

AN AGREEMENT ON THE EQUIVALENCY OF
FEDERAL AND NOVA SCOTIA REGULATIONS
FOR THE CONTROL OF GREENHOUSE GAS EMISSIONS FROM ELECTRICITY
PRODUCERS IN NOVA SCOTIA, 2025

BETWEEN

THE GOVERNMENT OF CANADA
AS REPRESENTED BY THE MINISTER OF THE ENVIRONMENT
("CANADA")

AND

THE GOVERNMENT OF NOVA SCOTIA
AS REPRESENTED BY THE MINISTER OF ENVIRONMENT AND CLIMATE CHANGE
("NOVA SCOTIA")

WHEREAS Canada and Nova Scotia ("the Parties") are parties to *An Agreement on The Equivalency Of Federal And Nova Scotia Regulations For The Control Of Greenhouse Gas Emissions From Electricity Producers In Nova Scotia, 2020* ("2020 Equivalency Agreement"), which came into force on January 1, 2020 and terminates on December 31, 2024;

AND WHEREAS Nova Scotia promulgated the *Greenhouse Gas Emissions Regulations*, made under subsection 28(6) and Section 112 of the *Environment Act*, S.N.S. 1994-95, c. 1, on August 14, 2009 which limit greenhouse gas emissions from the electricity sector in Nova Scotia for the period January 1, 2015 to December 31, 2029.

AND WHEREAS for the purposes of determining equivalency, the impact of the federal *Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations* was modeled based on the regulated requirements, which includes a 550 t CO₂/GWh emission intensity performance standard applied to natural gas-fired capacity that replaces coal-fired electricity generating units that have reached the end of their useful life.

AND WHEREAS for the purposes of determining equivalency, the impact of the Nova Scotia's *Greenhouse Emissions Regulations* considered actual emissions for the 2015 to 2023 period and the GHG emissions caps applying under these regulations for the period of the 2024 to 2029 period.

AND WHEREAS for the purposes of determining equivalency, the impact of the federal *Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations* was calculated based on the regulated requirements. The total calculated emissions from the electricity sector in Nova Scotia for the period of January 1, 2015 to December 31, 2029 are 108.7 megatonnes of carbon dioxide equivalent (Mt CO₂e), with 65.8 Mt CO₂e from 2015 to 2023, 7.2 Mt CO₂e for 2024, and 35.7 Mt CO₂e from 2025 to 2029;

AND WHEREAS for the purposes of determining equivalency, the impact of the *Greenhouse Gas Emissions Regulations* is a total of 95.5 Mt CO₂e, with 57.3 Mt CO₂e reported by the Government of Nova Scotia and verified by the Government of Canada in the years 2015 to 2023, and under the regulated caps, GHG emissions of no more than 10.7 Mt CO₂e for 2024 and 27.5 Mt CO₂e from 2025 to 2029;

AND WHEREAS section 10 of the *Canadian Environmental Protection Act, 1999 (CEPA)* allows the Minister of the Environment to agree in writing with a provincial government that there are in force by or under the laws applicable to the jurisdiction of the government provisions that are equivalent to a regulation made under subsection 93(1) of the *CEPA*, and provisions that are similar to sections 17 to 20 of the *CEPA* for the investigation of alleged offences under environmental legislation of that jurisdiction;

AND WHEREAS Canada and Nova Scotia have initiated work that directly contributes to the development of future agreements possible under section 10 of the *CEPA*.

NOW THEREFORE, the Parties agree:

1.0 DEFINITIONS

“*CEPA*” means the *Canadian Environmental Protection Act, 1999*, S.C. 1999, c. 33;

“*Environment Act*” means the *Environment Act*, S.N.S. 1994-95, c. 1.

“*Coal-fired Electricity Regulations*” means the *Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations*, SOR/2012-167.

“*Greenhouse Gas Emissions Regulations*” means Nova Scotia’s *Greenhouse Gas Emissions Regulations*, N.S. Reg. 260/2009.

2.0 EQUIVALENCY

2.1 Provisions that are in force by or under the laws of Nova Scotia, and in particular the *Environment Act* and the *Greenhouse Gas Emissions Regulations* are equivalent to the provisions of the *CEPA* and the *Coal-fired Electricity Regulations*, for the purposes of Section 10 of the *CEPA*, by reason of the fact that the following criteria have been met:

A. Greenhouse Gas Emissions Levels

The effect on greenhouse gas emissions levels of the limits, determined in tonnes of carbon dioxide equivalent (CO₂e), that are applicable under the *Environment Act* and the *Greenhouse Gas Emissions Regulations* are assessed to be, for the calendar years 2025 to 2029, equivalent to the effect on greenhouse gas emissions levels of the limits imposed

under the *CEPA* and the *Coal-fired Electricity Regulations*, taking into account emission performance from 2015 to 2023.

B. Resident's Request for Investigations

Sections 115 and 116 of the *Environment Act* provide a mechanism similar to that provided in sections 17 to 20 of the *CEPA* whereby an alleged offence will be investigated on the application of a resident, and a report shall be made by the provincial Minister of Environment to the applicant outlining the progress of the investigation and the action, if any, that is or will be taken.

C. Sanctions and Enforcement Programs

The penalty and enforcement provisions of the *Environment Act* are equivalent to the penalty and enforcement provisions in the *CEPA*.

3.0 INFORMATION-SHARING

3.1 The Parties will share information upon request respecting the administration of this Agreement in order to meet each Minister's respective reporting obligations to Parliament or to the people of Nova Scotia, as the case may be.

3.2 On an annual basis, no later than June 1st, Nova Scotia will provide the following to Canada for the previous calendar year:

- (a) written notification of any relevant proposed and actual amendments to the *Environment Act* or the *Greenhouse Gas Emissions Regulations*;
- (b) reports on the quantity of electricity generated by each fossil fuel-fired electricity unit in Nova Scotia;
- (c) reports and compliance period reports required under section 5 and 6 of the *Greenhouse Gas Emissions Regulations* showing the quantity of CO₂, and of total GHG emissions (in CO₂e) released from each electricity generating unit in Nova Scotia;
- (d) copies of any orders issued, amended, or renewed under the *Environment Act* concerning the *Greenhouse Gas Emissions Regulations*; and
- (e) statistics on enforcement actions by Nova Scotia concerning the *Greenhouse Gas Emissions Regulations*.

3.3 For the administration of this Agreement, Canada will provide to Nova Scotia written notification of relevant proposed and actual amendments to the *CEPA* or the *Coal-fired Electricity Regulations*.

4.0 CONDITIONS

4.1 As part of this Agreement, it is recognized that the *Greenhouse Gas Emissions Regulations* include the following mandatory greenhouse gas emissions limits for the electricity sector in Nova Scotia for the years 2025 to 2029:

- (a) for the calendar year 2025, not greater than 6 Mt CO₂e;
- (b) for the calendar years 2026 to 2029, not greater than 21.5 Mt CO₂e cumulative total.

4.2 The Parties acknowledge that this Agreement is without prejudice to the form of any future agreement between the Parties on electricity.

5.0 ENTRY INTO FORCE AND CONDITIONS FOR RENEWAL

5.1 This Agreement comes into force on January 1, 2025.

5.2 This Agreement terminates on December 31, 2029. This Agreement may be terminated earlier by either Party giving the other at least three months' notice.

5.3 The Parties agree that following the promulgation of any federal or provincial regulatory instrument that could have material impact on the greenhouse gas emissions from the electricity sector, either Party will undertake a reassessment of equivalency between the federal and provincial regimes and conclude that reassessment within 24 months of the promulgation of the regulatory instrument.

5.4 Should this Agreement be terminated before December 31, 2029, Canada will ensure that the *Coal-fired Electricity Regulations* start applying in Nova Scotia with as little disruption as possible in the circumstances, in a manner that takes into consideration the importance of a reliable supply of electricity that does not place an undue economic burden on Nova Scotia.

6.0 AMENDMENT

6.1 The Parties may amend this Agreement from time to time pursuant to the requirements under section 10 of the *CEPA*.

HIS MAJESTY THE KING IN RIGHT OF CANADA

DEC 06 2024

Date


HON. STEVEN GUILBEAULT
Minister of the Environment

HIS MAJESTY THE KING IN RIGHT OF NOVA SCOTIA

December 17, 2024

Date


HON.
Minister of Environment and Climate Change