

## Regulations and other Acts

### M.O., 2017

#### Order of the Minister of Sustainable Development, the Environment and the Fight Against Climate Change dated 18 December 2017

Environment Quality Act  
(chapter Q-2)

Regulation to amend the Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere

THE MINISTER OF SUSTAINABLE DEVELOPMENT,  
THE ENVIRONMENT AND THE FIGHT AGAINST CLIMATE  
CHANGE,

CONSIDERING section 2.2 of the Environment Quality Act (chapter Q-2), which provides that the Minister of Sustainable Development, the Environment and the Fight Against Climate Change may make regulations determining what information a person or a municipality is required to provide regarding an enterprise, a facility or an establishment that the person or municipality operates;

CONSIDERING section 46.2 of the Act, which also provides that the Minister may determine, by regulation, the emitters that are required to report greenhouse gas emissions and the related information and documents that must be provided to the Minister;

CONSIDERING the publication in Part 2 of the *Gazette officielle du Québec* of 25 October 2017, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1) and the fifth paragraph of section 2.2 and the second paragraph of the Environment Quality Act, of a draft Regulation to amend the Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere, with a notice that it could be made by the Minister of Sustainable Development, the Environment and the Fight Against Climate Change on the expiry of 45 days following that publication;

CONSIDERING section 18 of the Regulations Act, which provides that a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* or between that date and the date applicable under section 17 of that Act where the authority that has made it is of the opinion that the urgency of the situation requires it, and the reason justifying such coming into force must be published with the Regulation;

CONSIDERING that, in the opinion of the Minister of Sustainable Development, the Environment and the Fight Against Climate Change, the urgency due to the following circumstances justifies a coming into force on 1 January 2018:

— the amendments made by the draft Regulation are to harmonize the Regulation with the major amendments made to the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1) on 29 November 2017. The amendments must be in force as of 2018 to ensure the smooth operation of the cap-and-trade system for greenhouse gas emission allowances;

CONSIDERING that it is expedient to make the Regulation with amendments;

ORDERS AS FOLLOWS:

The Regulation to amend the Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere, attached to this Order, is hereby made.

Québec, 18 December 2017

ISABELLE MELANÇON,  
*Minister of Sustainable Development,  
the Environment and the  
Fight Against Climate Change*

#### Regulation to amend the Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere

Environment Quality Act  
(chapter Q-2, ss. 2.2 and 46.2)

**1.** The Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere (chapter Q-2, r. 15) is amended in section 6.1

(1) by replacing “if the enterprise ceases its activities” in the third paragraph by “if it ceases to distribute such fuels”;

(2) by replacing “the second and third paragraphs” in the fourth paragraph by “the second paragraph”.

**2.** Section 6.2 is amended

(1) in the first paragraph,

(a) by replacing “establishment in subparagraph 2.1 by “enterprise”;

(b) in subparagraph 8

i. by inserting “if applicable,” at the beginning of subparagraph *a*;

ii. by replacing subparagraph *b* by the following:

“(b) the total greenhouse gas emissions for each type of emission, and, if applicable, for each benchmark unit, excluding the emissions referred to in the second paragraph of section 6.6 and the emissions calculated in accordance with protocols QC.17 and QC.30 of Schedule A.2, namely:

i. the annual fixed process CO<sub>2</sub> emissions, in metric tons;

ii. the annual greenhouse gas combustion emissions, in metric tons CO<sub>2</sub> equivalent;

iii. the annual other category greenhouse gas emissions, in metric tons CO<sub>2</sub> equivalent;

iii. by inserting the following after subparagraph *b*:

“(c) for a new facility in accordance with paragraph 11 of section 3 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1), the total greenhouse gas emissions for each type of emission, and, if applicable, for each benchmark unit, excluding the emissions referred to in the second paragraph of section 6.6 and the emissions calculated in accordance with protocols QC.17 and QC.30 of Schedule A.2, namely:

i. the annual fixed process CO<sub>2</sub> emissions, in metric tons;

ii. the annual greenhouse gas combustion emissions, in metric tons CO<sub>2</sub> equivalent;

iii. the annual other category greenhouse gas emissions, in metric tons CO<sub>2</sub> equivalent.”.

**3.** Section 6.6 is amended

(1) by inserting “or in section 2.1” after “section 2” in the first paragraph;

(2) by replacing subparagraph 3 of the second paragraph by the following:

“(3) CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions, referred to in protocol QC.27 of Schedule A.2, attributable to mobile equipment on the site of an establishment;”;

(3) by replacing “establishment” in subparagraph 3 of the third paragraph by “emitter”;

(4) by replacing “must have the emitter’s annual report verified until such time as the emitter’s greenhouse gas emissions fall below the threshold determined in the first or” in the fourth paragraph by “referred to in the first or second paragraph of section 6.1 must have the emitter’s annual report verified until such time as the emitter’s greenhouse gas emissions fall below the threshold determined in the first paragraph or subparagraph 1 of the”;

(5) by inserting the following after the fourth paragraph:

“An emitter referred to in the third paragraph of section 6.1 must have the emitter’s annual report verified until such time as the fuel distributed falls below the threshold determined in subparagraph 2 of the second paragraph of section 2 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances for 1 year, even if there is cessation of the distribution activities referred to in QC.30.1 of protocol QC.30 in Schedule A.2.

An emitter referred to in section 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances must have the emitter’s annual report verified until such time as the emitter is bound to cover emissions under section 19.0.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances.”.

**4.** The following is added after section 6.6:

“**6.6.1.** In addition to the verification requirement provided for in the first paragraph of section 6.6, a person or municipality referred to in section 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1) that registers for the system in accordance with sections 7.1 and 7.2 of that Regulation must, at the time of registration, send to the Minister, in accordance with section 6.6, a verification report on the emissions report for the year preceding the year in which the person or municipality intends to register.”.

**5.** Section 6.7 is amended by inserting “referred to in the first paragraph of section 6.1 or the enterprise referred to in the second or third paragraph of section 6.1” after “establishment” in subparagraph 1 of the first paragraph.

**6.** Section 6.8 is amended by inserting “referred to in the first paragraph of section 6.1 or the enterprise referred to in the second or third paragraph of section 6.1,” after “establishment” in subparagraph 2 of the first paragraph.

**7.** Section 6.10 is amended by replacing “from the establishment,” in subparagraph *a* of subparagraph 3 of the first paragraph by “from an enterprise, establishment”.

**8.** The following is inserted after section 6.10:

“**6.11.** The Minister may determine the quantity of greenhouse gas emissions of an emitter referred to in section 2 or 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1) who has not reported them within the period prescribed or whose report cannot be satisfactorily verified. The Minister must, where applicable, take into account

(1) the calculation methods provided for in this Regulation pursuant to section 6.3;

(2) the number of hours during which the establishment or facility emits greenhouse gas;

(3) the previous reports of the emitter concerned and the verification reports related to them; and

(4) the quantity of matter, as a mass or volume, that the equipment of the establishment or facility is able to process or produce in a given time.

The verifier of the enterprise, establishment or facility and the emitter concerned must provide to the Minister, at the Minister’s request, any information allowing the Minister to determine the quantity of greenhouse gas emissions of that emitter.”

**9.** Schedule A.2 is amended

(1) in protocol QC.3 by inserting the following paragraph after subparagraph 3 of the second paragraph of QC.3.6.1:

“The slope or the overvoltage coefficient calculated following the performance tests conducted in the cases provided for in subparagraph 1 of the second paragraph must be used beginning on

(1) the date of the measurements; or

(2) 1 January immediately following the measurements.”;

(2) in protocol QC.4,

(a) in QC.4.3.2, by replacing “entering” in factors  $\text{CaO}_{\text{NCC}}$  and  $\text{MgO}_{\text{NCC}}$  in equation 4-2 and in factors  $\text{CaO}_{\text{NCD}}$  and  $\text{MgO}_{\text{NCD}}$  of equation 4-3 by “before entering”;

(b) in QC.4.4, by replacing “entering” in subparagraphs 4 and 7 of the first paragraph by “before entering”;

(3) in protocol QC.6, by replacing subparagraph 2 of the first paragraph in QC.6.4 by the following:

“(2) determine the carbon content using either of the following methods:

(a) by collecting and analyzing samples of each type of feedstock consumed to measure the average carbon content using the methods specified in paragraph 5,

i. daily, for all feedstocks except natural gas, by collecting the sample from a location that provided samples representative of the feedstock consumed in the hydrogen production process;

ii. monthly, when natural gas is used as feedstock and not mixed with another feedstock prior to consumption;

(b) by using the carbon content indicated by the fuel supplier.”;

(4) in protocol QC.17, in QC.17.4, by replacing table 17-1 by the following:

**“Table 17-1. Default greenhouse gas emission factors for Canadian provinces and certain North American markets, in metric tons CO<sub>2</sub> equivalent per megawatt-hour (QC.17.3.1 (3), QC.17.3.2 (1) and (2))**

<b>Canadian provinces and North American markets</b>	<b>Default emission factor (metric ton GHG/MWh)</b>
Newfoundland and Labrador	0.032
Nova Scotia	0.604
New Brunswick	0.282
Québec	0.001
Ontario	0
Manitoba	0.003
Vermont	0.006
New England Independent System Operator (NE-ISO), including all or part of the following states:	
— Connecticut	
— Massachusetts	0.290
— Maine	
— Rhode Island	
— Vermont	
— New Hampshire	
New York Independent System Operator (NY-ISO)	0.236
Pennsylvania Jersey Maryland Interconnection Regional Transmission Organization (PJM-RTO), including all or part of the following states:	
— North Carolina	
— Delaware	
— Indiana	
— Illinois	
— Kentucky	0.554
— Maryland	
— Michigan	
— New Jersey	
— Ohio	
— Pennsylvania	
— Tennessee	
— Virginia	
— West Virginia	
— District of Columbia	

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<b>Canadian provinces and North American markets</b>	<b>Default emission factor (metric ton GHG/MWh)</b>
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Midwest Independent Transmission System Operator  
(MISO-RTO), including all or part of the following states:

— Arkansas	
— North Dakota	
— South Dakota	
— Minnesota	
— Iowa	
— Missouri	
— Wisconsin	0.596
— Illinois	
— Michigan	
— Nebraska	
— Indiana	
— Montana	
— Kentucky	
— Texas	
— Louisiana	
— Mississippi	

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Southwest Power Pool (SPP), including all or part  
of the following states:

— Kansas	
— Oklahoma	
— Nebraska	
— New Mexico	0.566
— Texas	
— Louisiana	
— Missouri	
— Mississippi	
— Arkansas	

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(5) in protocol QC.29, in QC.29.2,

(a) by replacing “QC.29.3.10” in subparagraph *j* of subparagraph 3 of the first paragraph by “QC.29.3.11”;

(b) by inserting “or QC.29.3.8” after “QC.29.3.7” in subparagraph *a* of subparagraph 7 of the first paragraph;

(6) in protocol QC.30,

(a) in QC.30.1,

i. by replacing “aviation fuel or fuel oil for ships” by “fuel used in air or water navigation” in subparagraph 1 of the first paragraph;

ii. by adding “or to fuels in a sealed container of 1 litre or less” at the end of the third paragraph;

(b) in QC.30.2, in the first paragraph,

i. by replacing subparagraph 1 by the following:

“(1) the annual emissions attributable to the use of fuel distributed for consumption in Québec, in metric tons CO<sub>2</sub> equivalent, excluding fuels, other than those used for transport purposes, used by an emitter referred to in the first paragraph of section 2 or section 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1) and that is required to cover its greenhouse gas emissions under that Regulation;”;

ii. by replacing subparagraph 3 by the following:

“(3) the name and contact information of the establishments of each emitter referred to in the first paragraph of section 2 or section 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances and required to cover its greenhouse gas emissions under that Regulation to which the emitter has distributed fuel during the year, along with the total annual quantity distributed to each of those establishments, by type of fuel;”;

iii. by inserting “or section 2.1” in subparagraph 3.2 after “section 2”;

(c) in QC.30.3, by replacing factor  $Q_i^G$  in equation 30-2 by the following:

“ $Q_i^G$  = Total annual quantity of fuel *i*, other than fuel used for transport purposes, distributed to an emitter for the emitter’s establishments referred to in the first paragraph of section 2 or section 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances that is required to cover greenhouse gas emissions (chapter Q-2, r. 46.1) pursuant to that Regulation, measured in accordance with QC.30.4, that is,

— in thousands of cubic metres at standard conditions, in the case of fuels the quantity of which is expressed in gas volume;

— in kilolitres, in the case of fuels the quantity of which is expressed in liquid volume.”.

**10.** This Regulation comes into force on 1 January 2018.

**11.** The emitter referred to in the third paragraph of section 6.1 whose fuel distributed and reported for 2016 falls below the threshold determined in subparagraph 2 of the second paragraph of section 2 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances is not required to send a verification report on the emissions report for 2017.

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