



ALBERTA

TRANSPORTATION and ECONOMIC CORRIDORS

*Office of the Minister
MLA, Innisfail-Sylvan Lake*

RECEIVED
Dec 2, 2024

November 29, 2024

AR 100148

His Worship Tyler Gandam
President
Alberta Municipalities
300, 8616 - 51 Avenue NW
Edmonton, AB T6E 6E6

Dear Mr. Gandam:

Thank you for your November 4, 2024, letter regarding the Alberta Municipalities 2024 resolution advocating for the expansion of federal funding programs to support the purchase of compressed natural gas and clean diesel buses.

The Government of Alberta welcomed the federal government's August 2021 announcement of the Zero Emission Transit Fund committing \$2.75 billion over five years to help communities procure zero-emission buses for public transit and schools. More recently, on July 17, 2024, the federal government also launched the Canada Public Transit Fund which will provide \$3 billion annually for public transit and active transportation infrastructure, beginning in 2026-27. The Canada Public Transit Fund is designed to provide stable and predictable funding to help communities address long-term transit goals with a key focus on reducing vehicle emissions to help mitigate climate change and improve climate resilience.

While the Government of Alberta appreciates these targeted federal government investments, it is essential that the diverse needs of provinces and territories are also recognized. This is particularly important in the context of policies and regulations related to zero-emission vehicles, and the requirement that by 2035, all new light-duty vehicles sold in Canada will be zero-emission vehicles. The pursuit of this target has led to significant increases in vehicle prices and utility costs, while also placing pressure on the energy grid's capacity.

.../2

These policies and regulations have also rejected alternative fuel vehicle technologies, such as dual fuel diesel-hydrogen and compressed natural gas vehicles. While these technologies may not entirely eliminate vehicle emissions, they offer substantial reductions. Significant advancements have been made in both these vehicle technologies and make them cost-effective and environmentally-friendly options. Many transit authorities in Alberta have expressed concerns regarding the high costs and limited operational range of battery-electric buses when compared to gas, diesel, and other alternative fuel-powered buses.

Alberta continues to endorse a market-driven approach to zero-emission vehicle adoption rather than the hard targets proposed by the federal government. This approach provides Alberta's municipalities more cost-effective options that they can consider as an interim step as they transition their bus fleets towards zero-emission.

I can assure you that the Government of Alberta remains committed to improving public transit for Albertans through a realistic and pragmatic approach to zero-emission vehicle adoption. We have successfully collaborated with the federal government on these issues in the past and will continue to do so on behalf of Albertans.

I will ensure that the concerns articulated by the Alberta Municipalities' resolution are communicated to the federal government. I agree that federal programs, such as the Zero Emission Transit Fund and the Canada Public Transit Fund, should be accessible to support the uptake of other types of low-emission vehicles that better fit the needs of our communities and residents.

Thank you again for bringing this matter to our attention.

Sincerely,



Honourable Devin Dreeshen, ECA
Minister of Transportation and Economic Corridors