

<sup>2</sup> Conventional naphtha hydrotreating.

<sup>3</sup> Measurement occurring at the inlet of the process.

<sup>4</sup> Measurement occurring at the outlet of the process.

<sup>5</sup> Measurement occurring at the outlet of the process at the rate of C5+Alkylate.

<sup>6</sup> Barrels per day.

<sup>7</sup> Thousands of standard cubic feet per day.

<sup>8</sup> Long tons per day.

**Table 2**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Item</b>	<b>Product</b>	<b>PWAEI (tonnes carbon dioxide equivalent per unit)</b>	<b>Unit</b>
1	BC-specific refinery complexity throughput	0.0049	BCRCT
2	Cement equivalent	0.6262	Tonne cement equivalent
3	Chemicals: pure hydrogen peroxide	1.07	Tonne pure hydrogen peroxide
4	Compression, centrifugal – consumed energy	0.4513	MWh consumed energy
5	Compression, positive displacement – consumed energy	0.5547	MWh consumed energy
6	Gypsum wallboard	0.1183	Thousand square feet
7	Lime at 94.5% calcium oxide (CaO) and lime kiln dust (LKD)	1.0663	Tonne lime@94.5% CaO + LKD
8	Limestone for sale	0.0192	Tonne limestone
9	Liquefied natural gas	N/a	N/a
10	Mining: coal	0.0457	Tonne saleable coal
11	Mining: copper-equivalent, open pit	1.6262	Tonne copper-equivalent
12	Mining: copper-equivalent, underground	0.4236	Tonne copper-equivalent
13	Mining: gold-equivalent	3,868.9968	Tonne gold-equivalent
14	Processing sour gas – oil-equivalent	0.0786	Cubic metre oil-equivalent
15	Processing sweet gas – oil-equivalent	0.0192	Cubic metre oil-equivalent
16	Pulp and paper: chemical pulp	0.3177	Tonne saleable dry chemical pulp
17	Pulp and paper: non-chemical pulp	0.1258	Tonne saleable dry non-chemical pulp
18	Pulp and paper: paper (except newsprint and tissue paper)	0.1129	Tonne saleable paper

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>
<b>Item</b>	<b>Product</b>	<b>PWAEI (tonnes carbon dioxide equivalent per unit)</b>	<b>Unit</b>
19	Pulp and paper: tissue paper	0.2606	Tonne saleable tissue paper
20	Rendering and meat processing: protein and fat	0.3862	Tonne protein and fat
21	Renewable diesel	N/a	N/a
22	Smelting: aluminum	2.4307	Tonne saleable aluminum
23	Smelting: lead-zinc	1.1622	Tonne lead-zinc
24	Sold electricity	52.0363	GWh
25	Sold heat	0.0078	GJ
26	Steel wire: HDG-process (hot dip galvanization)	0.1736	Tonne hot dip galvanization wire
27	Steel wire: Non-HDG	0.0055	Tonne non-HDG wire
28	Sugar: liquid	0.2593	Tonne solid sugar content
29	Sugar: solid	0.2369	Tonne solid sugar
30	Wood products: lumber	0.0196	Cubic metre saleable lumber
31	Wood products: medium density fibreboard (MDF)	0.0817	Cubic metre saleable MDF
32	Wood products: plywood	0.0784	Cubic metre saleable plywood
33	Wood products: veneer	0.0849	Cubic metre saleable veneer
34	Wood products: wood chips (including hog fuel)	0.0075	Cubic metre saleable wood chips
35	Wood products: wood pellets	0.1048	Tonne saleable wood pellets

**49** *Schedule B is repealed and the following substituted:*

## SCHEDULE B

### Categories of Emissions

#### Interpretation

- 1** In this Schedule, a category of emissions listed in column 2 means the total emissions of the greenhouse gases referred to in column 3 of this Schedule opposite the category that are from source types listed in the items of Table 1 or 2 of Schedule A that are referred to in column 3 of this Schedule opposite the category.

Column 1	Column 2	Column 3
Item	Categories of Emissions	Emissions Included in Category
1	Carbon dioxide emissions from biomass listed in item 1 of Schedule C	Carbon dioxide from biomass listed in item 1 of Schedule C from Table 1, item 1 Table 1, item 1.1 Table 1, item 2 Table 1, item 9 (a) Table 1, item 22 Table 2, item 1 (a) and (b) Table 2, item 1.1
2	Other emissions from biomass listed in Schedule C	Emissions from biomass listed in Schedule C, other than emissions in item 1 of Schedule B, from Table 1, item 1 Table 1, item 1.1 Table 1, item 2 Table 1, item 9 (a) Table 1, item 22 Table 2, item 1 (a) and (b) Table 2, item 1.1
3	Emissions from non-biomass listed in Schedule C.1	Emissions from non-biomass listed in Schedule C.1 from Table 1, item 1 Table 1, item 1.1 Table 1, item 2 Table 1, item 9 (a) Table 2, item 1 (a) and (b)

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Item</b>	<b>Categories of Emissions</b>	<b>Emissions Included in Category</b>
4	Emissions from the following: (a) general stationary combustion solely for the purpose of line tracing; (b) oil and gas extraction and gas processing activities, carbon dioxide transportation and oil transportation and natural gas transmission, distribution and storage, limited to non-processing and non-compression activities	All emissions attributable under section 3 from the following Table 1, item 1.1 Table 2, item 1.1 Table 2, item 2.1 Table 2, item 4.1
5	Flaring emissions	All emissions attributable under section 3 from the following Table 1, item 19 (a) and (d) Table 1, item 20 (e) Table 2, item 2 (l.1) and (m) Table 2, item 2.1 (h), (j), (n), (p), (q) Table 2, item 4 (f) Table 2, item 4.1 (f) Table 2, item 5 (i)
6	Fugitive emissions	All emissions attributable under section 3 from the following Table 1, item 3 (c) Table 1, item 6 Table 1, item 7 Table 1, item 9 (c), (d) and (e) Table 1, item 10 Table 1, item 17 (b) Table 1, item 19 (c) Table 1, item 20 (f), (h) and (j) Table 1, item 25 Table 1, item 26 Table 2, item 2 (p), (q), (t), (u), (w) and (x) Table 2, item 2.1 (t), (u), (x), (y), (aa) and (bb) Table 2, item 3 Table 2, item 4 (i), (j), (m) and (n) Table 2, item 4.1 (g), (h), (k) and (l) Table 2, item 5 (l), (m), (p), (q), (s) and (t)



<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Item</b>	<b>Categories of Emissions</b>	<b>Emissions Included in Category</b>
7	Industrial process emissions	All emissions attributable under section 3 from the following Table 1, item 3 (a) and (b) Table 1, item 4 Table 1, item 5 Table 1, item 8 Table 1, item 9 (b) Table 1, item 11 Table 1, item 12 Table 1, item 13 Table 1, item 15 Table 1, item 16 Table 1, item 17 (a) Table 1, item 18 Table 1, item 19 (e) Table 1, item 20 (a), (c), (d), (l) and (m) Table 1, item 21 Table 1, item 22 Table 1, item 24 Table 1, item 27
8	On-site transportation emissions	All emissions attributable under section 3 from the following Table 1, item 2
9	Stationary fuel combustion emissions	All emissions attributable under section 3 from the following Table 1, item 1 (a) Table 1, item 1.1 Table 1, item 9 (a) Table 1, item 23 Table 2, item 1 (a) and (c) Table 2, item 1.1
10	Venting emissions – useful	All emissions attributable under section 3 from the following Table 2, item 2 (a), (b), (c), (d) Table 2, item 2.1 (a), (b), (c), (d) Table 2, item 4 (a), (b), (c), (d) Table 2, item 4.1 (a), (b), (c), (d) Table 2, item 5 (a), (b), (c), (d)

Column 1	Column 2	Column 3
Item	Categories of Emissions	Emissions Included in Category
11	Venting emissions – non-useful	All emissions attributable under section 3 from the following Table 1, item 19 (b) Table 1, item 20 (b) and (k) Table 2, item 2 (e), (f), (i), (j), (l), (n), (o), (r), (s) and (v) Table 2, item 2.1 (e), (f), (g), (i), (k), (l), (m), (o), (r), (s), (v), (w) and (z) Table 2, item 4 (e), (g), (h), (k) and (l) Table 2, item 4.1 (e), (i), and (j) Table 2, item 5 (e), (f), (g), (h), (j), (k), (n), (o) and (r)
12	Emissions from waste	All emissions attributable under section 3 from the following Table 1, item 1 (b) Table 2, item 1 (b) Table 2, item 1.1
13	Emissions from wastewater	All emissions attributable under section 3 from the following Table 1, item 14 (a) and (b) Table 1, item 20 (g) and (i)

**50** The following section is added after the heading to Schedule C:

**Definitions for Schedule**

**1** In this Schedule,

“**biodiesel**” means a substance that is made up of mono-alkyl esters of long chain fatty acids derived from plant or animal matter if it is an unregulated fuel;

“**digester gas**” means produced in a digester from organic waste decomposition or wastewater treatment in the absence of oxygen;

“**environmental attribute**” means any credit, benefit, greenhouse gas emissions reduction, offset or allowance attributable to

(a) the production and use of renewable natural gas, and

(b) the displacement, by the production and use described in paragraph (a), of the production and use of natural gas derived from fossil fuels;

“**ethanol**” means ethanol if it is an unregulated fuel;

“**regulated fuel**” means fuel

- (a) in relation to which the director under the *Low Carbon Fuels Act* has issued, or will issue, compliance units, within the meaning of that Act, under section 13 (2) [*supply of fuel*] of that Act, or
- (b) that has been or will be used by a person to meet the requirements of section 9 (3) [*renewable fuel target*] of the *Low Carbon Fuels Act*;

“**renewable diesel**” means hydrogenated-derived renewable diesel fuel if it is an unregulated fuel;

“**renewable natural gas**” means natural gas purchased from a utility if the utility customer has, in relation to a specific quantity of natural gas purchased, purchased the environmental attributes of an amount of digester gas, landfill gas or other methane from non-fossil sources that is equal in energy content to the quantity purchased;

“**solid byproduct**” means fuels derived from the dried sludge of wastewater treatment plants;

“**unregulated fuel**” means a fuel for which the operator has evidence establishing that it is not a regulated fuel.

**51** *The following items are added to the table in Schedule C:*

Item	Type of Biomass
2	Biodiesel
3	Bone char - organics
4	Digester gas
5	Ethanol
6	Landfill gas
7	Municipal solid waste – biomass component
8	Renewable diesel
9	Renewable natural gas
10	Solid byproducts

**52** *The following Schedule is added:*

**SCHEDULE C.1**

**Definitions for Schedule**

**1** In this Schedule,

“**e-waste**” means the non-metal component of electronics waste that is combusted during the process of recovering metals from the electronics;

“**explosive**” means a commercially prepared explosive and does not include ammonium nitrate-fuel oil (ANFO) prepared by the operator from light fuel oil;

“**lubricant**” means an oil used to lubricate a diesel or internal combustion engine that is combusted when being used for that purpose;

“SMR PSA tail gas” means the residual gas from the steam methane reforming, pressure swing adsorption process of producing hydrogen from natural gas.

Column 1	Column 2
Item	Type of Non-Biomass
1	Acetylene
2	Carpet fibre
3	E-waste
4	Explosives
5	Isobutylene
6	Lubricants
7	Municipal solid waste – non-biomass component
8	Trona
9	Plastics
10	Propylene
11	SMR PSA tail gas
12	Sodium bicarbonate

53 Sections 7 and 8 of Schedule D are repealed.

54 The following Schedule is added:

## SCHEDULE E.1

### Emission Limits

#### Calculation of emission limit

- 1 (1) Subject to this section, the emission limit for a regulated operation for a compliance period must be determined in accordance with the following formula:

Emissions Limit<sub>y</sub> =

$$\sum_{p=1}^{n_p} \left\{ (PR_{y,p} \times PWAEI_p) \times \left[ RF - \left( 1 - \frac{IPE_{y,p}}{CE_{y,p}} \right) \times TR \times (y - y_i) \right] \right\}$$

where

CE<sub>y,p</sub> = the total emissions attributable to the regulated operation under section 4 for the compliance period allocated in accordance with section 23 (1) (a.1) (ii) and (a.2) to product p;

- $IPE_{y,p}$  = the emissions attributable to the regulated operation under section 4 for the compliance period within the industrial process emissions category in Item 7 of Schedule B, determined as the sum of the emissions set out opposite the category in column 3 of Schedule, allocated in accordance with section 23 (1) (a.1) (ii) and (a.2) to product p;
- y = the compliance period;
- p = a regulated product produced by the regulated operation during the compliance period;
- $n_p$  = the total number of regulated products produced by the regulated operation during the compliance period;
- $Pr_{y,p}$  = the quantity of each regulated product produced by the regulated operation, in units set out for the product in column 4 of Table 2 of Schedule A.1, excluding any quantity produced before the operation became a regulated operation, or by an operation that is a new entrant,  
 (a) for the 2025 compliance period and subsequent compliance periods, during the compliance period, and  
 (b) for the 2024 compliance period, from April 1, 2024 to December 31, 2024;
- $PWAEI_{y,p}$  = the production-weighted average emission intensity of each regulated product produced by the regulated operation during the compliance period, listed in column 3 of table 1 of this Schedule opposite the product, in tonnes of carbon dioxide equivalent per unit of product set out in column 4 of Table 2 of Schedule A.1;
- $y_i$  = the compliance period beginning January 1, 2024;
- RF = the reduction factor for the industry in which the regulated products were produced, listed in column 4 of table 1 of this Schedule for the industry;
- TR = the tightening rate for the industry in which the regulated products were produced listed in column 5 of Table 1 of this Schedule for the industry.

(2) For the purposes of the equation under subsection (1), if the result obtained from the following portion of the equation is negative, the value to be used for the portion is zero:

$$\left[ RF - \left( 1 - \frac{IPE_{y,p}}{CE_{y,p}} \right) \times TR \times (y - y_i) \right]$$

**Table 1**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
<b>Item</b>	<b>Industry</b>	<b>NAICS Code</b>	<b>Reduction Factor</b>	<b>Tightening Rate</b>
1	Primary production of alumina and aluminum	331313	.95	.01

Column 1	Column 2	Column 3	Column 4	Column 5
Item	Industry	NAICS Code	Reduction Factor	Tightening Rate
2	Basic inorganic chemical manufacturing	325189	.90	.01
3	Cement manufacturing	327310	.90	.01
4	Lime manufacturing	327410	.90	.01
5	Non-ferrous metal (except aluminum) smelting and refining	331410	.85	.01
6	Copper-zinc ore mining	212233	.80	.01
7	All industries other than those listed in Items 1 to 6		.65	.01

55 *Schedule F is repealed.*

56 *The following Schedule is added:*

## SCHEDULE G

### Calculation of attributable emissions for the 2024 compliance period

- 1 For the 2024 compliance period, the emissions attributable to a regulated operation under section 4 must be determined in accordance with the following formula:

$$\text{Attributable emissions} = \sum_{p=1}^{n_p} \left[ \left( \frac{CE_{2024,p}}{PR_{2024,p}} \right) \times PR_{\text{Partial}2024,p} \right]$$

where

- $CE_{2024,p}$  = the total emissions that would be attributable under section 4 to the regulated operation under section 4 for the 2024 compliance period, if emissions otherwise attributable under section 4 were attributable for the entire compliance period, allocated in accordance with section 23 (1) (a.1) (ii) and (a.2) to product p;
- p = a regulated product produced by the regulated operation during the 2024 compliance period;
- $n_p$  = the total number of regulated products produced by the regulated operation during the compliance period;
- $PR_{2024,p}$  = the quantity of each regulated product produced by the regulated operation during the 2024 compliance period, in units set out for the product in column 4 of Table 2 of Schedule A.1;
- $PR_{\text{Partial}2024,p}$  = the quantity of each regulated product produced by the regulated operation from April 1, 2024 to December 31, 2024.