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# NATIONAL ASSEMBLY

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FIRST SESSION

THIRTY-NINTH LEGISLATURE

Bill 396

**An Act to put a temporary stop to shale  
gas exploration and development  
activities**

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**Introduction**

**Introduced by  
Mr. Scott McKay  
Member for L'Assomption**

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**Québec Official Publisher  
2010**

## **EXPLANATORY NOTES**

*The purpose of this bill is to put a temporary stop to shale gas exploration and development activities until the coming into force of new legislative and regulatory provisions to govern them.*

*As of the date of introduction of this bill in the National Assembly, no well drilling, completion or conversion licence may be issued or renewed for shale gas exploration or extraction. In addition, holders of a licence issued before the coming into force of the provisions of this bill will be prohibited from commencing or continuing shale gas extraction operations or well drilling, completion or conversion operations for shale gas exploration or extraction.*

*While the suspension of shale gas activities is in effect, the Minister of Natural Resources and Wildlife may adapt or streamline the obligations imposed on licence holders affected by it. The term of a licence is extended for a period equal to the time for which shale gas operations are prohibited.*

*Fines are set for certain offences, and it is established that the application of the provisions of this bill will entail no compensation from the State.*

## Bill 396

### AN ACT TO PUT A TEMPORARY STOP TO SHALE GAS EXPLORATION AND DEVELOPMENT ACTIVITIES

AS shale gas exploration and development activities are of significant interest for Québec's social and economic development;

AS these activities must be carried out in such a way as to respect the environment, sustainable development principles and the communities concerned;

AS it is necessary to adopt a new legal framework for these activities;

AS it is important to suspend these activities until the coming into force of new legislative and regulatory provisions ensuring that their pursuit will be safe from both an environmental and a public health point of view;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

**1.** As of (*insert the date of introduction of this bill*), no well drilling, completion or conversion licence may be issued or renewed under the Mining Act (R.S.Q., chapter M-13.1) for shale gas exploration or extraction.

As of the same date, no lease for shale gas development may be made under that Act.

**2.** As of (*insert the date of assent to this Act*), holders of a natural gas exploration licence or of a well drilling, completion or conversion licence issued under the Mining Act before that date are prohibited from commencing or continuing shale gas extraction operations or well drilling, completion or conversion operations for shale gas exploration or extraction.

The temporary or permanent closing of a well as a result of the prohibition imposed by the first paragraph must be compliant with the requirements set out in the Regulation respecting petroleum, natural gas and underground reservoirs (R.R.Q., chapter M-13.1, r. 1), which apply with the necessary modifications, subject, where applicable, to the provisions of a ministerial order made under section 3.

**3.** The Minister of Natural Resources and Wildlife may, by order and for the time the prohibition imposed by section 2 is in effect, prescribe obligations that differ from those set out in the Mining Act and its regulations with regard to licence holders to whom that section applies, or exempt such licence holders

from all or some of those obligations, particularly obligations relating to work to be carried out, reports to be filed and royalties to be paid.

The order is published in the *Gazette officielle du Québec* and comes into force on the date specified in it.

Furthermore, the term of a licence referred to in section 2 is extended for a period equal to the time the prohibition imposed by that section is in effect.

**4.** A person who contravenes section 2 or an order made by the Minister under section 3 commits an offence and is liable to a fine of \$5,000 to \$50,000 in the case of a natural person and \$10,000 to \$100,000 in the case of a legal person.

The fine is doubled in the case of a subsequent offence.

Sections 251 to 259, 322 and 322.1 of the Mining Act apply, with the necessary modifications.

**5.** The application of this Act entails no compensation from the State.

**6.** This Act comes into force on (*insert the date of assent to this Act*).

It ceases to have effect on 30 June 2012 or on an earlier date set by the Government which, however, may not be prior to the coming into force of new legislative and regulatory provisions to govern shale gas exploration and development activities.