
EMISSIONS MANAGEMENT AND CLIMATE RESILIENCE ACT

BEING SA 2003 CHAPTER E-7.8 (the “Act”)

COMPLIANCE ORDER NO. CO-EMCRA- 39140

Alberta Distillers Limited
Alberta Distillers Ltd (Calgary Distillery Plant)
1521 34th Avenue SE
Calgary AB, T2G 1V9

WHEREAS Alberta Distillers Limited (“Alberta Distillers”) is the holder of Approval No. 10968-03 under the *Environmental Protection and Enhancement Act* for the Calgary Distillery Plant (the “Site”);

WHEREAS the Site had submitted an application to be designated as an opted-in facility on June 1, 2018 under the *Carbon Competitiveness Incentive Regulation*;

WHEREAS the Site was designated an opted in facility by the director for 2018 and subsequent reporting periods under the *Carbon Competitiveness Incentive Regulation*;

WHEREAS the Site remains designated as an opted in facility according to section 36(2) of the *Technology Innovation and Emissions Reduction Regulation* (the “Regulation”) and Alberta Distillers was notified via email on November 4, 2019 of confirmation of regulation under the Regulation;

WHEREAS Alberta Distillers is the “person responsible” for the Site under section 1(2)(a) of the Regulation;

WHEREAS the deadline in section 15 of the Regulation to submit a compliance report for 2021 was June 30, 2022;

WHEREAS on June 30, 2022, Alberta Distillers did not submit a compliance report (“Compliance Report”) to Alberta Environment and Protected Areas (“AEPA”) for the Site for 2021 under section 15(1) of the Regulation;

WHEREAS AEPA records indicate Alberta Distillers Limited did not obtain any fund credits or retire emission offsets or emission performance credits for use in calculating the Site’s net emissions;

WHEREAS under section 12(1) of the Regulation, the person responsible for a opted-in facility shall comply with the requirement that the net emissions for opted-in facility for a year shall not exceed the allowable emissions for the opted-in facility for the year;

WHEREAS in an email sent to AEPA on June 28, 2022, Alberta Distillers requested an extension to the June 30, 2022 compliance deadline and stated the verified Compliance Report and payment to meet the true up obligation would be made three weeks after the June 30, 2022 compliance deadline;

WHEREAS in an email sent to Alberta Distillers on June 28, 2022, AEPA notified Alberta Distillers an extension to the compliance deadline cannot be granted under the Regulation;

WHEREAS in an email sent to Alberta Distillers on July 13, 2022, AEPA notified Alberta Distillers that the 2021 compliance submission had not been received by the compliance deadline of June 30, 2022;

WHEREAS in a meeting with AEPA on November 22, 2022, a Site's representative indicated that they encountered difficulty completing the verification of the 2021 compliance report to meet the Site's true up obligation;

WHEREAS section 10(1) of the *Act* establishes the Technology Innovation and Emissions Reduction Fund ("Fund");

WHEREAS the Minister may, by order, establish the amount of money that a person responsible must contribute to the Fund to obtain one fund credit;

WHEREAS under Ministerial Order 87/2021 – Technology Innovation and Emissions Reduction Fund Credit Amount Order, a person responsible must contribute \$40.00 to the Fund to obtain one fund credit for the year 2021;

WHEREAS a fund credit represents one tonne of specified gas emissions, expressed on a CO_{2e} basis, under section 21(3) of the Regulation;

WHEREAS Alberta Distillers could have obtained and used fund credits and emission performance credits to calculate the net emissions for the Site for 2021 under section 13 of the Regulation;

WHEREAS Maggie Scott, Director, Alberta Environment and Protected Areas, Climate Change Compliance (the "Director") has been designated as director for the purposes of issuing compliance orders under the *Act*;

AND WHEREAS the Director is of the opinion that Alberta Distillers has contravened section 12(1) of the Regulation;

THEREFORE, I, Maggie Scott, Director, pursuant to sections 29 and 30 of the *Emissions Management and Climate Resilience Act*, DO HEREBY ORDER THAT:

1. Alberta Distillers shall submit a verified compliance report and pay the Government of Alberta the total true up obligation based on the verified compliance report at a rate of \$40.00 per tonne of credit owed, into the Fund by December 16, 2022.

DATED at the City of Edmonton, in the Province of Alberta, this December 6, 2022.

Maggie Scott, P.Eng.
Director, Climate Change Compliance

Section 42 of the *Emissions Management and Climate Resilience Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of section 42 is enclosed. For further information, please contact the Board Secretary at #306 Peace Hills Trust Tower, 10011- 109 Street, Edmonton, Alberta, T5J 3S8; telephone (780) 427-6207; fax (780) 427-4693.

Take notice that this compliance order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this or any other provincial or federal legislation.