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NEW CANADA-WIDE GREENHOUSE GAS EMISSION REPORTING REQUIREMENTS

April 2004

The federal government has introduced the first phase of a multi-phased plan intended to harmonize the current greenhouse gas (“GHG”) emission reporting systems of Federal, provincial and territorial governments.

At present, this new reporting requirement will primarily impact major industrial facilities that produce electricity, heat or steam on-site using fossil fuels, such as: power generation facilities; integrated steel mills; facilities involved in smelting and refining metals; petroleum refineries; chemical producers; and others that meet the criteria set out in the notice issued by Environment Canada on March 13, 2004 (the “Notice”).

Facilities that are required to report must submit reports outlining the facility’s emissions for the 2004 calendar year to the Manufacturing, Construction and Energy Division of Statistics Canada by June 1, 2005.

Reporting system

A copy of the Notice can be found at <http://canadagazette.gc.ca/partI/2004/20040313/html/notice-e.html>. The Notice and reporting system are similar to the current National Pollutant Release Inventory (“NPRI”); however, the GHG reports must be made to Statistics Canada instead of to NPRI of Environment Canada.

The Minister of the Environment intends to publish the information collected on 2004 emissions, subject to written requests for confidentiality from persons who fall within specific exceptions set out in the *Canadian Environmental Protection Act, 1999*. The reporting system is expected to be expanded and refined, after further consultation with stakeholders, in the next few years.

Facilities that must report

The Notice applies to the following facilities:

- all buildings, equipment, structures and stationary items that are located on a single site or on contiguous or adjacent sites and that are owned or operated by the same person and that function as a single integrated site and includes wastewater collection systems that discharge treated or untreated wastewater into surface waters;
- all pipelines transporting processed natural gas and their associated installations including storage facilities but excluding straddle plants or other processing installations that are under single ownership within a province or territory; or
- an offshore drilling unit, production platform or ship, or sub-sea installation attached or anchored to the continental shelf of Canada in connection with the exploitation of oil or gas.



At present, only facilities that will emit 100 thousand metric tonnes (100 Kt) of carbon dioxide equivalent of GHGs or more (to be measured using the formula set out in the Notice) in the 2004 calendar year are required to report. Carbon dioxide emissions from combustion of biomass fuels need not be included in the determination of total emissions for the purposes of establishing whether a facility meets or exceeds the reporting threshold (however, they must be reported as part of the reportable GHG emissions information). As well, only facilities that possess or would reasonably be expected to have access to the prescribed GHG information are required to report.

What must be reported

Reports must include specified information on the facility, the quantity in tonnes of emissions of GHGs by various specified source category, and the type of estimation method used.

Consequences of not reporting

Any person who is required to report GHG emissions under the Notice and fails to do so is liable to a fine of up to \$300,000 on summary conviction, or up to \$1,000,000 on a conviction on indictment.

If you have any questions regarding the application of the new GHG reporting system to your facility, please contact Diana Valiela, Christine Kowbel or any other member of the Environmental Law Group below.

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