



# **BILL NO. 206**

*Government Bill*

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*1st Session, 64th General Assembly  
Nova Scotia  
1 Charles III, 2022*

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## **An Act to Amend Chapter 37 of the Acts of 2001, the Underground Hydrocarbons Storage Act**

CHAPTER 55  
ACTS OF 2022

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR  
NOVEMBER 9, 2022**

The Honourable Tory Rushton  
*Minister of Natural Resources and Renewables*

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*Halifax, Nova Scotia  
Printed by Authority of the Speaker of the House of Assembly*

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**An Act to Amend Chapter 37  
of the Acts of 2001,  
the Underground Hydrocarbons Storage Act**

Be it enacted by the Governor and Assembly as follows:

**1 Section 1 of Chapter 37 of the Acts of 2001, the *Underground Hydrocarbons Storage Act*, is amended by striking out “*Underground Hydrocarbons*” in the first and second lines and substituting “Subsurface Energy”.**

**2 Section 2 of Chapter 37 is amended by**

**(a) striking out clause (b) and substituting the following clauses:**

(b) “chemical carriers of hydrogen” means ammonia, methanol and any other substance prescribed by the regulations as a chemical carrier of hydrogen;

(ba) “compressed air energy storage” means air injected underground at pressure for the purpose of later returning to the surface to generate electricity;

**(b) striking out clauses (d) and (e);**

**(c) striking out “responsible for the Directorate” in the first and second lines of clause (g) and substituting “of Natural Resources and Renewables”;**

**(d) striking out “hydrocarbons” in the third and fourth lines of clause (l) and substituting “subsurface energy”;**

**(e) striking out the period at the end of clause (l) and substituting a semicolon;  
and**

**(f) adding immediately after clause (l) the following clauses:**

(m) “subsurface energy” means hydrocarbons, hydrogen gas, compressed air energy, carbon dioxide and anything else prescribed by the regulations as subsurface energy;

(n) “subsurface energy storage” means the act of storing subsurface energy in an underground geological formation to be removed later or sequestered indefinitely;

(o) “subsurface energy storage area lease” means a lease granted under Section 16;

(p) “subsurface energy storage area licence” means a licence issued under Section 9.

**3 Section 3 of Chapter 37 is amended by striking out “hydrocarbons” in the first line and substituting “subsurface energy”.**

**4 Subsection 5(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and in the second lines and substituting “subsurface energy storage area” in each case.**

**5 Subsection 6(1) of Chapter 37 is amended by striking out “, the Directorate” in the second and third lines.**

**6 Section 8 of Chapter 37 is repealed and the following Section substituted:**

- 8 (1) An application for
- (a) a subsurface energy storage area licence;
  - (b) the amendment or cancellation of an existing subsurface energy storage area licence; or
  - (c) the renewal of an existing licence,

must be made to the Minister and meet any requirements set out in the regulations.

(2) Before accepting an application made under subsection (1), the Minister shall determine the suitability of the geological formation for the development of a storage reservoir.

(3) The Minister shall include the result of a determination made under subsection (2) in writing as part of the decision letter to the applicant.

(4) The Registrar shall record and file all applications for licences.

**7 Subsection 9(1) of Chapter 37 is amended by**

**(a) striking out “hydrocarbon storage-area” in the first line of clause (b) and substituting “subsurface energy storage area”;**

**(b) striking out “hydrocarbon storage-area” in the first line of clause (c) and substituting “subsurface energy storage area”;**

**(c) adding immediately after clause (c) the following clause:**

(ca) renew a subsurface storage area licence in accordance with subsection 10(2);

**(d) striking out “hydrocarbon storage-area” in the first and second lines of clause (d) and substituting “subsurface energy storage area”; and**

**(e) striking out “hydrocarbon storage-area” in the first line of clause (e) and substituting “subsurface energy storage area”.**

**8 (1) Subsection 10(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(2) Subsection 10(2) of Chapter 37 is repealed and the following subsection substituted:**

(2) On application for renewal made in accordance with subsection 8(1) and provided the terms and conditions of the licence are met, a subsurface energy storage area licence may be renewed a total of four times.

**9 Section 11 of Chapter 37 is amended by**

**(a) striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”; and**

**(b) striking out “underground” in the fourth line and substituting “subsurface”.**

**10 (1) Subsection 12(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second lines and substituting “subsurface energy storage area”.**

**(2) Subsection 12(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(3) Subsection 12(3) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(4) Subsection 12(4) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second line and substituting “subsurface energy storage area”.**

**11 (1) Subsection 13(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(2) Subsection 13(5) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the sixth line and substituting “subsurface energy storage area”.**

**(3) Subsection 13(8) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second and third lines and substituting “subsurface energy storage area”.**

**12 (1) Subsection 14(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(2) Subsection 14(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(3) Subsection 14(3) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(4) Subsection 14(5) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second lines and substituting “subsurface energy storage area”.**

**13 (1) Subsection 15(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and in the second and third lines and substituting “subsurface energy storage area” in each case.**

**(2) Subsection 15(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second lines and substituting “subsurface energy storage area”.**

**(3) Subsection 15(3) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second and third lines and substituting “subsurface energy storage area”.**

**(4) Subsection 15(4) of Chapter 37 is amended by**

**(a) striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”; and**

**(b) striking out “hydrocarbons” in the third line and substituting “subsurface energy”.**

**(5) Subsection 15(5) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second line and substituting “subsurface energy storage area”.**

**14 (1) Subsection 16(1) of Chapter 37 is amended by**

**(a) striking out “hydrocarbon storage-area” in the second and in the fifth lines and substituting “subsurface energy storage area” in each case; and**

**(b) striking out “hydrocarbons” in the fourth line and substituting “subsurface energy”.**

**(2) Subsection 16(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(3) Subsection 16(3) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second line and substituting “subsurface energy storage area”.**

**(4) Subsection 16(4) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(5) Subsection 16(5) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first line and substituting “subsurface energy storage area”.**

**(6) Subsection 16(6) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second lines and substituting “subsurface energy storage area”.**

**(7) Subsection 16(7) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second lines and substituting “subsurface energy storage area”.**

**(8) Subsection 16(8) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second and in the fourth lines and substituting “subsurface energy storage area” in each case.**

**15 Subsection 17(1) of Chapter 37 is amended by**

**(a) striking out “hydrocarbon storage-area” in the second line of clause (a) and substituting “subsurface energy storage area”; and**

**(b) striking out “hydrocarbon storage-area” in the last line of clause (b) and substituting “subsurface energy storage area”.**

**16 (1) Subsection 19(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second line and substituting “subsurface energy storage area”.**

**(2) Subsection 19(2) of Chapter 37 is amended by striking out “hydrocarbons” in the second line and substituting “subsurface energy”.**

**17 (1) Subsection 20(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second and in the second lines and substituting “subsurface energy storage area” in each case.**

**(2) Subsection 20(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and in the second lines and substituting “subsurface energy storage area” in each case.**

**18 Section 21 of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the second and in the second and third lines and substituting “subsurface energy storage area” in each case.**

**19 Subsection 22(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second lines and substituting “subsurface energy storage area”.**

**20 (1) Subsection 24(1) of Chapter 37 is amended by**

**(a) adding “, or a code of practice may be prescribed by the regulations,” immediately after “practice” in the second line; and**

**(b) striking out “hydrocarbon” in the third line and substituting “subsurface energy”.**

**(2) Subsection 24(2) of Chapter 37 is amended by**

**(a) adding “, or as prescribed by the regulations,” immediately after “reference” in the second line;**

**(b) striking out “hydrocarbon” in the third line and substituting “subsurface energy”; and**

**(c) striking out “hydrocarbon storage-area” in the fourth and in the fourth and fifth lines and substituting “subsurface energy storage area” in each case.**

**21 (1) Subsection 25(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second and in the second lines and substituting “subsurface energy storage area” in each case.**

(2) Subsection 25(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” each time it appears in the fourth line and substituting “subsurface energy storage area” in each case.

22 Subsection 26(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the fourth and in the fifth lines and substituting “subsurface energy storage area” in each case.

23 (1) Subsection 27(1) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the fourth and in the fourth and fifth lines and substituting “subsurface energy storage area” in each case.

(2) Subsection 27(3) of Chapter 37 is amended by striking out “hydrocarbon storage-area” each time it appears in the third line and substituting “subsurface energy storage area” in each case.

24 (1) Subsection 28(3) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and in the second lines and substituting “subsurface energy storage area” in each case.

(2) Subsection 28(4) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and in the second lines and substituting “subsurface energy storage area” in each case.

25 Section 30 of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the first and second and in the second lines of clause (a) and substituting “subsurface energy storage area” in each case.

26 Subsection 32(2) of Chapter 37 is amended by striking out “hydrocarbon storage-area” in the third line and substituting “subsurface energy storage area”.

27 Subsection 33(1) of Chapter 37 is amended by

(a) relettering clause (a) as clause (ac);

(b) adding immediately before clause (ac), as relettered, the following clauses:

(a) prescribing a substance as a chemical carrier of hydrogen;

(aa) prescribing a thing as subsurface energy;

(ab) extending the application of this Act to any other thing that is stored in a similar manner as subsurface energy;

(c) striking out “hydrocarbon storage-area” in the second and in the third lines of clause (ac), as relettered, and substituting “subsurface energy storage area” in each case;

(d) striking out “hydrocarbon storage-area” in the first and second and in the second lines of clause (b) and substituting “subsurface energy storage area” in each case;

(e) striking out “hydrocarbon storage-area” in the second and third and in the third lines of clause (c) and substituting “subsurface energy storage area” in each case;



**(f) striking out “hydrocarbon storage-area” in the third and in the fourth lines of clause (f) and substituting “subsurface energy storage area” in each case;**

**(g) striking out “hydrocarbon storage-area” in the fourth and in the fifth lines of clause (k) and substituting “subsurface energy storage area” in each case; and**

**(h) adding immediately after clause (m) the following clauses:**

(ma) adopting a code of practice or standard respecting any matter referred to in clause (m) or subsection 24(1), including adopting a code of practice or standard as amended from time to time;

(mb) prescribing a code of practice or standard respecting any matter referred to in clause (m) or subsection 24(1);

**28 Subsection 3(1) of Chapter 345 of the Revised Statutes, 1989, the *Pipeline Act*, as amended by Chapter 12 of the Acts of 2000 and Chapter 15 of the Acts of 2001, is further amended by**

**(a) adding immediately after subclause (b)(iii) the following subclauses:**

(iiia) any gaseous substance intended to be used as fuel by an end user,

(iiib) any gaseous substance intended to be chemically or physically transformed prior to exporting to be used as fuel by an end user,

(iiic) any substance prescribed by the regulations to be gas,

**(b) adding immediately after clause (c) the following clause:**

(ca) “gas plant facility” means

(i) a gas processing plant,

(ii) a liquefied natural gas plant,

(iii) a straddle plant, and

(iv) other plants or types of plants prescribed by the regulations as gas plant facilities;

**(c) adding immediately after subclause (i)(iii) the following subclause:**

(iv) any liquid substance intended to be used as a fuel by the end user,

**29 Chapter 345 is further amended by adding immediately after Section 6 the following Section:**

6A (1) The Minister may prepare or adopt a code of practice respecting public safety and the design, construction, operation and abandonment of a pipeline and associated equipment.

(2) The Minister may prepare or adopt a code of practice respecting public safety and the design, construction, operation and abandonment of a gas plant facility and associated equipment.

(3) The Minister or the Board may incorporate by reference any codes of practice, guidelines or standards respecting a pipeline or gas plant facility in any licence, permit or approval given under this Act.

**30 Subsection 44(1) of Chapter 345, as amended by Chapter 12 of the Acts of 2000 and Chapter 15 of the Acts of 2001, is further amended by**

- (a) relettering clause (a) as clause (ab); and**
- (b) adding immediately before clause (ab), as relettered, the following clauses:**
  - (a) further defining “gas plant facility”;
  - (aa) prescribing substances to be “gas”;

**and**

- (c) adding immediately after clause (wd) the following clause:**
  - (we) prescribing standards for gas plant facilities, including project types and codes of practice;

**31 Subsection 3(1) of Chapter 4 of the Acts of 1997, the *Gas Distribution Act*, as amended by Chapter 18 of the Acts of 2002 and Chapter 48 of the Acts of 2014, is further amended by**

- (a) striking out “or” at the end of subclause (c)(ia); and**
- (b) adding immediately after subclause (c)(ia) the following subclauses:**
  - (ib) hydrogen gas intended to be used by an end user as fuel,
  - (ic) any substance prescribed by the regulations to be gas, or

**and**

- (c) striking out “Energy” in the last line of clause (da) and substituting “Natural Resources and Renewables”.**

**32 Subsection 42(1) of Chapter 4, as amended by Chapter 18 of the Acts of 2002 and Chapter 48 of the Acts of 2014, is further amended by**

- (a) relettering clause (aa) as clause (aaa); and**
- (b) adding immediately after clause (a) the following clause:**
  - (aa) prescribing a substance to be gas;

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