

# Final Minutes

*CASA Board of Directors*

**June 22, 2006**

**CASA Offices, Edmonton, Alberta**

## **In attendance**

### **CASA Board Members and Alternates:**

Dave Byler, Oil and Gas  
Bob Cameron, NGO Wilderness  
Rejeanne Cool, Chemical Manufacturers  
Peter Darbyshire, Mining  
Linda Duncan, NGO Pollution  
Brian Gilliland, Forestry  
Tim Goos, Federal Government  
Tony Hudson, NGO Health  
Myles Kitagawa, NGO Pollution  
John Knapp, Provincial Government  
Martha Kostuch, NGO Wilderness  
Jerry MacPherson, Provincial Government  
Keith Murray, Forestry  
Bob Page, Utilities  
Ted Stoner, Petroleum Products  
Len Vogelaar, Agriculture  
Peter Watson, Provincial Government  
Eugene Wauters, Local Government  
Donna Tingley, Clean Air Strategic Alliance

### **CASA Secretariat:**

Kerra Chomlak  
Matthew Dance  
Sharon Hawrelak  
Bernice Lloyd  
Kendra MacKenzie  
Lori Melanson  
Bettina Mueller  
Kim Sanderson  
Edith Todd

## ***Presenters:***

**Tim LeClair**, Metis Settlements General Council (*Item 1.4, Stakeholder Presentation*)

**Donna Tingley**, CASA (*Item 1.7, Executive Director's Report and Financial Statements*)

**Keith Denman**, Alberta Environment (*Item 2.1, Implementation of CASA Electricity Project Team Recommendations*)

**Markus Kellerhals**, Environment Canada (*Item 2.2, Implementation of CASA PM and Ozone Management Framework*)

**Myles Kitagawa**, Toxics Watch Society; and **George Murphy**, Alberta Environment (*Item 2.3, Implementation of Pollution Prevention/Continuous Improvement Recommendations*)

## **Guests:**

Hon Guy Boutilier, Minister of Environment  
Laurent Auger, Minister Boutilier's Executive Assistant  
Simon Knight, Climate Change Central  
Kevin McLeod, Alberta Health and Wellness  
Rahul Shrivastava, Alberta Environment  
Raymond Wong, Alberta Environment

## **Regrets**

Darren Aldous, Local Government  
David Baker, Alternate Energy  
Rick Boucher, Aboriginal Government  
Cindy Christopher, Petroleum Products  
Bill Clapperton, Oil and Gas  
Gerald Cunningham, Aboriginal Government  
Theresa Howland, Alternate Energy  
Mike Kelly, Utilities  
Carolyn Kolebaba, Local Government  
Ron Laing, Mining  
Sandra Locke, Provincial Government  
Alex MacKenzie, Provincial Government  
Wayne McKendrick, Provincial Government  
Terry Murray, Agriculture  
Ian Peace, NGO Pollution  
Al Schulz, Chemical Manufacturers  
Chris Severson-Baker, NGO Pollution  
Jim Vollmershausen, Federal Government

**John Knapp**, Alberta Environment (*Item 2.4, Implementation of the EPT Greenhouse Gas Recommendations*)

**Barb Shackel-Hardman**, Alberta Agriculture, Food and Rural Development; **Ross Warner**, Society for Environmentally Responsible Livestock Operations; **Rients Palsma**, Alberta Milk (*Item 3.1, Confined Feeding Operations Project Team*)

**Bevan Laing**, Alberta Energy; and **Martha Kostuch**, Prairie Acid Rain Coalition (*Item 3.2, Renewable and Alternative Energy Project Team*)

**Tony Hudson**, The Lung Association (*Item 3.3, Coordination Workshop*)

**Kevin McCullum**, Palliser Airshed Society (*Item 3.4, Palliser Airshed Society Update*)

**Myra Moore**, Fort Air Partnership (*Item 3.5, Fort Air Partnership Update*)

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**Executive Summary**

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The Hon. Guy Boutilier joined the CASA board for a brief discussion, and presented the secretariat's office manager, Bernice Lloyd, with a certificate recognizing her contribution to CASA and her pending retirement in July.

The board welcomed four new members and alternates: Rejeanne Cool of ME Global will be the new director representing chemical manufacturers and Al Schulz of the Canadian Chemical Producers Association, will be the new alternate director. Chris Severson-Baker of the Pembina Institute is the new director for the NGO pollution sector. Eugene Wauters is the new local government alternate, representing the Alberta Association of Municipal Districts and Counties. Dave Byler was approved for another two-year term as CASA vice-president. Donna Tingley advised the board of a number of secretariat staff changes due to departures related to retirement, return to school and maternity leave.

Tim LeClair of the Metis Settlements General Council made a short presentation about his organization, which recently joined the CASA board. A short history of the organization was previously distributed to the board.

The board received four updates on implementation:

- The Electricity Project Team's 71 recommendations were accepted by the Government of Alberta and implementation is now substantially complete.
- Environment Canada has completed the first phase of modelling in support of implementation of the CASA PM and Ozone framework.
- The board accepted the second and final progress report from the Pollution Prevention/Continuous Improvement project team on implementation of its 2002 recommendations.
- The Government of Alberta has implemented two of the three key elements in its 2002 climate change action plan; the final component is emission reduction regulations, and the Government is now consulting on this aspect.

The Confined Feeding Operations project team presented an update on its work. It has agreed on five priority substances to help focus its work on information gathering, and will have a detailed discussion on odour in the fall.

The Renewable and Alternative Energy project team is contemplating broadening its goal beyond the electricity sector and adding an objective to develop a policy framework to support the goal. Feedback from the board was requested on these items and on the question of whether the team should also look at bioenergy. Board members commented that bioenergy is important but it might make the scope of work too broad. The team will review the board's comments and come back with a final proposal.

The Communications Committee has volunteered to organize the next coordination workshop in 2007. The board commended the committee's leadership and accepted the committee's proposal.

The Palliser Airshed Society and the Fort Air Partnership presented updates on the activities in their zones.

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**Draft Minutes**

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NOTE: On June 21, 2006, Alberta Energy met with CASA board members and team members to receive input on the department's draft Integrated Energy Strategy. A record of the discussion is attached to these minutes as information.

Peter Watson convened the meeting at 9:15 am, immediately following the Annual General Meeting.

## 1 Administration

### 1.1 Approve Agenda

Peter Watson reviewed the agenda, which was approved as distributed.

### 1.2 Minutes from March 16, 2006 Meeting

It was noted that in item 1.3 of these minutes (New Representatives), Carolyn Kolebaba was not mentioned, although her name does appear on the list of attendees for the meeting. Section 1.3 as well as the executive summary will be amended to include her. With that amendment, the minutes were approved by consensus.

### 1.3 New Representatives

The chair welcomed new members and alternates. Rejeanne Cool of ME Global will be the new director representing chemical manufacturers, Al Schulz of the Canadian Chemical Producers Association, will be the new alternate director for that sector. Chris Severson-Baker of the Pembina Institute is the new director for the NGO pollution sector. Eugene Wauters is the new local government alternate, representing the Alberta Association of Municipal Districts and Counties.

### 1.4 Stakeholder Presentation

Tim LeClair from the Metis Settlements General Council made a short presentation to the board about his organization, which recently joined the CASA board. He directed members to a publication and CD that were distributed with the briefing package. Over the last few years, the Council has become more engaged in environmental issues, including involvement with the Alberta Water Council and CASA.

### 1.5 CASA's Executive Committee

Dave Byler has agreed to continue for another two-year term as a CASA vice president.

*The board approved Dave Byler as vice president of CASA to June 2008.*

### 1.6 Change in Signing Officers

With the pending retirement of Bernice Lloyd, CASA needs to name a new signing officer. Lori Melanson has been hired as the new office manager for CASA, and the executive

recommends that Lori join board members Peter Watson and Myles Kitagawa, and staff members Donna Tingley and Kerra Chomlak as a CASA signing officer.

*The board approved Lori Melanson as a new signing officer for CASA.*

## **1.7 Executive Director's Report and Financial Statements**

Donna Tingley referred members to her written report in the briefing book. She also asked members to complete the board member self-evaluation form at the front of the briefing binder as part of CASA's efforts to enhance board effectiveness. The executive will be working on a code of ethics over the summer and bring a draft to the board in the fall. The executive is also proposing that preparation of a data management report be discontinued. Board members were provided with a list of all team members from their organizations that are on CASA teams; this is to encourage communications between the board and project teams and to improve board member engagement.

Donna apprised the board of a number of staff changes on the secretariat, specifically acknowledging the contributions of Kendra MacKenzie and Bernice Lloyd:

- Bernice Lloyd, CASA's long-time office manager, is retiring at the end of July. Bernice has been with CASA since 1993.
- Kendra MacKenzie will be leaving in July and returning to school.
- Debra King will serve as CASA's part-time accountant. Debra also works full time with The Lung Association, which is a CASA board member. Neither CASA nor The Lung Association regard this as a conflict of interest.
- Kevin McLeod is being seconded from Alberta Health and Wellness to take over from Kerra Chomlak while she is on maternity leave; he will start with CASA in August.
- Lori Melanson will become CASA's new office manager when Bernice Lloyd retires at the end of July.
- Edith Todd is CASA's new administrative assistant and bookkeeper.

## **2 Implementation**

### **2.1 Implementation of CASA Electricity Project Team Recommendations**

Keith Denman provided an update on the government's implementation of the 71 recommendations made in November 2003 by CASA's Electricity Project Team (EPT). He reviewed the history of the project, noting that all 71 recommendations were accepted by the Government of Alberta and implementation is now substantially complete. Highlights included the development and gazetting of an emissions trading regulation and a mercury regulation, as well as a protocol document for identifying and responding to hot spots. The hotspot protocol was written in the context of the electricity sector, but the procedures could be applied to other industries. In early 2007, Alberta Environment expects to bring a statement of opportunity for the first five-year review to the CASA board. Some implementation challenges remain, particularly with respect to resources for ongoing activities.

Board members noted the following points in discussion about this issue:

- International emissions trading discussions for CO<sub>2</sub> are again occurring, with Canada participating.

- A North American review of mercury legislation and regulations for the electricity sector was prepared as part of the EPT implementation process. It was requested that this document be posted with the other electricity reports on either Alberta Environment's website or the electricity section of the CASA website or that CASA create a link to AENV's website.

**Action: The CASA secretariat will work with Alberta Environment to ensure that electricity documents are available on both the CASA website and Alberta Environment's website.**

## **2.2 Implementation of CASA Particulate Matter and Ozone Management Framework, and Ozone Modelling Scenarios for Alberta**

Markus Kellerhals reviewed the history of the CASA PM and Ozone project, and the modelling work that was done to support implementation of the framework. The study done by Environment Canada modelled ozone with "base case" emissions, for sector scenarios where emissions from different sectors are removed from the simulation, and for future case emissions. The model performed reasonably well, showing that anthropogenic emissions contribute to ozone formation, particularly around Edmonton and Calgary and in the oilsands area. The model does have some weaknesses but provides useful information to guide management strategies. Further modelling work is planned and Environment Canada will be releasing a report with more detail in July. CASA will be advised when the report is available. A technical meeting with interested stakeholders is planned for the fall to discuss results and next steps; this meeting could be held in conjunction with the CASA PM and Ozone implementation team meeting.

In response to questions from the board, Markus added the following elaborations:

- The model seems to over-predict emissions in the oilsands area. One explanation is that modellers are using emissions from Environmental Impact Assessments, which are licence limits and tend to be conservative. Environment Canada intends to consult with the NO<sub>x</sub>/SO<sub>x</sub> working group to get actual emission levels for the model. Another question relates to how well the model predicts biogenic volatile organic compounds, which is an issue in the boreal forest.
- Monitoring has improved considerably in the Capital Region in the last few years and there are now fewer data gaps than before. It could still be improved, as modelling shows some plumes that may not be captured in monitoring activities.

## **2.3 Implementation of the Pollution Prevention/Continuous Improvement Recommendations**

Pollution prevention/continuous improvement (P2/CI) was identified as a key focus area for CASA in the 1999 strategic planning framework. A project team reported to the board in June 2002 with 19 recommendations on P2/CI planning, industrial ecology, education and outreach, and potential sector actions. The board requested a progress report on implementation in 2004, at which time the implementers were asked to make one further progress report in 2006. Myles Kitagawa and George Murphy, the former team co-chairs, provided the second progress report, noting that two of the recommendations are fully complete, but the nature of the others is such that many of them remain ongoing. Also, the concept of P2/CI has evolved since the team made its original recommendations and stakeholders should not be limited only to these

suggested actions. The co-chairs are of the view that the 2002 report has served its purpose and that no further progress reports are needed.

The board acknowledged the work that has gone into preparing the two progress reports, both on the part of the implementers, the co-chairs and the CASA secretariat. The following points were made during discussion:

- P2 is needed but it is a challenge to infuse this direction into other work being done by the Government of Alberta. If P2 does not become a reality, we will continue to deal with end of pipe approaches. The Government's proposed integrated energy policy is strongly focussed on development without considering environmental protection. With P2 it is necessary to slow down and look at options for generating less pollution, especially as forecasts show expected increases in a number of emissions.
- Some industry sectors are concerned that Alberta may be isolating itself on sustainable development issues. Discussions in this province are occurring in a context that differs from other Canadian jurisdictions. Albertans and Canadians need to see that Alberta is moving towards sustainable development, not just increasing energy production. All three sectors (industry, government and NGOs) need to be part of these discussions.
- A cross-ministry Alberta initiative is being launched that incorporates environmental protection into development planning. Some things still need to be reconciled, including the relationship between this initiative and the proposed energy strategy.

***The CASA board accepted this report as the final implementation report by CASA stakeholders on the recommendations contained in the 2002 report of the Pollution Prevention/Continuous Improvement Project Team.***

## **2.4 Implementation of the Electricity Project Team's Recommendations on Greenhouse Gases**

John Knapp provided a brief update on the greenhouse gas recommendations made by the CASA Electricity Project Team, noting that this has been something of a moving target. He reminded the board that the Government of Alberta did approve a climate change plan in 2002. Two of the three elements in that plan have been completed: the climate change emissions management legislation and mandatory reporting requirements for large final emitters. The third element involves the implementation of emission reduction regulations. Consultations and negotiations are underway on this component and are expected to take a few more months. Transition principles are in place and are serving as the policy until regulations are developed. The electricity sector, which was the focus of the team's recommendations, is well aware of these. The intent is to provide some flexibility in how companies are allowed to offset their emissions. The new federal government is interested in integrating clean air and climate change issues, and is still working on its plan. During discussion, it was noted that the National Round Table on the Environment and the Economy has released a document that contains analysis on greenhouse gas emissions in the post-2012 period, and makes a number of points relevant to Alberta's energy economy.

## 3 Project Management

### 3.1 Confined Feeding Operations (CFO) Project Team

Barb Shackel-Hardman, Ross Warner, and Rients Palsma provided an update on the work of the Confined Feeding Operations (CFO) project team, noting that the CASA consensus process has been a new approach for a number of the groups and individuals involved with this team. The team has agreed to a list of priority substances to help focus information gathering: ammonia, hydrogen sulphide, particulate matter, volatile organic compounds and pathogens. Members will have a detailed discussion on odour at their next face-to-face meeting. Several small groups have been formed to further scope the work and gather information in specific areas. Communications and/or consultation with the public is also being considered. The team aims to complete its work by June 2007 and is keeping apprised of work being done in other jurisdictions and by other agencies. The board acknowledged the efforts of the team to date, noting that this is a very complex and challenging, but important and timely, topic. The team was reminded that other sectors had also struggled with the CASA process in the past, but have since realized the benefits of including all stakeholders in a consensus process. CAPP offered to meet with CFO industry members, and other team members if appropriate, to share their perspectives on the CASA process.

### 3.2 Renewable and Alternative Energy Project Team

Martha Kostuch and Bevan Laing provided an update on the work of the re-established Renewable and Alternative Energy project team. The 17 recommendations made previously by the team are being implemented. The co-chairs recently met with senior representatives of Alberta Energy and Alberta Environment, and heard a renewed serious commitment to renewable and alternative energy in the province. The team has agreed to work within the CASA process on this issue, but is proposing that its terms of reference be revised, with the following changes:

- Broaden the goal to go beyond the electricity sector, and
- Add a fifth objective, to develop a policy framework to support the goal.

The team requested board feedback on the proposed changes to its terms of reference, as well as feedback on whether its scope of work should include bioenergy and renewable and alternative heating. Because other agencies are already working on bioenergy, there was some thought that this work should be coordinated. Feedback from the board will be taken to the team for further discussion, and a final proposal brought back to the board.

During discussion, the following comments were made.

- Bioenergy is an important issue on its own. Adding too much to the scope of work could overwhelm the group, possibly making it harder to reach agreement. At the same time, efforts are needed to avoid duplication or working at cross-purposes.
- CASA's focus is clean air and emissions, so care would be needed to avoid getting drawn into purely energy issues when looking at biofuels.
- Wind energy continues to be an area of interest, but some people in the south are becoming concerned about the number of wind farms.
- Companies recognize there is wind in other parts of Alberta, and do not feel it will be difficult to reach the 3.5% target. Farmers and others continue to express interest in wind developments on their land. The industry has some concerns about the system

administrator putting limits on renewable energy due to potential grid instability, and would prefer to see effort focussed on developing a grid that can work with a higher proportion of wind energy.

### Discussion with Hon. Guy Boutilier, Minister of Environment

The chair welcomed the Minister of Environment, Hon. Guy Boutilier, to the meeting. The Minister first presented a certificate to Bernice Lloyd, thanking her for her long service to CASA and acknowledging her upcoming retirement.

The Minister noted the recent implementation of the emissions trading mechanism for NO<sub>x</sub> and SO<sub>x</sub> that resulted from CASA recommendations. He also mentioned the upcoming oilsands consultations and the multi-stakeholder committee that is now being formed. He stressed that the Government needs to ensure it reflects Albertans' thinking and desire for environmental protection and stewardship. The Minister was commended for his leadership on the oilsands committee, but there are some concerns about timing, since a report is supposed to be done by November. He was urged to continue his efforts to expedite the consultation.

The Minister indicated an interest in looking at ways to reduce emissions by getting older vehicles off the road in a fair and efficient manner. A few years ago, CASA undertook a pilot vehicle scrappage project, Breathe Easy, which evolved into the current Car Heaven program. Board members noted that ozone levels, particularly in Edmonton and Calgary and Red Deer, are such that management plans will need to be developed and a scrappage program may be one action to help reduce these levels. The CASA Vehicle Emissions Team will be doing another remote sensing project (Rover II) to analyze vehicle emissions performance and this information could guide new projects. It was noted that any scrappage programs would need to consider socioeconomic impacts on lower income individuals who may not be able to afford newer vehicles.

Several additional points and issues were raised in discussion with the Minister:

- There is a feeling in many parts of Alberta that development is happening too fast and is out of control. This can lead to carelessness and long-term problems if something goes wrong, such as contamination of groundwater and loss of a water well.
- ENGOs and landowners generally thought the report of the Multi-Stakeholder Advisory Committee on coal bed methane was positive but that it didn't go far enough. The Minister indicated he would like to hear from ENGOs and others when they think the Government has done the right thing. He is of the view that a science-based approach is important and that decisions should be based on factual information.
- The Minister was commended for the Government's work to get the mercury regulations in place.

### **3.3 Coordination Workshop**

On behalf of the Communications Committee, Co-Chair Tony Hudson told the board that the committee has volunteered to organize the next coordination workshop. Feedback from the previous three workshops has been very positive, and it is proposed that another one be done in the spring of 2007. The board commended the committee for its leadership, and made two suggestions:

- When the invitation list is being prepared, the committee should think about issues and groups that could be overlooked for any reason (e.g., emerging teams).
- The Water Council should be invited to participate.

*The board agreed by consensus to:*

- 1) *Accept the Communications Committee proposal to serve as the organizing committee of a Coordination Workshop to be held in the spring of 2007.*
- 2) *Confirm the role of the Communications Committee:*
  - a. *Review the results, recommendations and suggestions for improvement from the previous three coordination workshops;*
  - b. *Finalize the purpose, format and date of a fourth coordination workshop;*
  - c. *Inform CASA stakeholders, including project team members, board members and zone members about the upcoming workshop and encourage them to attend; and*
  - d. *Provide a report and recommendations to the CASA board following the workshop.*
- 3) *Direct the secretariat to work with the Communications Committee to host a coordination workshop for CASA stakeholders before the end of 2007.*
- 4) *Invite board members and others to participate in the organization of the workshop with the Communications Committee.*

### **3.4 Palliser Airshed Society**

Kevin McCullum updated the board on the work of the Palliser Airshed Society (PAS). He reviewed the monitoring results for 2005 and compared them with the results from other stations in Alberta and across Canada. The PAS operates one continuous air monitoring station in the City of Medicine Hat and six passive monitoring sites. The PAS is looking at expanding its boundaries and is working with the proposed Calgary airshed to align borders. The proposed monitoring plan for an expanded zone would see the fixed continuous monitoring station continue in Medicine Hat, plus the addition of one portable station and the establishment of a 27-site passive network.

### **3.5 Fort Air Partnership**

Myra Moore noted that the Fort Air Partnership (FAP) operates eight continuous ambient air quality stations and 30 passive sites. She reviewed the activities of the various FAP working committees and noted that new developments proposed for the area have resulted in considerable interest, particularly in Sturgeon County, about air quality issues. FAP is participating in open houses and stakeholder meetings to discuss these issues. Ten more passive sites will be added in 2006, and an additional continuous station is planned for 2007. FAP is looking at installing a continuous BTEX analyzer, which would be the first in Alberta. The airshed is also planning to do a regional air modelling project, and will be awarding the contract shortly.

Board members offered the following comments:

- FAP was commended for the excellent educational materials it developed for junior high teachers, with support from Dow Canada and Alberta Environment.
- It is good to see the airshed looking at lichen monitoring. It would also be good if Alberta Environment required the upgrader projects in the area to join FAP as part of their approval.

Both Myra and Kevin were thanked for their updates. The work of the zones is a critical part of air quality management in Alberta, and when CASA is promoted, the zones should also be promoted.

### **3.6 Project Updates**

Initial PM and Ozone assessments are complete, and Alberta Environment noted that the department is working to get the required information out to stakeholders in areas that will need to develop management plans, and to meet with them. It was suggested that the CASA Vehicle Emissions Team (VET) should be involved in developing these management plans since the contribution of emissions from transportation is a concern in all of the areas that will need to develop management plans. When the VET completes the next remote sensing project in the fall, it will have an inventory of vehicle emissions that could be used in the PM and ozone discussions.

It was suggested that the Energy Efficiency and Conservation project team and the Renewable and Alternative Energy project team ensure their work is coordinated so they do not duplicate or omit important aspects. Some individuals sit on both teams, and the two teams could also consider joint future meetings with senior government officials. These suggestions will be provided back to the teams.

The meeting adjourned at 2:20 pm.