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The Honourable Kenneth R. Kowalski, Speaker

Legislative Assembly of Alberta The 27th Legislature

Second Session

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Legislative Assembly of Alberta

1:30 p.m.

Tuesday, November 17, 2009

[The Speaker in the chair]

Prayers

The Speaker: Good afternoon.

Let us pray. We give thanks for the bounty of our province, our land, our resources, and our people. We pledge ourselves to act as good stewards on behalf of all Albertans. Amen.

Please be seated.

Introduction of Guests

The Speaker: The hon. Member for Edmonton-Manning.

Mr. Sandhu: Thank you, Mr. Speaker. It's my pleasure to welcome students from John Barnett school from my riding of Edmonton-Manning. I was very happy to attend the school's 40th anniversary back in June and meet several students and staff members. These 22 bright young grade 6 students along with their teacher, Mr. Glenn Newby, have toured our Legislature and learned a lot about our building and the provincial government. I would ask them to rise and receive the traditional warm welcome of this Assembly.

Thank you.

The Speaker: The hon. Member for Lacombe-Ponoka.

Mr. Prins: Thank you, Mr. Speaker. It's a real privilege and a pleasure for me to introduce to you and through you to all members of the Assembly and all Albertans a large group from the Lacombe Christian Reformed Church Seniors Club. There are 50 of them here along with four tour guides. A group of seniors this size are like a bunch of junior high kids. They run around, and you need to have tour guides to keep them together. The tour guides are Cindy Prins, a cousin of mine; Judy Van Haren, my sister; Eleanor Drost, my sister; and Lynn Richardson, my cousin. Among these seniors, I want to introduce to you and to all members the senior of all seniors, my father, Mr. Ralph Prins. You might want to stand up.

I have a number of uncles and aunts, and they've all come out to see me. They are Uncle Klass and Aunt Jenny Brink; my aunt, Helena Kits; Gerrit and Dorothy Meindersma, uncle and aunt; Jake and Agnes Prins; and my uncle, Simon Swier. There are about 14 of them, I think, that are related to me. I also have with me today my wife, Pauline Prins.

An Hon. Member: Did they vote for you?

Mr. Prins: Yeah, most of them voted for me.

Another one I want to introduce to you is my new legislative assistant, Renee Reitsma. Her grandmother is a part of this group but was unable to travel today, so she's not here.

I would ask all these wonderful seniors from Lacombe to stand up and receive the warm welcome of this Assembly.

The Speaker: The hon. Minister of Culture and Community Spirit.

Mr. Blackett: I can't top that, Mr. Speaker.

It's my pleasure this afternoon to introduce to you and through you to the members of the Assembly four representatives from the Department of Culture and Community Spirit, who are here on a public service orientation tour. I'd like to commend them for the excellent work they do in our department. We have with us today, seated in the members' gallery, Mechelle Silveira, Eileen Doskoch, Tanya Davies, and Joyce Zilinski. I would ask that they rise and receive the warm welcome of this House.

The Speaker: The hon. Minister of Environment.

Mr. Renner: Thank you, Mr. Speaker. I'm very pleased to rise and introduce to you and through you to members of the Assembly another group of hard-working, dedicated staff members from Alberta Environment, who are joining us today to get a little bit of flavour for what the legislative side of the workings of government is all about. They are 27 hard-working employees from across the province. I know that all members will share my view that we're very, very pleased that we have an opportunity to share what we do on a day-to-day basis with all of the folks that support us in a very meaningful way to ensure that we can do our job properly. I'd ask that they rise and receive the recognition of all members of the House.

The Speaker: The hon. Minister of Health and Wellness.

Mr. Liepert: Thank you, Mr. Speaker. I, too, have eight members of the department here, who are equally as hard working as the other members of our civil service.

An Hon. Member: They probably have to work a little harder.

Mr. Liepert: They probably work harder – you're right, member – just to deal with that member.

Mr. Speaker, they too are on a public service orientation tour, and in the interests of time I won't introduce each one. I would just ask all eight to stand and be recognized by the members of this Assembly.

The Speaker: The hon. Member for Calgary-Mackay.

Ms Woo-Paw: Thank you, Mr. Speaker. It is a great pleasure to introduce to you and through you to members of the Legislature Mr. Pol Ngeth. Pol is in Edmonton to present at the ninth annual Diverse Voices 2009 family violence conference on how to deal with cultural gaps around issues of family violence. Pol is a registered social worker with a master's degree in education and a master's in social work from the University of Calgary. He has held positions with Alberta Health Services, child and family services, and he is a multicultural counsellor for the men's group at Immigrant Services Calgary. Accompanying him today is Mr. Kimpeou, who is a member of the Khmer-Canadian Buddhist temple, Calgary. My guests are seated in the public gallery, and I would like to ask them to please rise and receive the warm welcome of this House.

The Speaker: The hon. Member for Edmonton-Ellerslie.

Mr. Bhardwaj: Thank you very much, Mr. Speaker. It's an honour to rise today and introduce to you and through you Mr. Ken Knowles, president and CEO of Northlands, sitting in the members' gallery. Northlands is one of the oldest and most historic nonprofit, volunteer organizations in Edmonton, having been founded in 1879. Every year Northlands attracts over 4 million visitors to more than 2,500 events, which help to put Edmonton and Alberta on the map. At this time I would like to ask Ken Knowles to please rise and accept the traditional warm welcome of the Assembly.

The Speaker: Are there others?

Then join me today in wishing the hon. Member for Edmonton-McClung a happy birthday.

Members' Statements

The Speaker: The hon. Member for Edmonton-Ellerslie.

Edmonton Northlands

Mr. Bhardwaj: Thank you, Mr. Speaker. From November 11 to 15 83,904 fans kicked up their heels at the 36th annual Canadian Finals Rodeo at Rexall Place. I want to congratulate Northlands for all their success this year at the CFR and also recognize the incredible impact they make in our great city.

Mr. Speaker, Northlands rocks Edmonton with 2,500 events each year, that attract over 4 million visitors to Alberta's capital city. Aside from the CFR there are also Farmfair International, Capital EX, Rexall Edmonton Indy, the best of horse racing, headliner concerts, international events, trade shows, conferences, and more. That number is expected to grow with the unveiling of the Edmonton Expo Centre on December 1, which will contain a total of 522,000 square feet, effectively doubling the size of Northlands' existing trade show and conference space and increasing its international reputation.

Mr. Speaker, an example of Northlands' influence on the world stage can be seen in a recent article from *Venues Today* ranking Rexall Place 10th in the world and second in Canada as determined by gross ticket sales at all ticketed concerts and events in arenas with a capacity of over 15,000. It is interesting to note that Rexall Place is used 240 event days in a year and will once again be on the world stage from December 6 to 13 with the Roar of the Rings Canadian curling trials.

Once again, congratulations to team Northlands and Ken Knowles for doing such a wonderful job for our city.

The Speaker: The hon. Member for Peace River.

1:40 Intermunicipal Cost-sharing Agreements

Mr. Oberle: Thank you, Mr. Speaker. It gives me great pleasure to rise today and bring to the attention of this House a major achievement in my constituency. The neighbouring municipalities of Northern Sunrise county and the town of Peace River signed two important intermunicipal co-operation agreements recently. One is an operational cost-sharing agreement, which provides compensation for the provision of regional services, and the other is a capital cost-sharing agreement, which builds a capital reserve by mutual contributions and provides a process for establishing future expenditures

Mr. Speaker, I could stand here as an MLA and say all kinds of things about how far-reaching or visionary these agreements are – and they truly are – but today I'd sooner stand here as a resident of one of these municipalities and say thank you. You've acted as neighbours should act, and you've acted to make our communities better places to live.

I would like to thank the councils of each municipality for their hard work in bringing forward these agreements: from Northern Sunrise county Reeve Agnes Knudsen, Deputy Reeve Evens Lavoie, councillors Ricky Boucher, Ed Dziengielewski, Carolyn Kolebaba, and Darlene Cardinal; from the town of Peace River Mayor Iris Callioux, Deputy Mayor Berry Heinen, councillors Leslie Ayre-Jaschke, Don Good, Wanda Laurin, Neil Martin, and Geoff Milligan.

Mr. Speaker, great work to all involved and congratulations. Thank you.

The Speaker: The hon. Member for Calgary-Varsity.

Public Education

Mr. Chase: Thank you very much, Mr. Speaker. Earlier this afternoon I had the pleasure of meeting with university students enrolled in the Education program at the University of Alberta. Like thousands of other Albertans they are gravely concerned by this administration's plans to cut education funding to the bone. We should all be worried because Conservative administrations keep proving that they don't value public education. It's always among the first programs cut whenever Tory governments get themselves into fiscal problems.

Public education is a core service, one of the fundamental investments that should never be cut. Education is vital to our economy. Where will our skilled workforce come from if not from our schools? Where will our writers, poets, and artists come from? What about Alberta culture? With Bill 44 this administration has already damaged free speech in science education in our schools. Now they're looking at watering down the fine arts curriculum. They've already seized tens of millions of dollars from school boards, money that should have been used to lower class sizes, fund full-day kindergarten and half-day junior kindergarten.

This administration likes to brag about the foresight it used to set up its sustainability fund, originally, I might add, an Alberta Liberal idea. But isn't the sustainability fund supposed to protect core services? Why leave this money sitting almost interestless in a bank account when it should be used to prevent costly cuts that will hurt public education now and into the future?

Already Alberta suffers from the highest dropout rate in the nation and the lowest enrolment in postsecondary programs. The minister of advanced education is considering eliminating tuition caps, which will reduce enrolment further. These are shameful statistics that reflect this administration's contempt for the importance of public education.

Albertans will not tolerate a return to the bad old days of the 1990s. This government must stop the cuts, or Albertans will just stop the government. Simply stated, Mr. Speaker, education equals economy.

The Speaker: The hon. Member for Calgary-Hays.

Médiathèque French Multimedia Library

Mr. Johnston: Thank you, Mr. Speaker. On October 17, 2009, I had the pleasure of attending the opening of Médiathèque, a newly renovated and expanded French multimedia library in Calgary. Along with the Minister of Employment and Immigration I had the honour of speaking with many students and francophone authors attending the opening. I'd like to acknowledge M. Thomas Chaurin and M. Pierre-Yves Mocquais, who were key to conceiving and creating this new library.

Located in the historical Memorial Park Building, a site that remains the home of Calgary's first public library, Médiathèque provides Albertans of all ages access to more than 6,000 resources in French, including magazines, books, DVDs, audio CDs, and children's materials. What makes this collection even more special is that contemporary and mainstream works acquired by the library have been created by francophones living across the globe. Many works come from parts of French-speaking Africa.

Partners from the Calgary francophone community came together to create the new Médiathèque library. They are the Calgary Foundation, Alliance Française, the government of France, and the provincial government.

The new library promises to be a great support not only for Alberta's multicultural francophone community but also for the more than 150,000 students learning French across our province. Through Médiathèque Calgary residents can connect with their community and fellow francophones around the world. I encourage everyone to visit the Médiathèque library when you are in Calgary. Thank you, Mr. Speaker.

The Speaker: The hon. Member for Athabasca-Redwater.

Inspiring Education Public Consultation

Mr. Johnson: Thank you, Mr. Speaker. Alberta has a world-class education system, but Albertans are telling us that it can be even better. Let me tell you one of the great things the government is doing about education in Alberta. Over the last 12 months the Inspiring Education initiative has reached out to thousands of Albertans to learn what they think Alberta's education system needs to focus on to best prepare our kids for their future.

One very special aspect of Inspiring Education is that all Albertans, whether they are members of the business community, nonprofits, FNMI, seniors, those incarcerated, have a stake in education and are all being engaged to help inform education policy recommendations. The public input aspect of Inspiring Education culminated with a groundbreaking three-day forum for more than a thousand Albertans who joined us in person and more than 350 who joined us online.

Mr. Speaker, Inspiring Education is not about demanding that more money and resources be put into education in Alberta. It is about developing a policy vision for the future of learning that will serve us just as well in good fiscal times as in bad and help inform how we can most strategically and effectively allocate the resources that we do have.

Inspiring Education is also about the example that we set for young Albertans. To teach about creativity, innovation, perseverance, and adaptability, our system also needs to constantly look for new, positive ways of doing business. Mr. Speaker, very soon our steering committee will have a report for the minister, but one of the most valuable outcomes of Inspiring Education has been the broad, forward-looking dialogue itself that we have begun with all Albertans on the future of our most important investment.

Mr. Speaker, I'd like to close with a quote from one of those Albertans.

I can now live with myself, knowing I had a say in my future's future. Our First Nations peoples had a chance to have a voice in their future, and I wasn't going to pass up that opportunity, even if I had to sleep in my vehicle. At least we had a chance to voice our thoughts without repercussions to us, our children, or children's children. Thank you for hearing us.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Lethbridge-West.

Tara-Jean Popowich University of Lethbridge Women's Pronghorns

Mr. Weadick: Thank you, Mr. Speaker. I'm pleased to rise today and speak to this House about some exceptional young women who have made myself and Lethbridge exceptionally proud. On October 25 Tara-Jean Popowich was named the winner of the second season

of the popular CTV reality show *So You Think You Can Dance Canada*. She beat out thousands of other contestants to earn the top spot last summer, and then she went on to shine week after week until Canadians voted to name her as the season's champion.

Tara-Jean was born and raised in Lethbridge and began her formal dance training at Joy's dance academy, a local dance studio. Tara-Jean tried out for *So You Think You Can Dance* last year but was eliminated before reaching the top 20. This year she was obviously better prepared and wowed the judges. Amazingly, Mr. Speaker, she did all this with injured ribs. Now Tara-Jean and her fellow finalists are on a cross-country dance tour, and Lethbridge can't wait for her to come back home for her performance in her hometown November 29.

Mr. Speaker, I'd also like to take this opportunity to congratulate one of the most amazing sports teams my hometown has ever produced. On November 9 the University of Lethbridge women's Pronghorns rugby team brought home its third straight national championship after beating St. Francis Xavier 20 to 3 in Vancouver. In addition to the win, five Pronghorns were named to the tournament all-star team, and another was named MVP. That was Andrea Letal. They achieved this under the watchful eye of Neil Langevin, the reigning Canadian Interuniversity Sport coach of the year. The national title came on the heels of winning the Canadian finals, with an 86 to 0 win over the University of Victoria. I think it's safe to say that with numbers like that, these young women are not only the best female rugby players in Canada; they're a force to be reckoned with anywhere in the world.

I would ask my fellow members to join me in congratulating the U of L women's rugby Pronghorns and Tara-Jean Popowich for their monumental achievements this year.

Thank you, Mr. Speaker.

Oral Ouestion Period

The Speaker: First Official Opposition main question. The hon. Leader of the Official Opposition.

Emergency Hospital Services

Dr. Swann: Thank you very much, Mr. Speaker. The Sheldon M. Chumir health centre is the only facility in downtown Calgary that provides 24-hour urgent care to one of Calgary's most populated areas. To the Premier: will the Premier immediately release the proposed plans that would stop the Sheldon Chumir clinic from being open for 24 hours?

1:50

Mr. Stelmach: Mr. Speaker, the minister of health can answer that question specifically with respect to the operation of facilities.

Mr. Liepert: Well, I wish I could, Mr. Speaker. I don't know the operational hours of every health care facility in this province, but I will endeavour to get the answer to the member, maybe as soon as before the end of question period.

The Speaker: The hon. member.

Dr. Swann: Well, thank you, Mr. Speaker. Albertans have lost trust in this Premier and this minister of health. The Premier has still not answered for the fact that the new East Edmonton primary health care centre will not be providing family doctors and urgent care services that were promised. What is the Premier's explanation for this new facility standing half empty?

Mr. Stelmach: Mr. Speaker, as I said yesterday and many times in the House, we're focusing on ensuring that the health care system that we enjoy in this province is sustainable. We also want to improve access, and we're doing that through training more nurses and doctors in the province and ensuring that we ensure a quality of care in the province as well. We're continuing down that path, obviously under some difficult circumstances in terms of the revenue flow to the province, but we're going to do the best we can.

Dr. Swann: Well, Mr. Speaker, how can this Premier justify in a pandemic situation – in a pandemic situation, Mr. Premier – that we're adding greater load on emergency departments in our major cities?

Mr. Stelmach: Because it's a pandemic. But I'll have the minister of health respond.

Mr. Liepert: Well, Mr. Speaker, I answered that question pretty much yesterday. I check on a daily basis with Alberta Health Services, and their answer to me today is consistent with what it has been. There are occasional hot spots in the province where there are surges in emergency, but overall the system is coping well. We always have, during seasonal flu, surges in emergency, but I'm told it isn't anything out of the ordinary, so I'm not sure where the member is getting his information from.

The Speaker: Second Official Opposition main question. The hon. Leader of the Official Opposition.

Public Education Funding

Dr. Swann: Thank you, Mr. Speaker. This government seems content to leave wasteful spending on everything from executive bonuses and slick public advertising untouched. Instead, again they turn to health care and education as the first targets for cuts. My question is to the Premier. Will the Premier make a firm and unshakeable commitment to Albertans and to future teachers who were demonstrating on the steps today that he will protect public education from short-sighted cutbacks?

Mr. Stelmach: Mr. Speaker, with respect to the bonuses that the member has referred to, those have been eliminated. That will provide a saving this year of something around \$44 million.

With respect to the secondary and postsecondary, in terms of secondary, K to 12, the minister has met with the individuals that were here to talk about some of what they think was the correct information in terms of how the minister is proceeding. He had an opportunity to talk with them, and I'm certain that on the second question he'd be able to respond in terms of the dialogue that he had.

Dr. Swann: Well, we've been here before, Mr. Speaker. Our schools are barely recovering from the 20 per cent cuts inflicted in the governments of the 1990s. We've still got the lowest high school graduation rate in the country. Will the Premier at least acknowledge here and now that these extreme cuts have damaged our credibility and our graduating and should never be repeated?

The Speaker: The hon. minister.

Mr. Hancock: Thank you. Mr. Speaker, the only people that are talking about extreme cuts are the ATA in their advertising campaign. What I've been talking about with school boards and superintendents is understanding that we're in a fiscal situation,

using that fiscal situation to its best advantage in examining everything we're doing to determine whether we're doing the right things and whether we're doing them in the right way. That's what we're up to. It's not a question of massive cuts or destroying the system. We've got the best education system in North America and certainly one of the best in the world, and we're going to continue to provide the proper educational opportunities for every child in this province.

Dr. Swann: Our schools have ridden this government's boom-and-bust fiscal roller coaster for far too long. When is this Premier going to start treating education as an investment by delivering a plan for sustainable funding to our children and teachers? When?

Mr. Stelmach: Mr. Speaker, we do have a sustainable plan. It's one of the reasons we've saved \$17 billion in what we call a sustainability fund. We're going to use that \$17 billion to cushion the rapid drop in the revenue stream to the province. That will cover about three-quarters of the perceived revenue loss over the next few years, and the other quarter will come from adjustments in our budget. We'll be working through those over the next number of weeks, and we will deliver a budget that's going to reflect the priorities of Albertans.

The Speaker: Third Official Opposition main question. The hon. Leader of the Official Opposition.

Lobbying Government

Dr. Swann: Well, thank you, Mr. Speaker. Yesterday our Energy critic asked the Premier about donations made by AltaLink to a recent Progressive Conservative convention. The Premier dodged every one of the questions. Albertans deserve answers, Mr. Premier, especially when it's regarding decisions to foist multibillion-dollar transmission lines on the public. So I'll ask again. To the Premier. The issue is obviously contentious; it matters to Albertans. Doesn't he see that this looks as though AltaLink gets access to government in exchange for cash?

Mr. Stelmach: No. That is absolutely wrong. All I can say is that all those that are lobbying on behalf of any company in this province have to be registered. We finally do have a lobbyist registry. We got here after a lot of work. The purpose of it is to ensure that we're open and transparent with the Alberta public.

Dr. Swann: Well, Mr. Speaker, all Albertans know that AltaLink has already been picked by the government to build one of the lines, a line that will cost about \$1.5 billion, and the electricity users of Alberta are going to get stuck with the bill. How, then, can the Premier assure Albertans that this government's transmission policy is not being impacted by these sponsorship donations?

Mr. Stelmach: The bill that the member is referring to I think is before the House today. It simply says that we are in bad need of ensuring that we have a more modern, efficient transmission system in the province of Alberta to ensure that we can connect different parts of the province to not only coal-fired electricity generation but biomass and wind and many of the other forms, the gas powered, that are coming on stream. That is the purpose of the plan. We don't want to get left behind because we will never be able to grow our economy unless we have a good, efficient transmission system in the province.

Dr. Swann: Mr. Speaker, will the Premier, then, guarantee that all those sponsors listed on the brochure will be included in the lobbyist registry? Yes or no, Mr. Premier?

Mr. Stelmach: I'm sure that those that are lobbyists in this province are now fully aware of the new law and will follow the law. I can't walk around and say: you must register; you must register. They know if they're lobbyists, and they'll do what is right, and that is follow the law of the province of Alberta.

The Speaker: The hon. Member for Edmonton-Highlands-Norwood.

Long-term and Continuing Care

Mr. Mason: Thank you very much. Mr. Speaker, since public support for this Premier and this government has started to tank, the Premier has talked a lot about change. So far it's just talk, and he continues to steer Alberta in a direction that 6 out of 10 Albertans think is wrong. While the Premier promised 600 more long-term care beds during the election, a government report proves they're planning just the opposite. My question is to the Premier. Will the Premier tell Albertans what, if anything, has changed about this government's plan to close long-term care beds?

Mr. Stelmach: Mr. Speaker, we're not closing long-term care beds. In fact, we want to add to the current inventory, and we'll do that. I also want to see the model that we deliver in this province change so that we actually improve the quality of life for our seniors. Rather than splitting our seniors up after 60 years of marriage and sending one to one community and one to the other, our plan is to ensure that every senior in this province has an opportunity to retire in the community that they helped build.

The Speaker: The hon. member.

Mr. Mason: Thank you very much, Mr. Speaker. Well, it's interesting because the government's report says that the continuing care strategy targets a significant reduction in long-term care beds. This is what senior officials of many departments are working from, so I don't know whether to believe this document or whether to believe the Premier. Far from being a change, this is more of the same: deception, secrecy, and spin. These are the hallmarks of this PC government. Nothing has changed; nothing will change as long as this government is in power. Will the Premier do something really different for a change and tell Alberta seniors exactly what his plan is for their care?

Mr. Stelmach: I can tell you that we're not going to follow the traditional model of putting our seniors in institutions, and that is exactly what the NDP want to do in this province. We're not going down that path. We're going to offer housing that reflects the needs of the senior. Rather than moving that senior from a lodge, then to a nursing home, and then to a long-term care institution, why cannot we keep them in one facility and just add the services that are necessary? What he's got is an age-old issue. That is how we improve the quality of life for all of our seniors – they deserve it – not that antiquated idea that the ND Party has.

2:00

Mr. Mason: Mr. Speaker, the Premier has said that they're not going to cut long-term care beds, but in fact his own report says the opposite. This is just more spin. It's evident that the promise of change is just that, just spin. This is a government that can't

distinguish fact from fiction and where the truth comes in a plain brown envelope. Since the Premier will not spell out his plans for seniors' care in Alberta, will he at least admit that as far as this government is concerned, nothing has changed?

Mr. Stelmach: Mr. Speaker, we're going to continue with our plan to change the model of delivering housing and homes for our seniors in retirement. As I said before, no matter how hard they push against that plan and don't improve the quality of life for seniors in this province, I can tell you that with every breath of energy I have, I'm going to oppose what they want to do. They want to keep people in institutions. They don't deserve to be in institutions. They deserve to be in homes, and that's what we're going to do.

The Speaker: The hon. Member for Lacombe-Ponoka, followed by the hon. Member for Edmonton-Centre.

Seniors' Issues and Concerns

Mr. Prins: Well thank you, Mr. Speaker. I'm just very, very encouraged by the answers that I've heard from the Premier just now related to seniors' issues, but there is more to it than that. Apparently, the Seniors Advisory Council for Alberta tabled their 2008-09 annual report on November 3, which was just last week. The report outlines challenges, needs, and ideas with respect to seniors as heard by council members as they toured across the province. My question is to the Minister of Seniors and Community Supports. What is the Alberta government doing to address the challenges and needs outlined in this report?

Mrs. Jablonski: Mr. Speaker, seniors are a priority of this government, as we just heard our Premier speak about. We value the information and advice that we get from the Seniors Advisory Council for Alberta, and we consider their advice in the programs and services that we develop for our seniors. An example of this is that when we read the report, what we did in our last budget was that we increased the Alberta seniors' benefit for our low-income seniors. That was thanks to advice from the report. That was so that low-income seniors in Alberta continued to qualify for one of the most comprehensive benefit packages in this country.

The Speaker: The hon. member.

Mr. Prins: Well, thank you, Mr. Speaker. My second question is for the same minister. One of the challenges expressed by seniors in the council's report was the delivery of health care services in their own communities, where they live. What is this government doing to address these concerns?

Mrs. Jablonski: Mr. Speaker, as I tour around the province, I hear about these challenges from seniors all the time as well. I know that we're working hard to build a system, a sustainable health care system and a continuing care system, that will provide the right service in the right place at the right time for all Albertans. This includes the new continuing care strategy, Aging in the Right Place, which includes four levels of supportive living. These four levels allow seniors to live as independently as possible within their own homes and in their communities, the communities that they helped build.

The Speaker: The hon. member.

Mr. Prins: Thanks again, Mr. Speaker. My last question is for the same minister. We also know that our province's population is

aging, with more and more Albertans becoming seniors every year. How does this government know if its plans for continuing care will meet the needs of this aging population in Alberta?

Mrs. Jablonski: Mr. Speaker, in May 2008 I established the Demographic Planning Commission, which received feedback from over 10,000 Albertans. This is a great example of how this government seeks input from Albertans. Respondents clearly expressed that they want sustainable programs and services, and they want to stay in their communities. We are aware that by 2016 there will be more than half a million seniors in Alberta alone. Under the continuing care strategy the government supports a variety of supportive living or assisted living options so that seniors will have more choices to best meet their needs when the time comes.

The Speaker: The hon. Member for Edmonton-Centre, followed by the hon. Member for Grande Prairie-Wapiti.

Sour Gas Levels at Mildred Lake

Ms Blakeman: Thank you, Mr. Speaker. The levels of hydrogen sulphide, or sour gas, at Mildred Lake are alarming. By the end of September sour gas levels already surpassed last year's record, exceeding the standard 376 times. Now, strangely, the Wood Buffalo Environmental Association is reporting that the increase is possibly due to malfunctioning analyzers and may not be due to extreme sour gas levels. To the Minister of Environment: these abnormalities have been publicly reported for over two months, so what is it? Is it faulty equipment, or is it high sour gas levels?

Mr. Renner: Mr. Speaker, I would suggest to the hon. member that it is not faulty equipment, but it is a misrepresentation or interpretation of the results. The fact of the matter is that there are times when there are exceedances, and when those exceedances occur, it is imperative that the company take appropriate steps to resolve the issue. Where we become concerned to the extreme – and that's where the member should become concerned to the extreme – is when those exceedances occur on an ongoing, regular basis.

Ms Blakeman: I would have said that 376 times in nine months is ongoing.

Given that the air monitors in Wood Buffalo have been found with their hydrogen sulphide samplers disconnected and were only serviced after receiving notice of an upcoming audit, has the minister increased inspections of Wood Buffalo's air monitors?

Mr. Renner: Mr. Speaker, I'm not aware of the circumstance that the member refers to. I'll happily check it out and advise her accordingly.

Ms Blakeman: Good. Thank you.

Mr. Speaker, coincidentally, the same year that Saskatchewan accuses Alberta of exporting our acid rain to them, the minister slashes his air monitoring budget. So to the Minister of Environment: why is the minister compromising Alberta's air quality and reputation by deliberately underfunding air monitoring?

Mr. Renner: Mr. Speaker, it's not so much the amount of monitoring that is important; it's what is done to ensure that we maintain quality of air, ambient air quality. Doubling the monitoring isn't going to improve the air. I would suggest to the hon. member that she's got her priorities a little bit mixed up. We should be focusing on ensuring that we have the necessary plan in place to assure

Albertans and those who live downwind of Alberta that we're doing everything we can to protect the air.

Trade Mission to Asia

Mr. Drysdale: Mr. Speaker, the Minister of Agriculture and Rural Development has just returned from a trade mission trip to Asia with the federal agriculture minister. Can the minister tell this House what was the objective of the trip?

The Speaker: The hon. minister.

Mr. Groeneveld: Well, thank you, Mr. Speaker. Of course, the focus of this mission was to further promote Alberta's agriculture and food industry and advocate for market access in both Japan and Hong Kong. We all know that Japan and Hong Kong are two of our high-priority markets for our agriculture and food industries. Japan recently had a change in government. It was more than important; it was critical that we not lose the momentum and the ground that we had gained with their previous government and the industry.

The Speaker: The hon. member.

Mr. Drysdale: Thank you, Mr. Speaker. My second question is to the same minister. You mentioned that these markets have great potential to benefit the agricultural industry in Alberta. Can you give us an update on the market situation?

Mr. Groeneveld: Well, Mr. Speaker, I certainly was able to promote a variety of agricultural trade and investment opportunities, but more important, probably, I could promote the safety and quality of our agrifood products. We also met with numerous government officials about market access for our products. The mission provided face-to-face opportunities to follow up on previous trade discussions, so we were able to update key decisions on the development of our traceability programs both provincially and nationally.

Mr. Drysdale: My final question to the same minister: can you tell us what is now being done to follow up on this mission?

Mr. Groeneveld: Well, Mr. Speaker, we heard again, of course, how important traceability is to our customers, and I'm more than pleased that the livestock industry is delivering on that important issue. They were very clear that if we want to be a serious player in that global market, traceability programs have to be in place. This is already mandatory in Alberta. We're further encouraged by the recent announcement by the federal government that a national traceability program will be launched in 2012.

The Speaker: The hon. Member for Lethbridge-East, followed by the hon. Member for Edmonton-Meadowlark.

2:10 Investments in Tobacco Companies

Ms Pastoor: Thank you, Mr. Speaker. This government has refused to implement an ethical investment strategy and continues to allow investments in tobacco companies. A new policy initiative would allow this government to recoup health care costs from the tobacco industry. However, the hypocrisy is a little bit hard to ignore on this one. To the minister of finance – this appears to be the semiannual question – how much does this government invest in tobacco companies through the heritage trust fund?

Ms Evans: Mr. Speaker, I can get that information. It's a difficult thing to provide because many times tobacco companies or corpora-

tions are part of conglomerates where the investment is done on a larger scale, so it might be one of 80 different companies that's part of a single investment that might be made by Alberta Investment Management Corporation. What I can tell the hon. member is that anything that has been invested on behalf of the cancer legacy project has been done exclusive of any investment in tobacco companies.

Earlier, I believe, when one of the hon. member's colleagues asked this question and we looked at what potentially was the answer, it may have been about 1.8 per cent, but I'd like to seek clarity on that, Mr. Speaker, before I went further.*

The Speaker: The hon. member.

Ms Pastoor: Thank you, Mr. Speaker. I would appreciate that clarity as well.

Would the minister table a listing of all the companies in which the government invests money through the heritage trust fund? I understand the difficulty of separating it, but it can be done. We would send messages: please don't invest in porn companies, arms, or tobacco.

Ms Evans: Well, I hope there's no suggestion in this House that we are investing in porn companies. Please. I mean, I hope that's not the suggestion. If I've misheard and it's "foreign," then obviously we're investing in companies that have a multinational context. But I would be very pleased to get what is provided.

Note, Mr. Speaker, that we do have, with the hon. chair from Calgary-Fish Creek, a meeting scheduled annually, a public meeting on the subject of our investments. We had one in Calgary very recently, and the hon. member's own colleagues asked some questions, none of which related to a complete listing. I know that if they'd asked for that at the committee, it would have been available.

The Speaker: The hon. member.

Ms Pastoor: Thank you. Further to that, how much does the minister expect to save through recouping medical costs from the tobacco companies? Will these savings then be reinvested back into the same companies? If that happens, we're suing ourselves.

Mr. Liepert: Mr. Speaker, as the member knows, that bill is before the House. We have made no decision whether there will be any legal action launched against tobacco companies, so that question is somewhat premature.

The Speaker: The hon. Member for Edmonton-Meadowlark, followed by the hon. Member for Calgary-Buffalo.

Underground Electricity Transmission Lines

Dr. Sherman: Thank you, Mr. Speaker. I have received hundreds of letters and e-mails in my office from many concerned constituents and community groups who attended several public meetings about a very important issue. My constituents have asked me to raise in this Assembly their issues with the proposed Heartland transmission project power lines along the west end TUC. My constituents aren't questioning the need for transmission infrastructure. Rather, they're asking for consideration of their request for the power lines to be built in a safe and responsible manner. My question is to the Minister of Energy. What is the minister doing to address the concerns of my constituents regarding the siting of high-voltage power lines in highly populated areas?

The Speaker: The hon. minister.

Mr. Knight: Well, thank you. Mr. Speaker, first of all, I want to make it very clear that the government is not involved in the siting of transmission in the province of Alberta. That rests solely with the Alberta Utilities Commission, a quasi-judicial body that holds open, public hearings with respect to the siting of transmission lines. That will continue whether it's in the Heartland area, in the Edmonton region, or anywhere in the province of Alberta.

The Speaker: The hon. member.

Dr. Sherman: Thank you, Mr. Speaker. My supplemental question is to the same minister. Many of my constituents feel strongly that burying this line would significantly reduce the health, property value, and aesthetic impacts of the overhead 500-kilovolt lines. What is the status of the study commissioned by the minister on the feasibility of burying transmission lines, and when can we expect the outcomes of that study to be made public?

Mr. Knight: Well, again, Mr. Speaker, actually there are two studies that are under way. My department has commissioned a study by Stantec. They're an international engineering firm based here in Alberta, and they will look at the options of underground transmission as they relate generally to the province of Alberta. They have expertise and have been looking at the options here and in other places in North America and around the world, I believe. I'm expecting that I would have a report from them before the end of this year.

In addition, Mr. Speaker, AESO, the Alberta Electric System Operator, is also doing a study relative to underground transmission as it would relate to the heartland region.

The Speaker: The hon. member.

Dr. Sherman: Again, thank you, Mr. Speaker. My final supplemental question is to the same minister. Will the minister support the burial of transmission lines through highly populated areas, some of which include schools, homes, daycare centres, and hospitals?

Mr. Knight: First off, Mr. Speaker, again, I think I should make it clear here that Health Canada has found that there is no significant link between overhead transmission lines and human health. I know that the hon. member is a doctor and would be aware of the information, I'm sure. Also, I would like to point out that burying lines does not necessarily eliminate all of the things like electromagnetic fields. Even though the levels are safe, the issue will remain. Any time that you transmit electricity through wires, you will have this issue.

The Speaker: The hon. Member for Calgary-Buffalo, followed by the hon. Member for Edmonton-Strathcona.

H1N1 Influenza Immunization for First Responders

Mr. Hehr: Thank you, Mr. Speaker. Alberta's delivery platform for H1N1 vaccination was said to receive a shot in the arm this week. However, I have some questions, or shall I say concerns, regarding its rollout. My questions are for the Solicitor General. Across the nation other sensible jurisdictions chose to vaccinate first responders, including police officers, earlier this month. What was your rationale for waiting until now?

Mr. Lindsay: Well, Mr. Speaker, I think the health minister spoke to this a number of times. I don't know of any police officer in this

province who would want to jump to the head of the line in front of pregnant women and children between six months and five years.

The Speaker: The hon. member.

Mr. Hehr: Well, thank you, Mr. Speaker. Again to the Solicitor General: given the significant delay in vaccination availability, haven't you failed in your duty to advocate for the health and safety of front-line police officers and corrections personnel in this province?

Mr. Lindsay: Not at all, Mr. Speaker. In fact, the very nature of the work of first responders indicates that they would obviously be at a higher risk to contact the virus. But, again, these people are generally very healthy, and they don't get associated with the severe reactions that those who are most vulnerable do.

The Speaker: The hon. member.

Mr. Hehr: Well, thank you, Mr. Speaker. The first responders want to help this government fix the vaccination problems. They have offered to do the vaccinations themselves. I guess now the question to the minister of health is: why are you making police officers and other first responders who have offered to do this themselves take up space in the main vaccination process?

Mr. Liepert: Mr. Speaker, I'm not sure if that particular member was here yesterday or he just simply was not paying attention, but what I said yesterday was that starting yesterday, if any first responders wanted to go to a mass clinic and get vaccinated, they were eligible to do so. I said at the same time that Alberta Health Services was making arrangements to get the vaccine to the various municipal authorities around the province so that they could do exactly what this member is suggesting today. So I'm saying to the member that if he would contact those municipalities, he would probably find out that they are doing today exactly what he is suggesting they should be doing.

The Speaker: The hon. Member for Edmonton-Strathcona, followed by the hon. Member for Calgary-Lougheed.

Income Support

Ms Notley: Thank you, Mr. Speaker. According to Food Banks Canada 24,000 more Albertans are going hungry this year. These are numbers that even this government can't ignore. Clearly, the government's response to the economic crisis is yet another example of how they are leading Alberta in the wrong direction. To the Minister of Employment and Immigration: why is it that in this province, the richest province in Canada, so many more people are going hungry?

Mr. Goudreau: Mr. Speaker, we had negotiated with the federal government and added some additional money within our budget to take care of our most vulnerable people, those who might have lost their jobs through no fault of their own. Our intent is to try to provide a helping hand to get individuals back into the mainstream, into the workforce as soon as possible.

2:20

Ms Notley: Well, Mr. Speaker, it clearly hasn't worked.

According to this report the number of children who don't have enough to eat in Alberta is amongst the highest in the country. Now, we know that children who grow up in poverty face even greater challenges to break the cycle once they are adults. How can the minister justify his ongoing failure to address our growing poverty when we know that we will be paying for this for generations to come?

Mr. Goudreau: Mr. Speaker, the number of people that have approached our office has increased quite dramatically over the last four or five months. There's no doubt, if the hon. member would remember, that we increased our income support benefits last November in response to some of the rising challenges that Albertans have. I can say that those added supports have helped thousands of people to meet their needs.

Ms Notley: Well, Mr. Speaker, they clearly didn't help the 24,000 additional people going to food banks.

The government's job loss projections were way off the mark. As a result, as you noted, we're seeing the number of families forced to rely on the government's paltry income support programs up by over 10,000. Now, the people who are lining up for food charity are a direct result of this government sticking its head in the sand and ignoring the problem. What does the minister have to say to the thousands of Albertans who are unable to feed their families because of their failure to take action?

Mr. Goudreau: Mr. Speaker, there are a couple of approaches that we've used for that. First is that income support will always be available for those that are unable to support themselves. We added considerably more money last year to address those that require additional income support. But what people really need is the type of help that will get them back on their feet, so we've spent on the other side a lot of effort to retrain people and help them to find a job and to be able to provide for themselves and for their families.

The Speaker: The hon. Member for Calgary-Lougheed, followed by the hon. Member for Edmonton-Gold Bar.

Southwest Calgary Ring Road

Mr. Rodney: Thank you, Mr. Speaker. Recently, along with many other hon. members, I was honoured to attend the extremely successful grand opening of the northern half of the Calgary ring road. And the great news continues. Plans indicate there will be a complete ring road around the entire city of Edmonton by the year 2015. However, there is a large gap in southwest Calgary's ring road plans. My first question is to the Minister of Transportation. What is your ministry doing to ensure that Calgary has a complete ring road in the future, just like Edmonton?

Mr. Ouellette: Well, Mr. Speaker, as this hon. member likely knows, the Tsuu T'ina Nation voted against a deal putting the ring road through their lands. We respect that decision, and we have to look at other options. I can tell this hon. member that we're working very closely with the city of Calgary on those options, and it's going very, very well. We hope to sign a memorandum of understanding by the end of the month, and when that happens, I think we'll be moving forward. I encourage the hon. member to stay tuned and pay attention to what's going on in his city.

Mr. Rodney: We've certainly got our finger on the pulse, and I'm very glad that the minister does as well. I commend him for the portion of the ring road which is set to be completed in Edmonton by 2011, but I am concerned, as you know, about the planning phase for Calgary's ring road. What details can you give us on the timeline for the Calgary ring road?

Mr. Ouellette: Mr. Speaker, I'm very pleased to inform the member that a much bigger section of the Calgary ring road is beyond the planning phase than was mentioned in his question. We opened the entire northern section, 45 per cent of the ring road, just a couple of weeks ago. We're going to start building the southeast section this spring, and it'll be finished by the fall of 2013. So by the fall of 2013 roughly 70 per cent of Calgary's ring road will be done and all free flow. As I mentioned in the House before, we may not be able to complete a little part of the southwest by 2015, but we're working as fast as we can to get it done.

Mr. Rodney: My final question is to the same minister, who has suggested that one of the options for the southwest portion of the ring road in Calgary is that this section would have an 80 kilometre an hour speed limit and be two lanes, instead of four or six, which would of course limit the amount of open land required. We're very concerned in the southwest about this little section he referred to. Why would the minister consider this section of the ring road to be the only section of the Alberta ring roads for Edmonton or Calgary that would have lower speed limits and fewer lanes?

Mr. Ouellette: Well, Mr. Speaker, I don't know where he got that kind of information from, that there might only be two lanes or something, because it's absolutely false. Our goal is to build the highest standard of road that we can. The planning is being done right now. We're trying to find a balance between building the very, very best road possible with the least disruption to people's lives and the least impact on the environment. We'll go for the highest standard of road that we can get. All I've been saying to my own officials in engineering is: don't be so rigid, let's look at all the scenarios, and let's make sure we can get the job done and have freeflow traffic all around Calgary.

The Speaker: The hon. Member for Edmonton-Gold Bar, followed by the hon. Member for Calgary-Mackay.

Lobbying Government

(continued)

Mr. MacDonald: Thank you, Mr. Speaker. Our research indicates that AltaLink is not registered as a lobbyist in this province under the new legislation. My first question is to the acting Premier. Why is AltaLink allowed to sponsor part of the political convention that occurred and was organized by the PC Party in Red Deer in November? Why are you allowing this outfit to sponsor a portion of your convention?

Thank you.

Mr. Snelgrove: Mr. Speaker, it probably won't come as a great surprise to the hon. member and to most Albertans that there are a lot of companies in Alberta that support this government and have for decades. There is legislation. We try very hard to separate the party business, which really has no purview in this House, and government business. There is a lobbyists registries act that's in place, and if the hon. member wants to take time to learn it and understand, everyone who wants to lobby government will need to register. That's the law.

Mr. MacDonald: Again, Mr. Speaker, there are only a few companies that will benefit directly from the new transmission and distribution policy that this government is anticipated to bring forward. My second question again to whoever is acting Premier: is Capital Power, who also sponsored part of the PC convention in Red Deer, registered under the Lobbyists Act?

Mr. Snelgrove: Mr. Speaker, it would probably just be simpler if the hon. member could find any indication at any time where sponsoring a political event has given them an inside track or personal gain from this government. If he's got any indication of that, anything rather than inference, just stand up and say so. Go out on the steps and talk about the companies that he's making accusations about, or give us an example of any kind where they can show that being a member of our political party has given them an inside track or influence in this government.

The Speaker: The hon. member.

Mr. MacDonald: Thank you, Mr. Speaker. Again to whoever is acting Premier over across the way: how much money was spent by AltaLink and by Capital Power sponsoring the PC convention in Red Deer in November?

Mr. Snelgrove: Well, to whoever is acting as a critic for this particular thing, I have no idea, and it's really none of my business.

The Speaker: The hon. Member for Calgary-Mackay, followed by the hon. Member for Edmonton-Riverview.

Notre Dame High School Expansion

Ms Woo-Paw: Thank you, Mr. Speaker. Notre Dame is the only high school within the constituency of Calgary-Mackay, which has a population of over 60,000 people. This school was built for \$17 million, at half of the original budget. When I visited the school, students were trying to have a music lesson on the stage, where they do not have adequate space to possibly play the instruments, and it is the only high school built without a theatre recently. My questions are to the Minister of Education. The Calgary Catholic school board has identified the expansion of Notre Dame high school as its number one priority capital project for several consecutive years. What is taking the ministry so long to address the identified facility inadequacy at Notre Dame high school?

The Speaker: The hon. minister.

Mr. Hancock: Thank you, Mr. Speaker. Indeed, Notre Dame high school is the top capital priority for Calgary Catholic this year, but I think it's worth noting that in the ASAP 1 program we are building 18 schools, including nine in Calgary, six of those for Calgary public and three for Calgary Catholic. In ASAP 2 another six schools are being built in Calgary and two in the neighbouring area. So Calgary has been well served by capital for schools in the last couple of years, and the programs are ongoing. Those schools will be open in 2010 and 2012, I believe. Significant progress is being made with respect to school capital in Calgary, but there's no question that the Notre Dame school is high on our priority list and will get addressed when we have the capital budget to do it.

2:30

The Speaker: The hon. member.

Ms Woo-Paw: Okay. My second question is to the same minister. Are there design standards set for high schools in Alberta? If not, why not?

Mr. Hancock: Well, yes, Mr. Speaker, there are standards for high school facilities. They're outlined in the School Capital Manual, which is available on the Education and Infrastructure websites. The manual specifies standards based on school capacity for classroom

sizes, science spaces, gymnasiums, libraries, music and art spaces, career and technology studies, ancillary spaces, et cetera.

There are also environmental design standards. Infrastructure requires that all school capital projects, in fact, I believe, all public buildings now built, achieve a LEED silver standard, which is the leadership in energy and environmental design standard agreed building rating system. Those standards are in place, but within those standards jurisdictions do have the flexibility to reconfigure their school design.

Ms Woo-Paw: My last question is: would the minister have a personal visit at the school the next time you're in the Calgary area?

Mr. Hancock: Mr. Speaker, I would be delighted to visit that school the next time I'm in Calgary. I'll be in touch with her. If it's in her constituency, she'll know when I'm coming to Calgary, and she'll be able to arrange that.

The Speaker: The hon. Member for Edmonton-Riverview, followed by the hon. Member for Calgary-North Hill.

U of A Sustainable Development Campus

Dr. Taft: Mr. Speaker, this October an international team of planners with the Urban Land Institute pored over the opportunities for the U of A to achieve landmark environmental standards as it develops its south campus. The planning results were pretty exciting, actually, and I want to congratulate the ministers of Environment and Energy for showing leadership on environmental design. My question, the first one, is to the Minister of Environment. What is the status of the plan that came out of that week-long exercise?

The Speaker: The hon. minister.

Mr. Renner: Thank you, Mr. Speaker. I want to acknowledge that I, too, believe that the work that was accomplished in this week-long exercise will be invaluable as we begin to understand what sustainable development is all about. As I understand, the group that was here, the Urban Land Institute, prepared a preliminary report, which they have presented to the university and to those that were involved on the Friday of the event, and they're preparing a more detailed final report, which we will anticipate receiving shortly.

The Speaker: The hon. member.

Dr. Taft: Well, thanks. The Alberta departments of Environment and Energy were very involved in this process, as was the U of A, but the Department of Advanced Education and Technology didn't seem to be. So I guess I'll go back to the Minister of Environment for the moment. Are all government departments involved in this working together, or are there conflicting views between the departments on this planning process?

Mr. Renner: Well, Mr. Speaker, I think we should be clear that the emphasis of this program was twofold. One was to assist the University of Alberta in the development of a plan that they want to put in place for a sustainable developed campus. The reason why Alberta Environment and Alberta Energy were involved is because it's in our interest to meet the core business that we are responsible for, to more fully understand what opportunities are available for us for not only this project but any sustainable development project in Alberta. That's the reason why Alberta Environment and Energy

were involved. I would say that Advanced Education was involved in that they are one of the prime sources of funding for the University of Alberta, who were substantially involved.

The Speaker: The hon. member.

Dr. Taft: Okay. Mr. Speaker, I think I'll go to the minister of advanced education for my last question. The members of the panel included some of the top urban planners, designers, and developers on the continent. They proposed what I think is a pretty inspiring goal for the south campus for the year 2035: "If everyone on Earth lived like the [proposed] community at the University of Alberta's South Campus, we'd arrest climate change and live sustainably within the limited resources of our . . . planet." My question to the minister: will this government consider making it a condition on any development funding for the south campus that the university's development plans meet this target?

The Speaker: The hon. Minister of Advanced Education and Technology.

Mr. Horner: Thank you, Mr. Speaker. Indeed, officials from our department were at this planning session, and I would like to commend both the departments of Energy and Environment for working with us as a cross-government initiative. We're doing that more and more in this government, and it holds great promise for a number of issues.

I would also point out to the hon. member – and he has been well advised of this over the course of the year and a half, two years that we've been talking about it in this House – that Campus Alberta looks at the capital projects around the province and prioritizes those capital projects through the Alberta access planning framework document that we produce every year. This will be encapsulated in that. It is also my hope, Mr. Speaker, that when the report is fully vetted and we've had an opportunity to look through the entire part of it, this report would also go to the Campus Alberta Strategic Directions Committee, which is all of the chairs of the boards of governors of Campus Alberta, Mr. Speaker.

The Speaker: The hon. Member for Calgary-North Hill, followed by the hon. Member for Lesser Slave Lake.

Provincial Tax Incentives

Mr. Fawcett: Thank you, Mr. Speaker. In August furniture manufacturer Haworth Inc. announced that they were transferring their operations from Calgary to a plant in Michigan. Their rationale: because the Michigan state government had just passed a tax incentive program. My question is to the Minister of Finance and Enterprise. What is the minister doing to ensure that Alberta's tax structure is the most competitive in North America so that we don't see more of these transfers of jobs?

Ms Evans: Mr. Speaker, that's actually an excellent question. There have been recent reports from Ontario and other provinces that many of the places south of the border have been looking at incentives plus bonuses to get people to come and take their industry there. So on a regular basis we judge and take a look at not only a Canadian scan but a North American scan.

Certainly in Canada I can tell you that even with the proposed changes to the small-business tax in British Columbia, for the overall tax package, for the overall tax advantage Alberta certainly still leads Canada. You will find some select states who have made changes, and you will find some select cities in states who have made changes, but if you look at the overall tax basket and what is offered here in Alberta, we do believe that we're not only leading in Canada for an advantage but in most of America.

The Speaker: The hon. member.

Mr. Fawcett: Thank you, Mr. Speaker. Just last month the School of Public Policy from the University of Calgary authored a report by Jack Mintz that suggested Alberta was losing its tax advantage and suggested a proposal that it start shifting its taxes away from investment and savings towards a consumption tax, a concept similarly endorsed by this Assembly last year in a motion brought forward by the Member for Battle River-Wainwright. To the same minister: can the minister tell this Assembly if she's looking at these proposed changes as outlined in this report?

Ms Evans: No. Quite simply, no. We would, if we were to ever consider a sales or a consumption tax, by our own laws have to bring a referendum forward. Our Premier has spoken very eloquently both last summer and last fall: no tax increases, no new taxes. A consumption tax would be a new tax.

Mr. Fawcett: Mr. Speaker, the current economic global recession has created a real restructuring within the global economic climate both in Canada and across the world, and I think that as a government we ought to be looking at where our place is. My question to the minister is: what is she doing to ensure that Alberta's industry and Albertans are consulted in regard to any potential changes in tax structure that may assist our province to recover from the economic recession?

Ms Evans: Well, Mr. Speaker, because we have no plans to change tax structure, we're working with Alberta economic development authorities throughout the province to take a look not at taxes per se but at the regulatory framework and in conjunction with all MLAs and ministers to look at any barriers to doing business, look at more cost-effective ways of sharing our efforts, and look at principles of overall cost, user fees, and the many mixes of things that go into making us truly competitive. Along with that, there are things that labour and the Minister of Advanced Education and Technology are looking at. Many of the ministries currently, I think, will be talking about those in the business plans and in the plans that we have to create more awareness of what we can do in the weeks and months ahead.

The Speaker: Hon. members, that was 96 questions and responses today. There will be four more.

The hon. Minister of Health and Wellness wanted to supplement an answer given yesterday in response to a question from the hon. Member for Lethbridge-East, which will allow an additional question and an additional response. The hon. minister.

2:40 Pastoral Care in Health Facilities

Mr. Liepert: Yes. Mr. Speaker, yesterday the Member for Lethbridge-East asked me to explain why pastoral care is being cut across the province.* I did some checking with Alberta Health Services, and what I can tell the member is that at the Royal Alexandra hospital four supervisory positions have been eliminated. However, two staff chaplain positions were created in addition to provide direct high-quality patient care. A clinical pastoral care teaching position was also created and offered to one of the staff members whose position had been eliminated. I am assured by

Alberta Health Services that there are no plans to eliminate spiritual care and will continue to value the important contribution.

The Speaker: The hon. Leader of the Official Opposition on behalf

Dr. Swann: Yes.

The Speaker: Proceed.

Dr. Swann: Thank you, Mr. Speaker. Well, the widespread perception, including those in the spiritual community, is that you do have plans, Mr. Minister, to reduce spiritual supports. Can you say that there is or there is not any plan to reduce spiritual support in the latter time of life?

Mr. Liepert: I will repeat what I just said, Mr. Speaker, because like the Member for Calgary-Buffalo I guess the Leader of the Opposition was not listening to what I just said. I've been assured by the CEO of Alberta Health Services that there are no plans to eliminate spiritual care, and we'll continue to value the important contribution.

The Speaker: The hon. Minister of Finance and Enterprise would also like to supplement an answer also as a result of a question from the hon. Member for Lethbridge-East.

Investments in Tobacco Companies

(continued)

Ms Evans: Thank you, Mr. Speaker. Just to be clear and to put this on the record relative to the question of overall investment of heritage fund dollars in any tobacco-related company.* Point two seven per cent is actually invested in the amount of \$42,073,239.29. Of that, \$36,839,582.04 is part of a passive investment through an index product, S&P 500 or MSCI EAFE, and actively, externally through external investors \$5,329,968.59 is part of investments that may contain tobacco products. Relative to the listing, I'll come back with that at a later date.

The Speaker: The hon. Member for Edmonton-Riverview.

Dr. Taft: Thanks on behalf, Mr. Speaker. The minister made it clear in her responses earlier this afternoon that the cancer legacy fund explicitly does not invest in tobacco products. Why in the world wouldn't you extend that same limitation to all government investments? After all, tobacco kills, and we all know that. So why don't you just do the right thing?

Ms Evans: Mr. Speaker, the heritage fund by its very nature is considerate of longer term investments. Many of these investments are long-term strategies that are in longer term products. We have had this conversation in the House before. I will go back and find out the details of it, but I believed it was important to give the numbers today.

The Speaker: Hon. members, that is a number of 102 questions and responses today.

Presenting Petitions

The Speaker: The hon. Member for Lethbridge-West.

Mr. Weadick: Thank you, Mr. Speaker. I rise today with two separate petitions I'd like to present, the first one signed by 182 residents in Lethbridge and area. The petition reads:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to:

Grandfather the rights and status of all currently-practicing Registered Massage Therapists . . . in Alberta in a manner that they may continue their practice undisturbed and ensure that clients of said therapists will be able to use their insurance coverage in order to pay for massage services from current therapists.

A second one, Mr. Speaker, very similar but worded differently, signed by 319 residents in Lethbridge and area, reads:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to:

Grandfather the rights and status of all currently-practicing Registered Massage Therapists . . . in Alberta in a manner that they may continue their practice undisturbed and, when necessary, gradually upgrade to newly-proclaimed standards of training, so as not to force current therapists to lose their ongoing income whilst upgrading and so to ensure that clients of said therapists will be able to use their insurance coverage in order to pay for massage services from current therapists.

Tabling Returns and Reports

The Speaker: The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you, Mr. Speaker. I have two sets of tablings, the first of which is a program. Last night the hon. members for Calgary-Buffalo, Edmonton-Gold Bar, Edmonton-Whitemud, and I had the pleasure of attending the new teacher induction ceremony at Barnett House. A particularly memorable moment came when a 40-year teaching veteran, Sherry Robbins, observed that children do not care how much a teacher knows but, rather, want to know how much a teacher cares.

My second tabling consists of the requisite number of collated copies of e-mails from concerned Calgarians Marli Nichol, Laura Anderson, Leslie Chapman, Jacqueline Christensen, David Fettes, Jean Gaucher, Carmen Giancarlo, Tara Growden, Kellie Jackson, Catherine Marshall, Meaghan McInnis, Michelle McRorie, Philip Sarsons, Marion Stahr-Elaschuk, Hailey Taylor, Holly Theriault, John Whidden, and Adine Whitfield, all urging the Minister of Education and the Premier not to cut funding to education because the future prosperity of Alberta depends on the knowledge and skills of its children and because it's even more important to invest in education now.

Thank you, Mr. Speaker.

The Speaker: The hon. Leader of the Official Opposition.

Dr. Swann: Thank you, Mr. Speaker. On behalf of the Member for Calgary-Currie I want to table two letters: one from Roger Gagné, a citizen of Grande Prairie, who quotes from the Calgary School of Public Policy, "showing that the proposed \$3.1-billion power line between Calgary and Edmonton, in particular, would be inefficient and overkill for provincial electricity and generation needs," the other from Bill Partridge of the Building Owners and Managers Association of the Greater Calgary Region indicating the same, that "we are not convinced that Bill 50 is a good initiative."

Thank you.

The Speaker: The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thanks, Mr. Speaker. I have two tablings today. First, I'd like to table the appropriate number of copies of a report prepared for Alberta Seniors and Community Supports in May '09

titled Long-Term Care Accommodations Variable Fee Structure Advisory Team Session Summary. I referred to this report in my questions earlier today. The report shows that the committee was directed to look at targets for reducing long-term care beds.

The second report, Mr. Speaker, was referred to by the hon. Member for Edmonton-Strathcona in her questions today. It's the appropriate number of copies of a report by Food Banks Canada titled HungerCount 2009, which shows that the greatest increase in food bank usage by far is in the province of Alberta.

Tablings to the Clerk

The Clerk: I wish to advise the House that the following documents were deposited with the office of the Clerk. On behalf of the hon. Mr. Liepert, Minister of Health and Wellness, pursuant to the Health Professions Act the College of Dietitians of Alberta annual report 2008-2009, the College of Registered Dental Hygienists of Alberta 2008 annual report, the Alberta College and Association of Chiropractors annual report to government 2008-2009; pursuant to the Opticians Act the Alberta Opticians Association annual report 2008; pursuant to the Regional Health Authorities Act the Health Quality Council of Alberta 2008-2009 annual report; pursuant to the Mental Health Act the Alberta Mental Health Patient Advocate office 2008-2009 annual report.

On behalf of the hon. Mrs. Jablonski, Minister of Seniors and Community Supports, pursuant to the Persons with Developmental Disabilities Community Governance Act the persons with developmental disabilities community boards consolidated annual report 2008-2009.

On behalf of the hon. Mr. Horner, Minister of Advanced Education and Technology, pursuant to the Apprenticeship and Industry Training Act the Alberta Apprenticeship and Industry Training Board annual report 2008-2009.

The Speaker: Hon. members, if you want to see a happy man, look at the hon. Member for Olds-Didsbury-Three Hills. Today he and his young bride are celebrating their 44th wedding anniversary.

2:50 Orders of the Day

Government Bills and Orders Second Reading

Bill 50

Electric Statutes Amendment Act, 2009

[Adjourned debate June 2: Mr. Blackett]

The Speaker: The hon. Member for West Yellowhead.

Mr. Campbell: Thank you, Mr. Speaker. I am pleased to participate in today's second reading of Bill 50, the Electric Statutes Amendment Act, 2009. On October 14 Premier Stelmach laid out our government's . . .

The Speaker: No, no, no.

Mr. Campbell: Oh, sorry. Our Premier laid out our government's way forward position for a strong economy in our province in a province-wide televised address. This four-point economic plan included a commitment to invest in Alberta's infrastructure. Along with roads, schools, and hospitals, this includes investing in our electricity transmission system, infrastructure that's critical to all Albertans who use electricity to power their homes and businesses.

Mr. Speaker, Bill 50 plays an important role in our way forward. As with roads, schools, and hospitals Bill 50 gives government the responsibility to approve the need for such critical infrastructure. I'll speak today about how Bill 50 is crucial to Alberta's long-term success and prosperity, and I'll speak about how it doesn't take away the voices of Albertans in the decision-making process. We're all aware of the tremendous debate surrounding Bill 50. Detractors say that we don't need new infrastructure, that the cost of projects would fall heavily onto the shoulders of Albertans, that government will push through projects behind closed doors, and that concerned Albertans will lose their say.

I appreciate the opportunity to address these fears with the facts. Mr. Speaker, there's been much talk about the cost to Albertans if Bill 50 is passed. I would suggest that the cost to Albertans would ultimately be much higher if we do not pass this bill and if we don't act immediately. Rumours abound about the cost for the critical transmission infrastructure projects included in Bill 50. The price seems to increase daily, depending on what you're reading or who you're talking to.

The fact is that Bill 50 approves the need for four critical transmission infrastructure projects. The estimated cost for the four projects is \$5.6 billion. But what does this mean to Albertans? It means that the average residential customer will see an increase of less than \$6 on their monthly bill, or less than \$72 a year, once all four projects are in service. We expect that to be around 2017. The cost will be addressed in increments starting around 2012 and increase over time as the projects are completed.

Another fact is that the amount that Albertans pay for transmission has always been based on the amount of power they consume. Let me say again that Albertans will pay a higher price in the long run if we maintain the status quo. Today there are generators who cannot connect to the system because there's not adequate transmission in place. If we don't correct this situation, we will lose some of our investors, creating a lack of competition, followed by an increase in energy costs. There's a very real threat of power outages, blackouts, and brownouts, and the costs to society would be very high. As a government we cannot accept this, and as a government we will not accept this.

As a government we know that public input is crucial to the democratic process. Mr. Speaker, the simple fact is that Bill 50 does not take away the public's right to be heard. Bill 50 speaks to needs only. The Alberta Utilities Commission will continue to be responsible for making decisions on the siting of transmission facilities. This includes determining a specific location for individual power lines. In doing so, the Alberta Utilities Commission will continue to ensure that Albertans whose rights may be directly and adversely affected by a proposed transmission development are informed of the application. These Albertans will continue to have the opportunity to voice their concerns in the review process. We strongly encourage affected Albertans to do so.

Mr. Speaker, the claim that the planning of transmission projects is happening behind closed doors is unwarranted and untrue. In fact, the AESO, the Alberta Electric System Operator, carried out extensive public consultations on various proposals to develop or expand the transmission system. The AESO developed their long-term transmission system plan after 92 open houses, attended by more than 2,500 attendees, 48 meetings with small groups, 148 presentations to municipalities, and distribution of more than 1 million copies of *Powering Alberta* magazine.

Let's be very clear about the AESO, Mr. Speaker. The AESO does not own any generation facilities, it does not own any transmission lines, nor does it construct any transmission facilities. In short, the AESO has no vested interest in recommending that building certain infrastructure is critical.

Following the approval of Bill 50, which approves the four critical transmission infrastructure projects, the AUC will conduct public hearings to determine the specific route for a transmission line and locations for substations. A number of things are considered at the facility hearing, including the specific location of proposed substations and the route of proposed transmission lines; impact on residents, the environment, and agricultural operations; visual impacts; technical issues; and safety matters. Make no mistake, Mr. Speaker: Albertans have been heard and will continue to be heard. The public's participation will remain an important part in the development and siting of all transmission infrastructure projects in Alberta.

When it comes down to it, Bill 50 is about ensuring Alberta's future remains bright, and I mean that both figuratively and literally. Mr. Speaker, Bill 50 means keeping the lights on in Alberta homes and businesses well into the future. It means facilitating continued growth in the province by making sure we have the necessary transmission infrastructure in place so that more power is added to the grid as needed. It will be needed not in 10 years, not in five years but this year, and we need to take action now. Bill 50 prepares us for the future today. It addresses the issues of inadequate and inefficient transmission systems immediately, making sure we have a reliable and competitively priced supply of electricity.

Mr. Speaker, I thank you for the opportunity to participate in this debate.

The Speaker: I have a very short speakers list so far: the hon. Member for Calgary-Currie, followed by the hon. Member for Calgary-Glenmore, followed by the hon. Member for Edmonton-Decore, then the Leader of the Official Opposition.

Mr. Taylor: Thank you very much, Mr. Speaker.

The Speaker: I indicated the hon. Member for Calgary-Glenmore after the hon. Member for Calgary-Currie.

Mr. Hinman: Under 29(2)(a) could I ask questions?

The Speaker: This being the second person, there's no question available on the second. It starts on the third. You can ask one of the hon. Member for Calgary-Currie.

Go ahead.

Mr. Taylor: Thank you, Mr. Speaker. Well, now that we have that sorted out, I can't help but notice that the sky has not yet fallen, that since Bill 50 was introduced in this House, the lights have not gone out. Well, they did go out briefly last week, apparently, in my apartment here in Edmonton and in the building where I have an apartment, but that was strictly a building problem. The lights have not gone out, yet government members opposite and the AESO, which we've heard described by the Member for West Yellowhead as having no vested interest in this at all – and technically he's right – and various others continue to present this issue of Bill 50 and the need to pass this legislation as though we are hours away from rolling brownouts. They've been presenting it that way long enough, and the rolling brownouts have yet to occur, so I'm just a little bit skeptical myself.

Bill 50 is a bad bill in principle which seeks to do something that – you'll get no argument from me – we actually do need to do in the province of Alberta, and that is to upgrade an electricity transmission grid that has not had substantial upgrades to it in quite a number of years. We do need to upgrade it; it's getting old. That doesn't necessarily mean that it's going to break down any time soon, but

it's getting old. The province certainly has grown. The population of this province has grown, the industrial and commercial base of this province has grown, and the consumption of power has gone up. Maybe not so much this year – and I hear tell that the AESO is about to go back and revisit its projections in light of the economic downturn – but certainly we had for a number of years there quite a run on electricity. Interestingly enough, the vast majority of that increased electrical consumption was done by industrial users who built their own generating capacity and cogenerating capacity, and a relatively small percentage of that was an increase in demand by the general population.

Now, I think, Mr. Speaker, it's probably a good time to point out that the general population of the province of Alberta really isn't responsible for all that much of the power that is consumed, the electricity that's consumed in the run of a day, week, month, or year in this province. In fact, according to the Department of Energy's own data residential use of electricity amounts to 17 per cent, or did in 2008 – the numbers will not be dramatically different this year – farm use was 3 per cent, and the rest was industrial and commercial: 54 per cent industrial, 26 per cent commercial. Now, the biggest of the big industrial users are tending to generate their own power, and often in cogeneration situations, granted, there's a need on the part of those users, those generators to be able to dump their excess power when they have it onto the grid and have it go somewhere.

Essentially, Mr. Speaker, when a generator generates electricity, that generator, no matter who it is, whether it's a company engaged in a manufacturing or industrial enterprise, whether it is a company like TransAlta or EPCOR or Capital Power or Enmax, is generating power to provide to electricity users. Once that company generates the power, that company really doesn't care where the electricity ends up. All that company is concerned about, and rightly so, is having the ability to put that realized generating capacity onto the grid and have somebody else deliver it somewhere where it's needed. This is really key in the case of coal-fired generators, and I'll come back to that in a second.

3:00

The point here, though, that I was making in terms of consumption of electricity in Alberta by sector is that there has been much talk about the impact that building this gold-plated Lexus of a transmission system will have on individual homeowners' electricity bills, whether it's \$8 a month or \$2,000 a year or anything in between. I'm not even going to stand here and argue the numbers at this point. We can get that specific, if we need to, at committee stage. What we're forgetting when we talk about that is the impact that paying for this grid, paying for the package of upgrades to this grid will have on industrial users, will have on commercial users, will have on institutional users, will have on employers. I submit, Mr. Speaker, that there's a risk here that we're going to make some of them uncompetitive. We're going to make some of them pick up and move to Saskatchewan if we go through with this whole thing hook, line, and sinker as has been proposed or even if we go through it in stages.

There are a few things to take into consideration here. Number one, Bill 50 does remove the right of public input at the needs-assessment stage. Yes, it still provides for the AUC to hold hearings on siting and things like that, but if a high-voltage 500-kilovolt direct current transmission line or two have already been declared critical transmission infrastructure by this government – and correct me if I'm wrong, Mr. Speaker, but I don't know of any electrical engineers or, for that matter, even electricians sitting in cabinet, so I don't know where the expertise comes from for the minister or the Premier or the cabinet to make the decision as to whether this is

critical transmission infrastructure or not – if that declaration under Bill 50 were to be made, then there is no choice, really, but to go ahead with holding the siting hearings.

What kind of extra pressure does that put on the AUC to approve whatever siting, you know, within reason, has been already spelled out by the AESO? I mean, there's going to be a lot of added pressure on the AUC to just roll through with this thing. We have to remember that whether they're industrial, commercial, institutional, residential, or farm consumers, consumers are getting stuck with a hundred per cent of this bill. Therefore, consumers, in my view, Mr. Speaker, have the right to challenge the need for the expenditure and the right to an impartial laying of the facts by the AUC.

Politicians, as I mentioned, are not experts at electricity. We should not be making decisions about critical infrastructure, and neither should AESO because AESO's credibility on this score is suspect, too. It's not because AESO are bad people. They're good people. They're well-meaning people. Indeed, as I think the Minister of Energy pointed out yesterday in question period, they may have 200 electrical engineers working for them, on call to them, that they can consult for their opinion as to where you need to put these lines. But, you know, they could have 200 or 2,000 or 2 million, for that matter, and it wouldn't make a difference so long as AESO is restricted by the mandate this government gave AESO to consider one and only one remedy for every problem that AESO encounters. That remedy is: build more transmission lines. That's the only thing they can consider. So what other answer are they going to come up with?

Well, Mr. Speaker, if you don't go down the route of approving Bill 50, there are other options because under the Electric Utilities Act as it exists now, there are opportunities and requirements. The AESO is required to submit a needs identification document for every line it wants to build. The others who are involved in that situation, the actual owners of the transmission facility, have the means to object if they believe that AESO's proposal is stupid or dangerous or ill-informed. These sorts of things are the things that the minister and cabinet and government want to punt, and I don't think there's any justification for that.

You know, it doesn't matter, as far as the general public is concerned, that AUC will still be holding siting hearings, because the general public still doesn't get a public hearing around the need for the line in the first place. This public hearing, Mr. Speaker, is called a public interest hearing. A public interest hearing. The AUC holds these hearings, which I understand the Department of Energy thinks take far too long, slows the process down by two years. As I referenced earlier, we're mere hours away from rolling brownouts, according to the proponents of this thing. They hold these public interest hearings to determine and to allow you, Mr. Speaker, and me and the hon. Member for Calgary-Montrose if he wants and independent experts, most importantly, to weigh in as to whether the social, economic, and environmental impacts of building said transmission line are in the public interest or not. History is full of absolute rulers with absolute power who got the trains to run on time, but it turns out that none of them was so hot at acting in the public interest on an ongoing basis, and I think that's worth keeping in mind.

Mr. Speaker, Bill 50 would be something that I would be very happy with if I was the operator of coal-fired generating facilities because coal-fired generating facilities are really hard to start up if they shut down. Of course, you have to shut them down periodically for planned maintenance, and every once in a while one of them goes down for unplanned maintenance. Then you have to start them up again. These are not facilities that you turn off and on with the

flick of a switch. It takes awhile to power these things up. They are difficult to power up. It is much better if you've got a big old smoke-belching coal-fired generating station, once you've got that thing on, to keep it running 24/7, 365 with, you know, the scheduled maintenance intervals.

That power, Mr. Speaker, that electricity that that big old coal-fired generating plant is producing: well, it has to go somewhere. Interestingly, the coal-fired generating stations are mostly located west of the city of Edmonton, and the load, the people who need the power: well, they're in Edmonton; they're in the Industrial Heartland. They're also in the south, in and around Calgary and down in southern Alberta. These lines will function very well at getting coal-fired generating capacity, coal-fired generated electricity from Wabamun or wherever down to the people in Calgary, as an example.

Okay. That's great. The people in Calgary need power. Everybody knows we Calgarians, although we do try, could try a little harder to be better conservationists when it comes to using electricity. That's a fact. But, you see, it kind of hooks us on the dirtiest power that there is. Parenthetically, one of the things that really galls me about some in the environmental movement is that they're trying so hard to tar the oil sands with this tar sands, dirty-oil label, brand. They've succeeded to some extent. Interestingly, all the oil sands developments currently in operation generate 36 per cent of our greenhouse gas emissions, and the handful of coal-fired generating stations generates 44 per cent.

Mr. Speaker, we could flip those relatively easily because, after all, the infrastructure, the building infrastructure and the related infrastructure, is in place. We could switch those existing coal-fired plants to gas reasonably easily and reduce our carbon footprint from the production of electricity to 40 per cent of what it is today. I think that would be significant. Plus we're missing a golden opportunity here by imposing an old-school solution on a problem that actually presents a raft of new opportunities that we're on the cusp of: distributed generation; building the generating capacity close to where it's going to be consumed; things like the ability, which is not that far away, of individual homeowners to engage in a little bit of cogeneration on their own behalf, taking the waste heat off their furnace and using it to generate the power that is going to provide much of their home-based consumption needs, might even power their car when they plug it in at night once they've got an electric car. We've got gas-fired generators versus coal. I spoke about that.

3:10

So there's a raft of opportunities here, some of them pretty exciting, for greening our grid. One of the things, Mr. Speaker, that is key here is that we do need to take a sustained, sustainable, predictable, logical, sensible approach to expanding and modernizing our grid so as to make it possible for an individual homeowner to dump excess power that he has generated onto the grid for somebody else to use or to make all kinds of things possible: the generation of more wind power, et cetera, more renewables. Those things do require a more modernized grid but a greener grid.

The Speaker: Hon. members, Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Highlands-Norwood under 29(2)(a).

Mr. Mason: Thank you very much, Mr. Speaker. I'd like to ask the hon. member if he could elaborate further on prospects for greening the production of electricity in our province.

Mr. Taylor: Well, thank you, hon. Member for Edmonton-Highlands-Norwood. Yeah, to an extent I will. I'm not an expert in

it, just like I suspect you're not an expert and just like I suspect nobody else in this House is really an expert in electricity. There is great potential for generating electricity via the use of wind power. It may even be not only confined to southern Alberta. We generally think the greatest generating capacity for wind is in southern Alberta, in that corridor from the Crowsnest Pass sort of over to Lethbridge, but there may be capacity to build wind-generation facilities in other parts of the province because wind does not necessarily blow across Alberta on a consistent basis, like it does under this dome sometimes. So if the wind isn't blowing in Lethbridge, but it is blowing east of Red Deer, why shouldn't we have wind turbines there to generate power, for instance?

There is biomass as well, which we have started to work with but which we could do much more with, in my opinion.

There's solar, which we basically haven't started to work with. If you look in Europe, if you look in Germany especially – and, granted, this has involved heavy government subsidies, and this is not something that I or anyone else in this House can recommend without this House having a discussion on whether they want to go down the route of subsidization. In Germany the government there has subsidized whole solar farms where, literally, farmers' fields have been turned over to, you know, a combination of growing crops and arrays of solar panels that generate a fair amount of electricity.

Now, none of these situations, none of these examples is the ideal solution to all our electrical woes or our environmental woes. It's going to take a combination of strategies, but there is real potential there. There is real potential, hon. member, for you to have what is called a Stirling engine fitted on your furnace in a couple of years' time probably, once they've been properly tested, and with the waste heat from your furnace generate some of the electricity that you use in your house. If you decide to trade in – well, it's not a New Yorker that you're driving – some kind of Chrysler on a plug-in hybrid or a plug-in electrical vehicle on down the road, maybe it will recharge your car's batteries overnight.

There are some very, very interesting possibilities here. We're on the cusp of those possibilities, Mr. Speaker, and we're not likely as a province to take a world leadership, state-of-the-art, leading-edge role in developing those possibilities and creating the jobs surrounding that if we build this gold-plated transmission system that works best to keep the coal-fired plant rolling and the coal fires burning.

The Speaker: Standing Order 29(2)(a) is still available.

Mr. Hinman: I'd like to ask the hon. member – he referred a little bit to the CO_2 emissions in the province: 38 per cent coming from the oil sands, 44 per cent from the coal-fired plants. I'm wondering if he has any more data on if, in fact, we were to replace that. Not that I'm a CO_2 skeptic, because I have questions on whether that should even be driving our economy, but we are subject to a tax that could be coming from foreign countries on exporting our electricity if we have the coal-fired areas there. I'm wondering if he knows what the actual reduction would be. He talked about 40 per cent on that versus coal. Does he have any idea on the megatons, on what that reduction would be in the province and the overall percentages and whether or not – I know he's been an advocate and spoken a lot on the Kyoto protocol – if in fact we were to convert that, we would meet the Kyoto protocol by converting to gas-fired as opposed to coal-fired plants?

Mr. Taylor: Mr. Speaker, I don't have those particular figures at my fingertips, and I would have to go back and do some research on that to come up with a specific answer to that question. Having said that, would it meet our Kyoto targets all by itself? I don't know. Would

it get us a lot closer? Well, obviously. If tomorrow with gas you're producing 40 per cent of the emissions that you produce with coal...[Mr. Taylor's speaking time expired]

The Speaker: I'm sorry, hon. member; we must now forge ahead. We'll recognize the following speakers in this order: the hon. Member for Calgary-Glenmore, followed by the hon. Member for Edmonton-Decore, followed by the hon. Member for Edmonton-Highlands-Norwood, followed by the Leader of the Official Opposition and the hon. Member for Cypress-Medicine Hat. The hon. Member for Calgary-Glenmore.

Mr. Hinman: Thank you, Mr. Speaker. It's an honour to rise and to speak to this bill as it currently is becoming the number one issue for the taxpayers of Alberta. It's been brought up several times already, and I'm sure as the other speakers rise, they'll also be referring to this. The job of the government is to ensure that the taxpayers' money is used wisely. It's amazing to me, as I've done some research on this, trying to find out why the government is saying that we're in a crisis situation. Why are they allowing AESO to circumvent our system, that we've had in place for years and has served us well, to declare a crisis when my understanding of the legislation is that one must submit a report if, in fact, there is a crisis or a problem anywhere in the system? There's been no report submitted to AESO, to the AUC, so I wonder why they bring that up when, in fact, they haven't been following their own legislation.

[The Deputy Speaker in the chair]

The root of the problem, that I understand in talking to several experts in the field – there are some out there, and why they're not referring them, I don't understand – is that AESO is bound by a horribly flawed transmission policy. The problem is that if you are a repairman and all you're given to repair with is a hammer, you're not going to have a very elegant job of repairing something. You'll have more dents than repairing. Their policy is about transmissions. It's a flawed plan because basically what the policy states is that any cost isn't the question. It's unconstrained transmission of electricity.

Albertans, if they're frustrated with anything about constraint problems, it's on our highways. In Calgary-Glenmore a major concern is that the ring road is not passed. It's got a problem, and there is no plan B to address it. It's going to be 2013 or longer before the ring road is addressed there. The local traffic is terrible. It needs to be addressed immediately. That would be a crisis to many people every morning and every evening in Calgary-Glenmore.

But to have a fear that we're not going to have electricity in Calgary-Glenmore is not a crisis. It hasn't happened. It has been said for years that it's going to happen. Yet this government wants to put in Bill 50, declare that there's a crisis and that these power lines must be built at a tune of an expected overnight cost, they figure right now, projected \$14.9 billion. That's an extreme amount of money.

We have a huge deficit, and I believe the government will be revealing here later this month or early in December that we're going to see the projected deficit escalate, I would suspect, to over \$10 billion even though the price of gas and oil has gone up. Yet they say that we need to spend up to \$14 billion to upgrade our electrical lines.

It's interesting that they always talk to and refer to that these lines haven't had any upgrades in 20 years. Yet when you look at the depreciation factor on these companies that own these power lines, their assets are increasing. Obviously, if the assets are increasing,

there has been maintenance work, there has been expansion, and it's going there. It's a concern that why would Albertans need to foot a bill for \$14 billion when, in fact, it isn't a crisis. The brownouts haven't been arriving.

The world basically has changed significantly since these proposals were brought forward. It's interesting if we go back and look at some of the AESO reports. In 2002 they put out a report, and they said there was a need of \$1 billion in transmission upgrades. In 2004 they put out a report. Again, we're all familiar, I believe, in this Assembly with the 2004 report and the need to spend \$600 million in today's dollars – it was \$300 million back in 2004 – to upgrade a line from Edmonton to Calgary, that 500-kV line. It's interesting that that was challenged in the courts. The courts actually ruled on that – I'm trying to see where I've got that document – but the court overturned that application when it was going through a needs basis and said that AESO was biased in their presentation. So that transmission line was defeated.

3:20

Now, in 2007 AESO came out and said that \$3.5 billion was needed, and the provincial energy strategy was saying about the gas prices going up through the roof: we need to do this immediately. Gas prices have since collapsed, and it's changed the entire outlook going forward of that industry and also the generation of electricity. It's a major concern.

The southern Alberta transmission reinforcement project under AESO, in 2008 they were talking about \$1.8 billion, but actually reports are coming out now saying there's going to be a \$3.4 billion expected cost. Again, Alberta taxpayers are wondering: why are we doing this?

Another interesting part of all of this and the question that comes up: AESO has put out this latest report saying they need two direct current high-voltage lines, one on the east and one on the west, to, I guess, give us security of the system and ensure that it is viable when, in fact, that's a huge overbuilding of it. The good member earlier referred to the cost of building a Cadillac or a Lexus or something else when, in fact, we don't need it. Albertans that are speaking to myself are highly suspicious when they look at the NorthernLights line from Fort McMurray going down to California, that all this is is a link in that line for Capital Power, I believe. Or is that the Canadian? Gosh, I'm getting my companies mixed up here now. Anyway, the bottom line is that the taxpayers are going to foot thousands of kilometres of transmission lines for a company in order to export down to the States.

It's also interesting when they talk about the crisis needs in that we have this constraint. When you actually look on the AESO website, you see that that constraint starts at 10 or 11 o'clock at night, but it peaks at 2 or 3 in the morning. There isn't a constraint on Alberta infrastructure here. It's because all this generation is going on, and there's no use for it, so they want to export it down to the States. We need to look at it and say: is that a crisis at 2 in the morning because we can produce electricity but have no place to ship it? What's interesting is that you pursue the idea of exporting. I'm all for it. If we can produce electricity and export it and Albertans can benefit from that, that's great. But if, in fact, we're exporting it and we're subsidizing those companies and the transmission companies, we have to question that.

My understanding is – and we'll be checking the data to ensure that it's correct – that when they're shipping the electricity out through the night, they get a much better rate for the transmission line, saying: well, it's not being used, so we'll give you a reduced rate in order to export your electricity. The companies say: well, let's build up more generation because we can ship it out; we don't

have to pay the full transmission cost. My understanding is that only one-third of the actual line cost is being paid, with the thinking that, well, because it's not being used, one-third is better than nothing for the traditional line costs. Again, that's what's creating the constraint in the system. It's at 2 in the morning, not at 6 in the evening, when we're supposedly hitting our peak time. Or at 7 or 8 in the morning there isn't a constraint inside the transmission lines here serving industry and the people of Alberta.

So we need to go back and ask that question: who really is going to benefit from building these transmission lines? Is it the Alberta taxpayers, or is it going to be the generators or the transmission people that use taxpayers' money to build these lines? It looks to me that it's pretty much staring us in the face that this is for the generators and for the transmission companies, not for the Alberta taxpayers. We truly do need to question that and to bring that part of the process.

Again, the most disappointing part and the concerning part for those people that are following this and realizing what this government is trying to scare Albertans into buying – and they're spending a lot of money in advertising as well as those companies that will benefit – is that we're in a crisis situation, such a crisis situation that we need to empower the minister to make that decision rather than go through the needs process that has served this province so well for 50 years.

I might again repeat that in 2004, when AESO wanted to put that line through there, it was challenged by an individual in the Lavesta area group, Joe Anglin, who took that right through to the courts. That line was defeated. It said that it didn't meet the needs test and that there was a bias in that.

I want to go back, though, and repeat what the problem is. I've asked some of these engineers, "Why are we messing up so bad at AESO? Why are they saying we need to have these things?" and they say, "Well, it's because of their policy, their mandate that they're given." Their mandate is to build unconstrained power lines for the transmission of electricity through the province. We need to change that. We need to have a mandate for AESO – and they are very capable engineers. They do understand the big problem. It's just that their mandate is constrained to transmission lines when what their mandate should be is to develop an energy policy, not a transmission policy. Therein lies the crux of the problem. Are we going to have an energy policy or a transmission policy?

It's also interesting, talking to some of these engineers, that the rates — it depends on the different companies that are very much involved in the economics of power and energy. They say that one 36-inch pipeline, which we have several of, transmits as much power as six 500-kV power lines. More interesting, the line loss and the efficiency is much greater with that. We have a huge potential here to push the gas through pipelines to local production of electricity versus trying to push it through power lines and having the loss, the overhead, the magnetic concerns that many residents have as those power lines go through.

The good member here from Edmonton-Meadowlark earlier asked the question: could we bury these power lines? All of these areas are not being pursued and thought of – why? – because of a policy that says we need transmission lines. But what we need to do is be able to transmit power. Even on that, let's look at the NorthernLights line from Fort McMurray down to California, that has been talked about so much for almost 10 years now. If we put in the pipeline rather than the power line, how much more efficient is that?

As I say, there are just so many areas here that one has to ask: why is the minister insisting that we pass this new Bill 50 so that we can declare that there is a crisis, the sky is falling, we need to immediately address this and build these lines when, in fact, nothing may happen?

It reminds me of 1977. There are a few in here that will remember that. The U.S. was talking about converting to the metric system. Canada at that point says: oh, we're going to jump on that and be ahead of them and be there. It cost industry a lot of money to retool our cars and all those things to metric, and the cost to our economy was immense by pre-empting and saying: oh, we're leading the pack in doing that. To put these overhead high-voltage direct current lines is false thinking.

Another analogy an engineer gave me. He says we have \$14 billion, that he believes will end up being \$20 billion, that we're going to put into power lines. He says, "That's the equivalent, Paul, of going and actually buying copper lines because we want to be able to have a good communication system here in the province when, in fact, what we are now is wireless and fibre optics." Why would we do that?

If Edison were alive today, he would recognize and understand our grid system because we haven't moved forward to a smart grid. We're not making those decisions. The most important thing that we need to do is realize that we need to discuss and debate and look at taxpayers' money. We have \$14 billion to \$20 billion that they're saying we need to spend immediately in order to prevent brownouts and crises and in order to attract industry here to the province. It's not true. I see the Minister of Energy shaking his head and his finger and saying that this isn't true, but once you give that mandate, if they're going to build a high-voltage line, they're not going to build a little one. It's going to be a big one. The power isn't here. It's going to go ahead.

3:30

Another part of the flawed system is, though, that if we compare to the U.S. and FERC, their plan there for power, it actually would be illegal to follow the U.S. policy here in Alberta because of our mandate to AESO saying that this is about unconstrained movement of electricity. So we could have someone like Bruce Power come in and put up a plant in northern Alberta somewhere, and then the taxpayers are responsible for building those lines so they can get the power out. That isn't in our best interest.

The system is wrong. It needs to look at the costs and the benefit of local generation versus long transmission lines. It's not in the policy to address that, and we need to change those things. I would urge this government to recognize these shortfalls in Bill 50. It's not going to serve the interests of Albertans. We don't have the \$14 billion to invest now or in the next couple of years on these major transmission lines. We need to focus and realize that electrical generation has changed a great deal. The cost of gas has changed dramatically from 2006, 2007.

I'll look forward to continuing the debate on Bill 50.

The Deputy Speaker: The hon. Minister of Advanced Education and Technology under Standing Order 29(2)(a), five minutes for comments or questions.

Mr. Horner: Yes, Mr. Speaker, please. Just a couple of questions. I was wondering. The hon. member mentioned several times, actually, that there was an immediate cash cost to this program of \$14 billion to \$20 billion. He tossed a lot of numbers around there. I'm just curious if the hon. member could answer what the cash-flow timelines are that he knows of as to what this expenditure is going to be. Is it \$14 billion in 2011? Is it \$14 billion over two years? Is it three years? He could probably enlighten the House with his knowledge of that.

The other thing is that he kept talking about the AESO having a mandate for unconstrained power transmission. I'm curious where he got that from because as I recall, reading the mandate of AESO, it doesn't say that specifically. I'm curious.

The other thing is that he's mentioned that we're building a bunch of power lines for export to the United States. I'd be curious to know if he has any documentation or evidence that that might be the case, that AESO is somehow involved in that, because AESO is really for the people of Alberta as a not-for-profit. There may be some for-profit guys doing it.

Also, when power is exported late at night, I think he said: well, they pay nothing. I'm understanding that they pay a tariff. I'm curious if he could clarify that for us.

Mr. Hinman: Well, I thank the hon. member for those questions. It's quite obvious that he wasn't paying close attention. I'll start with the last one, where he says that they pay nothing. I actually said that they only pay about one-third of a dollar to export because the lines are there. I didn't say that they paid nothing. I said that they paid a subsidized rate of 66 per cent.

If we look at the Powering Albertans into the Future put out by AESO, on the front page – this time they've conveniently not put the year of the report, but I believe it's 2008. When you turn to page 12 - and I'd be happy to get these copies over to the hon. member they talk about the critical transmission infrastructure: Edmonton to Calgary, \$3.1 billion; heartland, \$300 million; Fort McMurray, \$2 billion; southern Alberta, \$2 billion; south Calgary, \$100 million; total, \$8.1 billion. Additional critical transmission infrastructure, CTI tier 2: the northwest \$500 million; the northeast, \$1.4 billion; total, \$1.9 billion. Then transmission infrastructure under development: bulk transmission system infrastructure currently under way, \$570 million. Then we have the cost estimate in 2008 dollars, longterm regional transmission system plan, a total of \$3.8 billion. When you add those all up, hon. member, it comes to a little over \$14 billion, I believe. I'm taking that directly from the AESO website. The time frame when they're doing that I don't believe is in this report.

You asked the question, saying that I said that this was for export. What I said was that many people have asked me to build these huge transmission lines. Again, as human beings we're supposed to have deductive reasoning. We were able to look and say: well, if we do this, what's the result? A former Premier often referred to that, unintended consequences. Or are they intended consequences? To build these huge power lines, it's obvious that it's for sending somewhere else.

We don't need that much power here in the province. We're meeting our current needs. Seventy per cent of all of the growth in the last six years that we've been talking about have been met by backyard generation. If AESO was to open up or the Alberta Utilities Commission to become more user friendly and competitive, you would find that local generation would come forward at a much quicker rate.

We also have to look at the reality of where our energy comes from. It is coming from carbon fuel, and if we look at that – you asked four questions, so I'm trying to answer them all for you – it's transmitting and moving gas that is far more efficient than electricity. Yet the AESO only focuses and looks at transmitting electricity, which isn't an energy plan on how we're going to reach – and, again, I am going to say that what's really important if we want Alberta to return to the Alberta advantage is the cost of energy. If energy is reasonable and competitive on a world basis and on a North American basis, then our industry will be. But if we're going to add \$14 billion to the infrastructure for transmission lines when local generation can bring it forward, we have to question that.

There's a report that I've got here. [Mr. Hinman's speaking time expired]

The Deputy Speaker: The hon. Member for Edmonton-Decore.

Mrs. Sarich: Thank you, Mr. Speaker. It is an honour to rise in the House today to speak to Bill 50, the Electric Statutes Amendment Act, 2009. This is an important piece of legislation, and the public discussion is also important. I believe that it represents how our government is continuously forward thinking and working hard for Albertans not just for today but for the province's future prosperity as well. I would like to take this opportunity to comment on the importance of this bill by highlighting what it will ensure for Albertans.

Mr. Speaker, Alberta's population has grown and will continue to grow in the years to come. Due to our province's resources, prosperous economy, which, by the way, is the envy of other economic situations across the world, our competitive tax scheme, and the beautiful scenery that we have in our province, to name a few things, our population will endure and enjoy these assets that our province has.

Every home requires electricity, so as our population increases and as our cities and communities expand, there is a mounting demand for this electricity. As a fact, no major additions to the transmission system in our province have been built for more than 20 years. Mr. Speaker, our transmission system today, however, is aging, is congested and inefficient, and the grid system is nearing its capacity. When this happens, we begin to lose energy along the lines during transfer. This is known as line loss and comes at a cost. For example, in 2008 the cost of the line loss was approximately \$220 million. In addition to this, because the grid is reaching capacity, we will not be able to add to it, and our electricity system could become less reliable.

Mr. Speaker, it is estimated that Alberta will need to increase its generating capacity by 50 per cent over the next 10 years. By investing in new transmission infrastructure, we are ensuring minimal line loss and the reliability of transmission, thereby effectively planning for population growth within our province. Furthermore, with efficient transmission in place investors are more likely to sponsor generation, which will ensure a competitive market for this public good. Bill 50 will create opportunities to secure competitiveness for Albertans, reliability, and cost-effectiveness.

3:40

Mr. Speaker, the Alberta Electric System Operator, also known as AESO, initially determines the need for transmission infrastructure projects. AESO is a not-for-profit electricity system planner. It is independent from the electricity industry and operates in the public interest through a statutory mandate. AESO has technical expertise to prepare long-term plans, and in June 2009 they posted on their website that long-term plan.

Currently, once they have determined the project to be necessary in our province, the Alberta Utilities Commission undertakes open and transparent hearings with the public on the siting of the transmission facilities and locations. Bill 50 will effect change in these processes for the development of critical, and only critical, transmission infrastructure. This means that the government of Alberta will be responsible for proving the need for the critical major transmission lines, just like it does and accepts responsibility for the infrastructure that is in the public good. Some examples are hospitals, schools, and roads.

Projects that are not considered critical will continue to follow the same step-by-step approval process that involves the Alberta Utilities Commission. However, under Bill 50 projects that are urgent will be managed expeditiously through an approval process that involves the government of Alberta. This does not alter AESO's role. They will continue to determine the need for the projects.

Mr. Speaker, I'd like to be very clear in saying that despite the changes in the approval process of the projects themselves Bill 50 maintains the ability of Albertans to participate in the consultation process that is undertaken when evaluating and determining where to site these infrastructure projects. As such, Bill 50 upholds the opportunity for dialogue regarding the location of critical infrastructure. To that effect, Bill 50 provides the government of Alberta the authority to approve four critical – and I repeat critical – transmission infrastructure projects, which include the development of transmission lines between Edmonton and Fort McMurray, Edmonton and the Heartlands region, Edmonton and Calgary, and then within the city of Calgary. However, it is not a formal decision on where the lines will be placed. Following the passing of Bill 50, Albertans will have the opportunity to advise on the siting of these transmission lines.

Mr. Speaker, it is for these reasons that I believe that this bill is integral for Albertans and our electricity system infrastructure. I therefore stand before the Assembly and would hope that colleagues of the Assembly support Bill 50 and any other considerations that may come.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Calgary-Currie. Five minutes.

Mr. Taylor: On Standing Order 29(2)(a), yes. Thank you, Mr. Speaker. A question to the member around this notion that should Bill 50 be passed in this House, the people of Alberta would still have all the rights that they currently have to enjoy these open and fair hearings in front of the AUC around the issue of siting of the transmission lines. I would point out that the government of Alberta has already given AltaLink and ATCO permission to plan the two high-voltage DC lines between Edmonton and Calgary. You know, that seems a little bit like putting the cart before the horse or least getting a jump on the whole siting hearing process since we haven't even passed a bill that allows the minister or the government to declare these two lines to be critical transmission infrastructure and avoid the needs hearing.

Here's the question, Mr. Speaker. To the hon. member: why should the people of Alberta take comfort and confidence in the notion that these siting hearings are going to be available to them going forward for all time when up until we started debating this bill, they had every reason to think that the needs hearings before the AUC were going to be before them for all time, and now the government is proposing under Bill 50 to take those needs hearings, those public interest hearings, away? In other words, hon. member, if the needs hearings, which have been there for decades, are suddenly to disappear, what comfort and confidence can the ordinary Joe or Jane in the province of Alberta take that you're not going to do the same thing to the siting hearings this time next year?

Mrs. Sarich: Mr. Speaker, it's my understanding that the Alberta Utilities Commission is responsible for making decisions on the siting of the transmission facilities, which includes the determination of the specific locations. They've been provided that mandate, and Albertans should be assured of that mandate. It is the expectation that they would follow through with that mandate.

Thank you.

The Deputy Speaker: The hon. Member for Calgary-Currie.

Mr. Taylor: Thank you, Mr. Speaker. While, yes, that's true – they have been provided with that mandate – I would remind the hon.

member that they actually today and until such time as this bill actually passes this House, if it does, have the mandate to hold the needs identification hearings for all high-voltage transmission lines that are proposed in the province, not just for the ones that aren't currently defined as critical transmission infrastructure. So you take away the AUC's mandate on the one hand. How am I or anybody else in this province to believe that you're not going to do that on the other hand later on? I mean, what's the assurance? There's nothing here that says that you can't do that. There's nothing here that said that you would do what you're proposing to do with this bill to the other part of the AUC's mandate.

The Deputy Speaker: The hon. Member for Edmonton-Decore.

Mrs. Sarich: Thank you, Mr. Speaker. Let me reiterate a couple of finer points. Bill 50 provides the government with the authority to approve the need for critical transmission and the transmission infrastructure. This means that the government of Alberta is responsible for approving the need for the major transmission lines, just like it does for the infrastructure, and accepts the responsibility for hospitals, roads, and schools because it is defined as a public good.

Bill 50 does not change the province's commitment to ensuring open and transparent processes for the public to participate in. That responsibility for the siting lies with the Alberta Utilities Commission. I am confident that they've been exercising and will exercise in the future the mandate that has been provided to them, and Albertans should be assured of that as well.

Thank you.

The Deputy Speaker: Under the five minutes, hon. Member for Calgary-Glenmore?

Mr. Hinman: Yeah. Is the hon. member aware of the court case of the Lavesta group against the 500-kV line in 2004? You keep saying that there's input, but there isn't any input on the needs basis, and that's the most critical part. For anybody to be able to say, "Oh, I'm going be able to produce this" and for Albertans to have to pay for it, I mean, that's a wonderful business. The whole purpose of the Energy and Utilities Board and now the Alberta Utilities Commission . . . [Mr. Hinman's speaking time expired]

The Deputy Speaker: The hon. Leader of the Official Opposition, followed by the hon. leader of the third party.

Dr. Swann: Thank you very much, Mr. Speaker. I appreciate the opportunity to stand and speak to Bill 50, Electric Statutes Amendment Act, 2009. You know, electricity is kind of like water. We depend on it as an essential service for human life, and we take it for granted, understanding little about where it comes from and what it takes to preserve it in amounts and timing and locations that are needed. It's an essential service powering our lights, our interaction as individuals on the planet. We work through computers, we use it in our heating system, and increasingly it's important in our transportation systems, in fact.

Historically we've depended fundamentally on fossil fuels for generation of electricity and coal, in particular, from central and northern Alberta. Increasingly we are seeing a demand for a shift in the 21st century to new forms of energy, and I think that's in the context of climate change the most serious crisis affecting the planet in our lifetime. The question is whether we're going to move into the challenge and embrace the responsibility not only to our own citizens but to the rest of the planet to reduce our carbon footprint,

to reduce demand, to improve efficiencies, to improve conservation, to increase renewable energy development in this province in a way that will be timely and significant to the global need for change.

3:50

We have some significant hydro, and there may be some real opportunities to do more there. That will also reduce our greenhouse gas emissions. The natural gas supplies are clearly going to be a consistent contributor to our electricity generation in this province for decades to come.

The real challenge, I guess, for us is to think differently about both the types of energy we're creating, where we're producing it, and its proximity to use. Clearly, the urban centres, industrial centres like the heartland, and to some extent the oil sands are the greatest areas of demand. I guess the question for us is: are we going to continue to produce power centrally and transmit it throughout the province, or are we going to look at some innovative alternatives that would move us both towards less waste and to greater dependence on renewable sources?

Currently the demand for electricity in the province is still well below supply, but there is much evidence that we continue to squander our electricity, and we could be saving both the cost of electricity and the generation of emissions if we looked at much more innovative and higher investments in some of the demand reduction scenarios that have been used in Europe and elsewhere to reduce, as I say, both cost and emissions.

Currently we produce virtually all the power we need, though at times we import some electricity from B.C. and in concert export back power to B.C. at times when that's appropriate. It's like with other commodities: we want as Albertans a fair, competitive market that ensures the lowest prices and stability of supply. As I've indicated, some people's very lives depend on a consistent supply of electricity, and all of us want to see that endure. Stability, then, and diversity of supply are critical to us thinking about what's before us in Bill 50.

The distribution has until early in the 2000s been incorporated into the costs of the power producers, but this administration has shifted the cost of transmission now to the public. Since 1996 and deregulation we are seeing significant increases in costs that, frankly, Albertans have some legitimate questions about. What would have been the costs today if we had continued on a regulated rate system? Are we providing the best longer term options for the public in the long term, or are we acquiescing to corporate and other interests over the longer term costs and reducing our emissions?

The Alberta Electric System Operator has the responsibility for fairness in the operation and management of the electrical system, and as has been indicated, the Utilities Commission is responsible to site and establish some of the needs. We are looking, again in a climate of distrust in this province, at trying to build people's sense in this province that they participate in a democratic process, that they are going to be presented with the best evidence, that we are going to use forward thinking about both generation and transmission, that we're going to try to reduce demand at the same time as ensure consistent supply. Albertans want to know that we're providing the best of evidence and having the best of debates around this issue, that was established over time and as recently as the last year and a half segmented off into what's called the Alberta Utilities Commission to review these issues and provide objective, debated considerations around how the decision will be made about both siting and transmission.

On the face of it the need for either new transmission lines or upgraded transmission is clear. The question is: what is the best way forward? I think that with many Albertans the Alberta Utilities Commission is best suited to help us determine some of those conditions, including the siting, which has to do with efficiencies, has to do with cost, and has to do with reliability. The decision to subvert that process smacks of self-interest. It smacks of centralizing power and decision-making at a time when Albertans are already suspicious of a government that hasn't managed the electricity system in a way that serves the greatest efficiency and the greatest savings for Albertans. We need public engagement. We absolutely depend on people paying attention to what we do as legislators to ensure that we reduce both demand and wasteful use and that we ensure the most optimal generation and distribution.

We criticized the conduct of the regulators, to be sure, in 2007, when concerned citizens who raised some similar questions were spied upon and marginalized in relation to Bill 46. This appears to be a reaction to that Bill 46 fiasco, and it appears to be taking it out of the hands of the public, out of the visibility and out of the debate that people are looking for, and it does not present a solution. It actually aggravates a situation in which Albertans do not trust this government to produce a thoughtful, evidence-based plan that is going to serve the long-term public interest in the most cost-effective way.

Mr. Speaker, some of our key questions will be raised and some amendments suggested over the course of time, but I'd just highlight some of the key questions that we have around this bill. Two high-voltage lines, direct current, are being planned between Edmonton and Calgary. These would be DC overhead lines. I guess a basic question that could be asked is: why are we opting for DC lines when AESO's own document states that longer distances, in the range of 700 kilometres, are the most cost-effective use of DC technology? I'm not an expert. I don't know the answer to that question, but it seems to me that that's part of what the Alberta Utilities Commission is charged with doing and ensuring that we understand why some of these decisions are being made.

Another has to do with the building of one high-voltage alternating current line going from south Edmonton to the new substation in the Industrial Heartland. Probably needed, but is the government planning to bury this line? Are we satisfied that we've allayed some of the concerns of Albertans in that area about the siting, and are we going to have a full debate about who benefits and who pays for that particular line?

Another commitment of Bill 50 is two high-voltage lines from Edmonton to Fort McMurray, one from Genesee-Wabamun and one from the Industrial Heartland. Again, legitimate questions can be asked by those most affected.

These are extremely costly projects. Some have indicated that, based on available data, the costs could soar up to \$20 billion. If the costs are being transferred from industry and commercial operations on to customers, we have estimated that charges on electricity bills could triple over the next 10 years. That includes \$300 a year for a typical 2,000-square-foot single-family home and up to \$400 a year for the average small-business customer consuming 1,600 kilowatt hours a month. Clearly, the cost to Albertans is only part of the issue, but it's one that is at the forefront, particularly with a government that has gone from multibillion-dollar surpluses to now the largest deficit in our history. There is serious question about the capacity of this government to manage our economy and to manage such things as the health care system and the electricity system in the public interest.

If Bill 50 is passed through the provincial Legislature, Albertans will no longer have a say in the need for these costly projects or whether they are being developed in the most cost-effective way. I guess the question that I have along with many Albertans is: why are we pushing through this bill in such haste? Is industry screaming for

relief? Are individuals, commercial operations, industry included, pressing for this change? These companies also deserve to have clear, open, evidence-based decision-making that they can have input into.

4:00

Mr. Speaker, that pretty much summarizes some of the key concerns that I have and that some of my constituents have. It appears to many of us that this may be a gold-plate option that requires some constraints, debate, discussion. We have a forum for this in the Alberta Utilities Commission. There are serious questions about why it should not be allowed, in fact facilitated, to carry on with this role. We will continue on behalf of Albertans to call on the government to renew its commitment to a commission that they themselves established for this very purpose.

Thank you, Mr. Speaker.

The Deputy Speaker: Under 29(2)(a) the hon. Minister of Energy.

Mr. Knight: Thank you, Mr. Speaker. I have a couple of questions that I would like to ask the hon. Leader of the Opposition relative to this issue. The first one is if you would please advise us as to what would be the first stage of southern transmission rebuild relative to its timing and cost.

You talked about alternates and so on. I wonder if he would just inform us of how much hydro capacity the province of Alberta has and where it's located and how much of the current generation in the province of Alberta is gas fired.

Mr. Speaker, another couple of things. He'd indicated that at some point in time someone else besides consumers paid for transmission. I'd like him to explain to me and indicate to the House if historically the cost of transmission did not end up on a consumer's bill.

Mr. Speaker, one more thing. There's some suggestion here that there's been no opportunity for public engagement and that we've taken away the opportunity for public engagement relative to the issue of transmission and particularly these pieces of critical transmission that are before us in this bill today. I wonder if the hon. leader would enlighten the House as to how many open, public meetings have been held on transmission refurbishment in the province of Alberta since 2007.

The Deputy Speaker: The hon. leader.

Dr. Swann: Well, thank you very much, Mr. Speaker. It's a pleasure to rise and speak to some of these questions. I'm sure the Energy minister has much deeper knowledge than I have. In fact, that's what we pay him for.

The question, I guess, in relation to various forms of electricity generation is well established and well published, and fossil fuels continue to be the primary form of electricity generation in this province. We have benefited from that. There's no question that we will continue to be dependent on fossil fuels for decades to come. I guess what we're looking for is leadership to both reduce demand and to enhance the renewable elements of our portfolio for electricity production. When companies like Enmax raise questions about the possibility of generation closer to use, as it has in Calgary, I want to know that that has been discussed.

Mr. Knight: Fossil fuel is fossil fuel.

Dr. Swann: Yes. I want to know that that's been discussed, why the decision for transmission which is much closer to source, much less

wastage, would not be a consideration in this particular discussion. I don't know the answer. I think the Alberta Utilities Commission and some of the experts from universities and from producers need to be heard from. We need to be making decisions in the best long-term interest of Albertans, and if we're not hearing from those people and basing our decisions on those kinds of expert advice, then I think we are missing the boat. What this bill does is take it out of the hands of the Utilities Commission and put it into cabinet, that has, I would argue, variable understanding of electricity generation and transmission. I don't think that that serves the public interest long term, and I don't think most Albertans believe it does.

On the other question, public engagement, I've met no one that was aware of some of the summer consultations that occurred in the last year around this particular issue. Yes, we've had many consultations across the province on various upgrades, but I don't believe we've had anything like the kinds of expert advice and debate around these particular lines, these high-kV lines between Calgary-Edmonton, Edmonton-Wabamun, Edmonton-heartland, and Fort McMurray. There is clearly a need for this. Albertans are not confident in a decision that would come out of a cabinet decision, and it's clear that we need to clear the air. Albertans will not be satisfied and will not be confident and you will have much more backlash if you push this through. It's very clear to us that people are not confident in rural or urban areas that this is an honest, evidence-based approach to making such an important long-term investment.

The Deputy Speaker: The hon. leader of the third party on the bill.

Mr. Mason: Thanks very much, Mr. Speaker. I'm happy to rise to speak to Bill 50, the Electric Statutes Amendment Act, 2009. There are a number of issues that need to be addressed with respect to this bill. There's the need for the transmission that is contained in the bill, and there's the question of the process by which this transmission will be approved, of which the bill is a significant point.

I think that this comes back, Mr. Speaker, to the previous hearings that were conducted by the ERCB with respect to the 500-kV line through central Alberta and the strong opposition that it engendered, the scandal of how those hearings were conducted, which really undermined the whole process that was there. That is to say that the ERCB was spying on the proponents participating in their meetings and so on, and this was all brought to light, which caused basically the whole process to be overturned. What the government has done, instead of going through the proper process again in a clean way, is they've decided to eliminate this untidy democracy and the objections of landowners.

It's interesting, Mr. Speaker, that if you actually look at the bill, you'll see that the regulatory body no longer has the authority to determine if the bill is necessary, if it's in the public interest, if it's environmentally sound, if it's in the interests of the economy. Its role is simply reduced to siting it. That's the first problem with this particular piece of legislation.

Then there's the question of the four projects that are outlined in the bill and whether or not they are necessary. Now, government members have made a great deal of the fact that we have an old infrastructure that may not be adequate for our needs as we go forward. I don't dispute that, Mr. Speaker. I think it's clear that, in fact, we do have an aging infrastructure, and it needs to be upgraded and modernized. The question is: how much, and how do we know how much? This is the problem that people are having real trouble with, deciding whether they believe the government that nearly \$8 billion or over \$8 billion worth of infrastructure in total is actually necessary or whether something a little more modest would do

because, as we know, this is going to be paid for on the bills of electricity consumers.

Now, I had the opportunity to get a briefing from the minister's department and also by one of the senior strategic planning engineers of AESO. He took me through the transmission plan. You know, sometimes when this happens, Mr. Speaker, a little light bulb goes on in your head, and you begin to see what the problem is. The problem, of course, the root of this problem comes back to the government's misguided plan some years ago for electricity deregulation. What they've done is create a strange hybrid system where the retail of electricity is deregulated and privatized and generation is also deregulated and privatized. In the middle is a transmission system which is still a publicly regulated body, which is AESO.

There's no longer system-wide planning for electricity generation and transmission because of the privatization on the generation side. You have dozens and dozens of potential sites for electricity generation, whether it's wind power or more coal power or more hydro power, but they don't know which ones are going to go ahead and which ones are not going to go ahead, so they have to build a transmission system that's capable of transmitting power from any one of those plants or whatever combination to the markets. They build what the AESO people call a robust transmission system. Well, Mr. Speaker, I call it a redundant, excessive, overbuilt, and far too expensive electrical system. That's a direct result of this crazy, irrational, deregulated scheme that this government brought in. It's following the logic of the government's deregulation.

4:10

The second thing. We talked also with some former employees of the electricity consumer advocate's office. It's very interesting. One of the points, I think, that was made there and confirmed with other people that we talked to in the industry was that the decision of the government to place the entire cost on the electricity consumer removed the incentive on the part of power companies and AESO to make sure that the transmission system was built on the most economical basis possible. Mr. Speaker, it's a bit like if you're going to buy a car. If you have to pay for it, you will choose a very different car than if the government tells you that your neighbour will be forced to pay for whatever car you choose to buy. You might be happy with a Ford Focus if you have to pay the shot, but if your next-door neighbour has to pay for it and you get to choose the car, you'll get a Lexus or a Maserati or something that you don't need and is way too expensive. That's the system that the government has put in place.

Now, the minister, in his question to the Leader of the Official Opposition, talked that traditionally consumers paid all the costs of transmission, and that's true. Under the regulated system ultimately the costs of generation and transmission were rolled into a cost, the money was borrowed over a period of time, 20 years or more, and the repayment was added to everybody's bill. That was the system. The difference here is that there was a system to make sure that the transmission and the generation were built in the most economical way, that it was necessary, and that it was in the public interest. That is the very same process that Bill 50 is eliminating, Mr. Speaker.

Yes, historically transmission was paid for by electricity consumers, as was generation, but that was part of a regulated system in which people were allowed to scrutinize the claims that were being made by the power companies and were allowed to challenge their costs. They couldn't just pass their costs directly on to the consumer. They had to show that, in fact, it was a necessary cost and that it was being built in the most economical way. This bill and this

minister are taking that away from the people of Alberta. We will never know if \$8 billion is enough, Mr. Speaker. They could come forward with a \$12 billion or a \$16 billion cost, and we will never know because we can't scrutinize it in a public forum. The government has taken that away. There is no opportunity for someone who wishes to oppose it to be funded by the proponents in order to provide evidence that the transmission facility is too expensive or is unnecessary.

Now, Mr. Speaker, take a look at some of the stuff that they're going to build. They're going to build a DC line. Normally DC lines are used to transmit electricity very long distances, and they're very expensive. They can be double the cost, even more, of AC transmission. The distance between Edmonton and Calgary isn't normally the length where a DC line is required. It's a very, very short distance for a DC line. So this raises the question of what the ultimate plan is. Are they going to continue with this DC line right down into Montana? Are we going to have power companies building generation with their transmission paid for by other people so that they can sell power for profit into the United States? How does that benefit consumers? It simply doesn't, but that's the kind of system that this government is setting up with Bill 50.

I think we need to be very skeptical of the government's and AESO's claims that \$8 billion of infrastructure is actually necessary to solve the problem. The government has tried and AESO has tried to scare people into believing that the towers that transmit our electricity are about to fall down at any time, that we're going to be plunged into darkness, in fact, that we're going to freeze in the dark. Mr. Speaker, you know, I know enough about these kinds of things to tell you that, in fact, what happens with old and obsolete infrastructure is your maintenance curve, your cost of maintenance, steadily rises to the point where it's no longer economical to maintain. It does not mean that the system is unsafe or that it's about to collapse. It means that maintenance costs are eating up more and more of the budget to maintain an older infrastructure, and it needs to be replaced.

And it does, Mr. Speaker, but not \$8 billion. The total value of our existing infrastructure for transmission in the province is a little over a billion dollars. They want to build a new transmission core to that that's worth eight times the total current value of the transmission infrastructure. It's absurd, and they're doing it because they're going to make the ratepayers pay all of the shot. So we're building at our cost a transmission infrastructure that allows anybody in Alberta to build a plant to make a profit and hook in, and the cost of getting their product to market is picked up by us, by the electricity consumer.

Mr. Speaker, I really think that this is not a bill that this Legislature ought to pass, by any means. The greatest problem here is that we can't sort out these issues. We have to take the Minister of Energy's word for it. We have to take AESO's word for it that we need this and we have to pay, rather than having it scrutinized through a proper regulatory process. I think that's the biggest flaw in the bill.

So, Mr. Speaker, in order to deal with that basic flaw in this bill, I have an amendment. If we could maybe just stop the clock, I will provide this amendment to the table and the chair.

The Deputy Speaker: We have an amendment. Let's pause.

Hon. leader of the third party, we have your amendment, so please continue with your amendment.

Mr. Mason: Thank you very much, Mr. Speaker. I move that second reading of Bill 50, Electric Statutes Amendment Act, 2009, be amended by striking out all words after "that" and substituting the

following: "Bill 50, Electric Statutes Amendment Act, 2009, be not now read a second time because the bill fails to provide for public consultation prior to the approval of critical transmission infrastructure."

If I can just speak to that, Mr. Speaker, what we are referring to is changes that are contained in the bill to existing language which requires the regulator to take into account whether or not this is in the public interest, whether it's necessary, and whether it meets environmental and economic requirements of the province of Alberta. That's what Bill 50 takes out of existing legislation with respect to the four projects that are contained in the act, and I just want to indicate to the House that I don't believe there's any justification for this.

4:20

I do not understand what's wrong with a regulator looking at the public interest. I don't understand what's wrong with a regulator asking, "Is this actually necessary?" and then hearing evidence from both sides or from all interested parties as to whether or not it's necessary and it's the most economic option available because they're there to protect the ratepayers. We can't count on this government to protect ratepayers. In fact, they do quite the opposite. They love to gouge us. They gouged us throughout the whole deregulation of electricity, and that's not their interest. But the regulator at least is supposed to take into account the pocketbooks of Albertans, who have to pay these electrical bills, and whether or not the infrastructure is actually affordable and necessary.

Why is the government taking that out? I don't understand it. I'd like to hear from members opposite why they think we shouldn't do that, why we shouldn't look at the economic viability of the project, why we shouldn't look at whether it's environmentally responsible. Why shouldn't we look at those things? Why is the government taking that away from us? I think it's wrong, Mr. Speaker, and I think that we ought to not pass this bill until the government has fixed that problem.

You know, I'm really concerned, Mr. Speaker, that the government, because it understands – and I agree with this – that there is a need for some upgrading and modernizing of our infrastructure, is going overboard. They're going way over the top. They're doing away with a regulatory process, and they're imposing four projects without proper scrutiny. You know, it wouldn't be the first government to do that, but I think we should take it out.

The Deputy Speaker: The hon. Minister of Environment.

Mr. Renner: Thank you, Mr. Speaker. I'm rising to speak to the amending motion that's before us.

The Deputy Speaker: To the amendment?

Mr. Renner: Yes.

The Deputy Speaker: You don't want to use the five minutes?

Mr. Renner: No.

The Deputy Speaker: Okay. Continue on with the amendment.

Mr. Renner: In speaking to the amendment, Mr. Speaker, I understand that the member has raised a number of concerns, and I understand that he is using a procedure that is available to all members of this House to introduce an amendment at second reading, but I think that he's premature in bringing this amendment

forward. It doesn't give members of the House ample opportunity to even debate the merits of the bill beyond second reading.

Clearly, there have been members that have expressed issues around this bill. I've heard in some of the speeches before and I anticipate in other speeches that may come forward at second reading that there may well be members proposing amendments at committee stage. I think that to proceed with this amendment at this point in time precludes members from even having the opportunity to introduce amendments and discuss some of the more detailed concerns that they may have with this bill. So I interpret what the hon, member has done here as really taking an opportunity to use the rules to actually remove the ability of members to continue to have debate.

Therefore, Mr. Speaker, I too would like to take an opportunity to use the rules that are available to us to extend the debate. I would like to move pursuant to Standing Order 43(d) that the question now be put. My understanding is that would allow any member who wishes to speak to this motion to do so, and at the conclusion of that we would then proceed to carry on the necessary votes to allow us to determine whether or not this bill should go to committee.

Mr. Knight: If I might, Mr. Speaker, you know, we do have an opportunity here now to continue this debate, and if I do understand correctly, I still have an opportunity to make some suggestions or comments here relative to the amendment before us. I stand corrected if that's not the case. But I understand that I do have that privilege at the moment. Would that be correct?

The Deputy Speaker: If the chair could pause for some advice.

Well, the chair has advice that we will continue on with the amendment, and then when we have further advice, we will make a decision on the amendment.

Please proceed on the amendment.

Mr. Mason: So the Deputy Government House Leader's motion is then out of order? Is that what you are saying?

The Deputy Speaker: We will hold off on that.

Mr. Mason: Okay. I have a point of order with respect to it, Mr. Speaker, when you're ready for it.

The Deputy Speaker: Okay.

The hon. minister on the amendment.

Mr. Knight: Thank you, Mr. Speaker. At this point, then, I would like to make some comments relative to the amendment. The wording of the amendment is, I think, a bit important here to understand what's being said. The premise for this is that the bill fails to provide for public consultation prior to approval. In some of the comments that have been made earlier in discussion on the bill itself, there most certainly has been evidence put on the floor of the number of open, public, transparent meetings and opportunities available to the public to have input. Members of the public would include any stakeholders involved.

Speaker's Ruling Moving the Previous Question

The Deputy Speaker: Hon. minister, just some advice here regarding the motion by the hon. Deputy Government House Leader. *Beauchesne* 527 says that "the previous question has been moved upon the various stages of a bill, but it cannot be moved upon an

amendment." So the motion by the hon. Deputy Government House Leader is not in order.

Minister, continue on with the amendment.

Debate Continued

Mr. Knight: Thank you, Mr. Speaker. As I was saying, you know, it's been stated here, but I'd like to clarify something relative to this because there appears to be some suggestion by some members opposite, as a matter of fact a number of them, that there has been no opportunity for public input relative to the four pieces of transmission that we're talking about here. For that matter, there is a fifth piece of transmission infrastructure that is, actually, in the bill – and that's the southern fortification – that's gone through all manner of public meetings, including the AUC's needs hearings. I can tell you that with respect to these pieces of transmission, just what we have in Bill 50 – we introduced this bill in the spring. We carried it over the summer for the specific reason – the specific reason – of having an opportunity for all Albertans, including all stakeholders, to bring forward their suggestions relative to this legislation and their comments and questions.

4:30

Mr. Speaker, AESO held with respect to this over 40 open, public meetings. The Department of Energy across the province of Alberta held an additional 20 open, public meetings where we encouraged Albertans and encouraged stakeholders to come forward with their comments, suggestions, and questions relative to this piece of legislation. I would suggest to you that I cannot think of anything since I've been elected here, certainly, which is not very long, any single piece of legislation that's been in front of this body that has had as much opportunity for public input as this piece of legislation has had. For that reason I would encourage all members to oppose this particular amendment.

Thank you.

The Deputy Speaker: The hon. leader of the third party under Standing Order 29(2)(a), five minutes.

Mr. Mason: Yes. Well, Mr. Speaker, what the hon. Minister of Energy neglects is that there's a difference between consultation, which the government can ignore, and a proper process of regulation in which people who wish to intervene can do so and often can have some of their costs met by the proponents so that they can do research and hire lawyers and consultants in order to make the very best possible case and that there's a legal requirement on behalf of the regulator to take those things into account. That's very different than holding public hearings around the province. It may be that they had 200 public meetings around the province where people were allowed to have their say, but there's no requirement for them to actually listen to the people, and, I would submit, in the most basic way they ignored them.

I'd have to ask what the value of doing that is if people come and they're angry and they don't want the power line and they don't believe that power lines are necessary and they think they're too expensive or whatever it is they say, and the government simply says, "Well, we'll make a note of that," and nothing fundamentally changes. How is that a valid regulatory process? It's not.

You know, I'd like to ask the minister this question. As a result of those 200 public meetings around the province what about these major projects did you actually change?

Mr. Knight: Well, Mr. Speaker, certainly valid points that the hon. member makes relative to the process. There is nothing – absolutely

nothing – in Bill 50 that removes the mandate of the Alberta Utilities Commission to work in the public interest. The Alberta Utilities Commission has to make decisions on all of the hearings and all of the issues that they address, and they have to make those decisions in the public interest.

When you move into the permit and licensing stage of any of these pieces of development, it's very clear that all of the issues that the member brings up will be – will be – addressed by the AUC. They do have the opportunity, Mr. Speaker, to look at issues such as health, safety, the technology employed, the cost, the proximity to individuals and certain people, be they landowners or renters or people living in congested areas or businesses. What effects these pieces of infrastructure would have on them are considered by the Alberta Utilities Commission before they render a decision on the permit and licensing of these facilities.

Mr. Speaker, you know, there was a question put at the end of a ramble, and by the way that ramble has been heard now, I think, just since I've been sitting here, for two hours, I suppose, and a bit. I don't know. But I think it's the fourth time, the same stuff repeated over and over and over and over again. That's fine because, of course, I guess if they want to hear themselves talk, it's good. It's good.

The question is: what was done with the information that was provided to AESO and to the Department of Energy with respect to these particular pieces of infrastructure? I would suggest to you that all of the members in the House, you know, will want to have an opportunity to engage in the debate and see at the end of the day what differences have been made from perhaps an initial thought that we had 10 years ago, eight years ago, five years ago, three years ago, and now with respect to how we should move this province forward in the development of the resource base, the development of living space, the development of the health care system. Mr. Speaker, they all require a robust transmission system, and this is what we're going to provide for Albertans.

The Deputy Speaker: The hon. Member for Calgary-Currie on the amendment.

Mr. Taylor: Thank you. Mr. Speaker, I want to rise and take issue with something that the minister said as he replied to the amendment introduced by the leader of the third party because as I read this amendment, it says in part that "Bill 50, Electric Statutes Amendment Act, 2009, be not now read a second time because the bill fails to provide for public consultation prior to the approval of critical transmission infrastructure." The response in debate that the minister gave to the leader of the third party's amendment was not focused on what the amendment talks about. This is not about the public consultations that have taken place about the bill. This is about the future public consultations that will not be able to take place, that will be prohibited from taking place by the passage of Bill 50.

[The Speaker in the chair]

I think that's a very, very important distinction to get on the record because the minister would have you believe that anyone and everyone on this side of the House who has risen to speak against Bill 50 so far today has somehow denied the efforts made by this caring, compassionate, want to do the right thing government to make sure that, oh, 3,475,000 of us or however many there are today in the province of Alberta get our chance to speak to Bill 50 before it's debated here in the Legislature. You know, I applaud the minister's efforts and the Department of Energy's efforts and the

AESO's efforts and anybody else who's made the effort. I mean, it's just been an awesome sight to behold. It begs the question of, if they'd been so darn good at consultation and getting everybody's opinion, why it is that they have proceeded with this bill when they should know darn well that the more the people of Alberta learn about this bill, the more upset they are with it.

One of the things – it's not the only thing – they're upset about, obviously, is the impact that it's going to have on their electricity bill. One of the things that they're upset about is the idea that that minister over there and his cabinet colleagues can go behind closed doors and in some kind of star chamber arrangement, having perhaps taken the advice of the AESO – maybe not; we don't really know – having perhaps taken the advice of TransAlta Utilities . . .

Mr. Mason: Some of the sponsors of their convention.

Mr. Taylor: Yeah.

... or AltaLink or TransCanada. I doubt that they'd take Enmax's advice from the way the debate outside the House has gone so far, but EPCOR or Capital Power or anybody else who comes down the pike. Certainly not Enron anymore, but if they were still around, they might take Enron's advice. They can decide that this particular high-voltage transmission line is a critical piece of transmission infrastructure, and there's not one of us outside that room, whether we're elected representatives or just ordinary civilians, who can challenge that. Oh, sure, we can go to the AUC hearing and say: well, you know, can you move the pylon 25 feet to the left or the east or the west? But we can't do anything about getting in on the discussion of whether this really is a piece of critical transmission infrastructure.

4:40

You know, I'm really torn about whether to support this amendment or not because if the amendment passes, that's the end of this bill. On the one hand, that is a good thing. On the other hand, it means that this bill will go down to ignominious, inglorious defeat without any of us having actually gotten the chance to get from these guys on the government benches a clear definition of what constitutes critical transmission infrastructure and how they're going to determine that.

Mr. Mason: You've got to get your priorities straight.

Mr. Taylor: Yeah. The leader of the third party just muttered that you've got to pick your priorities. You know, priority one is stopping a bad bill, and priority two is satisfying my curiosity. I can satisfy my curiosity on my own time, so frankly I'm pleased to support this motion.

Thank you, Mr. Speaker.

The Speaker: Standing Order 29(2)(a). Proceed.

Mr. Knight: Thank you, Mr. Speaker. Well, there was one thing very clear and that I certainly do agree with, and that is that the member opposite indicated that he's not an expert with respect to these matters. But there are some other questions that arise. One of them for me would be that given the fact that the member is not an expert, it makes me wonder why he would be so vociferous about the fact that probably somewhere in the neighbourhood of 200 – well, I know there are 300 and some people in the AESO, but more than 200 of them would be engineers and technical experts that have been hired to do a specific job for Albertans. They are experts. They are able to work their way through the requirements for a proper transmission grid to be in place.

Mr. Speaker, on the idea that somehow or another these people are fools and that they do not understand and don't know the difference between an ordinary piece of wire that's strung across somebody's yard for Christmas lights and a situation where there are critical pieces required for the movement of this commodity throughout the province, what I can say is that I'd like to ask the individual across the way, the hon. member, if he could tell me what the grid reliability standards are that we must operate under in western Canada because we're connected to a grid system in the northwest. There are reliability standards that we must meet.

Mr. Speaker, the people that we have hired there are experts. They understand the grid reliability requirements, and they're telling us that to meet grid reliability requirements, these pieces of infrastructure are critical to move forward in a timely fashion. I may be biased, and I would admit that, but I have to tell you that rather than listening to the member across the way tell me that these people don't know, I would rather listen to the individuals that are there, that are hired, that are working on behalf of all Albertans to make sure that this system does work. I would most prefer to listen to them

I would like the member opposite to explain to me how the grid reliability standards were determined and whether or not AESO understands them.

The Speaker: The hon. Member for Calgary-Currie if you wish.

Mr. Taylor: Well, thank you, Mr. Speaker. You know, it's interesting. We were talking about rambling a few minutes ago, and it's interesting that in this latest ramble the minister has accused me of saying that the 200 to 250 to 300 electrical engineers who work for the AESO don't know what they're talking about, that they're stupid, that they're uninformed. I'd advise the minister to go back and read the Blues, read what I said in *Hansard* in second reading debate, reread what I just said in speaking to this amendment, and find anywhere in there that I questioned these people's intelligence, their expertise, their parentage, anything. Because I didn't. I said that it doesn't matter whether the AESO has 200 or 2,000 or 2 million experts on its payroll as long as the AESO is operating under a mandate that's as restricted as the one that it's been handed by this government, which is essentially to address transmission issues with one answer and one answer only, as I understand it.

Again I will agree with the minister, perhaps the only point we will agree on this session, that I am not an expert, and I don't think he is either on this sort of stuff. You know, it comes down to this: that mandate basically says that the only recourse AESO has to solve any of its problems is to build more transmission infrastructure. Okay. That's fine. If the minister wants to go back and reread my words from earlier, he will discover that I said that, obviously, there is the need for some upgrade to the transmission system. In fact, I don't think I'm the only one on this side of the House who has said that. What I will say right now in response to the minister is that I don't care how expert we are . . . [Mr. Taylor's speaking time expired]

The Speaker: I'm sorry, hon. member.

We are speaking on an amendment. The hon. Member for Calgary-Varsity, followed by the hon. Member for St. Albert.

Mr. Chase: Thank you. What I find interesting about this debate is that the dark knight of the electric horseman of the apocalypse opposite frequently accuses members of the opposition of fearmongering. Now, I'm sure this minister, based on his energy background, is able in the dark of night to find the light switch and turn

it on. And if it fails, as the government has suggested, because of imminent brownouts, then he's going to have a little bit of difficulty, and he's going to have to go back to the kerosene lamps that possibly he has as hand-me-downs from his grandparents.

The point of this is not to question the expert advice but to realize, as the hon. Member for Calgary-Currie pointed out, who those experts are working for and the shortness of the arm in terms of the arm's-length distance from the government, by whom they are paid to provide the advice.

Now, the difference between the hearings that the minister has talked about where selective note-taking was undergone: if the information provided appealed to the government, it was recorded, and if that was not the case, well, it just sort of disappeared. Now, when the hon. Minister of Energy was talking about the hundreds of hearings, I'm wondering whether those were the hearings that were with the spies present or whether they were hearings that resulted after the fact. The first set of hearings were declared null and void because of the underhanded manner in which they were conducted, with people listening in on conversations, the equivalent of wire-tapping, that got, I gather, an 80-year-old grandmother so incensed that she was prepared to take a shot at one of the government representatives.

What is very disconcerting to me, speaking specifically to the amendment, of course, is the lack of valid public consultation. A good example of public consultation – and it was a very lengthy process of public consultation – was the Compton hearings with regard to allowing more sour gas wells to be drilled at the edge of southeast Calgary, within a kilometre of the southeast hospital. Now, I had been an intervenor in that process, and I was somewhat discouraged that it took almost two and a half years from the time I gained intervenor status to the time when I had the final say as an intervenor in that process, but I would much rather have a two-anda-half-year process to get it right than to be pushing it, as the government has done.

What the government has done has taken public consultation and turned it into selective invitation. We have seen a series of acts preceding Bill 50 take away the diplomatic, democratic opportunity for discussion and debate and put it into the hands of the cabinet. In other words, things have been taken out of legislation and put into regulation. We're seeing, basically, the bodies of democracy leading all the way up to this particular bill. We've seen Bill 46, and we've seen Bill 39 and Bill 19, where the government has taken more and more of the public consultation opportunities, the opportunities for debate and pushed it into a cabinet decision.

4:50

Now, the hon. Minister of Energy talked about the role of the Alberta Utilities Commission. Basically, what Bill 50 is about is cutting the power lines, cutting the connection between the Alberta Utilities Commission to make an independent decision and the dictates of this government. That's why this particular amendment is so important. People are incensed, and part of the reason they're incensed is because they don't have the information that, apparently, the Minister of Energy claims the 200 experts have. Well, I would suggest that that's what public consultation is about. Like the Compton hearing, present your evidence. Give Albertans reason for confidence and trust that what you're proposing is evidence based, that there is a science underlining the proposal.

I don't claim to be an electrical expert. I manage without the help of four colleagues to screw in a light bulb, usually successfully. What I have heard in terms of doing research on electricity is that, for example, the company 3M has come up with a type of wire that is so improved in its capability and its ability to carry power that by

just the restringing of the current lines, you would get triple the power-carrying capacity that currently exists. It's this type of scientific research that we need to be hearing in a public consultation/hearing process such as, again, the Compton hearing.

We've had opportunities in the past, before the door of democracy started closing closer and closer and closer to being absolutely shut, where experts were gathered, where legal experts, engineering experts, and scientists had an opportunity to present an argument, and then the panel of experts gave reasons for their ruling. In the case of Compton both the city of Calgary and what was then the Alberta health region indicated that the evacuation possibilities for 350,000 southeast Calgarians were compromised. We've had similar hearings shut down the possibility, at least temporarily, of hearings on sour gas because people in the immediate vicinity weren't included as part of the hearing process.

What the hon. leader of the third party is saying is that if critical transmission infrastructure is indeed necessary, as the government suggests, then let's have those hearings. Let's have that information provided to the public, and let's also have a justification of the need to control that information only in the hands of the Minister of Energy. Asking for more time to get it right seems to me to be the wise way to go. In terms of if timing is of the essence, I would suggest, going back to the mid-90s, that Murray Smith and the undermining of the regulatory process was the beginning of what we're now seeing in terms of the end of democratic discussion and debate

I appreciate the opportunity to speak on what I believe is a sincere attempt to allow the experts the opportunity to share their knowledge. Those experts are not limited to those on the payroll of this government.

Thank you, Mr. Speaker.

The Speaker: Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thanks very much, Mr. Speaker. I'd like to make a couple of comments. I appreciate what the hon. member has said about the bill and about the amendment, and I'd just like to take a look at one of the pieces here that is in the bill. It says that section 19 is amended by adding the following after subsection (1):

(1.1) Notwithstanding subsection (1), the Commission shall not refuse an approval of a transmission line or part of a transmission line designated as critical transmission infrastructure as defined in the Electric Utilities Act on the basis that, in its opinion, it does not meet the needs of Alberta or is not in the public interest.

In this bill before us the commission will no longer be able to withhold its approval of a piece of transmission infrastructure that's been designated as critical because it does not, in its opinion, meet the needs of Alberta or is not in the public interest. The question I have for the hon. member is: why would such a provision be necessary? Why would the government through legislation prevent the commission from opposing some infrastructure brought forward to it because it wasn't in the interest of Alberta? Is there any possible reason?

Mr. Chase: I'm afraid that what is happening is that we're seeing a growing arrogance, a growing disconnect, a singular attitude where the government in a patriarchal fashion knows what's best. The government, hon. Member for Edmonton-Highlands-Norwood, has defined public interest according to what they believe. What they have done: any type of arm's-length connection between the Alberta Utilities Commission and the Minister of Energy has been severed. It's been amputated. In the place of the Alberta Utilities Commission we have a dictatorial expression from behind the closed cabinet

door of what the public interest is. Any notion of public interest has been lost in that particular clause that you referenced and in the whole notion of: "We know best. We'll move ahead. We'll expropriate your land. We'll run the wire where we wish, over ground, underground. We know best." This omniscient attitude that the government has put forward is sticking in the craw of regular Albertans.

The Speaker: The hon. Member for Calgary-Glenmore. Under 29(2)(a)?

Mr. Hinman: Correct. The hon. Member for Calgary-Varsity referred to Murray Smith and the undermining. I'm just wondering if he is referring back to, I think, 2002-099. The EUB released a decision transferring – well, it was about the congestion in the lines. The board found that it was appropriate to allocate some of the cost to the generators. That, to my understanding, wasn't acceptable to many of the generators, and Murray Smith, actually, at that time as the Energy minister tossed that out. Were you referring to that, and could you expand a little bit more on the change in regulations and how the government started to step in and overlook the needs process even at that early stage?

Mr. Chase: I'd be glad to expand. It actually goes back to the mid-90s, where Mr. Put On a Sweater, Murray Smith, the solution for freezing in the dark and cold or not having a light, determined that the solution for Albertans was simply to buck up and dress up. It didn't matter whether you were a senior huddling in front of the imagined warmth of a candle. He undermined the whole system in the mid-90s. He created such instability in the market that no power generators were prepared to go ahead and create the type of power and transmission that we're now short of. What Murray Smith did in that time period that you're referring to is held two failed power auctions. The reason I say two is because there were so few bidders in the first auction that basically he reduced the price and had a second auction. In those dual auctions Albertans were on the hook...

The Speaker: I'm sorry, hon. member. We're going to continue the discussion on the amendment.

The next four speakers will be the hon. Member for St. Albert, followed by the hon. Member for Cypress-Medicine Hat, then the hon. Member for Calgary-McCall, and then the hon. Member for Calgary-Glenmore.

The hon. Member for St. Albert. We are on the amendment.

5.00

Mr. Allred: Thank you, Mr. Speaker. Speaking on the amendment, firstly, I would like to thank the hon. Member for Calgary-Currie for clarifying the intent of the amendment.

Secondly, I would suggest that this is not the time nor the place to be debating this amendment. Bill 50, as the hon. minister indicated, was very clearly tabled in the spring session with the intent of getting public input over the summer, and I think we all agree there has been a lot of public input over the summer. So I think we owe it to the hon. minister to see if he's prepared to table any amendments in Committee of the Whole based on that input that he has received over the summer. I think we should therefore continue debate on second reading, and hopefully we'll all come out of this a lot smarter after hearing everybody's opinion. But I think we should hold this type of amendment until we get into Committee of the Whole and see what the hon. minister is proposing, and we can go from there.

Thank you, Mr. Speaker.

The Speaker: Standing Order 29(2)(a) is available. The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thanks very much, Mr. Speaker. I'd like to ask the hon. Member for St. Albert if he's aware if there have been summaries prepared of the input that was received and whether or not that has been made public. It seems to me that having undertaken what we hear is 200 or so public meetings with respect to Bill 50, there ought to be some conclusions that could be drawn that might be made available to all members of the House. I'd certainly ask him if he's aware if the views of Albertans who did attend these meetings have been summarized and made available publicly.

The Speaker: The hon. Member for St. Albert.

Mr. Allred: Thank you, Mr. Speaker. No, I'm not aware of any summaries. I've probably had the same pile of information that all members of the House have received from various bodies concerning Bill 50, but I don't have any summary, if that's what you're asking for. No.

The Speaker: Any further discussion under 29(2)(a)? Calgary-Varsity.

Mr. Chase: Thank you. The fact that a member of the government, and an esteemed member, I might add, doesn't have a package of information upon which to make an evidence-based decision or is not aware of any extra information, given your insider status, if you don't have it and you're not aware of where it is, you can imagine how we feel as members of the opposition that distant from whatever scientific evidence the government purports to have.

Now, in terms of consultation and collaboration keep in mind that this government spent over a year and a half with its environmental all-party policy committee debating whether or not we should have a return on milk cartons. Yet there seems to be over spring to fall a push to do transmission lines and put the tab on the backs of the taxpayers. I'm just wondering how the hon. Member for St. Albert feels about the speed at which we appear to be rushing towards a commitment of up to \$20 billion without the sober-second-thought process that a standing policy committee might provide.

The Speaker: Hon. member, do you wish to participate?

Mr. Allred: Well, Mr. Speaker, certainly, there have been questions asked. I've asked many questions myself. But the question that was asked by the hon. Member for Edmonton-Highlands-Norwood was if I had a summary document. I don't have a summary document. I have the AESO documents and several other documents that are public information off the web or wherever as well as a lot of the documents that were sent by special-interest groups, but I don't have a summary document.

The Speaker: Additional questions under 29(2)(a)? Calgary-Glenmore.

Mr. Hinman: Yeah. I'd like to ask the hon. member, being from the government side, one of the things that so many people come and approach me on and that seems to be kind of missing in the discussion. Yes, there's been lots of public consultation, but to the government member: do you know if there's been a needs test? Before Bill 50, if it stays the way it is, when you apply to the board, then those interested groups can go and have a needs test on whether it's needed. But under section (3) section 19(1) is notwithstanding

now. The needs process will no longer be brought forward, and there's no appealing. I just wonder if, in fact, the whole purpose of this is the fact that last time the line was challenged and it went to the courts. The court said that there wasn't the need there, so it was thrown out. Does this hon. government member have any comment about the need that needs to be there, not just public consultation but the actual process of showing AESO that the need is necessary?

Mr. Allred: Well, Mr. Speaker, I thank you for that question. As the hon. minister indicated, there have been several consultations, going back, I believe he said, since 2004-2005 and again this summer. There have been several reports as well that have been issued by the department and by AESO that have established the need. Very clearly, the AESO report establishes the need, and I believe that is what the minister has based the intent of this bill upon.

The Speaker: Additional questions?

Hon. members, we're on the amendment. Hon. Member for Calgary-McCall, did you want to speak on the amendment, or did you want to speak on the debate?

Mr. Kang: I want to speak on the debate, sir, but I'll speak on the amendment.

The Speaker: Okay. Then, hon. Member for Calgary-Buffalo, are you on the amendment or the debate?

Mr. Hehr: The amendment.

The Speaker: Then proceed.

Mr. Hehr: Well, thank you very much, Mr. Speaker. It is indeed an honour and a privilege to rise and speak to the amendment raised by my hon. colleague from the third party. I think this amendment really provides almost a look at what is wrong with the bill as well as gives us an opportunity to stop and reassess as to what actually public consultation is, for in fact we here as a democratic body, that's what we are about: public consultation.

Right now the way Bill 50 reads is that what is coming down the pike is that the government is taking away a citizen's ability to apply to the Alberta Utilities Commission and make a presentation to them regarding the needs of the system, whether electricity is warranted, whether a whole host of things are actually wanted by people in the area. What is currently happening under the bill is it takes away from individuals – both experts and, I guess, just simple Joe and Jane Albertans – the opportunity to go before the Alberta Utilities Commission and lay out the evidence as they see it before them and provide reason and rationale as to why an electrical system should or should not be placed in a certain area.

This system has seemingly worked. It was seemingly set up by the government at one time to almost take the political decision-making ability out of the hands of the government. That's why the Alberta Utilities Commission was set up, to take the political decision-making out of it, out of the government's hands. At least, that's what I fully believe was the reason for it.

5:10

It recognized that the Premier, that the Minister of Energy, the Member for Calgary-Buffalo, the Member for Lethbridge-East were not going to be experts in the distribution of power lines or the provision of power. What it did was set up an Alberta Utilities Commission. It allowed, then, for people to go forward and say with their arguments, "Hey, we think this is what happened," or even hire an expert. Maybe there are some people out there who claim to be experts, and they go up and they say: "Hey, we're experts in this. We don't think this is right. We don't think our area needs this much power. We don't think consumers need to be saddled with a bill on X, Y, and Z project. We think we're good for right now."

At the end of the day the Alberta Utilities Commission, which was made up of appointees who are presumed to have knowledge and I assume are experts and I assume have a department behind them with great knowledge and great skill, take all of this evidence, they balance it out, and they say: well, here's what Alberta needs or that this area of Alberta needs. That's what it was set up to do because we realized at one time in this House, when we set up the Alberta Utilities Commission, that we weren't experts and that also – guess what? – politicians are subject to pressure from various organizations, various constituents, various, shall we say, bodies around that may influence the political decision, rightly or wrongly.

Okay. That's what happens, guys. Whether it's companies, whether it's individuals, whether it's whoever you have that come to the government, throw their weight around, for whatever reason, you know, a government may actually bend to those decision-makings, not suggesting anyone has here, by all means, but saying that that's what happens. That's why you set up an Alberta Utilities Commission: "Hey, guys. Sorry; it's not a political decision. This is a decision that we set up one-off so that you couldn't come here and toss your weight around and tell us which way to go and we'd have to go do it or else there would be repercussions." That for better or for worse is what we did.

What we're now doing here – here's what I think, anyway. What's happening is that you guys know this is going to be hard. Giving Albertans a voice is going to be hard. You know as to doing this, or whatever it is, that there are going to be people going to the Utilities Commission making all sorts of pronouncements, valid or otherwise, and it's not going to be easy. But guess what? That's why you set it up. That's why it's there, and it's not supposed to be easy. It's supposed to be to allow people to go there and do their thing. You guys simply have put this bill through to get it off the front page by Christmastime and move on, to simply take away from average Joe and Jane Albertan the right to go ahead and speak their mind at this commission. That's why you've done it, and I think that even when you look yourselves in the mirror in the morning, that's why it's happening. I don't think it's fooling anybody.

Anyway, I think this would be a good bill, that would still allow us to go through with the valid reasons for a good amendment in that it would go for the valid reasons for the setting up of the Alberta Utilities Commission in the first place: to take the decision out of the politicians' hands and into the experts, or the experts as we deem them in Alberta.

Thank you very much for allowing me to speak in support of this very good amendment by the member of the third party.

The Speaker: Hon. members, 29(2)(a) is available. The hon. Member for Calgary-Varsity.

Mr. Chase: Thank you, Mr. Speaker. Back in '99-2000 and leading up to the failed power auctions, the Minister of Energy of that time, Murray Smith, sold through an auction process approximately \$8 billion to \$9 billion of Alberta taxpayer purchased and supported transmission lines for under \$3 billion. Now, compared to the bill that this set of transmission lines could be running up, all at the taxpayer's foot, though the residential areas are only taking up 20

per cent of the power or less that's being utilized, do you have concerns about the monetary expenses that are being foisted on taxpayers? First, we had the giveaway of our existing circumstance under regulation and deregulation, and now they're talking about taking that process even further and again sticking taxpayers with a considerably larger bill.

Mr. Hehr: Well, thank you for that question. You're hearkening back some time period. But I do remember the call to arms of deregulation actually was, "Hey, Albertans are going to get so much choice," which has not really turned out to be the case, and "Albertans are going to get provided power much cheaper," and that has not been the case. On that point I think those two things have fallen on deaf ears.

Am I worried that the transmission capability is maybe built up by influences and is maybe extending power to other jurisdictions, not necessarily for Albertans, and that it's going to be paid for by Albertans, who are actually being dragged into a business of exporting power to lend profits to private companies? Yes, my spider sense is tingling on that issue. And it's not only me who says that; this is other so-called experts in the area. I'm sure many people would call Mr. Holden from Calgary an expert. I'm sure many other people would call the two professors from the University of Calgary, who issued papers on this saying that this is a bad deal for Alberta taxpayers, experts on this.

What I'm worried about is that the experts are not given an opportunity to go to a regulator designed to hear these positions and these different arguments and make a decision on behalf of Albertans. It's made behind closed doors. Those are some fundamental worries for me.

The Speaker: Standing Order 29(2)(a) remains open. The hon. Member for Calgary-McCall.

Mr. Kang: Thank you, Mr. Speaker. It's a pleasure to speak in favour of the amendment.

The Speaker: No. Hon. member, we're still on the question-and-answer side.

Mr. Kang: Sorry. Member for Calgary-Buffalo, my questions are on amending section 17 with this bill. It goes on to add 17(2) onto section 17. This subsection is important for infrastructure deemed as critical by the Lieutenant Governor in Council. The existing provision for a public interest hearing is cancelled. So how important is this amendment, you know, to not have this added on to the bill?

Mr. Hehr: Well, that's a very good question. We've seen continued, I guess, decision-making powers go behind the cabinet wall, and this is a continuation of this with this bill. I actually liked the way the government had previously set this up, with an Alberta Utilities Commission designed with experts to hear other experts and individuals with legitimate or even illegitimate concerns, whatever it is, the right to be heard and allowing them a place to go and explain themselves. This process has now been cancelled, null and void, in order to get this off the press pages and to say that it's done in an expedient fashion. That's the only rationale for it.

The Speaker: The last speaker that I have on my list to participate on the amendment, unless others will advise, is the hon. Member for Calgary-Glenmore.

Mr. Hinman: Well, thank you, Mr. Speaker. It's a pleasure to rise and speak in favour of the amendment from the hon. leader of the third party. The reason why I feel it's so important that we pass this amendment is because this isn't a crisis situation. If we have any crisis here in the province, it is the deficit this government is running. It's out of control. To increase the deficit to the Alberta taxpayers by saying that we need to have these power lines is not looking out for the best interests of Alberta taxpayers, as they mention and seem to think is what is critical and what we're trying to do.

5:20

More importantly, I guess, if we're looking at this amendment and why we should be turning this Bill 50 down, saying that we don't have the needs process, the amendment says that, "the bill fails to provide for public consultation prior to the approval of critical transmission infrastructure." Now, if I was making this amendment, I would say that it fails to provide for the need for the approval of critical infrastructure. That to me is key, that the bill sets up and empowers the minister to be able to decide that there's a need. Many people have referred to it. I do not believe that the minister is the expert to say, "We need this," yet he's in a position over and above the AESO that when he says, "This is what we need," the power lines go forward. In fact, the process needs to go back to as it was in the old days.

I believe the true reason why this bill has come forward goes back to a challenge in the courts between the Lavesta area group and the Alberta Energy and Utilities Board. In that situation, where they were trying to pass a 500-kV line from Edmonton to Calgary, the board gave the approval. It was appealed in the courts, where the process was appealable. Bill 50 will take that appeal ability away from the people and industry here in the province. So it's critical that Bill 50 be amended as brought forward in this amendment, that it be not now read a second time because there is no urgency.

The amount of money that's going to be spent to make this decision is somewhat, as I said earlier, like going back and saying that we're going to invest in copper lines. This isn't the proper investment going forward for Albertans, especially not Alberta taxpayers. If private industry wants to put these lines forward and raise the money in the open market, I wouldn't have a problem with that. But the fact is that they're asking the Alberta taxpayers to do that, and that's not in our best interests.

It's just interesting that when you read the results of the Court of Appeal on the Lavesta group, it says, "The Board's counsel will be instructed to invite the Court of Appeal, notwithstanding this decision, to provide an interpretation of those sections." And to go down a little bit further: "As a result of concessions made, we are allowing the appeals and the appellants are receiving the remedy to which they are entitled." Then it goes on to say, "In summary, we allow the appeals on the basis of apprehension of bias. We vacate all of the decisions and orders under appeal." They said that there was a bias going forward. That bias comes forward in the mandate that this government has given to the AESO and the Alberta Utilities Commission in saying: here are the restrictions you must operate under and that we need to have transmission lines. We don't look at any other solutions to it. We say that the transmission lines are needed; therefore, you rule and give these corporations the permission to do it. It's interesting that the government has already given these two corporations the go-ahead to do the engineering for these lines when, again, there is no need.

The Minister of Energy spoke earlier, asking the Leader of the Official Opposition: do you know about the reliability of the grid system and whether or not that reliability is being met? My

understanding is that under Alberta legislation if there's a reliability problem and a corporation knows about it, in its line or in its generation, it's obligated under Alberta law to make application and to make the AESO aware of that reliability problem. There is no application, to my knowledge, in front of the board saying that there is a reliability issue.

Again, the reliability problem is that at 2 o'clock in the morning there's congestion of the electricity in this province. It's not Albertans that need that electricity. Again, we see that what we're doing is using the false pretense of saying: well, we have the lines; they're available, so we should be exporting our electricity, and we won't make them pay for the full cost of the lines. If, in fact, we had a congestion problem during our peak periods, I could see the thought process in that, that we need to upgrade our electrical lines because of the congestion. But that isn't true. So we can't use that line of thinking, saying that we need to have these lines because of the congestion. The congestion is at 2 to 3 in the morning, when we have more production and not enough use in the province. So they want to export it.

Again, the mandate to the AESO and to the Alberta Utilities Commission is to see that there's an unrestrained flow of electricity throughout the province, and that, I guess, spills over to the fact: export any excess that we have because that will be in the best interests of Albertans.

Another thing on why this amendment needs to go forward. It was interesting when I was door-knocking in Calgary-Glenmore. The wonderful seniors that I came upon that were still living in their houses that they bought new in 1960, 1962, 1963. I just couldn't help but ask them: what did you pay for those houses? The lowest priced house was \$11,700. The highest price in that time period was \$16,700. Now, for the minister of housing to come in and say, "You know, this is old infrastructure; we need to replace it," and tell those seniors that they now have to pay \$450,000 for a home because, well, it's aged, isn't so. The debate that keeps being brought up is that our infrastructure is old and needs to replaced. No, it can be maintained. Those houses are still sound; they're solid. They're 50 years old. Our lines are only 20 years old.

It's interesting about AltaLink. I believe the S&P put out a report showing – now, where did I place that report? – the value of AltaLink and saying that the infrastructure is in great shape. Here it is. A 2008 the Standard & Poor's report says:

AltaLink's monopoly transmission assets have inherently low operating risk and have demonstrated good reliability performance. Furthermore, 60% of the existing asset base is less than 20 years old. As the company expands its transmission infrastructure during the next several years, the age profile will improve further, as will AltaLink's operating efficiency.

There isn't this old infrastructure that people keep referring to. Telling all the people that have houses in the province that are over 20 years old that we now have to rebuild them at today's cost: those houses are fine. We'll maintain them. They're there for the people of Alberta, and that's what's critical.

Is there a crisis? No, there isn't a crisis. The most important thing that we can do – again, the minister keeps referring to and saying that we've had over 200 open houses. Yes, but we've never gone through a needs requirement, and that's the key in this. Do we need it? The experts will say no. Are we mandated to build transmission lines? The experts will say: yes, that's our mandate; that's what we need to do. This province is running a horrendous deficit. We do not need to put a burden on the taxpayers of another \$8 billion or \$10 billion or \$15 billion. It could escalate more if we're not careful

We need to accept this amendment, to vote in favour of the Bill 50 amendment, so the people of Alberta will not be burned by this

government in its desire to build transmission lines. For who? That's the real question. Why is the needs process being bypassed? We need to have that because we'll find out who really will benefit from the building of these transmission lines and why the government is giving the go-ahead.

I understand that it was open season down in Las Vegas on the 17th of October. They've started to put bids on power, and they're already looking at that, to be able to hook in to the new Alberta transmission lines that are coming forward. That's the real smoke behind all of this.

We need to accept this amendment, and I hope that all members will vote in favour of this amendment.

The Speaker: Standing Order 29(2)(a) is available. First of all, the hon. Member for Calgary-Currie, then the hon. Member for Edmonton-Highlands-Norwood.

Mr. Taylor: Thank you very much, Mr. Speaker. Wow. Member for Calgary-Glenmore, that was a very interesting piece of information that you shared with us there, that Standard & Poor's report.

The Speaker: Well, you know, hon. Member for Calgary-Currie, you're a fine man, but please speak through the chair so the chair can follow.

Mr. Taylor: Yes. My apologies, Mr. Speaker. I've gotten a little careless at this late hour.

That was a very interesting piece of information that the Member for Calgary-Glenmore shared with us because it seems to suggest that one of the fundamental arguments that the government has put forward in favour of Bill 50, at least in the public arena, is maybe based on a fallacy or based on some erroneous information. Could I possibly get the Member for Calgary-Glenmore to speak a little bit more about that S&P report to answer this question? If we've been told and if one of the underlining reasons for Bill 50 is allegedly that we have this very old and creaky, 20-year-plus transmission infrastructure and if, in fact, an objective analysis of AltaLink has shown that 60 per cent of that infrastructure is less than 20 years old, is it the member's opinion that that in and of itself is reason enough to support this reasoned amendment?

5:30

The Speaker: The hon. Member for Calgary-Glenmore.

Mr. Hinman: Well, thank you. To the hon. Member for Calgary-Currie. The fact of the matter is that there's a lot of smoke and mirrors around this bill. They're saying that we're in a crisis. So many people, the seniors, have been talking to me and saying: you know, this is a Chicken Little story. The fact is that the sky isn't falling; it's not critical. If you look at the AESO reports that have come out in 2002, 2004, 2007, and 2008, they're all changing, and why? Because the mandate and their operating instructions have been changed to say: "We need to do this; we need to do that. We need to accommodate for high gas prices."

Two years ago we were in a situation where gas prices were going through the roof. It's interesting in that policy paper put out by the University of Calgary that they say that in order to justify generation and the transmission lines, the price of gas would have to go up to \$65 a kilojoule. The S&P report really does reflect that. Companies, when it comes to the S&P report, need to put on their best front. The bottom line is that they have an excellent bottom line. Their infrastructure is good, no different than someone who's living in a 20-year-old home. We need to address this idea that it isn't

critical, that it isn't crumbling. I hope that answers the hon. member's question.

The Speaker: The hon. Member for Edmonton-Highlands-Norwood.

Mr. Mason: Thanks, Mr. Speaker. I'd like to ask the hon. Member for Calgary-Glenmore to elaborate a little bit more about the bid process that took place in Las Vegas, I think he said, for applicants who are going to be building connecting transmission infrastructure to southern Alberta.

The Speaker: This has to do with the amendment, does it?

Mr. Mason: Yeah. I think so. It has to do with his speech.

The Speaker: Okay. I'm looking forward to getting the answer.

Mr. Hinman: I've got so many papers here on my desk to find, to pull out each one. My understanding is – and I'm going to have to just go off the top of my head on this because I can't find the paper right now – a Canadian company has opened up bids on a transmission line going through to Las Vegas. I could bring you more information tomorrow on that or later this evening. The bottom line is that they are opening it up to see if they can sell the electricity, and if they can get the bids and the demand is there, then they will be able to hook up and go through the connections. Again, that's my understanding as to why these high-voltage DC lines are coming into place.

Many members have spoken to the fact that you need to transmit over long distances, so if that link gets put in from the north down to Calgary, it's a much shorter distance to go forward. The bids are going forward for electricity. It started on the 17th of October down in Las Vegas, and I'd be happy to get more information to you at a later date on that.

The Speaker: Others to participate under 29(2)(a)? The hon. Member for Calgary-McCall.

Mr. Kang: Thank you, Mr. Speaker. My questions are to the Member for Calgary-Glenmore. Does he have any information about what kind of shape our present transmission system is in? Is it in worse shape, is it in good shape, or is it in fair shape? Why is there so big a rush to . . . [Mr. Kang's speaking time expired]

The Speaker: I'm sorry, hon. member, but the time for this section has now left us.

Hon. Member for Calgary-McCall, do you wish to participate in the debate on the amendment?

Mr. Kang: Yes, sir.

The Speaker: Proceed.

Mr. Kang: Thank you, Mr. Speaker. It's a great pleasure to speak on the amendment. This amendment is about the changes being made to the Alberta Utilities Commission, but right now as the act stands,

when the Commission conducts a hearing or other proceeding on an application to construct or operate a hydro development, power plant or transmission line under the Hydro and Electric Energy Act or a gas utility pipeline under the Gas Utilities Act, it shall, in addition to any other matters it may or must consider in conducting

a hearing or other proceeding, give consideration to whether construction or operation of the proposed hydro development, power plant, transmission line or gas utility pipeline is in the public interest, having regard to the social and economic effects of the development, plant, line or pipeline and the effects of the development, plant, line or pipeline on the environment.

This section is being amended by adding section 17(2), and this subsection is important, it goes on to say, for infrastructure deemed as critical by the Lieutenant Governor in Council.

The existing provision for a public interest hearing is cancelled. It is not made optional but is, instead, explicitly bypassed. The act currently states that the AUC

shall, in addition to any other matters it may or must consider in conducting a hearing or other proceeding, give consideration to whether construction or operation of the proposed hydro development, power plant, transmission line or gas utility pipeline is in the public interest, having regard to the social and economic effects,

as I said before. That hearing no longer takes place for this particular infrastructure. The government is portraying this move in different ways. One relates to the critical denomination; namely, that this move will streamline the approval process, thereby allowing for those vital projects to be expedited and free from unnecessary hassles of the regulatory process.

Another argument the government is using is that the determination of the public interest in affected property rests in the elected government, not in the regulator. This line of argument is based on appropriate accountability, as indicated by this line from the Minister of Culture and Community Spirit on second reading of the bill: "The provincial government, elected by the people of Alberta, will now be responsible for determining when and which lines are needed." This argument, however, is kind of tenuous.

We have this regulatory process system precisely because the government interest is not necessarily the same as the public interest. To have the public interest heard, we need to have the hearing process in place. This amendment deals with that, and for that reason I support this amendment.

The Speaker: Hon. members, Standing Order 29(2)(a) is available. Hon. Member for Edmonton-Highlands-Norwood, did you move?

Mr. Mason: Yes. Mr. Speaker, I would like to ask the hon member. The motion basically says that the bill fails to provide for public consultation prior to the approval of critical transmission infrastructure. I guess I'd just like to make a few comments with respect to that and then perhaps a question. It seems to me that the minister has told the House that, in fact, there was a great deal of public consultation on this bill, and it's true. The government did introduce this bill in the previous sitting of this Assembly, and then it was available for public consideration in the meantime, and I think that that's commendable. I think, you know, that does provide a little bit more opportunity for the public to get to know what's really before us, but it hasn't stopped the public concern and that's, I guess, my concern. In fact, we had all of these meetings, but we don't really know what the consensus was if there was, in fact, a consensus.

5:40

Now, we're further informed by the minister and other members here that based on that, we're going to see some amendments, so the motion is premature. But they haven't told the House what that is, what they heard. The comments that I observed – and there was some coverage of some of these meetings – were that there was a lot of hostility towards this bill. It's based on a number of different things. It's based on people not wanting power lines through their

backyard or across their property for a number of reasons. It interferes with people doing their farming work and so on. There's a lot of concern about the electromagnetic radiation as it affects people, as it affects the health, and there's a lot of controversy about that. I think that that's a question that probably came out in the public consultation, but we don't know to what degree it was an issue

So there are land-use issues, and there are questions about public health, but also, Mr. Speaker, there's a lot of concern about, you know, the cost of this infrastructure and whether or not we really need this very expensive package that's envisaged in Bill 50. In fact, it's unprecedented, in my experience, for the government to specify specific projects and exempt them from regulatory scrutiny and say that these are the ones that you're going to build, and you can decide where they're going to go, but you can't decide whether or not they're in the public interest. Specifically, the bill says – and I read this before - that "the Commission shall not refuse an approval of a transmission line . . . on the basis that, in its opinion, it does not meet the needs of Alberta or is not in the public interest." Clearly, the government has already decided that these transmission projects are in Alberta's interest and are in the public interest, but we can't find out, you know, specifically why and what the government has based that on or what the public has actually had to say about

It really strikes me that the hon. member in his comments with respect to Bill 50 and the amendment that I put forward puts his finger on the issue, and that is that not only are there questions about the necessity of all of these projects, not only is there a question of the cost, but in fact there is a real question about the validity of the consultation that has actually been taken into account. I'd like to ask the hon. member if he could just expand a little bit on those comments because I thought they were quite valuable and hope that all members of the House have a chance to speak to them.

Thank you.

The Speaker: Well, hon. member, that was really kind of neat. We have five minutes under Standing Order 29(2)(a). Your question took four minutes and 58 seconds to raise. Now, you know, this chair has stated on previous occasions that he was not going to apply the 35-second, 35-second guideline, but it's amazing that perhaps the chair will have to start applying that if we want to have this going back and forth because this certainly removed an opportunity for the distinguished Member for Calgary-McCall to make a comment in response to the question that took four minutes and 58 seconds.

Hon. Member for Lethbridge-East, do you want to participate on the amendment?

Ms Pastoor: On the amendment, yes, Mr. Speaker.

The Speaker: Proceed.

Ms Pastoor: Thank you very much. I think that this is a good amendment for a couple of reasons because I'm looking at what the intent of this actual amendment is. All they're asking is that it not be read a second time, which is, in fact, asking that we put some more time between this bill being pushed through and before the public actually having a chance to hear and be able to continue the conversations that are going on out there.

Clearly, the citizenry in this province, those who have been paying attention, are absolutely divided. We have those that are saying it's great, and we have those that are saying: not under my watch do I want this to be happening. Each side does have significant numbers and arguments to prove their case. I think that because this bill has created such controversy in the public now that it's finally getting out there, it is flawed. I think the fact that the government is probably going to have its own amendments would lead one to believe that, yes, it does have to be fixed up, so I think all this amendment is asking for is some time to be able to do that.

More and more people are beginning to question how they, in fact, are going to be affected. Clearly, anybody on a fixed income – seniors, people on AISH, people on low incomes – who works from paycheque to paycheque is going to be very apprehensive about a bill being pushed through without them really understanding how it's going to affect them. Yes, this was introduced in the early summer, and there was time in the summer for us to speak to people. However, we all know that during the summer people are more distracted and that some of the meetings, certainly, were more the invited persons that would be sitting around that table, and as has been mentioned, we have no idea what was said around that table. I certainly know what I'm hearing out in my community, and as I say, it is very divided.

As I mentioned, more and more citizens are starting to ask: "What is really going on out there? How is this going to affect me? I was promised that deregulation would lower my electrical bill, and clearly that did not happen." It became a very important bill that seniors and anyone on a fixed income had to look at on how they were actually going to pay that. I think that as MLAs we all have had people come to our offices who simply cannot meet their utility bills, and we've had to help them in some fashion.

One of the other questions, too, is that I think they think that they're losing their voice. The other question, I think, is that if we're going to be a part of this, why couldn't we be a part of the profits? The other question that has been posed to me has been: when those transmission lines – and certainly it is a huge possibility. Those transmission lines could be sold to China, India, Saudi Arabia, or the United States, and Albertans will still be sending their utility dollars out of the province and even, of course, possibly out of the country. If this is going to go on for 40 years, I'm not sure that those figures are correct. Is it 40 years? Is it going to be even longer? In that 40 years how many times will those transmission lines be sold? I think it's pretty clear, if we watch what goes on in the world today, how businesses and commodities are bundled. These will be bundled, and they will be sold, and Albertans will still be on the hook for the costs.

At this point, Mr. Speaker, I would like to move adjournment of the debate on the amendment.

[Motion to adjourn debate carried]

The Speaker: The hon. Deputy Government House Leader.

Mr. Renner: Thank you, Mr. Speaker. I move that we now adjourn until 7:30 this evening.

[Motion carried; the Assembly adjourned at 5:49 p.m.]

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