

Bringing Coal Policy into the 21st Century

Alberta launches the Coal Industry Modernization Initiative

The Coal Industry Modernization Initiative

Alberta's government is modernizing Alberta's coal policy with the Alberta Coal Industry Modernization Initiative (CIMI), developing rules that guide responsible coal mining practices in the foothills while substantially increasing coal royalty rates to benefit people living in Alberta.

CIMI picks up where the Coal Policy Committee left off by implementing recommendations [informed by people living in Alberta](#) and builds on [the work](#) that was started by previous governments to address the need for stricter regulations on coal mining as part of a broader environmental and resource development strategy.

Building on The Coal Policy Committee's Foundation

Public Engagements

- 67 virtual and public meetings with a wide range of Indigenous communities, and stakeholders representing various sectors including industry, labour unions, outdoor enthusiasts, environmental organizations, academics, researchers, municipalities and farmers, cattlemen and ranchers.
- 176 detailed written submissions from interested parties.
- Almost 4,400 emails and letters from Albertans.

Recommendations

1. Modernize Alberta's coal policy.
2. Meaningfully involve Alberta's Indigenous communities in the land use planning process
3. Articulate land use guidance for coal exploration and development through planning under the *Alberta Land Stewardship Act* to provide certainty and bind the Crown.
4. Undertake a review of Alberta's coal tenure and royalty rates.
5. Address the issue of freehold coal mineral rights.
6. Assess proposed new coal projects with rigorous net benefit tests that include extensive public consultation.
7. Resolve uncertainties regarding responsibility for reclamation liabilities relating to coal exploration and development activities.
8. Address reclamation liabilities for legacy coal mines.

A modern legislative framework

Modernizing Alberta's legislative framework on coal resource management is a huge and complex undertaking that requires time for careful thought and analysis. This involves legislative and regulatory changes specific to coal royalty rates and resource development that fall within the Minister of Energy and Minerals' responsibility, under Alberta's *Coal Conservation Act*, and the *Mines and Minerals Act*.

Other associated regulations, rules, and directives that may be updated to achieve the desired outcomes of the modernization initiative include the *Water Act*, the *Environmental Protection and Enhancement Act*, the *Alberta Land Stewardship Act*, and the *Public Lands Act*.

Targeted engagement occurred in 2025 to inform industry of Alberta's government's plans to achieve higher standards for coal mining, to set the new coal royalty rates, and to develop strategies that align with Alberta's

government's commitment to balance regulatory improvement and environmental protection, with an emphasis on water protection.

From this engagement, new coal regulations and legislation will be drafted for government approval in 2026.

Getting it right

Alberta's government is taking a cross-ministry approach to the long-term management of coal resources through updated and modernized regulations and land-use planning activities. The CIMI will protect water as our top priority.

If coal mining is allowed, it will only be allowed to the highest standards:

NO mountaintop removal mining as a coal mining technique.

NO new open-pit coal mining in the Eastern Slopes (All 4 Categories of the 1976 Coal Development Policy, subject to any further regulations flowing from land use planning work which is underway).

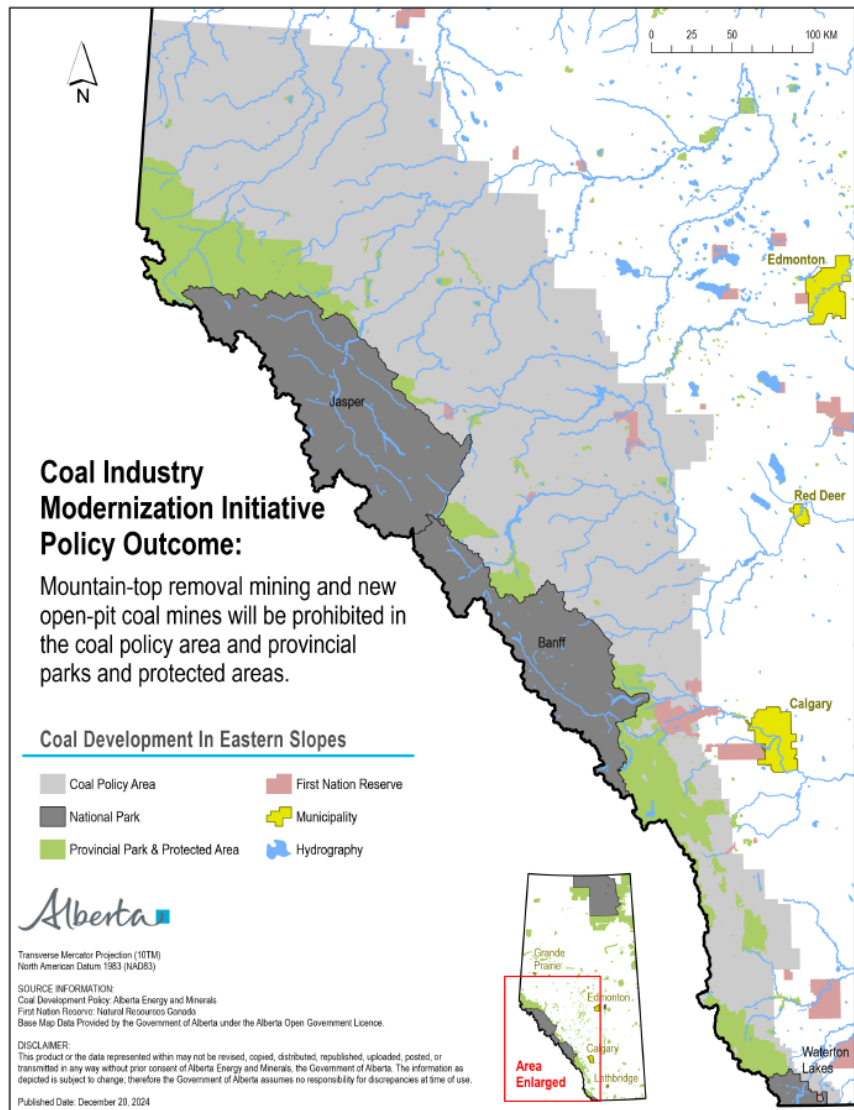
NO new coal mining proposals without use of best water practices that prevent adding selenium into waterways – regardless of location. New proposals will either need to be underground mines or use mining technologies (such as highwall automated underground mining) that move minimal amounts of overburden, to prevent selenium leaching and siltation.

The protections set out in law and in the 1976 Coal Development Policy for National Parks, provincial parks, wildland parks, wilderness areas, ecological reserves, and provincial recreation areas will continue.

Land-use planning and public and industry engagement

The Ministry of Environment and Protected Areas is leading the Alberta's government's collaborative cross-ministry work on land-use planning. While land-use planning will provide direction regarding coal mining activities, Alberta's rigorous regulatory processes will continue to be employed to assess the potential impacts of a proposed coal project and, if deemed to be in the public interest, ensure that appropriate rules, limits and oversight are in place to protect the environment.

The Upper Smoky Sub-Regional Plan was announced in November 2025 to guide conservation and economic activity across 13,000 square kilometres in west-central Alberta. This common-sense plan will protect local jobs in the energy, forestry and tourism sectors while increasing wildfire protection and responsibly managing the



environment. The Upper Smoky plan will defer to the new coal policy currently in development through the Alberta Coal Industry Modernization Initiative.

Alberta's government worked with the AER to conduct targeted engagement with coal industry to start the modernization initiative. These sessions allowed industry to share best practices that are in use in other jurisdictions and allow us to give industry a heads-up on coming policy changes.

Next steps

Making sure the policy is developed properly is more important than getting it done fast. Time is being taken to get it right. This new policy framework is expected to be presented to Cabinet for consideration in mid-2026 and may include amendments to the *Coal Conservation Act*, the *Mines and Minerals Act* and other associated regulations, rules, and directives to achieve the desired objectives.

Amendments will be focused on royalty rates, standards and techniques for coal mining, regulatory certainty for investors and, above all, building confidence among people living in Alberta that our air, land, water, and wildlife will not be sacrificed.

As work progresses, updates will be available at: www.alberta.ca/coal-industry-modernization-initiative

Coal-Related Policy in Alberta

A Consolidated Visual History

1976	1977-1984	1985-1992	1994	2009	2014	2017	2018	2024
1976 Coal Policy	A Policy for Resource Management of the Eastern Slopes	Integrated Resource Plans (IRPs)	The Whaleback Decision	<i>Alberta Land Use Stewardship Act</i>	South Saskatchewan Regional Plan	Castle Parks Established	Livingstone-Porcupine Hills Land Footprint Management Plan	Coal Industry Modernization Initiative
<p><i>Established the four coal categories to define conditions for when coal leasing, exploration and development may take place. Coal activities are prohibited in category 1, restricted in categories 2-3 and permitted category 4.</i></p>	<p><i>Established an eight-zone system to manage land use activities, including coal exploration and development.</i></p>	<p><i>Applies the Eastern Slopes plan zoning system at a more precise level across 8 sub-regional and 5 local planning areas.</i></p>	<p><i>The Energy Resources Conservation Board held public hearings on an application to drill an exploratory well in the Whaleback area of the Eastern Slopes, which led to a decision to reject the application and raised questions about Alberta's evolving approach to development applications.</i></p>	<p><i>Government enacted the Act to implement the Land Use Framework's direction to divide the province into seven new land-use regions and the call for a regional plan in each of these regions.</i></p> <p><i>The Act clarifies regional planning process, required contents of plans and provides for plans to have legal force and effect.</i></p>	<p><i>References the coal policy and IRPs as current policy direction but also called for their review prior to rescission. The SSRP, and subsequent revisions also created new conservation areas, which restricted coal leasing, exploration and development opportunities.</i></p>	<p><i>The SSRP was revised to incorporate both the Castle Provincial Park and the Castle Wildland Provincial Park.</i></p> <p><i>This resulted in the cancellation of the full extent or portions of 19 Crown coal leases south of the Crowsnest Pass.</i></p>	<p><i>Established regulated motorized access thresholds for industrial land users and committed to the development of cumulative disturbance thresholds, which would apply to coal proponents when finalized.</i></p>	<p><i>Government is reviewing all past policies along with recommendations from the Coal Policy Committee's 2021 final report to look at coal mining as part of a broader environmental and resource development strategy.</i></p>

