



NATIONAL ASSEMBLY

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Bill 204

(Private)

An Act respecting Ville de Lévis

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(Private)

AN ACT RESPECTING VILLE DE LÉVIS

AS Société en commandite Rabaska has made it known that it wishes to construct and operate a liquefied natural gas (LNG) terminal and pipeline in the territory of Ville de Lévis (the city);

AS the realization of that project is contingent on certain actions by the Government or one of its ministers or bodies, in particular under the Environment Quality Act (R.S.Q., chapter Q-2), the Watercourses Act (R.S.Q., chapter R-13), the Act respecting the preservation of agricultural land and agricultural activities (R.S.Q., chapter P-41.1) and the Act respecting land use planning and development (R.S.Q., chapter A-19.1);

AS Société en commandite Rabaska must acquire land and obtain servitudes in order to realize the project;

AS it is necessary, to the extent that those actions are taken and in order to allow the realization of the project, to set certain conditions and determine the municipal taxes payable on the project;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

I. In this Act, unless the context indicates otherwise,

(1) “operations start date” means the date occurring one week before the arrival of the third LNG tanker at the LNG terminal;

(2) “construction start date” means the first of the month following the month in which the first contractor mobilizes on the project site by parking construction site trailers or otherwise;

(3) “project” means

(a) an LNG terminal and all the related equipment and facilities, including

i. marine import facilities consisting of a jetty designed to accommodate LNG tankers, unloading arms, pumps and all the ancillary infrastructures required to unload liquefied natural gas from tankers;

ii. cryogenic unloading lines for LNG transfer from the jetty to the storage tanks;

- iii. two storage tanks with an individual capacity of 160,000 m³ each;
 - iv. gasification, pipeline injection and metering facilities with a design capacity of 14,158,415 m³ of gas per day (500 million ft³/day);
- (b) an LNG pipeline approximately 42 kilometres long that may run from the LNG terminal located in the Desjardins borough, through the lots and watercourses mentioned in Schedule A, to the interconnection with the Trans Québec & Maritimes Pipeline Inc. pipeline located in the Chutes-de-la-Chaudière borough;
- (c) the land whose technical description is given in Schedule B; and
- (d) the rights to be obtained from the competent authority on the part of the bed and shore of the St. Lawrence River on which the works required to operate the terminal are to be constructed;

(4) “municipal taxes” means the aggregate of the municipal, property and personal taxes payable by the project owner, any tariff payable under sections 244.1 and following of the Act respecting municipal taxation (R.S.Q., chapter F-2.1), any permit fees and any payment or transfer of land for park purposes relating to the project, and the transfer duties payable under the Act respecting duties on transfers of immovables (R.S.Q., chapter D-15.1) for the land acquired for the project.

2. Despite section 32 of the Act respecting municipal taxation, the project’s immovables are to be entered on the assessment roll of the city on the operations start date.

3. From the construction start date to the operations start date, the project owner is to pay the city an annual amount of \$400,000, payable in four instalments on the first day of each quarter.

4. As of the operations start date, the project owner is to pay the city, for each full year,

- (1) \$7,000,000 per year for the first 5 years;
- (2) \$7,500,000 per year from the 6th year to the end of the 10th year;
- (3) \$8,500,000 per year from the 11th year to the end of the 15th year;
- (4) \$10,000,000 per year from the 16th year to the end of the 20th year; and
- (5) \$11,000,000 per year from the 21st year to the end of the 50th year.

Those amounts are payable in four instalments on the first day of each quarter.

Unless the operations start date is 1 January and the first year is a full year of operations, the amount payable to the city by the project owner for the first year is the aggregate of

(1) the amount specified in section 3, adjusted in proportion to the number of days in that year before the operations start date; and

(2) the amount specified in subparagraph 1 of the first paragraph, adjusted in proportion to the number of days in that year from the operations start date to 31 December.

5. Section 4 ceases to have effect the day after the 35th, 40th or 45th anniversary of the operations start date if the project owner sends a notice to that effect to the clerk of the city and to the Minister of Municipal Affairs and Regions six months prior to that day, subject to any postponement that may result from the application of the second paragraph.

If project operations are interrupted at any time after the 20th full year of project operations, the special scheme established by this Act is extended for a period equivalent to the interruption. In such a case, the project owner's financial contribution under sections 4 and 8 is reduced to 75% of that payable for the first full year following the beginning of the interruption, to 50% for the second year and to 25% for the following years until the end of the interruption. Payment of the full contribution resumes at the beginning of the year following that in which the interruption ended, and the amount of that contribution, on resumption of project operations, is that paid by the project owner immediately before the interruption.

If the project owner decides to permanently terminate construction of the project or project operations, the project owner's obligation to pay the amounts specified in sections 3, 4 and 8 and in this section ceases on the later of the date on which the premises are restored to their former state in accordance with any applicable legislative provision and the date on which the city and the Minister of Municipal Affairs and Regions receive a notice to that effect. The project owner's contribution for the year in progress is computed in proportion to the number of days in that year before the later of those dates. The project hence ceases to be subject to the special scheme established by this Act.

6. The amounts paid by the project owner under sections 3, 4, 5 and 8 are paid as municipal taxes and the project owner may not be required to pay any other amount as municipal taxes except

(1) amounts that could be required by the city in future under a mode of tariffing within the meaning of the Act respecting municipal taxation, as it reads on 21 December 2007, to finance property or services relating to a power the city does not hold at that time;

(2) amounts the city needs in order to acquire property or services specifically required by the project owner or required by a government authority in light of the nature of the project; and

(3) a maximum amount of \$5,850,000, being the project owner's contribution toward the cost to the city of constructing an access road to the main onshore site of the LNG terminal from Lallemand road and of extending the water main along highway 132 to the easternmost point of the LNG terminal site as provided for in Schedule C.

7. If the LNG pipeline is not built by the LNG terminal owner or if that owner transfers the LNG pipeline to a third person, it ceases to be subject to the special scheme established by this Act, and the municipal taxes payable by the third person in respect of the LNG pipeline are deducted from the amounts otherwise payable by the project owner for the project.

8. As of the completion date of work to increase the LNG storage capacity or the gasification capacity of the LNG terminal, the project owner's financial contribution under section 4 is increased by an amount equal to the proportion that the amounts invested to that end are of the initial investment required for the project.

Unless the completion date is 1 January, the amount payable to the city by the project owner for the year in which the work is completed is the aggregate of

(1) the amount specified in section 4, adjusted in proportion to the number of days in that year before the completion date; and

(2) the amount determined under the first paragraph, adjusted in proportion to the number of days in that year from the completion date to 31 December.

9. The right to use the project's immovables and the right to use any new facilities for the purpose of operating an LNG terminal and LNG pipeline are maintained, despite any interruption in project operations, so long as the project owner pays the city the amounts payable under this Act.

The first paragraph applies to the extent that the project owner has obtained from the city any permit, authorization or certificate required under the city's planning by-laws for construction of the project.

10. If new facilities are required, after the operations start date, to increase the LNG storage capacity or the gasification capacity of the LNG terminal, they must be located within the area described in Schedule D and comply with the planning by-laws in force at the time the building permit for those facilities is issued.

The Minister of Sustainable Development, Environment and Parks or the Government may not issue an authorization certificate under the Environment

Quality Act (R.S.Q., chapter Q-2) for the work required to add the new facilities in the area referred to in the first paragraph without having consulted the city about security issues. If the city does not respond within 60 days, its opinion is no longer required.

11. This Act ceases to have effect on the date the project owner is no longer required to pay amounts under this Act.

12. This Act comes into force on the date to be set by the Government.

SCHEDULE A

Lots of the cadastre of Québec, registration division of Lévis, and watercourses through which the LNG pipeline is to run:

(1) LOTS:

3 020 276, 3 021 213, 3 020 272, 3 020 273, 3 021 214, 2 360 748, 2 360 726, 2 489 886, 2 489 887, 2 360 583, 2 359 834, 2 359 820, 2 489 889, 2 360 785, 2 359 815, 2 489 883, 2 489 884, 2 359 788, 2 359 778, 2 359 777, 2 360 700, 2 360 702, 2 359 776, 2 359 784, 2 489 817, 2 359 435, 2 489 835, 2 359 422, 2 359 419, 2 359 417, 2 359 392, 2 359 402, 2 359 385, 2 359 386, 2 489 805, 2 059 697, 2 059 696, 2 295 895, 2 059 695, 2 059 694, 2 295 914, 2 059 693, 2 059 690, 2 059 691, 2 059 675, 2 059 692, 2 295 798, 2 059 674, 2 059 682, 2 059 667, 2 059 681, 2 295 997, 2 295 998, 2 059 628, 2 059 627, 2 059 626, 2 059 629, 2 296 070, 2 059 622, 2 059 527, 2 059 526, 2 059 525, 2 059 524, 2 295 994, 2 059 546, 2 295 965, 2 295 966, 2 059 541, 2 059 545, 2 059 540, 2 059 539, 2 059 538, 2 059 537, 2 059 536, 2 059 493, 2 059 890, 2 296 069, 2 295 951, 2 059 471, 2 059 421, 2 295 945, 2 059 422, 2 296 114, 2 059 395, 2 059 387, 2 059 331, 2 059 342, 2 295 932, 2 059 303, 2 662 049, 2 059 301, 2 295 921, 2 295 922, 2 059 300, 2 059 281, 2 059 280, 2 295 856, 2 059 279, 2 059 278, 2 059 290, 2 059 289, 2 059 288, 2 059 286, 2 059 285, 2 059 287, 2 059 982, 2 059 981, 2 059 972, 2 059 975, 2 059 971, 2 059 226, 2 295 794, 2 384 201, 2 384 210, 2 384 212, 2 384 226, 2 384 233, 2 384 247, 2 384 274, 2 384 318, 2 384 351, 2 384 395, 2 384 414, 2 384 426, 2 384 425, 2 384 421, 2 384 420, 2 849 369, 2 849 365, 2 848 894, 2 848 895, 2 848 896, 2 848 897, 2 848 898, 2 848 900, 2 848 902, 2 848 903, 2 848 904, 2 848 905, 2 848 906, 2 848 871, 2 848 907, 2 848 909, 2 848 908, 2 848 815, 2 848 808, 2 848 809, 2 845 675, 2 845 673, 2 845 669, 1 963 887, 1 964 994, 1 964 990, 1 962 943, 2 059 323, 2 059 385, 2 059 386, 2 059 523, 2 295 757, 2 295 790, 2 295 806, 2 295 933, 2 360 458, 2 360 578, 2 360 763, 2 489 453, 2 489 758, 2 602 248, 2 602 346, 2 845 682, 2 848 899, 2 849 059, 2 849 368, 2 849 372, 3 167 681, 2 059 223, 2 059 299, 2 059 518, 2 059 889, 2 295 753, 2 295 758, 2 295 789, 2 295 796, 2 295 920, 2 359 404, 2 359 835, 2 360 628, 2 384 427, 3 021 268, 3 167 707, 3 644 308, 3 742 177, 3 969 524, 3 977 544, 4 030 583, 4 030 585, 4 030 587, 4 030 770, 4 030 772, 4 030 792;

(2) WATERCOURSES:

The Chaudière, Etchemin and Beaurivage rivers.

SCHEDULE B

An immovable known and described as comprising the following lots:

(a) lot number THREE MILLION TWENTY-ONE THOUSAND TWO HUNDRED AND FIFTEEN (3 021 215) of the cadastre of Québec, registration division of Lévis;

(b) lot number THREE MILLION EIGHTEEN THOUSAND SEVEN HUNDRED AND TEN (3 018 710) of the cadastre of Québec, registration division of Lévis;

(c) lot number THREE MILLION TWENTY THOUSAND TWO HUNDRED AND SEVENTY-FOUR (3 020 274) of the cadastre of Québec, registration division of Lévis;

(d) lot number THREE MILLION EIGHTEEN THOUSAND EIGHT HUNDRED AND TWENTY-ONE (3 018 821) of the cadastre of Québec, registration division of Lévis;

(e) lot number THREE MILLION EIGHTEEN THOUSAND NINE HUNDRED AND THIRTY-TWO (3 018 932) of the cadastre of Québec, registration division of Lévis;

(f) lot number THREE MILLION NINETEEN THOUSAND ONE HUNDRED AND FIFTY-FIVE (3 019 155) of the cadastre of Québec, registration division of Lévis;

(g) lot number THREE MILLION EIGHTEEN THOUSAND EIGHT HUNDRED AND NINETY-ONE (3 018 891) of the cadastre of Québec, registration division of Lévis;

(h) lot number THREE MILLION TWENTY THOUSAND TWO HUNDRED AND SEVENTY-FIVE (3 020 275) of the cadastre of Québec, registration division of Lévis;

(i) lot number THREE MILLION FOUR HUNDRED AND ONE THOUSAND SIX HUNDRED AND FORTY-ONE (3 401 641) of the cadastre of Québec, registration division of Lévis;

(j) lot number THREE MILLION TWENTY THOUSAND TWO HUNDRED AND SIXTY-EIGHT (3 020 268) of the cadastre of Québec, registration division of Lévis;

(k) lot number THREE MILLION TWENTY-ONE THOUSAND FOUR HUNDRED AND THIRTY-NINE (3 021 439) of the cadastre of Québec, registration division of Lévis;

(l) lot number THREE MILLION TWENTY THOUSAND TWO HUNDRED AND SIXTY-NINE (3 020 269) of the cadastre of Québec, registration division of Lévis;

(m) lot number THREE MILLION TWENTY THOUSAND THREE HUNDRED AND SEVEN (3 020 307) of the cadastre of Québec, registration division of Lévis;

(n) lot number THREE MILLION EIGHTEEN THOUSAND AND FORTY-THREE (3 018 043) of the cadastre of Québec, registration division of Lévis;

(o) lot number THREE MILLION THREE HUNDRED AND SIX THOUSAND FOUR HUNDRED AND TWENTY-FIVE (3 306 425) of the cadastre of Québec, registration division of Lévis;

(p) lot number THREE MILLION TWENTY THOUSAND THREE HUNDRED AND EIGHT (3 020 308) of the cadastre of Québec, registration division of Lévis;

(q) lot number THREE MILLION NINETEEN THOUSAND ONE HUNDRED AND FIFTY-FOUR (3 019 154) of the cadastre of Québec, registration division of Lévis;

(r) lot number THREE MILLION TWENTY-ONE THOUSAND THREE HUNDRED AND TWENTY-EIGHT (3 021 328) of the cadastre of Québec, registration division of Lévis;

(s) lot number THREE MILLION TWENTY THOUSAND TWO HUNDRED AND SIXTY-FIVE (3 020 265) of the cadastre of Québec, registration division of Lévis;

(t) lot number THREE MILLION SEVENTEEN THOUSAND FOUR HUNDRED AND EIGHTY-EIGHT (3 017 488) of the cadastre of Québec, registration division of Lévis;

(u) lot number THREE MILLION SEVENTEEN THOUSAND SEVEN HUNDRED AND TEN (3 017 710) of the cadastre of Québec, registration division of Lévis;

(v) a parcel of land known and described as being part of lot 1 964 994 of the cadastre of Québec, on the date of this description, including its successor lots, the hydrographic and topographic entities, built-up sites or parts thereof within the perimeter commencing and more specifically described as follows:

Commencing at the intersection of the southeastern limit of lot 1 961 780 with the southwestern limit of lot 1 965 005; thence southeasterly along part of the northeastern limit of lot 1 964 994 on a bearing of 135°11'36" for a distance of twenty-two metres (22.00 m); thence southwesterly in a straight line through lot 1 964 994 on a bearing of 206°14'13" for a distance of one

hundred and fourteen metres and twenty-five hundredths (114.25 m); thence northwesterly in a straight line through lot 1 964 994 on a bearing of 315°40'39" for a distance of sixty metres (60.00 m) to the southern corner of lot 1 961 779; thence northeasterly along the southeastern limit of lot 1 961 779 on a bearing of 46°11'33" for a distance of fifty-seven metres (57.00 m) to the eastern corner of lot 1 961 779; thence northwesterly along part of the northeastern limit of lot 1 961 779 on a bearing of 315°29'18" for a distance of forty-nine hundredths of a metre (0.49 m) to the southern corner of lot 1 961 780; thence northeasterly along the southeastern limit of lot 1 961 780 on a bearing of 45°37'23" for a distance of fifty metres and fifty-six hundredths (50.56 m) to the point of commencement.

The said parcel of land so described contains four thousand three hundred and ninety-nine square metres and two tenths (4,399.2 m²).

The parcel of land described in this schedule is shown on the plan prepared at Lévis by Alain Carrier, land surveyor, on 27 November 2006 under number 2 741 of his minutes.

All bearings and coordinates shown on the plan mentioned in this technical description are in reference to the official plane coordinate system of Québec (SCOPQ), NAD 83, central meridian 70°30' west, Zone 7. All measures are expressed in SI (International System) units.

SCHEDULE C

The access road to the main onshore site of the LNG terminal from Lallemand road is to be a lit road designed for heavy vehicle traffic whose paved portion is at least seven metres wide. The road is to start at Lallemand road north of autoroute 20, in the vicinity of the Lallemand interchange, and run eastward along autoroute 20 to the LNG terminal site for a distance of about 2.5 kilometres. So long as the road construction work is not completed, the project owner is to use a temporary access road to the LNG terminal construction site.

Work to extend the water main must be completed not later than one year after the project construction start date. The extension is to include a chlorination unit and a 300-millimetre water main as well as a pressure booster pump capable of maintaining a pressure of 414 kPa for an output of 2.273 cubic metres per minute at the interconnection with the conduit to be installed by the project owner at the easternmost point of the LNG terminal site (services corridor).

The project owner's contribution toward the cost of the road construction and water supply work is to be no greater than \$5,850,000, with the understanding that the project owner may review the detailed cost of the work.

Subject to the required authorizations, the city is to make a by-law to finance the work over 10 years. The project owner is to pay the principal of the loan up to \$5,850,000 and pay interest on that amount at a maximum annual rate of 5.5%.

SCHEDULE D

CANADA
PROVINCE OF QUÉBEC
REGISTRATION DIVISION OF LÉVIS

DESCRIPTION concerning parts of lots 3 018 710, 3 018 821, 3 018 891, 3 018 932, 3 019 155, 3 020 274, 3 020 275, 3 021 215 and 3 401 641 of the cadastre of Québec, Ville de Lévis.

A parcel of land known and described as being part of lots 3 018 710, 3 018 821, 3 018 891, 3 018 932, 3 019 155, 3 020 274, 3 020 275, 3 021 215 and 3 401 641 of the cadastre of Québec, on the date of this description, including their successor lots, the hydrographic and topographic entities, built-up sites or parts thereof within the perimeter and more specifically described as follows:

Commencing at the point of intersection of the southwestern limit of lot 3 401 641 with the northern limit of lot 3 021 268, being the northern side of the right of way of Autoroute Jean-Lesage; thence northwesterly along the southwestern limit of lot 3 401 641, on a bearing of 316°01'29" for a distance of six hundred and sixty-two metres and nine hundredths (662.09 m) to the site of the servitude in favour of Hydro-Québec; thence, being the southeastern side of the said site of servitude, northeasterly on a bearing of 59°14'40" for a distance of one thousand three hundred and sixty-five metres and eighty-three hundredths (1,365.83 m) to the northeastern limit of lot 3 021 215; thence, being the northeastern limit of lot 3 021 215, southeasterly on a bearing of 135°54'44" for a distance of one thousand one hundred and eighty-four metres and seventy-nine hundredths (1,184.79 m) to the northwestern side of the right of way of Autoroute Jean-Lesage; thence southwesterly along the northwestern side of the said right of way, on a bearing of 254°58'19" for a distance of one thousand one hundred and ninety-five metres and twenty-six hundredths (1,195.26 m); thence, along the said right of way, an arc of circle of three hundred and twenty metres and twenty-seven hundredths (320.27 m) having a radius of eight hundred and twenty-seven metres and fifty-one hundredths (827.51 m) subtended by a chord of three hundred and eighteen metres and twenty-seven hundredths (318.27 m), westerly on a bearing of 266°03'34"; then westerly on a bearing of 276°45'44" for a distance of sixty-six metres and ninety hundredths (66.90 m) to the point of commencement.

The said parcel of land so described contains one million two hundred and eighty-four thousand nine hundred and twenty square metres and five tenths (1,284,920.5 m²), or 128.49 hectares.

The parcel of land described in this schedule is shown on the plan prepared at Lévis by Alain Carrier, land surveyor, on 27 November 2006 under number 2 740 of his minutes.

All bearings and coordinates shown on the plan mentioned in this technical description are in reference to the official plane coordinate system of Québec (SCOPQ), NAD 83, central meridian 70°30' west, Zone 7. All measures are expressed in SI (International System) units.

Prepared by Alain Carrier, land surveyor, Lévis, 27 November 2006, Minute 2 740, Record 14.