Transcript of Bill 15 Press Conference, April 11 2008 Manitoba Legislature Bldg. Winnipeg, Manitoba

(00:00)

Premier Doer: We are working with private suppliers or private sources of coal and we will invest in the transition of those companies and it is very much part of our target that is part of large emitters and in energy conservation sectors that you will see in the press release.

We also believe that we can and must save megatons, megatons of energy or BHg's from transportation.

We include in the law a requirement for 50/50 support for transit including rapid transit.

We know that this has whimsically changed in the past so it is now in law. We also include biofuels. We also believe and are working in supporting the California tail pipe standards, which is both an issue of fuel and tail pipe. That of course is being held up in the United States, so plan on B, but 1A is dealing with fuel efficiency if the California governments actually won in court. But if they were held up by the administrator in Washington and we believe this gives us the ability to deal with vehicles.

(01:22)

It also provides us with, you know, the whole area of recognizing that new cars are about 65% more energy efficient than old cars.

This is a little bit of an issue here in Manitoba for the few of you that might drive old cars and so we're starting by restricting old cars from out of Manitoba as the first way of dealing with it.

Some of you have done stories on consumer issues in this regard so we might get a benefit on consumer protection as well as environmental improvement. We are going to improve and change the law dealing with alternative energy cars...uh what's it called...the Zen and the Volt and all these names. Right now the Manitoba law does not allow that to happen.

We'll make sure there's a bit of a safety valve there, you know, Jim Rondeau has a 10 km/hr vehicle, a roller blade that he calls a vehicle that is going to restrict some of you from driving to Brandon this afternoon, we have some latitude to deal with that but the bottom line is vehicles that are energy efficient, the new vehicles that are energy efficient than what is the law presently contemplates. That law is changing and we'll move ahead in a

common sense way but the on-ramp for the new energy efficient vehicles is here in Manitoba.

(02:46)

We have specific plans for large emitters.

We have what is classified [as] seven large emitters in Manitoba.

There is a cross over of some of those with coal and we are trying to develop a specific plan with each of these industries. We have been meeting with them.

Some of them are captured marginally by federal laws for example a copper smelter in Flin Flon.

Some of them are not captured by federal laws proposed by Minister Brade, or Baird rather, and we will again work under the regimes that we can. The Cook fertilizer plant in Brandon and the potential for sequestering some of that not in a coalfield but in an oil field in South Western Manitoba.

We're working with Tundra & Cook in that regard.

(03:38)

We're working now also on landfill sites.

We've got lots of studies, lots of ideas, this law requires action but this is not legislation with an unfunded mandate to the cities.

We will fund through out EcoTrust money a reasonable plan that first captures methane, stores it, and hopefully converts it to an energy source and we believe that that will move us ahead.

In terms of energy efficiency we've gone from 9 to 1. We will be changing the building code to be more effective. I've been arguing this with the Premiers too.

We've got a study going on with Premiers in out New Brunswick meeting. We'll be taking that forward to Quebec City but Manitoba is proceeding with the building code.

We've already gone from up to 400 megawatts of power saved. Sometimes that effects fossil fuels with its greenhouse gases, sometimes it doesn't.

(04:35)

If it's hydro, in terms of renewable energy we will be moving with more geothermal.

We have to look at the policy on education capital funding because again we have education over here, hydro over here.

We have to move forward with the more sensible policy in that regard and again we're looking into codes for furnaces in 2009 and we believe again we can move towards our targets in a doable way in that regard as well.

Agriculture is a very challenging area in our economy. We are pledging 680 000 tones in the next years.

That includes wood lots, it includes forestry, it includes already regulations that we brought in for phosphorous and nitrogen, which produce more GHG than phosphorous.

It includes the programs for agriculture, which we will work them on and we obviously, though do not have the largest burden in agriculture. It will be again a challenge for us but some of the areas of water protection we've but in place, we think will make a difference for forestry and agriculture.

(05:52)

We also will work with other coalitions.

We have community programs, what is that for 250 000 tones, water conservation, northern healthy foods, less transportation of foods, more green projects in communities gives us healthier food and less transportation costs.

Land use planning will be part of our environmental laws and including in that will be emissions.

That will all be very much part of it.

We [believe that] that there's still some works in progress that we still need to deal with, for example, how do you measure this.

We're working with the 13 provinces and the 33 states that are part of the

Western Climate Change Registry.

We're already registered in Chicago in terms of that commodity market.

We are still working on the methodology [on] with those states and provinces.

We want a third party verifiable way for measuring results besides [of] the obvious reports that are produced by Stats Canada.

(06:59)

Those methodologies are being worked on as we speak.

I think it's important to say that we will be subject to the accountability of third parties and I also believe that the law, as we get those things confirmed, it will, we will need a further amendment of this law to guarantee to the public of Manitoba and the people of Canada that we have in fact met the targets that are legally set out.

We believe that this is a very comprehensive plan.

It's obviously, the target is very straightforward and that is easier said than done.

Going to carbon neutral in the this decade and then moving to 6% below 1990 by 2012 is more difficult as I say in planning and action than talking about it but we believe it's doable.

It's actually, ironically more difficult in a province like Manitoba with a lot of hydro power because you don't have a lot of "large emitters".

(08:03)

I think that's counter intuitive but it's actually we're blessed by having lower per capita emissions but that by definition means that we are starting from a smaller base for what we've got to reduce to get to the 6% because it's a 'constant' of hydro electric power in 1990 and in 2012.

Having said that, I really am pleased with the work that the department has produced.

I'd like to thank all of the staff but more importantly, not more importantly but equally importantly, I apologize, is all the work that the communities produced and as I say we got the first economic report that this is actually paying economic dividends to Manitoba as well as environmental dividends, when the conference board predicted our growth would be great, and partly was due to the low emission buses and the new manufacturing that is also creating employment here in Manitoba so thank you and I'm open to questions.

(08:59)

Question from the floor:

Mr. Premiere, what happens if you don't reach the targets in 2010 and 2012?

Premier Doer:

2011, there will be a report in 2011 and the public will know our first target and you certainly will know the progress each year towards the target.

It is a bit of a cascading reality, you know, the people say "why don't you do a proportion of this before a certain date."

I definitely think we will be below 2000 by 2010.

I'm confident of that but some of the actions you take in 2009 and 10 actually have results in 2011 and 12, for example coal plant tax is 2011 but we would like to get to certain places and we're already talking with companies now on how we can invest in their transition so the public will know our results and the public gets a report from Stats Canada every year.

(09:54)

Question from the floor:

But what happens if you're not? Are you going to impose penalties on your government being that this is in law? Are you going to take other actions, like, what happens if by 2012 you're not below the 6%?

Premier Doer:

Well, I believe that the public will hold us accountable.

This is not a situation where we sign on to Kyoto and don't have a plan to deliver. You'll see the specific targets in each, not only, the specific targets in law but the specific targets in each category.

We have gone through these targets.

Some of it will happen with the market.

I mean the price of oil has gone from \$50 a barrel in 2005 and my friends at Bison would know this large in terms of what this means to their company to over \$100 a barrel.

New cars are more energy efficient than old cars.

Some of it will happen through action of the government closing down operations.

Some of it has actually been too slow.

The landfill sites have been too slow.

We'll be held accountable each year by the public and we, I think climate change targets have to have plans and we going to make a lot more announcements as we go along on each one of these categories on the specific plan itself and how much money will be going to each part of the plan, which we will be releasing as we go along.

Question from the floor:

So the, the first report that's legislated in this Bill isn't due until the end of 2011?

Premier Doer:

It will, I believe the report will be out before I call an election.

Question from the floor:

The report will be out before you call an election?

(11:23)

Premier Doer:

There's my first election promise for 2011 or 12. (laughter)

Question from the floor:

Thank you! (laughter)

Premier Doer:

Anyway, how soon am I retiring? (laughter)

Question from the floor:

Are you inferring that you're running in 2011?

Premier Doer:

Oh, I don't want to change the story today.

Forever young. (laughter)

I'm not going to go softly into the night.

Question from the floor: A lot of this is left up to cabinet including the method to determine what we're emitting and what we're offsetting.

Premier Doer:

Well it's also experts and I think that there is, and I've said it before, but I think we will have to amend the Bill when we get an agreement.

For example, we have an agreement now with 13 provinces and the 33 states on how to measure.

It's slightly different than the Kyoto protocol measurement as you probably know that the United Nations has signed but because we're in a North American trading environment we think it is the provinces believe, and we certainly support it, I think we were actually one of the first ones to sign on to it along with British Columbia that we should have a common way of measuring the GHG's.

Stats Canada has a methodology that it uses as well so there is a public document release each year and so you will hold us, there's not a journalist in this room who will not bring the Stats Canada report to our noses if it is in 2009 and 10 is doesn't look like we're going down. I can guarantee that.

(12:46)

Question from the floor:

Why not imposing penalties right off? Why not?

Premier Doer:

Well we're going to invest in achieving it. It's in law that we have to achieve it.

Question from the floor:

But there's no penalties.

Premier Doer:

Well if you don't achieve it I suggest that, that the ultimate penalty in 2011 will be defeating the government.

Question from the floor:

As far as buildings (interrupted)

Premier Doer:

And that is a penalty. That's capital punishment in the labor management relations field, [firing]. (laughter)

Question from the floor:

Here it says that the minister may exempt a construction project if it feels we have special circumstance. Do we have, did you have specific buildings in mind when you unrolled that off the hop?

Premier Doer:

There may be historic buildings but I don't want to get into that debate. We got the landfills and the rapid transit. We don't want too many more, but if there's a historic building, you know, we want to be a little careful about that, I mean I wouldn't [I mean we don't] want to rip down some of the exchange district

[because of] if there's a new project that takes advantage of a restoration, so that would be an example.

(13:57)

Question from the floor:

How much...(interrupted)

Premier Doer:

We'll come back to you.

Question from the floor:

How much of you plan will depend on achieving greenhouse gas reductions outside of Manitoba though... (interrupted)

Question from the floor:

This plan, the targets you'll see there add up to the over 3 million tons, megatons rather and it's our goal to do it all through reductions here in Manitoba. Yes Sir.

Floor person:

Just all this aside what does this meant to you in terms of the car that I drive, the furnace I'll be putting into my house, the house I'll buy, anything? What does it mean to you?

Premier Doer:

Well the house you buy, well the house you have now, it will mean that when you replace you furnace that you will have new codes on energy efficiency.

It will, some of those are going to save you money over time.

In terms of geothermal we are looking at the fact that it's assessed.

Right now if you bought a geothermal installation it's assessed, the whole capital value is assessed at whole market value right off the bat.

We're going to treat a geothermal furnace the same as we would treat an ongoing fossil fuel furnace.

That's something that came up publicly through these phone calls that were not aware of and so if you have a geothermal furnace now it's we're going to make sure that it's treated equally and the capital cost to the running cost of a fossil fuel furnace, which isn't presently the case now in assessment practices.

It will continue to encourage you to buy a hybrid.

We're not going to lose the hybrid tax reduction policy.

We also encourage, and you've asked me questions, I think you were interested in the Zen car and so it's now going to be legal to have in Manitoba.

(15:84)

Question from the floor:

Yes

Premier Doer:

That was just a couple of examples.

It might, in terms of we'll have community programs on refrigeration replacement and tax policies on water conservations [on tax policies]. Obviously Power Smart has helped provide low interest funding for environmentally sustainable reductions and therefore the megawatts we've saved.

Those are just a couple of examples.

The big example for you and what it's going to mean in your home is, in spite of the fact that we all curse at the weather in January, that our kids and our grandchildren hopefully will have a regime in North America, that says to people, we want to protect the lakes, rivers and forest for Canada and that's what I really believe is important, at least for me.

For me, my kids will benefit from this more than me at my age of course. My kids will benefit a lot more than somebody else.

(16:43)

Question from the floor:

May I ask about the tail pipe emissions? Why set up an advisory committee? Why not just do it?

Premier Doer:

Well, we want to go to California, and so if I pass California we're now vetoed by the U.S. environmental administrator so we will have a standard on efficiency and on fuel. It's, you know, and we believe what we've stated before.

We believe in the California tail pipe emissions standard and I believe that the federal government is now saying that they'll match whatever is best in North America, which I think is positive but right now the California government won two cases in court.

We have British Columbia, actually, almost all provinces agree with the tail pipe emissions standard right now.

If it's approved by the existing administrator that's great.

If it's not, there's going to be an election in November, and if there is no change, and I've suggested to Janet Lepaletiano, she's from Arizona, she's talked to Senator McCain [listened to] Senator Obama and Senator Clinton on not blocking the California tailpipe emission standards.

I'm not speaking for them.

I don't know what they said in Michigan and what I want to do is ensure that we can go with California or another model if California is blocked by the United States and we Canada, Manitoba has to come forward.

(18:08)

Question from the floor:

Mr. Premiere, looking at the building code changes and the building codes for government buildings and projects funded by the government why not go all the way and say "all new buildings or a lot of buildings have to be green". Why not go forward.

Premier Doer:

Well, that's why we have press and others that are going to help us on that and we're going to go as far as we can go, you know, we need to go far of course because the (unclear) requiring the GHGs is very positive.

Now, it's always good to go, we're trying to, some of these things we're trying to do with other provinces.

We have the issue of building codes and the federal building code on the Premier's agenda for change but some of these things you try to do with other people and then if you can't get progress you go yourself and then after you go yourself, you might get approval from the federal government.

The dishwasher detergent is an example, where what you want do was developed by, proposal to Ottawa, developed by a couple of provinces and then now is now going to be in federal law.

(19:07)

Question from the floor:

My question is then to how soon some of this can take affect? With the Zen car for example, the minister is going to have to pass regulations first permitting the lower speed.

Premier Doer:

Yes, well be have to pass the law first to amend the highway traffic.

Question from the floor:

Time line for that?

Premier Doer:

Well, we're bringing the laws in today. This is the second law in the legislature this session.

We want to pass it, the opposition will have something to say about it. They haven't always supported, in fact they were quite critical of me when I supported Kyoto a couple of years ago, so I don't know whether I can change their mind or not.

Question from the floor:

But you expect it to be passed this session?

Premier Doer: Yes,

Question from the floor:

Sorry, one thing, I don't know if that's what Steve was getting at but there's a bit of lag time in some of these initiatives because you set up the advisory council to then what will be... (interrupted)

Premier Doer:

We have no lag time, we have no lag time.

The time is definite on 2010 and 2012.

Question from the floor:

All right

Premier Doer:

The targets we pointed out are up to and could be over.

We wanted to give you a rough idea.

We didn't just pull 3 million plus megatons out of the air...

Question from the floor:

no, no

Premier Doer:

So we have targets in each one of those areas that we have put in our plan and disclosed to you and we have for example, we have been discussing, the Brady landfill site with Winnipeg and Hydro and ourselves for too long and this gives us a deadline.

Deadlines are good. They're good for the media, they're good for politicians, they're good for students and they're good for law.

(20:39)

Question from the floor:

That's not quite what I was going to get at though.

Just because some of these things are going to take a couple of years before the rules are in place, the details of the new code and the new emission standards. Some of that may not have an effect by the end of the 2012.

Premier Doer:

It will have, as I said, it has a cascading impact at reducing GHGs.

It actually, what you do today on action, for example, the more people that participate the more businesses participate, the better benefits you get as it goes along so that's why, but we didn't want to have just a standard of targets in 2012.

You know, I've heard a lot of people say, you know, they hear 2020, 2050, they say "right", sound's like somebody that's going to rely on the next government or next regime to be accountable for doing it.

We thought we should have some really immediate targets because we think we can do them and yes every one of these targets includes work with other people.

This is not, you cannot go into the legislature and pass a law, you know this is not the divine right of kings or queens; you need the public participation, the private sector and other levels of government.

(21:56)

Question from the floor:

When you say 3 million megatons, is that going to be an actual reduction here in Manitoba?

Premier Doer:

Yes

Question from the floor (continued):

Or is that going to be minus offsets or just planting trees?

Premier Doer:

Well, planting trees in considered, we're going to use the existing regime for example wood lots, and but the other question is are we going to use sales of our energy to displacing coal and it's our goal actually, to do it ourselves. That's the goal of this bill. That's the objective.

Question from the floor:

So, I'm not sure if I understand that. This doesn't make any sales of...(interrupted)

Premier Doer:

There is in terms of when we get to a regime, say the Western Climate Change has a final plan, which it doesn't have now or there's a plan on cap and trade.

Who gets the credit? The vendor or the purchaser? And we've been pretty, we've been thinking ahead on all of those things but our goal is to reduce emissions here in Manitoba. For example the...(interrupted)

Question form the floor:

So that's what these 3 million megatons would be coming from reductions?

Premier Doer:

3 million plus, yes, we haven't got the latest Stats Canada numbers but we think we've gone from 20 megatons to 20.3, maybe a little higher.

We have some issues of methodology on the LiveSide sector because they have done a projection based on existing growth.

You know, Manitoba has had a lot of growth from the 90s on and now so you know you can't always project growth based on past growth.

Yes, Joe.

(23:32)

Question from the floor:

You mentioned investing in the transition, some of the large emitters. Who are you talking about and how much would you invest?

Premier Doer:

Well we have, I think the target there is 680 000 tons for large emitters

Question from the floor: 650

Premier Doer:

And the other one's 680 for clean energy, okay, I haven't got that right in front of me but thank you and we've been, some of them is coal and some is mining and some is affected by.

For example, in Flin Flon you have a mining regulation already put in place by the federal government effecting the copper smelter in Flin Flon but in zinc smelter and the new zinc mining deposit is. The zinc smelter is the greenest in all of North America so some of these large emitters are actually caught by or caught in the sense of law already by the federal government.

There's others such as a fertilizer plant in Brandon that we are working with Tundra on, and again it's to slow but we are working with them on different ideas to capture the GHGs including what's happened in Weyburn with the oil fields there and sequestering some of the GHGs from the air to oil extration, which is triple the oil production in the part of Saskatchewan.

(24:59)

Question from the floor:

So how much money are you talking about investing?

Premier Doer:

We're going to break down each one of these categories with the 145 million.

This is the, I've given you the framework of the plan and the money and the timing of the targets and where we think we're going to get the reductions.

Jim and the private sector will be making announcements including at Bison Transport on some of the specifics for example the design of the truck, the design of the engine, the operation of the vehicle, the biodiesel application and how that works so we're going to have specific commitments 'cause one of the things that we want to do with this law is we've got to involve the private sector and the public.

This law will fail if we're not having a broad participation in it.

Question from the floor:

How much of that 145 million is actually brand new money?

Premier Doer:

Well, some of it is from the EcoTrust money and some of it's our money.

Question from the floor:

Okay, but I notice that the 50/50 funding for transit, that's not, I mean I know that's new going forward but that's not been in the budget forever.

Premier Doer:

Hold it! Hold it!

Person from the floor:

I know. I know.

Premier Doer:

Okay, Valerie we've had some interesting discussions on urban planning and funding.

Now, 1993 the 50/50 funding was eliminated.

We reinstated it last year and now we're doing something more than that so in the future if some evil empire takes office, and lord forbid, then this is now a law. So, you can't just take a pen and eliminate it.

It's a legal right for municipalities to not only anticipate revenue but more importantly if they plan a rapid transit route or routes or more than one rapid transit, you know. Maybe Thompson and another program we will guarantee in law that the operating cost, which may be at the first end to get enrollment [in it] is covered in law.

Secondly, you were probably going to ask me about rapid transit, "does this mean we're going to fund capital?", and we have in the past and we will in the future.

(27:00)

Question from the floor:

Okay, can I just go back to the original question, which is how much of 145 million is..? (interrupted)

Premier Doer:

We'll break it all down.

Some of it's EcoTrust money and some of it's new.

Person from the floor:

And some of it's old hybrid rebate money that...(interrupted)

Premier Doer:

That's very little.

Jim will be breaking it down, but we don't believe that's a cost to government when we put money into the composite innovations sector, we were actually criticized for funding corporations.

The jobs that are now in Boeing, the jobs that are in some of the manufacturing plants, the technology that's being used by some of our manufacturers is one of the reasons why we haven't seen the decline that we've seen in Ontario in the manufacturing sector here.

Question from the floor:

How come wind and geothermal aren't in the Bill?

Premier Doer:

There will be, geothermal will, there's two or three elements of geothermal that will be in our plan.

One is the whole issue of capital for new schools.

It's obvious two silos are not proceeding together.

We're going to bring that together in a plan on new capital for schools, for particularly new schools, so it's up front money.

It costs more for geothermal but you save money over time.

Secondly, there's going to be the issue of assessment and right now we think in the assessment issue has to be dealt with in other legislation and it will be dealt with this session.

(28:25)

Question from the floor:

On winds especially, why not consider mandating a certain amount of volume from wind or...(interrupted)

Premier Doer:

Well, I would love to mandate it and Hydro, there is other checks and balances on rates including the PUB on costs and we're trying to work with, we're not again, rates go to the PUB.

Wind could affect rates if the cost is too high. We obviously totally support wind development and would like to see more.

When we were offered an opportunity to go with a company, which has been asking for Mitsubishi we thought the costs to Hydro and therefore the consumer and the actually private investors in wind would be too high even though it would've been "a sexy announcement" before the election, and so we've got to be, we've got to have our renewable energy perspective very much in front of us.

But we try to do it in a cooperative way with the private investors, the municipalities, the farmers, and the manufacturers, and Hydro. We think wind is a great backup to hydro.

If you only compare the cost of wind to hydro power, it's deficient in terms of cost benefit but when you compare it to other replacement costs like the

increasing price of natural gas, we think it's much more competitive and the other side of that is if we only made decisions, if we only made decisions on cost we wouldn't close coal plants down.

The Selkirk coal plant did cost Manitoba money and the Brandon coal plant will cost money as well.

(30:03)

Question from the floor:

I have a question for Don from Bison transport.

Premier Doer:

Yes, I'm going to break up my end, is there anything else?

Question from the floor:

I have a question about agriculture.

Premier Doer:

Okay

Person from the floor:

What differences are the farmers going to see?

Premier Doer:

Well a lot of the regulations on phosphorous and nitrogen are already there.

There'll be more incentives on woodlots.

There will be more incentives on other policies.

I mentioned that nitrogen has less GHGs than phosphorous.

Phosphorous is something that goes more into the ground, while nitrogen goes into the air so we will be working with farmers in this area.

There's obviously different challenges but we think some of the regulations we've already put in place are going to have a benefit. Thank you.

Official:

Thank you. Thank you very much Mister Premier.

(30:53)

^{*}Transcribed verbatim, [] used for legibility