



NATIONAL ASSEMBLY OF QUÉBEC

SECOND SESSION

FORTY-SECOND LEGISLATURE

Bill 21
(2022, chapter 10)

**An Act mainly to end petroleum
exploration and production and the
public financing of those activities**

**Introduced 2 February 2022
Passed in principle 16 March 2022
Passed 12 April 2022
Assented to 13 April 2022**

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EXPLANATORY NOTES

This Act enacts the Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine. The effect of that Act is to prohibit exploration for petroleum and production of petroleum and brine. That Act also prohibits exploration for underground reservoirs where it is carried out for the purpose of exploring for, storing or producing petroleum or brine. It revokes petroleum exploration and production licences and authorizations to produce brine, and it provides that the Government must establish a compensation program pertaining to the revocation of licences. That Act requires, in particular, the holders of a revoked licence to permanently close wells and restore sites according to the terms and conditions it determines, except wells for which the Minister of Energy and Natural Resources may authorize pilot projects for the purpose of acquiring geoscience knowledge.

The Act validates the regulations made under the authority of the Petroleum Resources Act, certain decisions which effectively limit or prohibit, directly or indirectly, exploration for petroleum and underground reservoirs and production of petroleum and brine as well as the collection by the Minister of the annual fees for oil and gas activities.

The Act amends the Petroleum Resources Act to limit its scope to natural gas storage and natural gas and oil pipelines and, consequently, replaces the title of the Act to take into account those amendments. It also provides for new powers of inspection.

Lastly, the Act contains consequential and transitional provisions.

LEGISLATION ENACTED BY THIS ACT:

- Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (2022, chapter 10, section 1).

LEGISLATION AMENDED BY THIS ACT:

- Tax Administration Act (chapter A-6.002);

- Act respecting land use planning and development (chapter A-19.1);
- Natural Heritage Conservation Act (chapter C-61.01);
- Act respecting the conservation and development of wildlife (chapter C-61.1);
- Petroleum Resources Act (chapter H-4.2);
- Act respecting Investissement Québec (chapter I-16.0.1);
- Act respecting the Ministère des Ressources naturelles et de la Faune (chapter M-25.2);
- Environment Quality Act (chapter Q-2);
- Act respecting the land regime in the James Bay and New Québec territories (chapter R-13.1);
- Act to amend the Act respecting the conservation and development of wildlife and other legislative provisions (2021, chapter 24).

LEGISLATION REPEALED BY THIS ACT:

- Act to limit oil and gas activities (2011, chapter 13).

REGULATIONS AMENDED BY THIS ACT:

- Regulation respecting wildlife habitats (chapter C-61.1, r. 18);
- Regulation respecting the regulatory scheme applying to activities on the basis of their environmental impact (chapter Q-2, r. 17.1);
- Regulation respecting the environmental impact assessment and review of certain projects (chapter Q-2, r. 23.1);
- Water Withdrawal and Protection Regulation (chapter Q-2, r. 35.2).

Bill 21

AN ACT MAINLY TO END PETROLEUM EXPLORATION AND PRODUCTION AND THE PUBLIC FINANCING OF THOSE ACTIVITIES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

CHAPTER I

ENACTMENT OF THE ACT ENDING EXPLORATION FOR PETROLEUM AND UNDERGROUND RESERVOIRS AND PRODUCTION OF PETROLEUM AND BRINE

1. The Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine, the text of which appears in this chapter, is enacted.

“Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine

“AS, in the face of the climate emergency, Québec is committed to the energy transition;

“AS Québec declared itself bound, in 2016, by the Paris Agreement of the United Nations Framework Convention on Climate Change and as it joined the Beyond Oil and Gas Alliance in 2021;

“AS Québec aims to achieve carbon neutrality by 2050;

“AS, to achieve carbon neutrality, States must cease making any new investments in petroleum exploration and production;

“AS Québec wishes to maintain an investment climate that fosters energy innovation;

“AS the vast collective endeavour that is the energy transition has the potential to be a source of pride and of economic development, as well as the wellspring of the future, for all the regions of Québec;

“CHAPTER I

“GENERAL PROVISIONS

“1. The purpose of this Act is to put an end to exploration for petroleum and underground reservoirs and production of petroleum and brine.

“2. For the purposes of this Act,

“brine” means any natural aqueous solution containing more than 4% by weight of dissolved solids;

“gas” means natural gas extracted from the subsoil and includes all substances, other than oil, that are produced with natural gas;

“oil” means crude oil, regardless of gravity, produced at a well head in liquid form and any other hydrocarbons, except coal and gas, and, in particular, hydrocarbons that may be extracted or recovered from deposits of oil sand, bitumen, bituminous sand, oil shale or from any other types of deposits on the subsoil;

“petroleum” means oil and gas;

“stratigraphic survey” means any opening in the ground, other than a seismic shotpoint, that is made to collect data on a geological formation, using samples and their analysis and technical surveys, conducted as part of preliminary investigations to eventually locate, design and construct a drilling site for exploration for or the production of petroleum or brine, or for exploration for or the operation of an underground reservoir and the well or wells which will be present on the site;

“underground reservoir” means any subsurface geological environment that contains or may contain petroleum in a natural porosity system or in a source rock;

“well” means any opening in the ground on a drilling site, other than a seismic shotpoint, that is made, is in the process of being made or is projected to be made for the purpose of exploring for, obtaining or producing petroleum, of withdrawing water to inject into an underground formation, of injecting gas, air, water or any other substance into such an underground formation, or for any other purpose.

“3. This Act is binding on the State.

“4. Petroleum, underground reservoirs and brine form part of the domain of the State.

“5. All activities carried out under this Act must be carried out in accordance with generally recognized best practices for ensuring the safety of persons and property and the protection of the environment.

“CHAPTER II

“END OF PETROLEUM EXPLORATION AND PRODUCTION, BRINE PRODUCTION AND EXPLORATION FOR UNDERGROUND RESERVOIRS

“6. Petroleum exploration and production and brine production are prohibited.

Exploration for underground reservoirs is prohibited if it is intended for exploring for, storing or producing petroleum or brine.

“7. Petroleum exploration licences, petroleum production licences and authorizations to produce brine issued or deemed issued under the Petroleum Resources Act (chapter H-4.2), as it read on 12 April 2022, are revoked.

“8. Every person or partnership that, on 19 October 2021, held a petroleum exploration or production licence referred to in section 7 or held a share of a right conferred by such a licence is deemed a holder of a revoked licence and is solidarily liable for the performance of the obligations provided for in this Act.

A partnership which has carried out activities with respect to a licence that was held by one of its members on 19 October 2021 is also deemed a holder of a revoked licence.

The obligations provided for in this Act are indivisible.

Unless otherwise provided, the representative designated in accordance with the government regulations acts as the mandatary of the persons holding a share in respect of the licence.

“9. A petroleum exploration or production licence or a share of the right such a licence confers is deemed to have been transferred or surrendered on 19 October 2021 if the Minister received an application for transfer or surrender before that date and the Minister approved the application during the period from 19 October 2021 to 13 April 2022.

An application for transfer or surrender received by the Minister after 19 October 2021 is null and void.

“CHAPTER III

“OBLIGATIONS OF THE HOLDER OF A REVOKED LICENCE

“10. Holders of a revoked licence must permanently close the wells drilled under their licence and restore the sites in compliance with this Act.

The obligation provided for in the first paragraph includes the obligation to seal off stratigraphic surveys.

The first paragraph does not apply to wells used under a storage licence within the meaning of the Act respecting natural gas storage and natural gas and oil pipelines (chapter H-4.2).

“11. Holders of a revoked licence subject to the obligation provided for in section 10 must send to the Minister, not later than 120 days after the coming into force of that section and in the form determined by the Minister, the following items:

- (1) the annual inspection worksheet prescribed by government regulation;
- (2) the demonstration that the planned work will be performed according to generally recognized best practices to ensure the safety of persons and property and the protection of the environment;
- (3) an emergency response plan; and
- (4) a plan for communication with the local communities.

“12. Holders of a revoked licence must send to the Minister, at the Minister’s request and within the time and in the manner determined by the Minister, the following items:

- (1) the results of cement tests carried out in a laboratory in compliance with the Industry Recommended Practice, IRP #: 25, Primary Cementing, published by the Drilling and Completions Committee;
- (2) any information, documents or samples of a geological or geophysical nature or relating to drilling; and
- (3) any information, documents or samples the Minister considers necessary for the purposes of this Act.

“CHAPTER IV

“PERMANENT WELL CLOSURE AND SITE RESTORATION

“DIVISION I

“PERMANENT WELL CLOSURE AND SITE RESTORATION PLAN

“13. Each of the wells referred to in section 10 must be the subject of a permanent well closure and site restoration plan, approved by the Minister under section 105 of the Petroleum Resources Act, as it read on 12 April 2022.

The Minister must carry out a hydrogeological study aimed in particular at characterizing the groundwater for the sites of wells drilled before 14 August 2014. The results of the study must be sent to the Minister of Sustainable Development, Environment and Parks and to the holder of the revoked licence within 18 months after the coming into force of section 10.

The Minister or the person authorized by the Minister for that purpose has access to the territory that was subject to the revoked licence to carry out the study.

“14. The Minister may require that the holder of a revoked licence subject to the obligation provided for in section 10 submit for approval, within the time specified by the Minister, a revision of their permanent well closure and site restoration plan.

The plan specifies the work to be performed upon closing the well and provides an estimate of the projected costs of the work. It contains, in particular, the items prescribed by government regulation.

The plan must be signed and sealed by an engineer.

“15. The Minister approves the revised permanent well closure and site restoration plan after obtaining a favourable opinion from the Minister of Sustainable Development, Environment and Parks.

The Minister may subject the approval of the plan to any condition or to any obligation the Minister determines.

“DIVISION II

“PERMANENT WELL CLOSURE AND SITE RESTORATION WORK

“16. The Minister notifies a notice of permanent well closure to the holder of a revoked licence subject to the obligation provided for in section 10, before the latest of the following dates:

(1) the 120th day after receipt by the Minister of the items sent under sections 11 and 12;

(2) the 120th day after the sending, by the Minister, of the results of the hydrogeological study provided for in section 13 to the Minister of Sustainable Development, Environment and Parks; or

(3) the 90th day after the approval, under section 15, of the revised permanent well closure and site restoration plan, if applicable.

“17. The holder of the revoked licence may begin the work provided for by the permanent well closure and site restoration plan once the following conditions are met:

(1) the holder has received the notice of permanent well closure notified by the Minister;

(2) the holder has informed in writing the owner or lessee, the local municipality and the regional county municipality, as applicable, at least 30 days before the work begins if the site concerned is located in whole or in part on private land or land leased by the State or in the territory of a local municipality; and

(3) the holder has informed the Minister in writing, at least seven days before the work begins, of the work start date.

“18. The Government determines, by regulation, the obligations of the holder of a revoked licence subject to the obligation provided for in section 10 with regard to permanent well closure and site restoration work, as well as the terms and conditions according to which that work is to be performed.

“19. Permanent well closure and site restoration work must be completed not later than, as the case may be,

(1) 12 months after notification of the notice of permanent well closure under section 16, in the case of a well that poses a risk; or

(2) 36 months after notification of the notice of permanent well closure under section 16, in the case of a well that does not pose a risk.

The Minister may, if the Minister considers it necessary, grant an extension of up to 12 months for the performance of the permanent well closure and site restoration work.

For the purposes of the first paragraph, a well is considered as posing a risk if one of the situations provided for by government regulation is detected.

The holder of the revoked licence must inform the Minister, as soon as possible, whenever they detect one of the situations referred to in the third paragraph.

“20. If the holder of the revoked licence fails to perform the permanent well closure and site restoration work within the applicable time, the Minister may, in addition to seeking any civil, administrative or penal remedy or measure, cause the work specified by the plan to be performed at the holder’s expense.

“21. The holder of the revoked licence or the person who performs the work at the Minister’s request has access, for the purposes of planning and performing the permanent well closure and site restoration work, to the territory that was subject to the revoked licence until the Minister declares being satisfied with the work.

“22. No one may move, disturb or damage equipment or material used or a facility erected under this division, unless they have written authorization from the Minister or the holder of the revoked licence.

“23. The holder of the revoked licence must, within 60 days after completing the permanent well closure and site restoration work, remove from the territory that was subject to the revoked licence all the property, except for the property used under a natural gas storage licence provided for by the Act respecting natural gas storage and natural gas and oil pipelines.

The Minister may, on request, grant an extension subject to the conditions the Minister determines.

Once the time has expired, the property remaining on lands in the domain of the State forms part of that domain of right and may be removed by the Minister at the expense of the holder of the revoked licence.

“24. The holder of the revoked licence must send to the Minister, within 90 days after the end of the work specified by the permanent well closure and site restoration plan,

(1) an end of activities report signed by an engineer including, in particular, the items prescribed by government regulation;

(2) a confirmation that all the property has been removed from the territory that was subject to the revoked licence; and

(3) a report signed by a professional within the meaning of section 31.42 of the Environment Quality Act (chapter Q-2) establishing that the restoration work has been performed in accordance with the permanent well closure and site restoration plan.

“25. The Minister declares being satisfied with the permanent well closure and site restoration work if

(1) the Minister is of the opinion, following an inspection carried out under Chapter VIII, that the work has been performed in accordance with the permanent well closure and site restoration plan approved by the Minister and with the provisions applicable under section 18 and if no sum is owing to the Minister with respect to the performance of the work;

(2) the Minister has obtained a favourable opinion from the Minister of Sustainable Development, Environment and Parks, in particular regarding groundwater quality; and

(3) the Minister has received the documents and information mentioned in section 24.

The Minister issues a declaration of satisfaction to the holder of a revoked licence.

“26. The holder of the revoked licence must enter the declaration of satisfaction in the land register within 30 days after the Minister issues it. The declaration is entered in the register of real rights of State resource development and, as applicable, in the file relating to the immovable affected by the well, either in the index of immovables or in the register of public service networks and immovables situated in territory without a cadastral survey.

The holder must send to the Minister a certified copy of the certified statement of registration of the declaration of satisfaction within 30 days of it being entered in the register. The holder must also, within the same time, send a copy to the owner or lessee, to the local municipality and to the regional county municipality, as applicable, if the site of the well is located in whole or in part on private land or land leased by the State or in the territory of a local municipality.

“CHAPTER V

“LIABILITY AND PROTECTIVE MEASURES

“27. The holder of a revoked licence is required, irrespective of anyone’s fault and up to, for each event, an amount determined by government regulation, to make reparation for any injury caused through or in the course of their work or activities, including a loss of non-use value relating to a public resource, in particular due to emanations or migrations of gas or spills of oil or other liquids. Beyond that amount, the holder of a revoked licence may be required to make reparation for injury caused through their fault or the fault of any of their subcontractors or employees in the performance of their functions. The holder nevertheless retains their right to bring a legal action, for the entire injury, against the author of the fault.

The holder of a revoked licence may not be relieved of liability by proving that the injury resulted from superior force. The cases of apportionment of liability set out in the Civil Code apply to any action brought against the holder of a revoked licence for sums in excess of the amount prescribed by government regulation and to any recursory action brought by the holder.

Only the Government may bring a legal action to recover a loss of non-use value relating to a public resource.

“28. Nothing in section 27 suspends or limits any legal action, of any kind, that may be brought against the holder of a revoked licence for a fault they or their subcontractors or employees may have committed.

“29. The Minister may, if a spill of liquid or an emanation or migration of gas from a well poses a risk for human health or safety, the safety of property or the protection of the environment, order the holder of a revoked licence, if applicable, or in any other case, a person who held a licence under which the well was drilled or the person who drilled the well, to perform the work that is necessary to remedy the situation or, if there is no other solution, to seal off the source of the spill, emanation or migration.

If the holder or the person referred to in the first paragraph fails to comply with the Minister's orders within the prescribed time, the Minister may cause the work to be performed or the source of the spill, emanation or migration to be sealed off at the holder's or person's expense.

The holder or the person referred to in the first paragraph or the person who performs the work under the second paragraph has access, for the purpose of planning or performing the work or sealing the source, to the well site.

“30. The holder of a revoked licence subject to the obligation provided for in section 10 must, until the declaration of satisfaction has been issued, comply with and implement the protective and safety measures prescribed by government regulation.

The Minister may order the holder to take any other protective or safety measure the Minister considers necessary.

If that holder fails to comply with a protective or safety measure, the Minister may cause the work required to be performed at the holder's expense.

“CHAPTER VI

“COMPENSATION PROGRAM

“31. The Government must, on the recommendation of the Minister of Natural Resources and Wildlife and the Minister of Finance and in accordance with the parameters set out in this chapter, establish a compensation program for the holders of a licence revoked under section 7.

The program is administered by the Minister of Natural Resources and Wildlife.

For the purposes of this chapter, “eligible person” means a person or a partnership referred to in section 8.

“32. The compensation paid under this chapter is composed solely of the amounts determined in the program that fall under the categories provided for in sections 33 to 35.

“33. Personal compensation is computed for each eligible person in respect of a revoked licence and is paid to that person in accordance with what is provided by the program.

The amount of that compensation is equal to the total of the amounts, each of which represents, among the expenses determined in the program, the expenses that fall under the category of exploration or development expenses and of related expenses, incurred by the eligible person or, if applicable, by members of a partnership that constitutes an eligible person, in respect of the

revoked licence, during the period from 19 October 2015 to 19 October 2021, for activities carried out on the territory that was subject to the revoked licence, to the extent that those expenses were paid.

“34. General compensation is computed for each revoked licence.

That compensation is paid, in accordance with what is provided by the program, to the eligible person or to the designated representative referred to in the fourth paragraph of section 8, as the case may be, and constitutes, if applicable, a solidary claim owed to all the eligible persons in respect of that licence.

The amount of that compensation is equal to the total of the amounts, each of which represents, among the sums determined in the program, the sums that fall under the following categories, except the expenses referred to in the second paragraph of section 33:

(1) the acquisition cost of the licence or the share by the holder of the revoked licence if such acquisition was made after 19 October 2015;

(2) the expenses related to compliance with the Petroleum Resources Act, as it read on 12 April 2022, the Mining Act (chapter M-13.1) or any other Act or regulation, incurred with respect to the revoked licence since 19 October 2015 or since the date of its transfer to the holder referred to in sections 8 and 9 if the transfer was made after that date, as applicable, to the extent that those expenses were paid;

(3) a maximum of 75% of the expenses related to the permanent well closure and site restoration carried out in accordance with this Act, as applicable;

(4) the expenses related to the preparation and sending of documents or information under this Act and its regulations, except those referred to in subparagraph 3 and those related to the preparation and sending of documents and information required under this chapter; and

(5) a sum for the items sent to the Minister under paragraph 2 of section 12.

The amount provided for in the third paragraph is reduced in proportion to the value of the share of the right conferred by the revoked licence held by the Government or a public body.

“35. Despite sections 33 and 34, the program may provide for the payment of a lump sum as compensation for certain expenses or sums falling under the categories provided for in those sections. The lump sum is computed in accordance with what is provided by the program.

“36. The compensation provided for in sections 33 and 34 is reduced by the amount of any debt owed to the Government or a public body and of any subsidy paid by them to an eligible person or, if applicable, to a member of a partnership that constitutes an eligible person for the purposes of this chapter, between 19 October 2015 and 19 October 2021, with respect to the revoked licence, except a tax debt or tax assistance.

The reduction mentioned in the first paragraph is made in the manner provided for in the program.

“37. The Minister entrusts to an external auditor the examination of the applications for compensation and the verification of the compliance of such applications and of the supporting documents or information provided; the external auditor must also make recommendations on the amount of compensation to be paid.

For the purposes of this section, the Minister retains the services of a member of the Ordre professionnel des comptables agréés du Québec.

No proceedings may be brought against an auditor for an act performed or omitted in good faith in the exercise of auditing functions.

“38. The Minister may require any person or any body to communicate documents or information, including personal information, for the purposes of computing the compensation or verifying compliance with the conditions for its payment.

The Minister may communicate to the Minister of Revenue any document or information, including personal information, for the purposes mentioned in the first paragraph or for the purposes of the Taxation Act (chapter I-3).

“39. The compensation may be paid, in full or in part, according to a schedule determined in the program, in particular on the basis of the permanent well closure and site restoration stages.

The program may provide that payment of compensation, in full or in part, is conditional on the communication of documents or information, the payment of a debt owed to the Government or compliance with a provision of this Act or of an Act or regulation of Québec.

The final payment of compensation is conditional on the filing, by eligible persons or, if applicable, by a member of a partnership that constitutes an eligible person for the purposes of this chapter, of the returns and reports required under a fiscal law, within the meaning of section 1 of the Tax Administration Act (chapter A-6.002), and on there being no overdue amount payable under such laws, in particular the special tax relating to the tax credit relating to mining, petroleum, gas or other resources, that must be paid following the previous payments, if applicable.

“40. Except for the amount that represents the total expenses falling under the category provided for in subparagraph 3 of the third paragraph of section 34, compensation may not be paid, in full or in part, before the Minister has issued, if applicable, a declaration of satisfaction under the second paragraph of section 25 to the holder of the revoked licence in respect of which the expenses were incurred.

Despite the first paragraph, the program may provide for the payment, within the framework of a pilot project referred to in Chapter VII, of compensation, in full or in part, for expenses falling under the categories provided for in sections 33 to 35, before the declaration of satisfaction is issued.

“41. Despite any provision to the contrary, the revocation of the licences and authorizations mentioned in section 7 entails no compensation or reparation, including for damages, other than that provided for in the compensation program.

“CHAPTER VII

“PILOT PROJECTS

“42. A pilot project implemented under this chapter must not result in allowing exploration for petroleum or underground reservoirs or petroleum or brine production.

“43. The Minister may, after consulting with the Minister of Sustainable Development, Environment and Parks, authorize by order published in the *Gazette officielle du Québec* the implementation of a pilot project that involves the use of a well subject to the obligation provided for in section 10.

In a case where an authorization is required under the Environment Quality Act, the pilot project may not be authorized before that authorization is issued.

A pilot project must allow the acquiring of geoscientific knowledge related to

- (1) carbon dioxide sequestration potential;
- (2) storage potential for hydrogen produced from a source of renewable energy;
- (3) geothermal potential;
- (4) the critical and strategic mineral potential of brine; and
- (5) any other activity that fosters the energy transition or carbon neutrality or that helps achieve the objectives of the fight against climate change.

The Minister determines the standards and obligations applicable within the framework of a pilot project, in particular to ensure the safety of persons and property and the protection of the environment, and to foster the involvement of local communities, which may differ from the standards and obligations provided for by this Act or the regulations. The Minister may also determine the provisions of a pilot project whose contravention constitutes an offence.

“44. The persons authorized by the Minister have the right to access the site of the pilot project.

If the site concerned is located in whole or in part in the territory of a local municipality, the persons authorized by the Minister must, at least 30 days before accessing the site, inform the local municipality and the regional county municipality in writing.

If the site concerned is located in whole or in part on private land or land leased by the State, the persons authorized by the Minister must also obtain written authorization from the owner or lessee at least 30 days before accessing the site or may acquire, by agreement, any real right or property necessary to access the site and perform the work there. Failing that, the authorized persons may not access the site.

“45. A pilot project is established for a period of up to three years which the Minister may extend, if the Minister considers it necessary, by up to two years.

The Minister may modify or terminate a pilot project at any time.

“46. The Minister publishes the results of the pilot project on the department’s website, not later than two years after the end of the pilot project.

“47. If applicable, the Minister determines, in the order that authorizes the implementation of the pilot project, the person responsible for the permanent well closure and site restoration in accordance with this Act, with the necessary modifications, as well as the prescribed time limits.

“CHAPTER VIII

“INSPECTION, INQUIRY AND PENAL PROVISIONS

“DIVISION I

“INSPECTION AND INQUIRY

“48. Every person authorized by the Minister to act as an inspector for the purposes of this Act and the regulations may, at any reasonable time, enter land, including private land, a building or a vehicle to examine the premises and conduct an inspection. Inspectors may, in such cases, by any reasonable, appropriate means:

- (1) record the state of a place or property situated there;
- (2) collect samples, conduct tests and perform analyses;
- (3) carry out any necessary excavation or drilling to assess the state of the premises;
- (4) install any measuring apparatus necessary for taking measurements on the premises and subsequently remove the apparatus;
- (5) take measurements, including continuous measurements, using an apparatus they install or that is already on the premises, for any reasonable period of time they determine;
- (6) access a facility, including a secure facility, found on the premises;
- (7) set in action or use an apparatus or equipment to ensure that the inspection is properly conducted or require the apparatus or equipment to be set in action or used within the time and according to the conditions they specify;
- (8) require the provision of any information relating to the application of this Act or the regulations and the communication of any relevant documents for examination, recording and reproduction;
- (9) use any computer, equipment or other thing that is on the premises to access data relating to the application of this Act or the regulations that is contained in an electronic device, computer system or other medium or to inspect, examine, process, copy or print out such data; and
- (10) be accompanied by any person whose presence is considered necessary for the purposes of the inspection, who may then exercise the powers set out in subparagraphs 1 to 9.

An inspector may also immediately seize any thing if they have reasonable grounds to believe that it constitutes proof of an offence under this Act.

The rules established by the Code of Penal Procedure (chapter C-25.1) apply, with the necessary modifications, to things seized by the inspector under the second paragraph, except in respect of section 129 for the custody of the thing seized. In such a case, the inspector has custody of the thing seized even when it is submitted in evidence and until a judge declares it forfeited or orders it returned to its owner, unless the judge decides otherwise. However, the Minister may authorize an inspector to entrust the offender with the custody of the thing seized, and the offender must accept custody of it until a judge declares it forfeited or orders it returned to its owner.

The owner, lessee or custodian of land, a building or a vehicle being inspected and any person found there must lend assistance to an inspector in performing their duties.

The obligation set out in the fourth paragraph also applies to persons accompanying an inspector.

“49. An inspector may, by a request sent by registered mail or personal service, require a person to communicate by registered mail or personal service, within a reasonable time specified by the inspector, any information, document or sample relating to the application of this Act or the regulations.

“50. The inspector may order the suspension of any activity at a well if there are reasonable grounds to believe that this Act or the regulations have been contravened.

The inspector authorizes resumption of the work or activity when the inspector considers that the situation has been remedied.

“51. The Minister or any person the Minister designates as an investigator may inquire into any matter relating to the application of this Act or the regulations.

“52. When an investigation is conducted to enable the Minister to make a decision affecting the rights of the holder of a revoked licence or authorization, the investigator sends the report containing the inspection findings to the Minister and must, at the same time, send a copy of it to the holder.

“53. The inspector or investigator must, on request, produce identification and show the certificate of authority signed by the Minister.

“54. No proceedings may be brought against an inspector or investigator for acts performed in good faith in the exercise of their functions.

“DIVISION II

“PENAL PROVISIONS

“55. Anyone who, in contravention of a provision of this Act, of the regulations or of a pilot project implemented under Chapter VII, fails to

(1) communicate any information, document or sample required under this Act or the regulations;

(2) keep any information they are required to keep; or

(3) enter the declaration of satisfaction in the land register, in accordance with the first paragraph of section 26;

commits an offence and is liable to a fine of \$1,000 to \$100,000 in the case of a natural person and \$3,000 to \$600,000 in any other case.

“56. Anyone who

(1) prevents the holder of a revoked licence or a person performing permanent well closure work or site restoration work from having access to the territory that was subject to the licence or the authorization, in contravention of section 21; or

(2) moves, disturbs or damages equipment or material used or a facility erected, in contravention of section 22;

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

“57. Anyone who

(1) fails to revise a permanent well closure and site restoration plan in accordance with section 14;

(2) fails to perform the permanent well closure and site restoration work in accordance with sections 17 to 19;

(3) fails to inform the Minister, as soon as possible, when they detect any of the situations referred to in the fourth paragraph of section 19;

(4) fails to remove all property from the territory that was subject to their revoked licence, in contravention of section 23;

(5) contravenes a provision of a pilot project implemented under Chapter VII whose contravention constitutes an offence;

(6) fails to perform the necessary work or to seal off the source of a spill, emanation or migration in accordance with section 29;

(7) fails to comply with or to implement protective and safety measures in accordance with section 30;

(8) makes a false or misleading statement, enters false or misleading information in a register or a document or participates in the making of such a statement or such an entry; or

(9) in any manner whatsoever, hinders or attempts to hinder an inspector or investigator in carrying out the functions of their office, hampers them, misleads them by an act, concealment, omission or misrepresentations or who refuses or neglects to assist them;

commits an offence and is liable to a fine of \$5,000 to \$500,000 in the case of a natural person and \$15,000 to \$3,000,000 in any other case.

“58. Anyone who contravenes the provisions of section 6 or fails to perform the permanent well closure and site restoration provided for in section 10 or in the order authorizing a pilot project commits an offence and is liable to a fine of \$10,000 to \$1,000,000 in the case of a natural person and \$30,000 to \$6,000,000 in any other case.

“59. If a legal person or an agent, mandatary or employee of a legal person or of a partnership or association without legal personality commits an offence under this Act, the director or officer of the legal person, partnership or association is presumed to have committed the offence, unless it is established that they exercised due diligence and took all necessary precautions to prevent the offence.

For the purposes of this section, in the case of a partnership, all partners, except special partners, are presumed to be directors of the partnership unless there is evidence to the contrary appointing one or more of them, or a third person, to manage the affairs of the partnership.

“60. If an offence under this Act is committed by a director or officer of a legal person, partnership or association without legal personality, the minimum and maximum fines are twice those prescribed for a natural person for that offence.

“61. Penal proceedings for an offence under this Act or the regulations are prescribed one year from the date on which the prosecutor became aware of the commission of the offence. However, no proceedings may be instituted if more than five years have elapsed from the date of the commission of the offence.

“62. In the case of a subsequent offence, the fines are doubled.

“CHAPTER IX

“MISCELLANEOUS, TRANSITIONAL AND FINAL PROVISIONS

“63. The Minister may, by order, delegate, generally or specifically, to any person the exercise of the powers conferred on the Minister under this Act.

The delegation comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date specified in the delegation.

The Regulation respecting the delegation of the exercise of powers relating to petroleum, natural gas, brine and underground reservoirs vested in the Minister of Natural Resources and Wildlife under the Mining Act (chapter M-13.1, r. 0.2) applies, with the necessary modifications, until an order is made under the first paragraph.

“64. A holder of a revoked licence subject to the obligation provided for in section 10 who does not have a permanent well closure and site restoration plan approved by the Minister in accordance with section 105 of the Petroleum Resources Act (chapter H-4.2), as it read on 12 April 2022 must, for each well referred to in section 10, submit to the Minister, for approval, a plan for each well in accordance with sections 14 and 15, with the necessary modifications, within the time the Minister specifies.

The first paragraph does not apply to the holder of a revoked licence who has submitted a plan for approval under the Petroleum Resources Act, as it read on 12 April 2022, before the coming into force of section 10. In such a case, the Minister approves the plan submitted in accordance with sections 14 and 15, with the necessary modifications.

The holder of a revoked licence referred to in the first paragraph must send to the Minister, within the time and in the form determined by the Minister, the items provided for in section 11.

Anyone who does not submit to the Minister a permanent well closure and site restoration plan in accordance with the first paragraph commits an offence and is liable to a fine of \$2,500 to \$250,000 in the case of a natural person and \$7,500 to \$1,500,000 in any other case.

With respect to the holders of a revoked licence referred to in the first and second paragraphs, paragraph 3 of section 16 is deemed to read as follows:

“(3) the 90th day after the approval of the permanent well closure and site restoration plan under section 15, with the necessary modifications.”

“65. The Minister returns or reimburses the guarantee to the holder of a revoked licence who furnished a guarantee in accordance with section 103 of the Petroleum Resources Act, as it read on 12 April 2022, not later than 120 days after the date of coming into force of section 10.

“66. The permanent closure and restoration of a site of a well carried out in accordance with the Petroleum Resources Act, as it read on 12 April 2022, during the period between 19 October 2021 and the date of coming into force of section 10 are deemed to have been carried out in accordance with this Act to the extent that the permanent closure and restoration comply with this Act’s provisions, in particular the carrying out of the hydrogeological study required under the second paragraph of section 13.

From the coming into force of section 10, the permanent closure and restoration of the sites of those wells must be carried out in accordance with this Act, with the necessary modifications.

All wells in respect of which the Minister did not declare being satisfied under section 114 of the Petroleum Resources Act, as it read on 12 April 2022, before 19 October 2021 must be the subject of the hydrogeological study required under the second paragraph of section 13.

The expenses related to a permanent well closure and site restoration authorized by the Minister before 19 October 2021 under section 93 of the Petroleum Resources Act, as it read on 12 April 2022, are excluded from the computation of the general compensation provided for in section 34.

“67. The documents and information held by the Minister under Chapters I to V of this Act and those referred to in section 140 of the Petroleum Resources Act, as it read on 12 April 2022, sent to the Minister in relation to a licence revoked under section 7, are public information.

The Minister publishes, on the department’s website, an evolving progress report of the permanent well closure and site restoration work and of the inspections carried out under Chapter VIII in respect of the revoked licences for which compensation has been paid under Chapter VI. The progress report is updated every three months following the first compensation payment.

“68. For the purposes of section 10,

(1) the well covered by drilling authorization 2005FC130 is deemed to have been drilled under licence 2005RS120;

(2) the wells covered by drilling authorizations 1971FA158, 1980FA196, 1981FA198, 2003FA239, 2003FA241, 2003FA242 and 2004FA247 are deemed to have been drilled under licence 2006RS184;

(3) the well covered by drilling authorization 2000FB303 is deemed to have been drilled under licence 2006RS185;

(4) the well covered by drilling authorization 2007FC133 is deemed to have been drilled under licence 2007RS213;

(5) the well covered by drilling authorization 1983FC100 is deemed to have been drilled under licence 2008PG989;

(6) the well covered by drilling authorization 2008FA257 is deemed to have been drilled under licence 2008RS224;

(7) the well covered by drilling authorization 2005FC129 is deemed to have been drilled under licence 2009PG505;

(8) the wells covered by drilling authorizations 2008FA269 and 2009FA270 are deemed to have been drilled under licence 2009PG551;

(9) the stratigraphic survey bearing number CZ017 is deemed to have been drilled under licence 2009PG556;

(10) the well covered by drilling authorization 1985FA202 is deemed to have been drilled under licence 2009RS277;

(11) the well covered by drilling authorization 1956FA003 is deemed to have been drilled under licence 2010RS284; and

(12) the wells covered by drilling authorizations 2006FA251 and 2007FA255 are deemed to have been drilled under licence 2010RS285.

“69. The permanent closure of a well carried out in accordance with this Act is subject to section 82 of the Regulation respecting the regulatory scheme applying to activities on the basis of their environmental impact (chapter Q-2, r. 17.1), unless the well has an emanation at the surface vent of less than 50 m³ per day, in which case it is subject to the exemption provided for in section 85 of that Regulation.

“70. Until the Minister issues a declaration of satisfaction under the second paragraph of section 25 for all of the wells referred to in section 10, the holder of a revoked licence must

(1) maintain proof, in the form and manner prescribed by government regulation, that they are solvent to the amount provided for in the first paragraph of section 27; and

(2) maintain the monitoring committee established under section 28 of the Petroleum Resources Act, as it read on 12 April 2022, in the manner prescribed by government regulation.

Anyone who does not maintain proof of their solvency or does not maintain a monitoring committee in accordance with the first paragraph commits an offence and is liable to a fine of \$2,500 to \$250,000 in the case of a natural person and \$7,500 to \$1,500,000 in any other case.

“71. Section 139 of the Act respecting natural gas storage and natural gas and oil pipelines (chapter H-4.2) applies to wells drilled for the purposes of exploration for petroleum or underground reservoirs or of petroleum or brine production.

“72. The following provisions of the Regulation respecting petroleum exploration, production and storage on land (chapter H-4.2, r. 2) are deemed to have been made under this Act:

(1) sections 6 to 21;

(2) Division II of Chapter II, comprising sections 24 and 25;

(3) Divisions IV and V of Chapter VI, comprising sections 110 to 119;

(4) subdivisions 3 and 4 of subdivision 2 of Division I of Chapter XIV, comprising sections 298 to 314;

(5) section 315; and

(6) Schedule 2.

“73. The following provisions of the Regulation respecting petroleum exploration, production and storage licences, and the pipeline construction or use authorization (chapter H-4.2, r. 3) are deemed to have been made under this Act:

- (1) sections 7 to 15;
- (2) subparagraph 3 of the second paragraph of section 116;
- (3) section 160; and
- (4) Division II of Chapter VIII, comprising sections 165 to 171.

“74. The Regulation respecting petroleum exploration, production and storage in a body of water (chapter H-4.2, r. 1), the Regulation respecting petroleum exploration, production and storage on land and the Regulation respecting petroleum exploration, production and storage licences, and the pipeline construction or use authorization are validated.

Despite any provision to the contrary, the provisions of the regulations mentioned in the first paragraph which limit or prohibit, directly or indirectly, exploration for petroleum and underground reservoirs and production of petroleum and brine provided for in the Petroleum Resources Act and the regulations entail no compensation or reparation, including for damages.

This section is declaratory.

“75. Any decision rendered before 13 April 2022 by the Government, the Minister or one of their employees or mandataries, which limits or prohibits, directly or indirectly, exploration for petroleum and underground reservoirs and production of petroleum and brine provided for in the Petroleum Resources Act and the regulations, is validated.

“76. Despite any inconsistent provision, the annual fees collected by the Minister for oil and gas activities from 13 June 2011 under the Petroleum Resources Act, as it read on 12 April 2022, or the Mining Act (chapter M-13.1) are deemed to have been validly collected. Those sums belong to the Government.

“77. The Minister of Natural Resources and Wildlife is responsible for the administration of this Act.”

CHAPTER II

AMENDING PROVISIONS

TAX ADMINISTRATION ACT

2. Section 69.1 of the Tax Administration Act (chapter A-6.002) is amended by adding the following subparagraph at the end of the second paragraph:

“(z.11) the Minister of Natural Resources and Wildlife, solely to the extent that the information is necessary for the purposes of Chapter VI of the Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (2022, chapter 10, section 1).”

ACT RESPECTING LAND USE PLANNING AND DEVELOPMENT

3. Section 6 of the Act respecting land use planning and development (chapter A-19.1) is amended by striking out “or any territory incompatible with petroleum exploration, production and storage of petroleum within the meaning of section 141 of the Petroleum Resources Act (chapter H-4.2)” in subparagraph 7 of the first paragraph.

4. Section 53.7 of the Act is amended by striking out “or a territory incompatible with petroleum exploration, production and storage within the meaning of section 141 of the Petroleum Resources Act (chapter H-4.2),” in the first paragraph.

5. Section 246 of the Act, amended by section 4 of chapter 35 of the statutes of 2021, is again amended by replacing “petroleum exploration, production and storage carried on in accordance with the Petroleum Resources Act” in the first paragraph by “gas storage carried on in accordance with the Act respecting natural gas storage and natural gas and oil pipelines”.

NATURAL HERITAGE CONSERVATION ACT

6. Section 2 of the Natural Heritage Conservation Act (chapter C-61.01) is amended by striking out the definitions of “brine”, “petroleum” and “underground reservoir” in the first paragraph.

7. Section 12.3 of the Act is amended by replacing subparagraph 3 of the second paragraph by the following subparagraph:

“(3) natural gas storage;”.

8. Section 49 of the Act is amended by replacing “petroleum or underground reservoir exploration, petroleum production or storage, or brine production” in subparagraph 3 of the first paragraph by “natural gas storage”.

9. Section 55 of the Act is amended by replacing “petroleum or underground reservoir exploration, petroleum production or storage, or brine production” in subparagraph 2 of the first paragraph by “natural gas storage”.

ACT RESPECTING THE CONSERVATION AND DEVELOPMENT OF WILDLIFE

10. Section 122.3 of the Act respecting the conservation and development of wildlife (chapter C-61.1), enacted by section 64 of chapter 24 of the statutes of 2021, is amended

(1) by replacing subparagraph 3 of the first paragraph by the following subparagraph:

“(3) activities carried on for natural gas storage purposes;”;

(2) by striking out “, petroleum production or storage, or brine production” in the third paragraph.

PETROLEUM RESOURCES ACT

11. The title of the Petroleum Resources Act (chapter H-4.2) is replaced by the following title:

“Act respecting natural gas storage and natural gas and oil pipelines”.

12. Section 1 of the Act is replaced by the following section:

1. The purpose of this Act is to govern gas storage and the construction and use of gas and oil pipelines while ensuring the safety of persons and property and the protection of the environment, in compliance with the greenhouse gas emission reduction targets set by the Government.”

13. Section 2 of the Act is repealed.

14. Section 3 of the Act is amended

(1) by replacing “property, environmental protection” by “property and the protection of the environment”;

(2) by striking out “and optimal recovery of the resource”.

15. Section 5 of the Act is amended by replacing both occurrences of “Native” by “Indigenous”.

16. Section 6 of the Act is amended

(1) by inserting the following definition in alphabetical order:

““pipeline” means a linear infrastructure for the transportation of gas or oil, including the networks of such infrastructures and associated facilities such as pumps, compressors, pumping stations and surface reservoirs, designed or used to inject, withdraw or transport gas or to transport or transfer oil, except for an infrastructure

(1) used to transport and distribute gas as well as petroleum equipment installations governed by the Building Act (chapter B-1.1); or

(2) situated on the premises of an industrial enterprise and used for refining operations, including associated facilities;”;

(2) by striking out the definitions of “brine”, “commercial discovery”, “fracturing”, “petroleum”, “pipeline”, “pool”, “significant discovery” and “stratigraphic survey”;

(3) by replacing the definition of “gas” by the following definition:

““gas” means natural gas within the meaning of section 2 of the Act respecting the Régie de l’énergie (chapter R-6.01);”;

(4) by replacing “any method of exploration for petroleum or underground reservoirs by indirect measurement” in the definitions of “geochemical surveying” and “geophysical surveying” by “a method allowing to take indirect measurements”;

(5) by striking out “for the production of petroleum, for the purpose of exploring for or obtaining petroleum,” in the definition of “well”;

(6) by replacing “petroleum” in the definition of “underground reservoir” by “gas”.

17. The heading of Chapter III of the Act is amended by striking out “EXPLORATION, PRODUCTION AND”.

18. Section 9 of the Act is replaced by the following section:

“**9.** No one may store gas without holding a storage licence.”

19. Section 10 of the Act is amended by replacing “licence or an authorization to produce brine” by “storage licence”.

20. Section 11 of the Act is amended by replacing the first and second paragraphs by the following paragraph:

“The territory subject to a storage licence is delimited, on the ground, by the vertical projection of the perimeter of the underground reservoir and the protective perimeter and, in depth, by the vertical projection of those perimeters. The Government determines, by regulation, the size of the protective perimeter.”

21. Section 12 of the Act is amended by replacing “explore for, produce or store petroleum or to produce brine” in the third paragraph by “store gas”.

22. Sections 13 and 14 of the Act are repealed.

23. Section 15 of the Act is amended by striking out “exploration, production and” and “and the right to produce brine conferred by an authorization” in the first paragraph.

24. Division III of Chapter III of the Act, comprising sections 16 to 40, is repealed.

25. The heading of Division IV of Chapter III of the Act is amended by striking out “PRODUCTION LICENCES AND”.

26. The heading of subdivision 1 of Division IV of Chapter III of the Act is amended by replacing “*projects*” by “*amendments to storage projects*”.

27. Section 41 of the Act is replaced by the following section:

“**41.** Any amendment to a gas storage project must be submitted to the Régie de l’énergie (the Board). If the Board considers that the amendment is substantial, it examines the amendment.”

28. Section 42 of the Act is amended by inserting “the amendment to” after “analysis of”.

29. Section 43 of the Act is amended by replacing “A production or” by “An amendment to a”.

30. Section 46 of the Act is repealed.

31. The heading of subdivision 2 of Division IV of Chapter III of the Act is amended by striking out “*production and*”.

32. Section 48 of the Act is repealed.

33. Section 49 of the Act is amended

(1) by replacing “production or storage licence”, “an exploration, production or storage licence” and “economically workable deposit or an economically usable underground reservoir, as applicable” in the first paragraph by “storage licence”, “a storage licence” and “economically usable underground reservoir”, respectively;

(2) by replacing the second paragraph by the following paragraph:

“The process for awarding a storage licence by auction is determined by government regulation.”

34. The Act is amended by inserting the following sections after section 49:

“49.1. The Minister must notify the local municipalities whose territories are concerned by an auction and the regional county municipality, in writing, at least 45 days before the beginning of the auction process.

“49.2. The Minister awards a storage licence at the time and subject to the conditions the Minister determines, in particular to take the territory’s characteristics into account.

The successful bidder must meet the conditions and pay the fee the Government determines by regulation.

“49.3. The Minister is not required to award a licence at the end of an auction process.

“49.4. If no licence has been awarded on a territory that is up for auction within six months after the auction closing date, the Minister may not award a licence for that territory without holding a new auction.

“49.5. No licence may be awarded to a person if, during the five years before the auction publication date, a storage licence they held under this Act was revoked.

The first paragraph does not apply to a revocation under subparagraph 4 of the fourth paragraph of section 145.

“49.6. Failure to comply with the requirements prescribed by government regulation respecting the form, deadlines, content or publication of an auction does not render a licence that has been awarded by the Minister invalid.”

35. Section 50 of the Act is amended by striking out “production or”.

36. Section 51 of the Act is amended

- (1) by striking out the first paragraph;
- (2) by replacing “materials the Government determines by regulation” in the second paragraph by “gas”;
- (3) by striking out “production or” in the third paragraph;
- (4) by replacing “the licences” in the fifth paragraph by “a licence”.

37. Section 52 of the Act is amended

- (1) by replacing “46” by “41”;
- (2) by striking out both occurrences of “production or”.

38. Section 53 of the Act is amended by striking out “production or”.

39. Section 54 of the Act is amended by striking out “production or” in the first paragraph.

40. Section 55 of the Act is amended

- (1) in the first paragraph,
 - (a) by striking out “production or”;
 - (b) by replacing “production project” by “storage project”;
- (2) by replacing the second paragraph by the following paragraphs:

“The committee must be formed within 90 days after the licence is awarded and must be maintained, as the case may be, throughout the term of the licence or, in the case provided for in the second paragraph of section 97, until all the work required under the permanent well or reservoir closure and site restoration plan has been completed.

The committee members are chosen in accordance with the process determined by the licence holder and approved by the Minister. The Minister also determines the number of members who are to form the committee. However, the committee must include at least one member representing the municipal sector, one member representing the economic sector, one member representing the agriculture sector, one citizen and, if applicable, one member representing an Indigenous community consulted by the Government with respect to the project. A majority of the committee members must be independent from the licence holder. All must be from the region in which the territory subject to the licence is situated.

The Government determines, by regulation, the particulars relating to the committee with respect to such matters as the independence of committee members, the information and documents a licence holder must provide to the committee, the nature of the costs that are reimbursed to committee members by the licence holder, the minimum number of meetings the committee must hold each year and the production of an annual report by the committee.

The Government may determine, by regulation, other particulars relating to consultations that are applicable to a storage licence holder.”

41. Section 56 of the Act is amended

- (1) by striking out “production or” and “producing or”;
- (2) by replacing “petroleum” by “gas”.

42. Section 57 of the Act is amended

- (1) by replacing “petroleum rights” by “rights related to natural gas storage and natural gas and oil pipelines”;
- (2) by striking out “production or”.

43. Section 58 of the Act is amended by striking out “production or” in the first paragraph.

44. Section 59 of the Act is amended by striking out “production or”.

45. Section 60 of the Act is amended by striking out “production or” in the first paragraph.

46. Section 61 of the Act is amended

- (1) by striking out “production or” in the first paragraph;
- (2) by striking out the second paragraph.

47. Subdivision 4 of Division IV of Chapter III of the Act, comprising sections 62 to 64, is repealed.

48. The heading of subdivision 5 of Division IV of Chapter III of the Act is replaced by the following heading:

“Reports and fees relating to storage”.

49. Section 65 of the Act is amended

- (1) by replacing “nature and quantity of substances” in the first paragraph by “quantity of gas”;

(2) by replacing both occurrences of “substances withdrawn” by “gas withdrawn”.

50. Division V of Chapter III of the Act, comprising sections 68 to 71, is repealed.

51. Subdivision 2 of Division VI of Chapter III of the Act, comprising sections 75 and 76, is repealed.

52. Section 84 of the Act is amended by striking out “by physical, chemical or other stimulation” and “unless the licence holder does so by fracturing” in the first paragraph.

53. Subdivision 5 of Division VI of Chapter III of the Act, comprising sections 87 to 89, is repealed.

54. Section 101 of the Act is amended by replacing “An exploration, production or storage licence” in the first paragraph by “A storage licence”.

55. Section 106 of the Act is amended by replacing “petroleum rights” by “rights related to natural gas storage and natural gas and oil pipelines”.

56. Section 112 of the Act is amended by replacing “an exploration, production or storage” by “a storage”.

57. Section 119 of the Act is amended by replacing “, environmental protection and optimal recovery of the resource” in the first paragraph by “and the protection of the environment”.

58. Section 120 of the Act is amended by replacing “42 and 44 to” by “41, 42, 44, 45 and”.

59. Section 124 of the Act is amended by replacing “petroleum rights” by “rights related to natural gas storage and natural gas and oil pipelines”.

60. Section 125 of the Act is amended

(1) by replacing both occurrences of “d’un pipeline” in the French text by “d’une conduite”;

(2) by replacing “46” by “41”.

61. Section 128 of the Act is amended, in the first paragraph,

(1) by replacing “An exploration, production or storage” by “A storage”;

(2) by replacing “d’un pipeline” in the French text by “d’une conduite”.

62. Section 129 of the Act is amended

- (1) by replacing “an exploration, production or storage” by “a storage”;
- (2) by replacing “d’un pipeline” in the French text by “d’une conduite”.

63. Section 130 of the Act is amended, in the first paragraph,

- (1) by replacing “or the safety of property,” by “, the safety of property or the protection of the environment,”;
- (2) by replacing both occurrences of “pipeline” in the French text by “conduite”, with the necessary modifications.

64. The heading of Chapter VII of the Act is replaced by the following heading:

“OPTIMAL MANAGEMENT OF STORAGE”.

65. Section 132 of the Act is amended

- (1) by replacing “An exploration, production or storage licence holder must recover petroleum and brine optimally” and “property, environmental protection and optimal recovery of the resource” in the first paragraph by “A storage licence holder must manage the reservoir optimally” and “property and the protection of the environment”, respectively;
- (2) by replacing “optimal recovery of petroleum or brine” in subparagraph 3 of the second paragraph by “optimal management of gas storage”;
- (3) by replacing “optimal recovery of petroleum and brine” in the fourth paragraph by “optimal management of gas storage”.

66. Section 134 of the Act is amended

- (1) by replacing “30 days after the surrender, revocation or expiry of their right, an exploration” in the first paragraph by “one year after the surrender, revocation or expiry of their right, a storage”;
- (2) by striking out the last sentence of the first paragraph;
- (3) by replacing “ces délais” in the second paragraph in the French text by “ce délai”.

67. Section 136 of the Act is amended, in the third paragraph,

- (1) by striking out “or stratigraphic surveying” in the introductory clause;
- (2) by striking out “or stratigraphic surveying” in subparagraph 2.

68. Section 138 of the Act is amended by replacing “petroleum exploration, production and storage” in the first paragraph by “gas storage”.

69. Section 140 of the Act is amended by replacing both occurrences of “an exploration, production or storage” by “a storage” and by replacing “geophysical, geochemical or stratigraphic surveys” by “geophysical or geochemical surveys”.

70. Chapter X of the Act, comprising section 141, is repealed.

71. Section 142 of the Act is amended, in the introductory clause of the first paragraph,

(1) by replacing “petroleum exploration-, production- or storage-related” by “gas storage”;

(2) by striking out “a pool, brine or”.

72. Section 144 of the Act is amended

(1) by inserting “storage” before “licence” in the introductory clause;

(2) by striking out “exploration” in paragraph 2.

73. Section 145 of the Act is amended

(1) by replacing “any licence or” in the first paragraph by “a storage licence or an”;

(2) by replacing “petroleum rights” in subparagraph 2 of the fourth paragraph by “rights related to natural gas storage and natural gas and oil pipelines”;

(3) by striking out the fifth paragraph.

74. Section 149 of the Act is amended by replacing “petroleum rights” by “rights related to natural gas storage and natural gas and oil pipelines”.

75. Section 150 of the Act is amended by replacing “38, 39, 73, 76, 78, 80, 85, 88,” in subparagraph 2 of the first paragraph by “73, 78, 80, 85,”.

76. Section 153 of the Act is replaced by the following section:

“153. Every person authorized by the Minister to act as an inspector for the purposes of the Act and the regulations may, at any reasonable time, enter land, including private land, a building or a vehicle to examine the premises and conduct an inspection. Inspectors may, in such cases, by any reasonable, appropriate means:

(1) record the state of a place or property situated there;

- (2) collect samples, conduct tests and perform analyses;
- (3) carry out any necessary excavation or drilling to assess the state of the premises;
- (4) install any measuring apparatus necessary for taking measurements on the premises and subsequently remove the apparatus;
- (5) take measurements, including continuous measurements, using an apparatus they install or that is already on the premises, for any reasonable period of time they determine;
- (6) access a facility, including a secure facility, found on the premises;
- (7) set in action or use an apparatus or equipment to ensure the inspection is properly conducted or require the apparatus or equipment to be set in action within the time and according to the conditions they specify;
- (8) require the provision of any information relating to the application of this Act or the regulations and the communication of any relevant documents for examination, recording and reproduction;
- (9) use any computer, equipment or other thing that is on the premises to access data relating to the application of this Act or the regulations that is contained in an electronic device, computer system or other medium or to inspect, examine, process, copy or print out such data; and
- (10) be accompanied by any person whose presence is considered necessary for the purposes of the inspection, who may then exercise the powers set out in subparagraphs 1 to 9.

An inspector may also immediately seize any thing if they have reasonable grounds to believe that it constitutes proof of an offence under this Act.

The rules established by the Code of Penal Procedure (chapter C-25.1) apply, with the necessary modifications, to things seized by the inspector under the second paragraph, except in respect of section 129 for the custody of the thing seized. In such a case, the inspector has custody of the thing seized even when it is submitted in evidence and until a judge declares it forfeited or orders it returned to its owner, unless the judge decides otherwise. However, the Minister may authorize an inspector to entrust the offender with the custody of the thing seized, and the offender must accept custody of it until a judge declares it forfeited or orders it returned to its owner.

The owner, lessee or custodian of land, a building or a vehicle being inspected and any person found there must lend assistance to an inspector in performing their duties.

The obligation set out in the fourth paragraph also applies to persons accompanying an inspector.”

77. Section 160 of the Act is amended by replacing “27, section 35, 40 or 48, the second paragraph of section 54, section 61 or 68, the second paragraph of section 69, section 73, 76, 78, 85, 88” by “54, sections 61, 73, 78, 85,”.

78. Section 187 of the Act is amended by striking out “29, the third paragraph of section 30, the second paragraph of section 31, section” in paragraph 2.

79. Section 188 of the Act is amended by replacing “section 28, the first paragraph of section 37, section 46, 55 or 62, the first paragraph of section 64 or section 65, 67, 71, 72, 75, 77, 84, 87, 90 or 92” in the first paragraph by “section 55, 65, 67, 72, 77, 84, 90 or 92”.

80. Section 199 of the Act is amended by striking out “29, the third paragraph of section 30, the second paragraph of section 31, section” in paragraph 1.

81. Section 200 of the Act is amended by replacing “section 28, the first paragraph of section 37, section 38, 39, 46, 55 or 62, the first paragraph of section 64 or section 65, 67, 71, 72, 75, 77, 84, 87, 90 or 92” in the first paragraph by “section 55, 65, 67, 72, 77, 84, 90 or 92”.

82. Section 207 of the Act is amended by replacing “petroleum right” in paragraph 6 by “gas storage right”.

83. The Act is amended by inserting the following section after section 207:

“207.1. The regulatory power set out in sections 73, 78, 84, 85 and 131, making it possible to determine protection and safety measures, the process for granting and conditions for carrying out authorizations for geophysical surveying, geochemical surveying, drilling or completion, includes the power to entirely prohibit those activities.”

84. The Act is amended by replacing all occurrences of “pipeline” in the French text by “conduite”, with the necessary modifications.

ACT RESPECTING INVESTISSEMENT QUÉBEC

85. Section 35.2 of the Act respecting Investissement Québec (chapter I-16.0.1) is amended, in paragraph 2,

(1) by replacing “or petroleum, the mining of the former or production of the latter” by “, the mining of it”;

(2) by striking out “or petroleum” and “or production”.

ACT RESPECTING THE MINISTÈRE DES RESSOURCES
NATURELLES ET DE LA FAUNE

86. Section 17.12.12 of the Act respecting the Ministère des Ressources naturelles et de la Faune (chapter M-25.2) is amended by replacing “Petroleum Resources Act” in subparagraph 5 of the first paragraph by “Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (2022, chapter 10, section 1) and the Act respecting natural gas storage and natural gas and oil pipelines”.

87. Section 17.12.19 of the Act is amended, in the first paragraph,

(1) by replacing subparagraph 1 by the following subparagraph:

“(1) the sums collected under the Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (2022, chapter 10, section 1) or the Act respecting natural gas storage and natural gas and oil pipelines (chapter H-4.2) or a regulation made under those Acts, except for the portion, determined by the Minister, of the annual fees for gas storage and of the duties on the gas withdrawn;”;

(2) by replacing “Petroleum Resources Act” in subparagraph 1.1 by “Act respecting natural gas storage and natural gas and oil pipelines”;

(3) by replacing “Petroleum Resources Act” in subparagraph 2 by “Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine or the Act respecting natural gas storage and natural gas and oil pipelines”.

88. Section 17.12.22 of the Act is amended

(1) by replacing “fees collected for an exploration, production or storage licence or an authorization to produce brine under the Petroleum Resources Act” in paragraph 1 by “annual fees for gas storage and the duties on the gas withdrawn collected under the Act respecting natural gas storage and natural gas and oil pipelines”;

(2) by striking out paragraph 2.

ENVIRONMENT QUALITY ACT

89. Section 31.5 of the Environment Quality Act (chapter Q-2) is amended by replacing “petroleum production or storage” and “Petroleum Resources Act” in the second paragraph by “natural gas storage” and “Act respecting natural gas storage and natural gas and oil pipelines”, respectively.

ACT RESPECTING THE LAND REGIME IN THE JAMES BAY AND NEW QUÉBEC TERRITORIES

90. Section 64 of the Act respecting the land regime in the James Bay and New Québec territories (chapter R-13.1) is amended by striking out “or petroleum rights” in paragraph *c*.

91. Section 89 of the Act is amended by striking out “and to petroleum”, “on Category II lands or possible exploration for and production of petroleum on such lands”, “or petroleum rights” and “or, as the case may be, the Petroleum Resources Act (chapter H-4.2)”.

92. Section 149 of the Act is amended by striking out “, petroleum rights” in paragraph *d*.

93. Section 173 of the Act is amended by striking out “and to petroleum”, “on Category II lands or possible exploration for and production of petroleum on such lands”, “or petroleum rights” and “or, as the case may be, the Petroleum Resources Act (chapter H-4.2)”.

94. Section 191.46 of the Act is amended by striking out “or petroleum rights” in paragraph *c*.

95. Section 191.68 of the Act is amended by striking out “and to petroleum”, “on Category II-N lands or possible exploration for and production of petroleum on such lands”, “or petroleum rights” and “or, as the case may be, the Petroleum Resources Act (chapter H-4.2)”.

ACT TO LIMIT OIL AND GAS ACTIVITIES

96. The Act to limit oil and gas activities (2011, chapter 13), amended by chapter 6 of the statutes of 2014, is repealed.

ACT TO AMEND THE ACT RESPECTING THE CONSERVATION AND DEVELOPMENT OF WILDLIFE AND OTHER LEGISLATIVE PROVISIONS

97. Section 123 of the Act to amend the Act respecting the conservation and development of wildlife and other legislative provisions (2021, chapter 24) is amended by striking out “, petroleum production or storage, or brine production”.

REGULATION RESPECTING WILDLIFE HABITATS

98. The heading of Division III of the Regulation respecting wildlife habitats (chapter C-61.1, r. 18) is amended by striking out “, NATURAL GAS, PETROLEUM, BRINE AND UNDERGROUND RESERVOIRS”.

99. Section 9 of the Regulation, amended by section 99 of chapter 35 of the Statutes of 2021, is again amended by striking out “natural gas, petroleum, brine or underground reservoirs,”.

100. Section 10 of the Regulation is amended by striking out “, natural gas, petroleum, brine or underground reservoirs,”.

101. The Regulation is amended

(1) by striking out “, the drilling of a well for the purposes of exploring for natural gas or petroleum,” and “or the drilling of a well for the purposes of exploring for natural gas or petroleum” in the first paragraph of section 12;

(2) in the first paragraph of section 12.1, by striking out “, well sinking for the purposes of exploring for natural gas or petroleum,” and by replacing “, boring or well sinking for the purposes of exploring for natural gas or petroleum” by “or boring”;

(3) by replacing both occurrences of “bore or drill a well for the purposes of exploring for natural gas or petroleum” in section 16 by “carry on boring activities”.

REGULATION RESPECTING THE REGULATORY SCHEME APPLYING TO ACTIVITIES ON THE BASIS OF THEIR ENVIRONMENTAL IMPACT

102. Section 52 of the Regulation respecting the regulatory scheme applying to activities on the basis of their environmental impact (chapter Q-2, r. 17.1) is amended, in paragraph 1,

(1) by striking out “other than stratigraphic surveys conducted while exploring for hydrocarbons” in subparagraph *a*;

(2) by replacing “activities to explore for, store or produce hydrocarbons referred to in the Petroleum Resources Act” in subparagraph *b* by “natural gas storage activities referred to in the Act respecting natural gas storage and natural gas and oil pipelines”.

103. Section 82 of the Regulation is amended by replacing “Hydrocarbon exploration, storage and production activities governed by the Petroleum Resources Act” by “Natural gas storage activities referred to in the Act respecting natural gas storage and natural gas and oil pipelines”.

104. Section 83 of the Regulation is amended

(1) by striking out paragraphs 2 and 3;

(2) by replacing “, fracturing, reconditioning, extraction tests, and use tests for underground reservoirs, as submitted to the minister responsible for the Petroleum Resources Act” in paragraph 4 by “and reconditioning, as submitted to the Minister responsible for the Act respecting natural gas storage and natural gas and oil pipelines”.

105. Section 84 of the Regulation is repealed.

106. Section 319 of the Regulation is amended by replacing “project to search for or extract hydrocarbons” in paragraph 1 by “natural gas storage project”.

107. Schedule I to the Regulation is amended by striking out paragraph 22.

REGULATION RESPECTING THE ENVIRONMENTAL IMPACT ASSESSMENT AND REVIEW OF CERTAIN PROJECTS

108. Section 13 of Part II of Schedule 1 to the Regulation respecting the environmental impact assessment and review of certain projects (chapter Q-2, r. 23.1) is replaced by the following section:

“(13) NATURAL GAS STORAGE

Projects concerning work referred to in the Act respecting natural gas storage and natural gas and oil pipelines (chapter H-4.2) and related to natural gas storage are subject to the procedure.”

WATER WITHDRAWAL AND PROTECTION REGULATION

109. The heading of Chapter V of the Water Withdrawal and Protection Regulation (chapter Q-2, r. 35.2) is amended by striking out “EXPLORE FOR OR PRODUCE PETROLEUM, NATURAL GAS OR BRINE, OR TO EXPLORE FOR OR”.

110. Section 31 of the Regulation is amended, in the first paragraph,

(1) by striking out subparagraphs 1, 2 and 4;

(2) by striking out “explore for or produce petroleum, natural gas or brine, or to explore for or” in subparagraph 3.

111. Section 32 of the Regulation is amended by striking out “or conduct a stratigraphic survey” in the first paragraph.

112. Section 38 of the Regulation is amended by striking out “exploration of or production of petroleum, natural gas or brine, or for the exploration for or” in subparagraph 5 of the first paragraph.

113. Division IV of Chapter V of the Regulation, comprising sections 40 to 46, is repealed.

114. Section 49 of the Regulation is amended by striking out subparagraph 4 of the first paragraph.

115. Section 66 of the Regulation is amended by replacing “explore for or produce petroleum, natural gas or brine, or to explore for or operate an underground reservoir, and the performance of a stratigraphic survey,” by “operate an underground reservoir”.

116. Section 73 of the Regulation is amended by replacing “explore for or produce petroleum, natural gas or brine, or to explore for or operate an underground reservoir, and work to conduct a stratigraphic survey” by “operate an underground reservoir”.

117. Section 84 of the Regulation is amended by striking out paragraph 5.

118. Section 85 of the Regulation is amended

(1) by striking out “41 or” in paragraph 1;

(2) by striking out “the second or third paragraph of section 45 or” in paragraph 3.

119. Section 86 of the Regulation is amended by striking out paragraphs 3 and 4.

120. Section 91 of the Regulation is amended by striking out paragraph 5.

121. Section 92 of the Regulation is amended

(1) by striking out “41 or” in paragraph 2;

(2) by striking out “the second or third paragraph of section 45 or” in paragraph 4.

122. Section 93 of the Regulation is amended by striking out paragraphs 3 and 4.

CHAPTER III

TRANSITIONAL AND FINAL PROVISIONS

123. Unless the context indicates otherwise or otherwise provided for by this Act, in any Act, regulation or other document, a reference to the Petroleum Resources Act (chapter H-4.2) becomes a reference to the Act respecting natural gas storage and natural gas and oil pipelines (chapter H-4.2).

124. The provisions of this Act come into force on the date or dates to be set by the Government, except sections 74 to 76 of the Act ending exploration for petroleum and underground reservoirs and production of petroleum and brine (2022, chapter 10, section 1), which come into force on 13 April 2022.

