



PRINCE EDWARD ISLAND  
ÎLE-DU-PRINCE-ÉDOUARD

# **NET-ZERO CARBON ACT**

## PLEASE NOTE

This document, prepared by the *Legislative Counsel Office*, is an office consolidation of this Act, current to December 31, 2021. It is intended for information and reference purposes only.

This document is *not* the official version of the Act. The Act and the amendments as printed under the authority of the King's Printer for the province should be consulted to determine the authoritative statement of the law.

For more information concerning the history of this Act, please see the *Table of Public Acts* on the Prince Edward Island Government web site ([www.princeedwardisland.ca](http://www.princeedwardisland.ca)).

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## CHAPTER N-3.01

## NET-ZERO CARBON ACT

## 1. Definitions

In this Act

- (a) “**carbon dioxide equivalent**” means the mass of carbon dioxide that would produce the same global warming impact as a given mass of another greenhouse gas, as determined in accordance with the regulations;
- (b) “**carbon neutrality**”, in relation to greenhouse gas emissions, means net greenhouse gas emissions are equal to or less than zero;
- (c) “**circular economy**” means an economy in which resources and products are kept in use for as long as possible, with the maximum value being extracted while they are in use and from which, at the end of their service life, other materials and products of value are recovered or regenerated;
- (d) “**climate change risks**” mean the risks to the province that could reasonably be expected to result from a changing climate;
- (e) “**emissions offset**” means a verified reduction of carbon dioxide equivalent emissions into the atmosphere or removal of carbon dioxide equivalent emissions from the atmosphere;
- (f) “**greenhouse gas**” means any or all of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride and any other substance prescribed by regulation;
- (g) “**inclusive economy**” means an economy that creates opportunity for all segments of the population and that distributes the dividends of increased prosperity, both in monetary and non-monetary terms, for the well-being of all residents of the province;
- (h) “**Minister**” means the member of the Executive Council charged by order of the Lieutenant Governor in Council with the administration of this Act;
- (i) “**Netukulimk**” means, as defined by the Mi’kmaq, the use of the natural bounty provided by the Creator for the self-support and well-being of the individual and the community by achieving adequate standards of community nutrition and economic well-being without jeopardizing the integrity, diversity or productivity of the environment;
- (j) “**PEI greenhouse gas emissions**” means the total amount of greenhouse gas emissions in the province in a calendar year as reported in Canada’s National Inventory Report;
- (k) “**sustainable development**” means development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs; and

- (l) “**sustainable prosperity**” means prosperity where economic growth, environmental stewardship and social responsibility are integrated and recognized as being interconnected. *2020,c.90,s.1.*

## 2. Administration

The Minister is responsible for the administration of this Act. *2020,c.90,s.2.*

## 3. Principles

This Act is based on the following principles:

- (a) the achievement of sustainable prosperity in the province shall include all of the following elements:
- (i) Netukulimk,
  - (ii) sustainable development,
  - (iii) a circular economy, and
  - (iv) an inclusive economy;
- (b) the achievement of sustainable prosperity is a shared responsibility among all levels of government, non-government organizations and all residents of the province;
- (c) climate change is recognized as a global emergency requiring urgent action; and
- (d) such other principles as may be prescribed by the regulations. *2020,c.90,s.3.*

## 4. Sustainable prosperity

- (1) The long-term objective of the province is to achieve sustainable prosperity.

### Duties of government

- (2) To achieve the long-term objective of sustainable prosperity, the Government shall
- (a) raise awareness of the importance of sustainable prosperity and the elements that contribute to it;
  - (b) create the conditions necessary for sustainable prosperity, including regulation, programs and initiatives to encourage actions and innovation by local government, business, non-government organizations and residents of the province for the purpose of making progress in sustainable prosperity; and
  - (c) adopt, support and enable goals and initiatives that are aligned with the principles and focus areas in this Act and the regulations. *2020,c.90,s.4.*

## 5. Focus areas, sustainable prosperity

Targets, goals and initiatives established under this Act and the regulations must align with the following focus areas:

- (a) the demonstration of leadership in sustainable prosperity;
  - (b) the support of the transition to cleaner energy, more sustainable sources for electricity generation, improved energy efficiency and cleaner transportation;
  - (c) climate change mitigation and adaptation;
  - (d) the creation of conditions supporting a circular economy;
  - (e) the creation of conditions supporting an inclusive economy;
  - (f) the conservation and sustainable use of natural assets and support for biodiversity;
- and

- (g) any other focus areas prescribed by the regulations. *2020, c.90, s.5.*

**6. Mandate, sustainable prosperity**

The Premier shall ensure that sustainable prosperity is included in the mandate of every Government department. *2020, c.90, s.6.*

**7. PEI greenhouse gas emissions – target levels**

- (1) The following targets are established for the purpose of reducing PEI greenhouse gas emissions:
- (a) by 2030 and for each subsequent calendar year, PEI greenhouse gas emissions will be less than 1.2 megatonnes of carbon dioxide equivalent per year;
  - (b) by 2040 and for each subsequent calendar year, PEI greenhouse gas emissions will be at a level where carbon neutrality is achieved.

**Additional targets**

- (2) Subject to subsection (1), the Minister may establish PEI greenhouse gas emissions targets for other years or periods. *2020, c.90, s.7.*

**8. Advisory Committee**

- (1) The Minister shall appoint an advisory committee to provide advice to the Minister.

**Advice to be provided**

- (2) Each calendar year, the advisory committee shall, in accordance with terms of reference established by the Minister in consultation with the advisory committee, provide advice to the Minister on matters respecting climate change, including the following:
- (a) plans and actions to achieve the targets referred to in section 7;
  - (b) plans and actions to mitigate and manage climate change risks;
  - (c) opportunities for sustainable economic development and job creation while the province is transitioning to a low-carbon economy;
  - (d) the effects on individuals and businesses that result from actions to address climate change, including actions to
    - (i) reduce greenhouse gas emissions, and
    - (ii) manage climate change risks;
  - (e) the development and implementation of sustainability indicators for the province;
  - (f) legislation, policy, and programs for consistency with sustainable development principles and guidelines; and
  - (g) any other matters specified by the Minister respecting climate change.

**Composition of committee**

- (3) The advisory committee may consist of up to 10 members, at least half of whom shall be women.

**Consultation**

- (4) The advisory committee shall consult with representatives from the following groups:
- (a) indigenous peoples;
  - (b) local governments;

- (c) environmental organizations;
  - (d) academics;
  - (e) unions;
  - (f) persons living in rural communities;
  - (g) the business community; and
  - (h) any other persons or organizations the advisory committee considers appropriate.
- 2020, c. 90, s. 8.*

### **9. Minister's report on climate change risks and progress toward targets**

- (1) Beginning with a report for the 2021 calendar year, and continuing with a report for each subsequent calendar year, the Minister shall prepare a report on climate change risks and progress that has been made toward targets.

#### **Contents of report**

- (2) In 2021, and in each subsequent calendar year, the Minister shall prepare a report that includes all of the following:
- (a) a determination of the PEI greenhouse gas emissions in the most recent calendar year for which measurements of PEI greenhouse gas emissions are available;
  - (b) an estimate, based on the most recent budget and greenhouse gas emissions data in the provincial inventory, of the PEI greenhouse gas emissions in each of the following years:
    - (i) the calendar year in which the report is prepared,
    - (ii) the subsequent 2 years;
  - (c) an estimate of the PEI greenhouse gas emissions in each calendar year between the years referred to in clause (a) and subclause (b)(i);
  - (d) a description of the actions taken, including expenditures, during the previous fiscal year to
    - (i) reduce PEI greenhouse gas emissions, and
    - (ii) manage climate change risks;
  - (e) a description of the actions proposed, including planned expenditures, in the most recent budget to
    - (i) reduce PEI greenhouse gas emissions, and
    - (ii) manage climate change risks;
  - (f) the outcomes that could reasonably be expected to result from the actions referred to in clauses (d) and (e);
  - (g) to the extent that it is possible, the itemized carbon abatement cost of the actions referred to in clauses (d) and (e);
  - (h) the advice received by the Minister under section 8;
  - (i) plans to continue progress toward
    - (i) achieving the targets referred to in section 7, and
    - (ii) managing climate change risks; and
  - (j) any other prescribed matters.

#### **Determination of climate change risks**

- (3) In 2021, and in every fifth calendar year after that, the report shall include a determination of climate change risks.

**Climate risks, other years**

- (4) In a year not referred to in subsection (3), the report shall include the most recent information about climate change risks.

**Tabling of report**

- (5) The Minister shall lay the report prepared in accordance with this section before the Legislative Assembly
- (a) during the calendar year in which the report is prepared; or
  - (b) if the report is completed after the last day that the Assembly sits in a calendar year, during the first sitting of the Assembly in the subsequent calendar year. *2020, c.90, s.9.*

**10. Review**

The advisory committee shall carry out a public review of this Act and the regulations

- (a) no later than five years after this Act comes into force; and
- (b) at any other time that the Minister considers a review is needed. *2020, c.90, s.10.*

**11. Regulations**

The Lieutenant-Governor in Council may make regulations

- (a) defining any word or expression used but not defined in this Act;
- (b) prescribing a gas or substance or any category of gases or substances to be a greenhouse gas;
- (c) prescribing the methodology by which greenhouse gas emissions and their levels are to be determined including, without limiting this, respecting accounting for emissions offsets in the determination of PEI greenhouse gas emissions;
- (d) establishing additional targets or goals to achieve sustainable prosperity consistent with the principles and focus areas established pursuant to this Act and the regulations;
- (e) establishing further principles and focus areas to achieve sustainable prosperity;
- (f) respecting initiatives to achieve sustainable prosperity consistent with the principles and focus areas established pursuant to this Act and the regulations;
- (g) prescribing additional matters to be included in a report made under section 8;
- (h) governing reporting and record-keeping requirements for any purpose related to this Act;
- (i) respecting any matter that the Lieutenant-Governor in Council considers necessary or advisable to carry out effectively the intent and purpose of this Act. *2020, c.90, s.11.*

**12. Commencement**

This Act comes into force on the earlier of a date that may be fixed by proclamation of the Lieutenant Governor in Council or December 31, 2021.