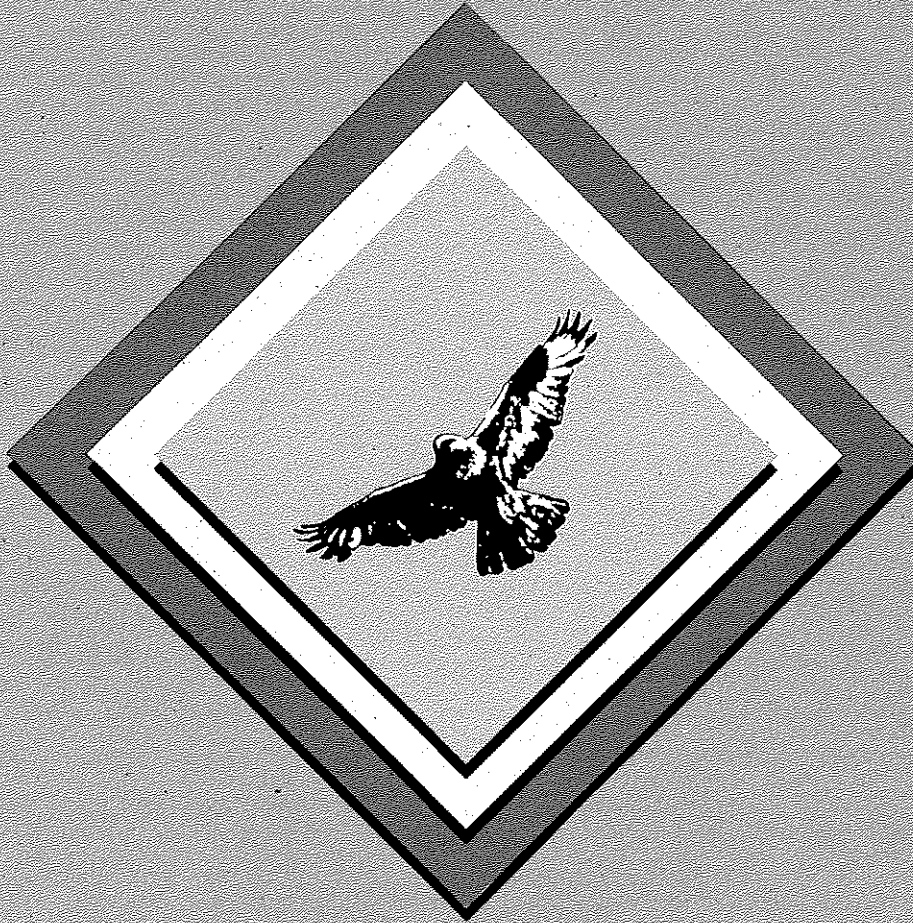


Clean Air Strategic Alliance



Annual Report
1995

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1.0 Highlights

Following are highlights of activities from 1995 in which the Clean Air Strategic Alliance and its stakeholders played a key part. Additional details can be found in the section of this report entitled "Alliance Activities."

- ◆ The first airshed management zone was established in the West Central region of Alberta, and is now gathering ambient air quality data. Collection of bioreceptor data will commence in 1996.
- ◆ A symposium on the science of climate change was held in the fall for senior decision makers, featuring national and international experts.
- ◆ An Alliance project team recommended that the existing provincial ambient air quality monitoring system be restructured, and suggested a three-phase implementation plan. The first part of Phase I was approved by the Board, with implementation to begin in 1996.
- ◆ Development of the Eco-Efficient Communities Initiative was begun to help small and mid-sized Alberta municipalities voluntarily reduce greenhouse gas emissions in a cost-effective manner.
- ◆ A multi-sectoral team was formed to examine options for sulphur dioxide management in Alberta. The team has proposed an interim strategy for SO₂ management, and plans to recommend a comprehensive management system to the Board in 1996.
- ◆ The Alliance effectively utilized the funds it received from the provincial government; for every dollar invested by government to address air quality issues, the equivalent of three dollars was invested by industry and non-government organizations combined, in time, money, and in-kind contributions.
- ◆ Most major emitters of greenhouse gases in Alberta either registered with the Voluntary Challenge Registry or indicated their intent to do so.
- ◆ Some action has been taken on each of the original 16 recommendations made by the Alliance in the 1994 Alberta Climate Change Action Plan.
- ◆ Project teams began developing terms of reference to address human and ecosystem health, and are expected to finalize their action plans in 1996.



2.0 President's Message

This was the first full year of operation for the Clean Air Strategic Alliance and 1995 saw the Alliance's work move forward in a number of areas. The commitment and continued hard work of all Alliance stakeholders ensured a smooth transition from the 1994 start-up activities to a year in which we began to see some major accomplishments. There has been an enormous voluntary investment of time and expertise on the part of dozens of people from many organizations. I hope each person can take satisfaction in knowing that their contribution is part of a new and more constructive approach to maintaining and improving the quality of Alberta's air.

In last year's annual report, we included a chart that would allow us, our stakeholders, and the public to measure our progress. Similar charts are included in this report (pages 6 and 7). We have moved a number of projects into the implementation phase in 1995 and added several new ones to the priority list. The diversity of activity underway is remarkable. The Alliance has issues before it that relate to virtually every aspect of air quality. They range from issues that are important at the local or regional level (such as zone airshed management) to those with major global significance (such as climate change).

Some of these projects represent a fundamental shift in thinking about the way air quality is managed in Alberta and will have important ramifications for agencies and individuals faced with implementing the new systems. For example, implementing the proposed strategy for provincial air quality monitoring will require a major overhaul of the current system, developed 25 to 30 years ago. The new system is based on the Alliance's belief that being able to measure changes in ambient air quality and human and ecosystem health is the first essential step toward sound management and improvement of air quality. It will also enable us to take advantage of new and emerging technology to ensure that data management systems are integrated and accessible. Another breakthrough in 1995 was the establishment of the West Central Airshed Management Zone. The first zone in Alberta, it is undertaking both ambient and bioreceptor monitoring. The zone is funded and managed entirely by stakeholders in the west central region.

A number of projects are on the verge of implementation, and 1996 should see additional innovations such as the piloting of a monitoring project to measure the effects of air quality on the ecosystem. A comprehensive system for managing sulphur dioxide in Alberta is also being designed, and we expect to see several new projects lead to reduced greenhouse gas emissions in the province during 1996.

There has been some turnover on the Board this year and although we have lost good members for one reason or another, I prefer to think that the Alliance has gained some ambassadors. On behalf of the entire Alliance, I acknowledge the contributions of those individuals who have stepped down this year. I also thank Mike Kelly and the Secretariat for their efforts in keeping the organization running smoothly. My first year as President of the Clean Air Strategic Alliance has been challenging and productive. The ongoing support and strong effort by Alliance stakeholders confirms my belief that our approach is indeed a better way to do business. I look forward to great progress in 1996 as our efforts begin to show measurable results for the people of Alberta.




Peter Melnychuk

3.0 Why Have a Clean Air Strategic Alliance?

As we often hear, there are many links among environmental, economic, and health issues. While the issues may be obvious, the solutions are seldom so. The Alliance endeavors to examine concerns in these areas in an integrated and comprehensive manner so that, to the greatest extent possible, solutions are designed to meet the needs of all stakeholders.

**safeguard
the health of
present and future
Albertans**

The Clean Air Strategic Alliance is needed for several reasons. First, there is a need to safeguard the health of present and future Albertans. Alberta generally has good air quality, especially in comparison with other, more industrialized, regions. However, local concerns about air quality do exist, and a fundamental goal of the Alliance, expressed as part of the vision statement, is that there be no measurable adverse effects of air quality on human health.

**keep
our environment
healthy**

Second is a need to keep our environment healthy. Alberta's ecosystems contribute to our survival through the natural purification processes of air, water, and land. These essential, free services of a healthy ecosystem, combined with the natural beauty and food-producing capability of Alberta make environmental protection another fundamental goal of the Alliance.

**maintain
a healthy
economy**

Third is the need to maintain a healthy economy—building on our natural economic advantages in a way that is environmentally responsible. Alberta's energy-intensive economy produces over 80 percent of Canada's oil and natural gas and about half the coal; we generate 95 percent of our electricity through coal-fired thermal power plants. Agriculture and forestry, two other important components of the Alberta economy, are based on energy-intensive primary production of goods. Processing these primary materials into products with added value, then transporting them to distant markets also requires large amounts of energy. And because we live in a cold climate, energy is essential to heat our buildings and move us around.

**a new
model for
solving
problems**

Preserving air quality is itself a big business. Investment by Alberta industry in air quality control technology is estimated at over four billion dollars in capital equipment and many millions more in operating costs. Federal and international agreements on several air quality issues are playing a growing role in setting the performance standards that Alberta industry must meet. This is an opportunity for innovative and cost-effective technical design, which fits well with the proven strengths of Albertans.

Finally, the Alliance provides a new model for solving problems. Adversarial, disruptive, and unilateral approaches are known to be costly and often ineffective in the long term. The Alliance was built by people from many diverse backgrounds who were willing to collaborate on solutions to common problems. The air quality issues before the Alliance would have to be addressed whether the organization existed or not. What the Alliance offers is a creative, effective, and efficient approach that is unique in this country. It is a partnership that will serve Alberta and Albertans well as we enter the next century.



4.0 What is the Clean Air Strategic Alliance?

The Clean Air Strategic Alliance was incorporated in 1994 as a non-profit association under the *Societies Act of Alberta*. Its membership includes representatives from government, industry, and non-government organizations (See Appendix I for a complete list of members). The Alliance has been given shared responsibility by its members for strategic air quality planning, organizing, and coordination of resources, and evaluation of results in Alberta. The Alliance vision, highlighted in the center of this page, was developed through extensive public consultation in the early 1990s and was subsequently endorsed by the Government of Alberta.

The Alliance's mandate is to bring together stakeholders with diverse interests to solve air quality problems on a consensus basis. The overarching goal is to develop a new air quality management system for Alberta. To carry out its mandate, the Alliance will:

- ◆ clearly identify the most important air quality issues;
- ◆ prioritize specific problems;
- ◆ allocate and coordinate resources;
- ◆ develop solution-oriented action plans; and
- ◆ evaluate results.

The Alliance is accountable to its members and to the people of Alberta for its decisions. It is funded by its members, including the Provincial Government. The Government of Alberta will sanction and implement Alliance decisions that meet two criteria: consensus is reached among the

stakeholders, and decisions are based on that consensus. Consensus requires innovation and new ways of thinking to solve problems; it does not mean simply reducing the solution to the "lowest common denominator" to gain acceptance. All project teams associated with the Alliance also use consensus to make their decisions; this approach resulted in many solid and creative solutions to clearly-defined problems in 1995.

To guide its decision-making processes, the Alliance has put in place a multi-step Comprehensive Air Quality Management System (CAMS).

The Alliance's key strategy tool for improving air quality in Alberta, the CAMS clearly defines the steps required in making decisions that affect air quality.

The CAMS provides an opportunity for members of the public to bring an air quality concern to the Alliance by filing a statement of concern. If the issue is within the Alliance's mandate and is deemed a high priority, a process is put in place to examine the issue, develop an action plan, and recommend a solution. Project teams composed of key experts from the stakeholders are formed to find creative new ways to address air quality issues. The Alliance Board must review and endorse all plans developed by project teams, along with their budget and the initial composition of the multi-stakeholder teams doing the work. Additional details can be found in the Alliance publication *Comprehensive Air Quality Management System*.

**"The air will be odourless,
tasteless, look clear and
have no measurable short-
or long-term adverse
effects on people, animals
or the environment."**

5.0 Alliance Activities

A very large part of the Alliance's work is carried out by its various teams. In 1994, Board members developed a process to determine their level of accountability for projects and the role they should take in moving important issues forward. This role varies with the nature and stage of the project and can be influenced by one or more factors. The Alliance may take responsibility for a project because:

- ◆ no existing agency has sole responsibility;
- ◆ no other agency is working in that area;
- ◆ the matter requires cross-departmental and cross-sectoral cooperation for effective resolution;
- ◆ the Alliance is particularly well-positioned to advance and nurture the work; or
- ◆ the project is critical to the success of other work to which the Alliance is committed.

In many cases, the Alliance has full responsibility at the beginning of projects to help launch the work and provide overall direction. As plans for action and implementation are developed, the role of the Alliance is often reduced as responsibility for the work is assumed by existing agencies, stakeholder groups, or new bodies established for the purpose of implementing and managing the initiative. This is precisely what happened with a number of projects in 1995. Figure 1 shows the various projects and the stage in which they ended 1994. Figure 2 provides the same information for 1995. Many factors influence the movement of projects from one stage to the next and a great deal of effort and activity can be required within one stage. Or, after preliminary examination, an issue may be assigned a lower priority, and action on it could be postponed.

It should also be noted that two projects were begun and completed in 1995, and therefore only appear on the 1995 chart. Both were initiated by sub-groups of the Climate Change Project Team. The first project was the Climate Change Science Symposium and the second was an investigation into potential opportunities for carbon sequestration. These are discussed in more detail in the project summaries following the chart.

Figure 1.

| Status |
|-----------------------------|
| Define Problems |
| Set Objectives & Priorities |
| Project Team Action Plan |
| Implement |
| Evaluate |

Figure 2.

| Status |
|-----------------------------|
| Define Problems |
| Set Objectives & Priorities |
| Project Team Action Plan |
| Implement |
| Evaluate |
| Completed |



Status of Alliance Projects at the End of 1994

| Fully Accountable | Facilitate | Involved Customer | Refer |
|---|----------------------|---------------------------|--|
| Vehicle Emissions Sundre/Rocky Mountain House Airshed ¹ | Edmonton Air Quality | | |
| Air Toxics Ecosystems ² Human Health Resource Group SO ₂ Management | Education | | |
| Climate Change Ambient Air Quality Monitoring | | West Central Airshed Zone | |
| | | | Energy Efficient Appliance Codes Building Codes for Energy Efficiency |

¹ This group is now called "Parkland Airshed Monitoring Zone"

² This group is now called "Ecological Effects Monitoring"

Status of Alliance Projects at the End of 1995

| Fully Accountable | Facilitate | Involved Customer | Refer |
|--|---|--|---|
| Vehicle Emissions | Edmonton Air Quality Regional Air Quality Coordinating Committee ¹ | | |
| Air Toxics Ecological Effects Monitoring Parkland Airshed Monitoring Zone Human Health Resource Group SO ₂ Management | Education | Adaptation to Climate Change and Variability on the Prairies | |
| Acidifying Emissions Symposium Ambient Air Quality Monitoring | | Climate Change | West Central Airshed Zone Eco-Efficient Communities Energy Efficiency Support for Voluntary Challenge Energy Efficiency Education Energy Efficient Appliance Codes Building Codes for Energy Efficiency |
| Climate Change Science Symposium Carbon Sequestration Opportunities | | | |

¹ This group has been working for some time in the Fort McMurray area, but has not been formally endorsed as an Alliance team. They have submitted written reports and expect to make a formal presentation to the Board in 1996.





West Central Regional Airshed Monitoring Program

A longstanding regional interest in air quality issues combined with the willingness of local stakeholders to search for solutions, led to the formation of the first regional airshed monitoring program in Alberta. In late 1991, a multi-stakeholder committee, comprising nearly 40 individuals, began developing plans for an airshed management zone in the region southwest of Edmonton. Among other things, the group obtained detailed scientific and technical advice regarding the proposed airshed zone boundaries and strategies that could address the zone's air quality issues.

With this information, a business plan, including a funding formula, was prepared for and endorsed by the Alliance Board. In March 1995, the West Central Airshed Society was incorporated as an independent, non-profit organization. Nine sectors are represented on the Board, including industry, government, and environmental organizations, all of which have a presence in the region. During 1995, the Society engaged a program manager and contractors to carry out the ambient and bioreceptor monitoring components of the program. The program is fully funded and managed by the stakeholders in the zone. Additional information on the West Central project is available from the Alliance office or from the Society.



Parkland Airshed Management Zone

Local monitoring has shown that the area around Rocky Mountain House, Sundre and Rimbey is a region of high emissions. During 1995, representatives of industries in the area, government, and the public met and identified a range of major issues related to air quality. The group investigated the advantages and

disadvantages of forming a zone similar to the West Central zone, and received Alliance approval in November to develop a business plan that addresses technical, financial, organizational, and communications considerations. A steering committee of 30 individuals will continue this work in 1996.



Ambient Air Quality Monitoring

Over the past 18 months, more than 20 people have participated in the Ambient Air Quality Monitoring project. The main task for this group was to review Alberta's current ambient air quality monitoring system, designed 25 years ago, and recommend changes that would make the system more responsive to community concerns and to new knowledge about air quality monitoring.

In November, the team recommended a three-phase strategy for implementing a redesigned provincial air quality monitoring system. Key components include (1) siting ambient air quality monitoring stations near population centers so that data can be better correlated with human health, (2) piloting a bioreceptor monitoring project to correlate air quality with ecological effects, and (3) ensuring that the collected data can be easily integrated and made accessible for use by decision makers.

The Alliance Board recognized the need for a new system that will better meet the needs of decision makers now and in the future. The Board also wanted to ensure adequate funds are available to do the job right and avoid duplication as new monitoring sites are established. A multi-stakeholder team was directed to examine fundraising options and begin implementing a pilot project that will test the new system and allow modifications to be made.





Ecological Effects Monitoring

Traditionally, air quality monitoring activities have focused on ambient monitoring. However, it is now recognized that ecological "effects-based" monitoring can contribute valuable information about air quality and its impacts. As part of their preliminary planning for an ecological effects monitoring project, this group began a literature review in 1995 to obtain guidance in designing a suitable program for Alberta. A pilot project will be carried out in 1996 as part of the overall program developed jointly with the Ambient Monitoring group in 1995. By the end of the year, the group was preparing a budget and terms of reference for a detailed ecological effects monitoring program to present to the Board in 1996.




Human Health Resource Group

Because human health intersects with the work of many Alliance project teams, it made sense to form a resource group that could add value to the work of other Alliance teams rather than try to address health concerns in isolation. Among other things, this group is working to build consensus on human health indicators that are relevant to air quality issues in Alberta.

Through the year, the group collaborated with other stakeholders, including the Alberta Lung Association, Alberta Health, and Alberta Environmental Protection and commissioned a paper providing an overview and preliminary assessment of air quality indicators in Alberta relative to human health. Based on the sum of the group's work, it recommended in November that the Alliance establish a Human Health Monitoring System to integrate human health concerns into Alliance work. Specific goals are to ensure that information about human health relative to air quality is made available to

decision makers and the public, and to encourage correlation of studies and pilot projects on human health, especially lung health, with ambient air quality. A more developed draft proposal for a Human Health Monitoring System will be produced in 1996.



Air Toxics

The Alliance Board identified air toxics as a high priority in 1994. The project team was asked to develop a mechanism for dealing with hazardous air pollutants that are a high priority in Alberta and are not being regulated or dealt with through other processes (such as the Accelerated Reduction and Elimination of Toxics or the National Pollutant Release Inventory). This group expects to present its proposal to the Board early in 1996.



Vehicle Emissions

This group redefined its mission in 1995 and its main focus is now to examine the full range of options for reducing vehicle emissions. An important component of this work will be communicating with the public to let people know what they can do and the impact it will have. The group received approval from the Board for its new direction in September, and will proceed with a workshop in early 1996. They will bring together knowledgeable stakeholders to discuss possible options and the economic and environmental implications of each option. The outcome of the workshop is expected to be an action plan that will be brought to the Board in mid-1996.






SO₂ Management

Emissions of sulphur dioxide (SO₂) have received a lot of attention in eastern North America because they are a precursor of "acid rain." While the situation is different in Alberta, there are, nevertheless, probably as many opinions about the impact and management of SO₂ emissions as there are stakeholders. All stakeholders seem to agree, however, that a full review is needed of the way SO₂ is managed. The Alliance's SO₂ Management project team, with representatives from nearly 20 organizations, has a mandate to review the existing system and assess the range of options available to manage SO₂, then to recommend a comprehensive system for SO₂ management in Alberta. This is the first systematic application of the Comprehensive Air Quality Management System to a specific emission type, and may set a precedent for the future management of other air pollutants.

The team held a very successful two-day workshop in April. This workshop identified interim steps to improve the existing SO₂ management system, and some points are being acted upon now rather than wait until the entire project is completed. Since then, the team has developed the framework and decision-making processes for the SO₂ management system.

A great deal of work is also taking place in various sub-groups of this project team. Among other things, sub-groups are examining the use of economic instruments to manage SO₂, identifying critical target loadings for ecosystems, and developing an overall communications strategy. The team expects to present its recommendations to the Board in 1996.



Acidifying Emissions Symposium

Several Alliance project teams indicated that a science symposium on acidifying and related emissions would enhance their understanding and ability to complete their work. In response, the Alliance Board established a symposium steering committee with representation from interested stakeholders. The three-day symposium and workshop will be held in Red Deer in April 1996, bringing together scientists, managers, and diverse stakeholders to examine the current state of scientific knowledge about acidifying emissions. A major component of the symposium will be to identify and discuss potential strategies for managing acidifying emissions. Printed proceedings will be an initial product.



Climate Change

The climate change issue has been regarded as a high priority by the Alliance. The initial task of the Climate Change project team was to develop an Alberta position on climate change that could be endorsed by the Alliance and taken forward to the provincial Ministers of Energy and Environmental Protection. This was done in 1994. But Canada's commitment, as a signatory to the Framework Convention on Climate Change, has meant that climate change remains on both the federal and provincial agendas. In 1995, the Climate Change project team continued to provide advice to the two Alberta ministers and to other provincial representatives engaged in climate change discussions and negotiations. Members of the group helped prepare Alberta's first Progress Report on Climate Change, which was tabled at the joint meeting of Canada's energy and environment ministers in November.

Also in 1995, two sub-committees of this team launched and completed related projects. A Climate Change Science Symposium was held in Calgary in September, hosted by the Alliance and the Canadian Energy Research Institute. International scientists participated in a one-day discussion on climate change with senior decision makers from industry, government, and non-government organizations. In the evening, a forum was held with the same scientists to engage the public in discussion of this issue. Two special lecture sessions were also held at the University of Alberta in Edmonton. Summary printed materials from the one-day session for decision makers will be available in 1996 upon request to the Alliance Secretariat.

The second project examined the potential of Alberta's boreal forests and prairie soils to sequester carbon. It concluded that there is significant short- and long-term potential to sequester additional carbon in both soils and forests, many of which involve financial incentives and a change in management practices. The Board endorsed several of the group's recommendations, including the need to continue developing the scientific basis for measuring both gains and losses of carbon in ecosystems.



Eco-Efficient Communities Initiative

The Alliance has supported a voluntary approach to reducing greenhouse gas emissions in Alberta and wants to encourage as many emitters as possible to take appropriate actions. With this in mind, the Eco-Efficient Communities Initiative was begun to provide small and mid-sized communities in Alberta with a range of cost-effective options to reduce greenhouse gas emissions.


The Pembina Institute has assumed full responsibility for raising funds and implementing this project. The products will be (1) an electronic database of successful measures already in place in various communities, mainly in Canada, the U.S. and Europe, and (2) a "how-to" guide for use in presentations to local government officials. Funding for the project came from Environment Canada and ten corporate supporters. A multi-stakeholder advisory committee is in place to guide the project. Work on the database was underway at the end of 1995, and the expectation is that both products will be ready for use by summer 1996.



Energy Efficiency Education


Helping young people understand air quality issues and how they can contribute to finding solutions is an important task. This project is assessing the availability and use of energy efficiency educational resources in elementary and secondary classrooms. Additional materials needed to fill any identified gaps will then be prepared if funding becomes available. These materials will help students learn how they can reduce greenhouse gas emissions by using energy more efficiently. Individuals from industry, government, and environmental organizations are involved with this project to ensure the materials are suitable for the curriculum and that they are reviewed by people knowledgeable about the issues. The group expects to have resources ready for release to schools in the spring of 1996.





Energy Efficiency Support for the Voluntary Challenge Program

This project was designed to help Alberta's smaller commercial and industrial energy users (such as small and mid-sized businesses and associations) participate in Canada's voluntary challenge to reduce greenhouse gas emissions. They will be provided with practical information on actions, overcoming barriers, and how to register their reductions with the national challenge registry. A workplan for implementation will be delivered in 1996.



Adaptation to Climate Change and Variability on the Prairies

The Alliance has recognized the uncertainty around the impacts of climate change and supports a range of approaches to dealing with the issue. This project, in which there is national and international interest, will examine strategies for adapting to the impacts of climate change and variability on the prairies.

Representatives from government, non-government, and industry groups developed a study proposal for the project and drafted a discussion paper to obtain wider input. The multi-stakeholder working group will host a two-day workshop early in 1996, the outcome of which will be a formal plan with clearly defined objectives for the prairie study.

Implementation of the following two projects began in 1994 and continued through 1995. Others are leading the implementation of the projects and the role of the Alliance is now limited to stakeholder participation on the implementation teams.



Energy Efficiency Codes for Buildings and Houses

This group was established to review the National Research Council's draft national code for energy efficiency and to consult with Alberta stakeholders to address provincial concerns. Alliance stakeholders participated on the committee that did the public review in 1995. The National Energy Codes are expected to be published by mid-1996, with a decision on the adoption process also expected by then. The Committee will be doing an impact study on implementation of an Energy Code in Alberta in the first part of 1996.



Energy Efficiency Codes for Appliances and Furnaces

Improved energy efficiency codes are intended to eliminate very inefficient appliances and provide better consumer choice. A Technical Advisory Committee, on which the Alliance is represented, is providing input to the Alberta Safety Codes Council on the impact of regulations under the National Energy Efficiency Act. During 1995, the Canadian Gas Association adopted new manufacturing standards that incorporate energy efficiency requirements for all gas appliances made in Canada, which will eliminate the need for provincial legislation for energy standards for gas appliances. Preliminary discussion with the Canadian Standards Association indicates they are willing to investigate using this approach for electrical and oil products.



The final two projects have roots with the Alliance but are now being implemented by other agencies.



Energy Efficiency in Government Buildings

This work is being implemented largely by Alberta Public Works, Supply and Services (PWSS) in consultation with other departments and facilities managers. PWSS has committed to increasing the energy efficiency in buildings operated, maintained, and leased by government, using the schedule identified in the Alberta Government's Climate Change Action Plan.



Government Fleet Fuel Efficiency

Alberta Transportation and Utilities' Transportation Task Team has defined actions that will reduce emissions in government operations in areas such as parking policies, government aircraft and fleet vehicles, and government travel. The Department has followed energy efficient policies in the purchase and maintenance of fleet vehicles, including right-sizing, fuel consumption specifications, and preventative maintenance.



Other Activities

A statement of concern was brought to the Board in November from the South Peace Environmental Association regarding the alleged unusually rapid decline of aspen in the region. At the end of 1995, this matter was being investigated by the Executive Director, in accordance with the first step of the Comprehensive Air Quality Management System, to determine the best course of action for the Alliance.

6.0 Communications and Outreach

With the "start-up" pains behind it, the Alliance focused much of its communications efforts in 1995 on telling others about the organization and how they could get involved. The main vehicle for communicating with the public is *Clean Air Views*, the quarterly newsletter produced in collaboration with the Alberta Lung Association. The *Bulletin* is produced on an "as-needed" basis and is distributed to members of the Alliance's project teams. Its purpose is to provide more details on the actual work underway on the many projects. Three issues of *Clean Air Views* and five issues of the *Bulletin* were published in 1995.

The Board acknowledges the importance of keeping its stakeholders informed and apprised of Alliance activities. To this end, members developed an action plan for meeting with decision makers in the public and private sectors in 1996. Although Board members and Secretariat staff made more than 20 presentations about the Alliance in 1995, increased emphasis will be placed on participating in conferences and annual meetings as well as preparing material for stakeholder publications.

As an example, in 1995, the Alliance participated in the 11th Annual Energy Awareness Week, which focused on the involvement and achievements of Edmonton area Energy Innovators. The theme, *Save Today ... Save Tomorrow*, referred to presently saving energy and money, and to saving our natural resources and the environment for future generations. Edmontonians were invited to examine the way they use energy, at home, at work, or on the move, with the goal of using that energy more wisely. The week was launched with a Commuter Challenge and Opening Ceremonies. Highlights of the week included guest speaker Amory Lovins, world renowned energy efficiency expert, as well as technical

seminars, public education and public participation events. The Clean Air Strategic Alliance, along with various environmental, industry and government organizations helped to sponsor the week's events.

With more and more people having access to electronic communications, the Internet offers a comprehensive information system with wide circulation and low maintenance. In November, the Alliance launched its own home page on the World Wide Web. The home page includes information on the background, mandate, values, and membership of the Alliance, as well as minutes of Board meetings, project team status reports, upcoming events, and publications. A cross-link feature on the World Wide Web allows other users access to more than one home page from their own so that Alliance members can link their home pages with this one if they wish. The home page address is <http://www.ccinet.ab.ca/casa>.

The Secretariat continues to manage large amounts of information for the Board and the Alliance teams. To do this as efficiently as possible, a database, dubbed "CASANOVA," was developed in June 1995. It has been used to create records, compile information, analyze statistics from questionnaires and Board evaluations, and keep records current and accessible. The database has about 80 categories per contact, which enables very specific combinations of requests to be made.

- System
- ◆Novacor ◆P
- ◆Prairie Acid Rain Coalition
- and Mines ◆Sask
- ◆Sherrit Inc. ◆South Peace
- ◆Sunpine Forest P
- ◆Toxics Watch Society of A
- ◆Unifarm Association



7.0 Participating Organizations

The work of the Clean Air Strategic Alliance would not be possible without literally thousands of hours of effort on the part of dozens of dedicated individuals and the support of their organizations and agencies. Organizations that participated in Alliance activities and projects in 1995 are noted below. In section 9 of this report, an effort is made to quantify the value of this active in-kind support. Many organizations and agencies have assisted the Clean Air Strategic Alliance in a variety of ways. We have tried to acknowledge every one here, and we apologize for any omissions. Please let us know about any such cases.

- ◆Agrium Inc.
- ◆Alberta Agriculture, Food and Rural Development
- ◆Alberta Association of Municipal Districts and Counties
- ◆Alberta Asthma Centre
- ◆Alberta Cattle Commission
- ◆Alberta Energy
- ◆Alberta Energy and Utilities Board.
- ◆Alberta Environmental Centre
- ◆Alberta Environmental Protection
- ◆Alberta Federation of Rural Electrification Associations
- ◆Alberta Forest Products Association
- ◆Alberta Labour
- ◆Alberta Lung Association
- ◆Alberta Motor Association
- ◆Alberta Power Limited
- ◆Alberta Public Works, Supply and Services
- ◆Alberta Research Council
- ◆Alberta Transportation and Utilities
- ◆Alberta Urban Municipalities Ass'n
- ◆Amoco Canada Limited
- ◆Calgary Motor Dealer's Association
- ◆Canada Mortgage and Housing
- ◆Canadian Association of Petroleum Producers
- ◆Canadian Chemical Producers Association
- ◆Canadian Energy Research Institute
- ◆Canadian Forest Service
- ◆Canadian Occidental Petroleum Ltd
- ◆Canadian Parks & Wilderness Society
- ◆Canadian Petroleum Products Institute
- ◆Canadian Wind Energy Association
- ◆Capital Health Authority
- ◆Cardinal River Coals Limited
- ◆Celanese Canada Inc.
- ◆Chevron Canada Resources
- ◆City of Calgary
- ◆City of Edmonton
- ◆CN Rail
- ◆Coopers & Lybrand
- ◆County of Mountainview
- ◆Daishowa-Marubeni International Ltd
- ◆Dow Chemical Canada Inc.
- ◆EcoCity
- ◆Edmonton Friends of the North
- ◆Edmonton Power
- ◆Energy Efficiency Association of Alberta
- ◆Environment Canada
- ◆Environmental Resource Centre
- ◆Fording Coal Limited
- ◆Fort McMurray Environmental Association
- ◆Gulf Canada Resources Ltd.
- ◆Home Oil Company Limited
- ◆Imperial Oil Resources Limited
- ◆Inland Cement
- ◆Mobil Oil Canada
- ◆Municipal District of Brazeau (No.77)
- ◆Northwest Energy
- ◆Northern Alberta Institute of Technology
- ◆Northwestern Utilities Limited
- ◆NOVA Gas Transmission
- ◆Novagas Clearinghouse
- ◆Pembina Agriculture Protection Association (PAPA)
- ◆Pembina Institute
- ◆Petro-Canada
- ◆Phoenix Engineering Inc.
- ◆Rocky Mountain Ecosystem Coalition
- ◆Rocky Mountain House Community Health Centre
- ◆Saskatchewan Energy Research Council
- ◆Saskatchewan Environmental Association
- ◆Shell Canada Limited
- ◆Suncor Inc. Resources Group
- ◆Stop and Tell Our Politicians - STOP
- ◆Syncrude Canada Limited
- ◆Town of Hinton
- ◆TransAlta Utilities Corporation
- ◆University of Alberta
- ◆University of Calgary
- ◆Weldwood of Canada Limited
- ◆Weyerhaeuser Canada Ltd.

**8.0
Financial
Statements**

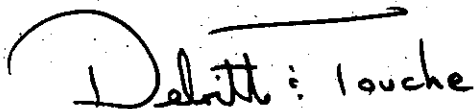
Auditor's Report

To the Members of The Clean Air Strategic Alliance Association

We have audited the balance sheet of The Clean Air Strategic Alliance Association as at December 31, 1995 and the statements of revenue, expenditures and surplus and changes in financial position for the year ended December 31, 1995. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 1995 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.



Chartered Accountants

Edmonton, Alberta, Canada

February 12, 1996



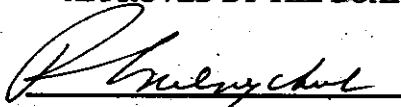
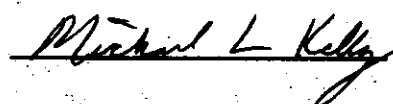
Balance Sheet
as of December 31, 1995

| | 1995 | 1994 |
|-------------------------|------------|------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 113,596 | \$ 14,771 |
| Treasury Bills | 558,245 | 477,649 |
| Accrued interest | 7,697 | 2,205 |
| Accounts receivable | 42,996 | 8,295 |
| Prepaid expenses | 1,097 | 2,913 |
| | \$ 723,631 | \$ 505,833 |
| Capital Assets (Note 3) | 8,017 | 306 |
| | \$ 731,648 | \$ 506,139 |

LIABILITIES

| | | |
|--|------------|------------|
| Current | | |
| Accounts payable | \$ 119,860 | \$ 39,848 |
| Deferred grant revenue (Note 4) | 487,380 | 451,535 |
| Deferred external project revenue (Note 5) | 67,035 | - |
| | \$ 674,275 | \$ 491,383 |
| Surplus | 57,373 | 14,756 |
| | \$ 731,648 | \$ 506,139 |

APPROVED BY THE BOARD


President

Treasurer



Statement of Revenue, Expenditures and Surplus
 Year ended December 31, 1995

| | 1995 | 1994 |
|--|-------------------------|-------------------------|
| REVENUE | | |
| Grants (Note 4) | \$ 514,155 | \$ 273,465 |
| External project (Note 5) | 171,257 | - |
| Interest | 42,617 | 14,756 |
| | <u>\$ 728,029</u> | <u>\$ 288,221</u> |
| EXPENDITURES | | |
| External projects | 171,257 | - |
| Projects | 164,840 | 55,763 |
| Board support | 119,720 | 99,164 |
| General and administration | 114,095 | 39,098 |
| Communications | 92,922 | 62,264 |
| Non-government organizations | 12,943 | 7,273 |
| Statement of concern and other | 9,635 | 9,903 |
| | <u>\$ 685,412</u> | <u>\$ 273,465</u> |
| EXCESS OF REVENUE OVER EXPENDITURES | <u>\$ 42,617</u> | <u>\$ 14,756</u> |
| SURPLUS, BEGINNING OF PERIOD | 14,756 | - |
| SURPLUS, END OF PERIOD | <u><u>\$ 57,373</u></u> | <u><u>\$ 14,756</u></u> |



Statement of Changes in Financial Position
Year ended December 31, 1995

| | 1995 | 1994 |
|---|--------------------------|--------------------------|
| NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES | | |
| Operating | | |
| Excess of revenue over expenditures | \$ 42,617 | \$ 14,756 |
| Item not affecting cash | | |
| Depreciation | 3,305 | 54 |
| | <u>\$ 45,922</u> | <u>\$ 14,810</u> |
| Changes in non-cash operating working capital items | | |
| Accrued interest | (5,492) | (2,205) |
| Accounts receivable | (34,701) | (8,295) |
| Prepaid expenses | 1,816 | (2,913) |
| Accounts payable | 80,012 | 39,848 |
| Deferred external project revenue | 67,035 | — |
| Deferred grant revenue | 35,845 | 451,535 |
| | <u>\$ 190,437</u> | <u>\$ 492,780</u> |
| Investing | | |
| Purchase of capital assets | <u>(11,016)</u> | <u>(360)</u> |
| NET CASH INFLOW | <u>\$ 179,421</u> | <u>\$ 492,420</u> |
| CASH POSITION, BEGINNING OF PERIOD | <u>492,420</u> | <u>—</u> |
| CASH POSITION, END OF PERIOD | <u><u>\$ 671,841</u></u> | <u><u>\$ 492,420</u></u> |
| Represented by: | | |
| Cash | \$ 113,596 | \$ 14,771 |
| Treasury Bills | 558,245 | 477,649 |
| | <u><u>\$ 671,841</u></u> | <u><u>\$ 492,420</u></u> |

Notes to the Financial Statements

Year ended December 31, 1995

1. Description of Operations

The Clean Air Strategic Alliance Association is a non-profit organization incorporated March 14, 1994 under the Societies Act of Alberta. The Association is comprised of members from three distinct stakeholder categories; industry, government, and non-government organizations. The Association has been given shared responsibility by its members for strategic air quality planning, organizing and coordination of resources, and evaluation of results in Alberta. In support of these objectives, the Association receives cash funding from the Province of Alberta as well as cash and in-kind support from other members.

2. Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles and include the following significant accounting policies:

Revenue recognition

Grants monies received are recognized as revenue for accounting purposes when the Association has satisfied the terms of the grant agreements. Funding received in advance is carried as deferred grant revenue.

External project monies received are recognized as revenue for accounting purposes when the Association has satisfied the terms of the projects. Funding received in advance is carried as deferred project revenue.

Capital assets

Capital assets are recorded at cost. Depreciation, which is based on the cost less the residual value over the useful life of the asset, is computed using the declining-balance method at the rates disclosed in Note 3.

Non-monetary support

Association members contribute non-monetary support including staff resources, meeting space, and publication support. The value of this non-monetary support is not reflected in these financial statements.

3. Capital Assets

| | Depreciation Rates | 1995 | | | 1994 |
|-------------------------|-----------------------|------------------|-----------------------------|-------------------|-------------------|
| | | Cost | Accumulated Depreciation | Net Book Value | Net Book Value |
| Computer equipment | 30% | \$ 8,284 | \$ 2,431 | \$ 5,853 | \$ 306 |
| Furniture and equipment | 30% | 3,092 | 928 | 2,164 | - |
| | | <u>\$ 11,376</u> | <u>\$ 3,359</u> | <u>\$ 8,017</u> | <u>\$ 306</u> |

Notes to the Financial Statements

Year ended December 31, 1995

4. Deferred Grant Revenue

During the period, the Association received grants totalling \$550,000 (1994 - \$725,000) from the Province of Alberta. The purpose of the grants is to provide core funding in support of the Association's objectives as described in Note 1. The regulations to the Department of the Environment Act and the Department of Energy Act, under which the grants have been provided, specify that grants must either be used for the purposes specified in the grant, be used for different purposes if such different purposes are agreed to by the applicant and the respective Minister, or be returned to the Province. Accordingly, in the event that the Association does not utilize the funds in pursuit of its objectives, any unexpended grant monies remaining may have to be repaid to the Province of Alberta.

Deferred grant revenue is comprised of the grant monies received which have not yet been expended for the purposes specified in the grant agreements.

| | 1995 | 1994 |
|--|------------|------------|
| Deferred grant revenue, beginning of period | \$ 451,535 | \$ - |
| Grant monies received | 550,000 | 725,000 |
| Revenue recorded based on allowable expenditures | (514,155) | (273,465) |
| Deferred grant revenue, end of period | \$ 487,380 | \$ 451,535 |

5. Deferred External Project Revenue

Deferred external project revenue is comprised of monies received for specific external projects which have not been expended for the purposes specified in the mandates of the projects.

| | 1995 |
|--|------------|
| External project monies received | \$ 238,292 |
| Revenue recorded based on allowable expenditures | (171,257) |
| Deferred external project revenue, end of period | \$ 67,035 |

6. Non-Monetary Support

During the year, the Association received non-monetary support in the form of supplies, office space and seconded manpower totalling \$95,000 (1994 - \$70,000) from the Province of Alberta - Environmental Protection. These amounts have not been reflected in these financial statements.



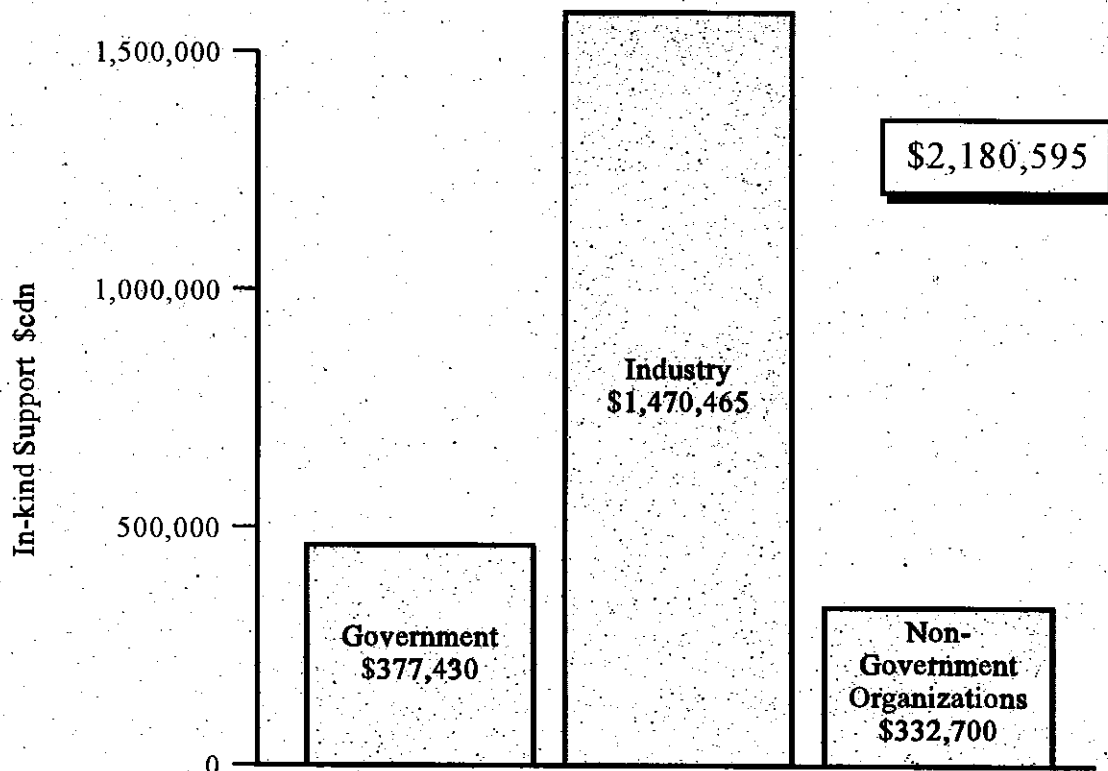
9.0 Support from Participating Organizations

The Alliance has tried to put an actual dollar figure on the support and assistance provided by participating organizations. These figures are preliminary. They are offered in the spirit of acknowledging and formally recognizing these contributions and to account for the full costs (cash and in-kind) of accomplishing the work of the Alliance in 1995.

In-kind figures were compiled by examining both time and travel costs incurred for representatives to participate during 1995. For example, people travel from various distances and by various modes to meetings, thus a standard rate of \$300 for travel was estimated for any person travelling more than 50 km to attend a meeting or workshop. This was based on the price of a return air ticket

was allocated at the rate of \$700 per day for Directors of the Alliance to attend meetings, \$400 per day for experts and professionals attending meetings, and \$125 per day for administrative support.* Meetings considered in the calculations were Board meetings, project team meetings, and specific workshops to advance the work of the project teams.

Time spent between meetings working on Alliance projects or for other expenses incurred by participants was allocated at the rate of \$100 per hour for Directors, \$50 per hour for project team and associated colleagues, and \$25 per hour for administrative assistants. These figures are almost certainly under-recorded and under-estimated.

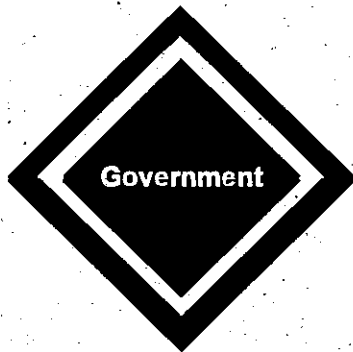


*These estimated daily rates were extracted from the October 1994 issue of the Association of Professional Engineers, Geologists and Geophysicist Newsletter, *The PEGG* and reduced by \$100 per day.



Appendix I. Alliance Board Members and Alternates

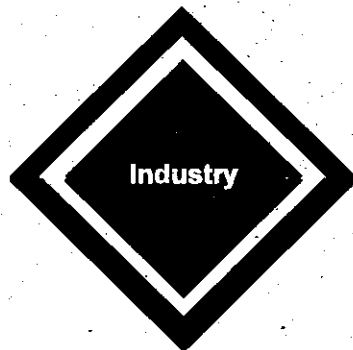
*Those Board members whose names appear in italics left the Board in 1995.
Organizations with vacancies were in the process of selecting
new members at the end of the year.*



| Stakeholder Group |
|----------------------------------|
| Alberta Environmental Protection |
| Alberta Energy |
| Alberta Health |
| Environment Canada |
| Local Government |

| Director/Alternate |
|---|
| Peter Melnychuk ¹ Al Schulz |
| Rick Hyndman (<i>David Manning</i>) John Donner |
| Jane Fulton Janet Davidson |
| Jim Vollmershausen Brian O'Donnell |
| <i>Duane Roset, Alberta Urban Municipalities Association</i> <i>Broyce Jacobs, Alberta Association of Municipal Districts and Counties</i> |

¹ Board President
² Board Vice President



| |
|---------------------------------------|
| Agriculture |
| Alternate Energy |
| Canadian Petroleum Products Institute |
| Chemical Manufacturers |
| Forestry |
| Mining |
| Oil and Gas |
| Utilities |

| |
|---|
| Herman Schwenk, Alberta Federation of Rural Electrification Associations Roy Jensen, Unifarm Association |
| Jason Edworthy, Nor'Wester Energy Systems Inc. David Baker, DRB Engineering Consultants Ltd. <i>John MacIver, Imperial Oil</i> Glen Myers, CPPI Western Division |
| Ian Brownlie, Celanese Canada Inc. J.Doug Wilson, Dow Chemical <i>Phil Ebert, Daishowa-Marubeni Inc.</i> Tim Whitford, Weldwood of Canada Ltd. |
| Jim Popowich, Fording Coal Ltd. <i>David Selleck, Inland Cement</i> Doug Baldwin, Imperial Oil Ltd. ² <i>Doug Bruchet, CAPP</i> |
| Jim Leslie, TransAlta Utilities David Lewin, Edmonton Power |



| |
|-------------------------|
| Consumer/Transportation |
| NGO Health |
| NGO Pollution |
| NGO Pollution |
| NGO Wilderness |
| Executive Director |

| |
|---|
| Rob Taylor, Alberta Motor Association Dave Barr, Alberta Motor Association Gary Lathan, Alberta Lung Association Al Martin, Coopers & Lybrand ² Rob Macintosh, Pembina Institute ² Dan Smith, Pembina Institute Ken Charters, Energy Efficiency Association of Alberta Pat McInnes, Fort McMurray Environmental Association Henry Pirker, South Peace Environmental Association Wendy Francis, Canadian Parks & Wilderness Society |
| Mike Kelly |

The Alliance is proud to acknowledge the contribution of the following former members and the organizations they represented while on the Board:

*Bernie Doyle, George Flynn, Donald Philippon; Alberta Health
Vincent Fabian; Alberta Association of Municipal Districts and Counties
Richard Huff; AEC Forest Products Division*



Appendix II. Publications

Beyond Consultation: Making Consensus Decisions. September 1994.
Principles and Recommendations for the Alberta Climate Change Action Plan. October 1994.
Comprehensive Air Quality Management System. December 1994.
Procedural Guidelines. May 1995.
Zone Air Quality Management Guidelines. revised June 1995.
Alliance Annual Report 1994. June 1995.
"A Better Way". Alliance brochure. revised October 1995.
The Bulletin. 5 issues produced in 1995.
Clean Air Views, 3 issues produced in 1995, published by the Alberta Lung Association.

Related Publications

"Caring for Alberta's Air" brochure. May 1995. West Central Airshed Society.
Caring for Alberta's Air. June 1995. West Central Airshed Society, 8 pages.

Project Team Reports*

Terratima Report. 1995. This report summarizes the proceedings of a two-day workshop that developed a series of recommendations to improve SO₂ management in Alberta.

A Strategic Plan for Air Quality Monitoring in Alberta. November 24, 1995. A report to the Board of Directors from the Ambient Air Quality Monitoring Project Team, the Ecological Effects Monitoring Working Group, and other CASA Stakeholder Groups.

** These are interim, specialized reports. While they are available upon request to the Secretariat, they are likely to be of use only to readers with a keen technical interest in the subject.*



The Clean Air Strategic Alliance is a non-profit partnership that has been given shared responsibility by its members for strategic air quality planning, organizing and coordination of resources, and evaluation of results in Alberta through a collaborative process. This document is one in a series of Alliance publications. For more information on the Clean Air Strategic Alliance, or for additional copies of this publication, contact:

Clean Air Strategic Alliance
6th Floor, Standard Life Centre
10405 Jasper Avenue
Edmonton, Alberta, Canada
T5J 3N4
Tel. (403) 427-9793
Fax. (403) 422-3127
E-mail casa@ccinet.ab.ca
Internet <http://www.ccinet.ab.ca/casa>

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