

Draft Regulation

Environment Quality Act
(chapter Q-2)

Mandatory reporting of certain emissions of contaminants into the atmosphere — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere, appearing below, may be made by the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks on the expiry of 45 days following this publication.

The draft Regulation allows emitters who have acquired from a natural gas distributor within the meaning of section 2 of the Act respecting the Régie de l'énergie (chapter R-6.01) or from another supplier quantities of biomethane as a substitute for natural gas to report, instead of the quantities of natural gas used during the report year, equivalent quantities of biomethane acquired for the year concerned, to the extent that the biomethane acquired meets certain criteria.

It adds protocol QC.35 stating the criteria to be met and the information and documents to be sent so that emitters who wish to report biomethane as a substitute for natural gas may avail themselves of the option.

The draft Regulation also adds information to be reported for emitters who operate an enterprise that distributes biomethane and the requirement to demonstrate that the biomethane distributed meets the criteria in the new protocol QC.35.

The draft Regulation clarifies the visits that are part of the verification of the report and the addition of a time period for sending verification reports or attestations required following a notice of correction.

Lastly, it updates Table 17-1 concerning default greenhouse gas emission factors for Canadian provinces and certain North American markets.

Further information on the draft Regulation may be obtained by contacting Olivier Lacroix, engineer, Direction des inventaires et de la gestion des halocarbures, Ministère

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Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to Vicky Leblond, Director, Direction des inventaires et de la gestion des halocarbures, Ministère de l'Environnement, de la Lutte contre des changements climatiques, de la Faune et des Parcs, édifice Marie-Guyart, 675, boulevard René-Lévesque Est, 10^e étage, boîte 30, Québec (Québec) G1R 5V7; email: vicky.leblond@environnement.gouv.qc.ca.

BENOIT CHARETTE

Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks

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

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

1. The Regulation respecting mandatory reporting of certain emissions of contaminants into the atmosphere (chapter Q-2, r. 15) is amended in section 1 by inserting “or transfers” after “listed in Schedule A.1” in the first paragraph.

2. Section 3 is amended by inserting the following after subparagraph 0.2 of the first paragraph:

“(0.2.1) “biomethane” means a gaseous fuel whose properties are similar to those of natural gas, that is produced from biomass and that is free of fossil carbon;”.

3. Section 6.1.2 is amended by inserting “transferred or” after “listed in Schedule A.1, or” in the first paragraph.

4. Section 6.2 is amended

(1) by inserting the following after subparagraph 4.2 of the first paragraph:

“(4.3) the quantity and description of each type of biomass fuel used;”;

(2) by inserting “be accompanied by the documents provided for in Schedule A.2, if applicable, and” after “in the first paragraph must” in the third paragraph.

5. The following is inserted after section 6.2:

“**6.2.1.** For the purposes of the emissions report referred to in section 6.2, an emitter who acquires from a natural gas distributor within the meaning of section 2 of the Act respecting the Régie de l’énergie (chapter R-6.01) or from another supplier quantities of biomethane as a substitute for natural gas may report, instead of the quantities of natural gas used during the report year, equivalent quantities of biomethane acquired for the year concerned, if the emitter demonstrates that the biomethane acquired meets the criteria in protocol QC.35 and provides all the information and documents specified in that respect. The emitter then reports the quantities of biomethane acquired as if they had been used and the emissions attributable to their combustion or their use in accordance with this Regulation.

An emitter who operates an enterprise that distributes biomethane must also demonstrate, in the report, that the biomethane distributed meets the criteria in protocol QC.35 and provide all the information and documents specified in that respect. Failing that, the quantities of biomethane distributed and the emissions attributable to their combustion or their use must be reported as being respectively quantities of natural gas and emissions attributable to the combustion or use of the natural gas.

The Minister may request any additional information or document the Minister deems necessary to verify that the biomethane reported meets the criteria in protocol QC.35. If the biomethane reported does not meet one of the criteria, the Minister informs the emitter who must file a notice of correction of the report in accordance with section 6.5 to report the quantities of biomethane concerned and the emissions attributable to their combustion or their use as being respectively quantities of natural gas and emissions attributable to the combustion or use of the natural gas.”

6. Section 6.7 is amended

(1) by replacing “include a” in the first paragraph by “send to the Minister, not later than 60 days after the notice, a”;

(2) by adding “within the time period specified in the first paragraph” at the end of the second paragraph.

7. Section 6.8 is amended by adding “and, in the first case, the quantity of greenhouse gases attributable to those changes represent at least 25% of the emissions referred to in subparagraph 2.3 of the first paragraph of section 6.2 of the report of the preceding year” at the end of subparagraph e of the first paragraph.

8. Schedule A.2 is amended

(1) in protocol QC.1,

(a) in QC.1.3,

i. by inserting “or biomethane” after “natural gas” in subparagraph *a* of subparagraph 2 of the first paragraph of QC.1.3.1;

ii. by inserting “biomethane,” after “natural gas,” in subparagraph 3 of the second paragraph of QC.1.3.4;

(b) in QC.1.4, by inserting “or biomethane” after “natural gas” in subparagraph *a* of subparagraph 2 of the first paragraph of QC.1.4.1;

(2) in protocol QC.2, by inserting “, biomethane” after “natural gas” in subparagraph *a* of subparagraph 3 of the first paragraph of QC.2.3.4;

(3) in protocol QC.6,

(a) by inserting “and biomethane” after “natural gas” in subparagraph *i* of subparagraph *a* of paragraph 2 of QC.6.4;

(b) by inserting “or biomethane” after “natural gas” in subparagraph *ii* of subparagraph *a* of paragraph 2 of QC.6.4;

(4) in protocol QC.16,

(a) in QC.16.3,

i. by inserting “biomethane,” after “natural gas,” in the second paragraph;

ii. by inserting “or biomethane” after “natural gas” in paragraph 1 of QC.16.3.2;

(b) in QC.16.4, by inserting “biomethane,” after “natural gas,” in the second paragraph;

(5) by replacing Table 17-1 of QC.17.4 in protocol QC.17 by the following:

“Table 17-1. Default greenhouse gas emission factors for Canadian provinces and certain North American markets, in metric tons CO₂ equivalent per megawatt-hour

Canadian provinces and North American markets	Default emission factor (metric ton GHG /MWh)	Canadian provinces and North American markets	Default emission factor (metric ton GHG /MWh)
Newfoundland and Labrador	0.017	Midwest Independent Transmission System Operator (MISO-RTO), including all or part of the following states:	
Nova Scotia	0.663	–Arkansas	
New Brunswick	0.332	–North Dakota	
Québec	0.001	–South Dakota	
Ontario	0.036	–Minnesota	
Manitoba	0.001	–Iowa	
Vermont	0.006	–Missouri	
New England Independent System Operator (NE-ISO), including all or part of the following states:		–Wisconsin	
–Connecticut		–Illinois	0.465
–Massachusetts		–Michigan	
–Maine	0.267	–Indiana	
–Rhode Island		–Montana	
–Vermont		–Kentucky	
–New Hampshire		–Texas	
New York Independent System Operator (NY-ISO)	0.246	–Louisiana	
Pennsylvania Jersey Maryland Interconnection Regional Transmission Organization (PJM-RTO), including all or part of the following states:		–Mississippi	
–North Carolina		–Manitoba	
–Delaware		Southwest Power Pool (SPP), including all or part of the following states:	
–Indiana		–Kansas	
–Illinois		–Oklahoma	
–Kentucky		–Colorado	
–Maryland	0.428	–Nebraska	
–Michigan		–New Mexico	
–New Jersey		–Texas	
–Ohio		–Louisiana	0.453
–Pennsylvania		–Missouri	
–Tennessee		–Arkansas	
–Virginia		–Iowa	
–West Virginia		–Minnesota	
–District of Columbia		–Montana	
		–North Dakota	
		–South Dakota	
		–Wyoming	

(6) in protocol QC.30,

(a) by inserting the following after paragraph 4 of QC.30.2:

“(5) in the case of an emitter who distributes biomethane,

(a) the annual CO₂ emissions attributable to the use of biomethane distributed for consumption in Québec, excluding biomethane, other than that used for transport purposes, used by an emitter referred to in the first paragraph or in subparagraph 3 of the second paragraph of section 2 or section 2.1 of the Regulation respecting a cap-and-trade system for greenhouse gas emission allowances (chapter Q-2, r. 46.1), and who is required to cover its greenhouse gas emissions under that Regulation;

(b) the total annual quantity of biomethane acquired from suppliers;

(c) the total annual quantity of biomethane acquired not distributed;

(d) the reasons for the difference between the quantity of biomethane reported in accordance with subparagraph *b* and the sum of the quantities of biomethane reported in accordance with subparagraph *c* and subparagraphs 2 and 3.1 of the first paragraph, if applicable;”;

(b) in QC.30.3,

i. by adding “and, in the case of biomethane, CO₂ emissions attributable to its use must be calculated using equation 30-3” at the end of the first paragraph;

ii. by inserting the following after equation 30-2:

“Equation 30-3

$$\text{CO}_2 = Q_{\text{bd}} \times \text{EF}$$

Where:

CO₂ = Annual CO₂ emissions attributable to the use of biomethane, in metric tons;

Q_{bd} = Total annual quantity of biomethane distributed for consumption in Québec, in thousands of cubic metres at standard conditions;

EF = CO₂ emission factor for biomethane, that is, 1.878 metric ton of CO₂ per thousand of cubic metres;”

(7) by inserting the following after protocol QC.34:

“QC.35. SUBSTITUTION OF NATURAL GAS BY BIOMETHANE

QC.35.1 Scope

This protocol applies to an emitter who acquires from a natural gas distributor within the meaning of section 2 of the Act respecting the Régie de l'énergie (chapter R-6.01)

or from another supplier quantities of biomethane as a substitute for natural gas and who wishes to report those quantities and the emissions attributable to their combustion or their use in accordance with the first paragraph of section 6.2.1.

It also applies to an emitter who operates an enterprise that distributes biomethane and who reports the quantities of biomethane distributed and the emissions attributable to their combustion or their use in accordance with the second paragraph of section 6.2.1.

QC.35.2 Reporting requirements and documents to be sent concerning biomethane

In accordance with section 6.2.1, the greenhouse gas emissions report referred to in section 6.2 must include the information and documents making it possible to demonstrate that the biomethane reported is free of fossil carbon, that it is injected in the North American natural gas pipeline network and that the quantities reported are sold only once.

For that purpose, the report must include the following information and documents:

(1) in the case of an emitter referred to in the first paragraph of section 6.2.1 who acquires quantities of biomethane directly from a supplier other than a natural gas distributor within the meaning of section 2 of the Act respecting the Régie de l'énergie (chapter R-6.01),

(a) the name and contact information of each production site of the quantities of biomethane acquired and the annual quantity of biomethane acquired from each site, in thousands of cubic metres;

(b) the contact information of each injection station of the quantities of biomethane acquired in the North American natural gas network, the name of the entity responsible for the station and the contact information of the delivery site at the emitter's establishment;

(c) a copy of any biomethane acquisition contract and any amendment as well as any document pertinent to the contracts that demonstrates that the quantities of biomethane acquired are produced from biomass and are free of fossil carbon;

(d) any document indicating that the acquirer is the sole owner of the quantities of biomethane acquired;

(2) in the case of an emitter referred to in the first paragraph of section 6.2.1 who acquires quantities of biomethane from a natural gas distributor within the meaning of section 2 of the Act respecting the Régie de l'énergie, the information and documents referred to in subparagraphs *a* to *d* of paragraph 1 or a copy of the monthly invoices issued by the distributor;

(3) in the case of an emitter referred to in the second paragraph of section 6.2.1,

(a) the name and contact information of each production site of the biomethane distributed and the annual quantity of biomethane distributed from each site, in thousands of cubic metres;

(b) the contact information of each injection station of the biomethane distributed in the North American natural gas network, the name of the entity responsible for the station and the contact information of each delivery site at the emitter's establishment to which biomethane was distributed;

(c) a copy of any biomethane acquisition contract and any amendment as well as any document pertinent to the contracts that demonstrates that the biomethane distributed is produced from biomass and is free of fossil carbon;

(d) any document indicating that the emitter to which the biomethane was distributed is the sole owner of the quantities of biomethane distributed and the quantities are not sold to other persons.”

9. This Regulation comes into force on 1 January 2025.

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