

Draft Regulations

Draft Regulation

Environment Quality Act
(chapter Q-2)

Operation of a residual organic materials reclamation facility — Financial guarantees

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1) and section 124 of the Environment Quality Act (chapter Q-2), that the Regulation respecting financial guarantees payable for the operation of a residual organic materials reclamation facility, appearing below, may be made by the Government on the expiry of 60 days following this publication.

The purpose of the draft Regulation is to ensure the performance of the obligations with which the operators of residual organic materials reclamation facilities must comply under the Environment Quality Act or its regulations. To that end, the draft Regulation proposes that the operation of such facilities be conditional on the setting up of a financial guarantee.

Subject to exceptions provided for therein, the draft Regulation applies to every facility in which any category of residual organic materials listed is reclaimed and whose operation requires obtaining a certificate of authorization under section 22 of the Environment Quality Act. In the case of an existing reclamation facility, a time period is granted to the operator to set up the guarantee.

The draft Regulation establishes the rules concerning the calculation of the amount of the financial guarantee payable. It also provides for the various forms of the guarantee and the specific conditions to be met according to the form of guarantee chosen.

Lastly, the draft Regulation provides for the conditions on which a financial guarantee may be used and the administrative or penal sanctions applicable in case of non-compliance with the requirements provided for therein.

The draft Regulation imposes an additional financial load on the residual organic materials reclamation industry. However, it will allow the industry to structure itself on solid and credible operators. It will also give the Minister of Sustainable Development, Environment,

Wildlife and Parks adequate financial means should the Minister be required to intervene to solve environmental problems linked to the operation of a reclamation facility.

Further information may be obtained by contacting

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Any person wishing to comment on the draft Regulation is requested to submit written comments within the 60-day period to Alain Lavoie at the above address.

YVES-FRANÇOIS BLANCHET,
*Minister of Sustainable Development, Environment,
Wildlife and Parks*

Regulation respecting financial guarantees payable for the operation of a residual organic materials reclamation facility

Environment Quality Act
(chapter Q-2, s. 53.30, 1st par., subpar. 4, and ss. 115.27
and 115.34)

CHAPTER I PRELIMINARY

1. This Regulation applies to residual organic materials reclamation facilities whose operation requires obtaining a certificate of authorization pursuant to section 22 of the Environment Quality Act (chapter Q-2).

A facility in which one or more of the following residual organic materials are sorted, transferred, stored or treated for the purpose of obtaining, from the materials, useful elements or products or energy is considered a residual organic materials reclamation facility:

- (1) food, agri-food and marine waste;
- (2) green residue such as grass, leaves or horticultural residues, except farm plant residue;
- (3) municipal wastewater sludge, industrial putrescible sludge, slaughterhouse sludge or agri-food sludge;
- (4) paper, cardboard or absorbent fibres soiled by food, human waste or “livestock waste” within the meaning of the Agricultural Operations Regulation (chapter Q-2, r. 26);
- (5) compostable waxed paper and cardboard;
- (6) “livestock waste” within the meaning of the Agricultural Operations Regulation (chapter Q-2, r. 26) or farm products;
- (7) digestate or compost from the materials listed above.

2. Despite the provisions of section 1, this Regulation does not apply to the following reclamation facilities:

(1) a residual organic materials sorting, storage or treatment facility operated as part of an industrial or commercial activity other than residual materials reclamation where both of the following conditions are met:

(a) the facility is situated on the site where the activity involved is carried out;

(b) the operator of the facility is authorized to reclaim in the facility only residual organic materials generated by the operator’s activity or to receive at the facility a quantity of exogenous residual organic materials equal to or less than 2,000 tonnes per year;

(2) a facility for storing livestock waste or farm products where the facility is part of a raising site or is located on a spreading site;

(3) a residual organic materials storage facility where the three following conditions are met:

(a) the facility is part of a “raising site” or is located on a “spreading site” within the meaning of the Agricultural Operations Regulation (chapter Q-2, r. 26);

(b) the residual organic materials storage capacity authorized for the site concerned is equal to or less than 4,000 cubic metres;

(c) the residual organic materials stored are intended solely for agricultural spreading;

(4) a facility for the biological treatment of residual organic materials where the authorized yearly treatment capacity is equal to or less than 2,000 tonnes of residual organic materials per year;

(5) a facility for the biological treatment of livestock waste or farm products, operated as part of an agricultural activity in any of the following cases:

(a) the operator of the facility is authorized to treat in the facility only livestock waste or farm products;

(b) in addition to livestock waste or farm products, the operator of the facility is authorized to treat in the facility other residual organic materials in a proportion that does not exceed 25% of the yearly treatment capacity of the facility concerned;

(6) a facility for biological treatment by biomethanation operated as part of the operation of municipal wastewater treatment works, where the operator of the facility is not authorized to receive at the facility organic materials other than sludge generated by the works concerned.

CHAPTER II SETTING UP AND USE OF FINANCIAL GUARANTEE

3. The operation of a residual organic materials reclamation facility is conditional on the setting up of a financial guarantee to ensure the performance of obligations with which the operator of the facility must comply under the Environment Quality Act (chapter Q-2) and its regulations.

It is incumbent upon the operator of the facility to take the measures required to maintain the guarantee provided for the whole period of operation of the facility and for an additional 12-month period beginning,

(1) on the date of the cessation of operations for any reason whatsoever; or

(2) on the date of transfer of the certificate of authorization provided for in section 22 of the Environment Quality Act (chapter Q-2) pertaining to the facility,

whichever occurs first.

4. The financial guarantee may be set up by the operator of the reclamation facility or by a third person on behalf of the operator. It must be provided at least 60 days before the facility starts operating.

5. The amount of the financial guarantee is calculated on the basis of the principal use of the reclamation facility in accordance with the following table:

Principal use of the reclamation facility	Amount of the financial guarantee
Sorting	\$100,000 + \$100/tonne for the quantity in excess of 1,000 tonnes ¹
Transfer	\$100,000
Storage	\$100,000 + \$100/cubic metre for the quantity in excess of 1,000 cubic metres ²
Biological treatment ³ where the yearly treatment capacity authorized for the facility is	
— more than 2,000 tonnes without exceeding 5,000 tonnes	\$15/tonne
— more than 5,000 tonnes without exceeding 50,000 tonnes	\$75,000 + \$20/tonne for the quantity in excess of 5,000 tonnes
— more than 50,000 tonnes	\$975,000 + \$25/tonne for the quantity in excess of 50,000 tonnes
Thermal treatment	
— where the facility is operated as part of an industrial or commercial activity other than the reclamation of residual materials and the operator is authorized to receive at the facility for treatment more than 2,000 tonnes of exogenous residual organic materials	1% of capital costs of the facility multiplied by the percentage ⁴ of exogenous residual organic materials that the operator is authorized to receive for treatment per year — minimum \$200,000 — maximum \$4,000,000
— any other cases	1% of capital costs of the reclamation facility — minimum \$200,000 — maximum \$4,000,000

¹ The amount of the guarantee is calculated on the basis of the total yearly capacity of residual materials that the operator is authorized to receive at the operator's facility.

² The amount of the guarantee is calculated on the basis of the total capacity of residual organic materials authorized for the facility concerned.

³ In the case of a biological treatment facility operated as part of an industrial or commercial activity other than the reclamation of residual materials, the amount of the guarantee is calculated on the basis of the yearly treatment capacity authorized for the facility less the quantity of residual organic materials generated by the activity.

In the case of a facility for biological treatment by bimethanation operated as part of the operation of municipal wastewater treatment works, the amount of the guarantee is calculated on the basis of the yearly treatment capacity authorized for the facility less the quantity of sludge generated by the municipal wastewater treatment works.

⁴ The percentage is calculated according to the following formula, where "ROM" means "residual organic materials":

$$\frac{\text{Quantity of exogenous ROM authorized (tonnes/year)} - 2,000 \text{ tonnes/year}}{\text{Total quantity of residual materials authorized for the facility (tonnes/year)}} \times 100$$

6. Except in the case of a transfer facility, the amount of the financial guarantee is reviewed where the certification of authorization provided for in section 22 of the Environment Quality Act (chapter Q-2) related to the reclamation facility is modified or renewed.

In the case where the amount of a guarantee already provided is less than the amount calculated under the first paragraph, an additional guarantee must be provided to the Minister at least 60 days before the facility begins operating on the conditions of the new certificate.

7. The financial guarantee may be provided in the form of

(1) a bank draft or a certified cheque made out to the Minister of Finance;

(2) debt securities in Canadian dollars issued or guaranteed by the Gouvernement du Québec or any other government in Canada having a market value at least 10% greater than the amount of the guarantee calculated in accordance with section 5;

(3) a security, with a stipulation of solidarity, taken with a legal person governed by the Act respecting insurance (chapter A-32), the Act respecting financial services cooperatives (chapter C-67.3) or the Bank Act (S.C. 1991, chapter 46); or

(4) an irrevocable letter of credit issued by a legal person referred to in the previous paragraph.

8. A financial guarantee in the form of a bank draft, certified cheque or debt securities must be deposited with the Minister of Finance pursuant to the Deposit Act (chapter D-5).

9. A financial guarantee provided in the form of a security or an irrevocable letter of credit must have a term of not less than 12 months and proof of its renewal or a new guarantee must be provided to the Minister not less than 60 days before the expiry of the guarantee.

The guarantee must contain a clause setting at not less than 12 months after its the rescission or expiry the time available to the Minister to file a claim with the legal person who issued the guarantee.

The guarantee must also provide that its rescission or amendment may take effect only if prior notice of at least 60 days is sent by registered or certified mail to the Minister.

10. Subject to the law applicable in Québec, a financial guarantee provided in the form of an irrevocable letter of credit must comply with the rules of the International

Chamber of Commerce related to documentary credits or stand-by letters of credit as the rules read on the day of coming into force of the guarantee.

11. The Minister uses the financial guarantee provided by the operator of a reclamation facility in all cases where the operator, despite a notice to remedy the failure, refuses or fails to execute an obligation with which the operator must comply under the Environment Quality Act (chapter Q-2) or its regulations.

The guarantee may be used to pay or reimburse expenses related to the performance of the obligation involved.

CHAPTER III ADMINISTRATIVE AND PENAL SANCTIONS

12. An administrative monetary sanction of \$500 in the case of a natural person or \$2,500 in all other cases may be imposed to the operator of a reclamation facility that, in contravention of this Regulation, fails to

(1) provide the Minister with a financial guarantee complying with the requirements of this Regulation; or

(2) maintain a financial guarantee for the period provided for in the second paragraph of section 3.

13. The operator of a reclamation facility that fails to

(1) provide the Minister with a financial guarantee complying with the requirements of this Regulation, or

(2) maintain a financial guarantee for the period provided for in the second paragraph of section 3,

commits an offence and is liable to a fine of \$2,500 to \$250,000 in the case of a natural person or \$7,500 to \$1,500,000 in all other cases.

CHAPTER IV TRANSITIONAL AND FINAL

14. Every person who, on (insert the date of coming into force of this Regulation), operates a reclamation facility must provide the Minister, not later than (insert the date occurring 60 days before the date that occurs 3 years after the date of coming into force of this Regulation), with a financial guarantee complying with the requirements of this Regulation.

If the amount of the guarantee is greater than \$3,000,000, the amount is reduced to \$3,000,000 until (insert the date before the date occurring 5 years after the date of coming into force of this Regulation).

15. Every person who begins operating a reclamation facility between (insert the date of coming into force of this Regulation) and (insert the date before the date occurring 60 days after the coming into force of this Regulation), must provide the Minister with a financial guarantee complying with the requirements of this Regulation within 60 days following the beginning of the operation of the facility.

16. The operator of a reclamation facility who, contrary to this Regulation, has failed to provide the Minister with a financial guarantee in accordance with the conditions prescribed by section 14 or 15,

(1) may be imposed a monetary administrative penalty of \$500 in the case of a natural person or \$2,500 in all other cases;

(2) commits an offence and is liable to a fine of \$2,500 to \$250,000 in the case of a natural person or \$7,500 to \$1,500,000 in all other cases.

17. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

An Act respecting the Société des alcools du Québec (chapter S-13)

Alcoholic beverages — Possession and transportation into Québec of alcoholic beverages acquired in another province or a territory of Canada

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation respecting the possession and transportation into Québec of alcoholic beverages acquired in another province or a territory of Canada, appearing below, may be made by the Government on the expiry of 45 days following this publication.

Made under section 37 of the Act respecting the Société des alcools du Québec (chapter S-13), the purpose of the draft Regulation is to determine the conditions on which a person may bring into Québec alcoholic beverages acquired in another province or a territory of Canada for his or her personal consumption, and to prescribe the quantities of alcohol that are authorized.

Further information on the draft Regulation may be obtained by contacting Lucie Lépine, Director, Organisation financière et sociétés d'État, Ministère des Finances et de l'Économie, 12, rue Saint-Louis, bureau B-22, Québec (Québec) G1R 5L3; telephone: 418 528-2410; fax: 418 644-5801; email: lucie.lepine@mfeq.gouv.qc.ca

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Minister of Finance and Economy, 12, rue Saint-Louis, Québec (Québec) G1R 5L3.

NICOLAS MARCEAU
Minister of Finance
and the Economy

STÉPHANE BERGERON,
Minister of Public Security

Regulation respecting the possession and transportation into Québec of alcoholic beverages acquired in another province or a territory of Canada

An Act respecting the Société des alcools du Québec (chapter S-13, s. 37, par. 9.2)

1. Alcoholic beverages acquired in another province or a territory of Canada may be brought into Québec by every person having the right to purchase and possess them under the Act respecting offences relating to alcoholic beverages (chapter I-8.1) when they are intended for his or her personal consumption and not for resale or any other commercial purpose, if they are in the person's possession or form part of the baggage transported by the person.

2. The maximum quantities of alcoholic beverages per trip that a person may bring into Québec are the following:

- (1) 3 litres of spirits;
- (2) 9 litres of wine;
- (3) 24.6 litres of beer.

3. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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