

Federal Budget Initiatives Enhance Competitiveness in Alberta's Industrial Heartland

Alberta, Canada - Alberta's Industrial Heartland Association welcomes initiatives announced in Budget 2023-24 that will enhance the competitiveness of Alberta's Industrial Heartland (AIH) through targeted incentives and supports.

Initiatives such as an Investment Tax Credits (ITC) for hydrogen production and a pending ITC for Carbon Capture, Utilization and Storage will help level the playing field with competing jurisdictions around the world. It also improves Canada's largest hydrocarbon processing energy region by creating more opportunities for diversified capital investments in the area.

"In an increasingly competitive global market, the initiatives in the 2023 Federal Budget will improve the competitive advantage of Alberta's Industrial Heartland," says Mark Plamondon, executive director of Alberta's Industrial Heartland Association. "While we wait for details on planned incentives for Carbon Capture and Storage, our \$45 billion region is better positioned today to attract further investments to help lead the way to decarbonization while achieving economic results."

AIHA Highlights in Budget 2023:

- A \$6.3 billion (over five years) Investment Tax Credit for Clean Energy will help drive investment in solar, wind and nuclear generation projects. AIH is already home to a significant solar project and more are proposed.
- A \$5.6 billion (five-year) Investment Tax Credit for hydrogen production – up to 40 per cent, depending on carbon intensity. This ITC will also extend a 15 per cent credit to equipment needed to convert hydrogen to ammonia for transportation.
- A \$4.5 billion Investment Tax Credit for Clean Technology Manufacturing including critical minerals, nuclear equipment, and battery manufacturing.
- Support through the Canada Growth Fund for Contracts for Difference to provide additional certainty around carbon credits for investors exploring opportunities in AIH and across Canada.
- \$1.3 billion over six years to the Impact Assessment Agency, the Canada Energy Regulator and ten other federal departments to reducing regulatory timelines and improving efficiencies in Canada's regulatory processes.

"It's vital that we continue to work collaboratively with Government to achieve our shared goals," Mark continues. "Diversifying our energy is a priority for AIH and our region is well positioned to help lead the transition into a low carbon economy."

With ideal geology and infrastructure assets for carbon sequestration, the Industrial Heartland is positioned for growth through innovation. By growing clean energy strategies with industry, the 40 companies within the Industrial Heartland can shape the future of energy.

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About Alberta's Industrial Heartland (AIH)

Located in northern Alberta, this 582 km² region is one of the world's most attractive locations for chemical, petrochemical, oil, and gas investment. With \$45+ billion in existing capital investment and over a \$6 billion GDP, companies within the Industrial Heartland are providing fuels, fertilizers, power, petrochemicals and more to provincial and global consumers.

About Alberta's Industrial Heartland Association

Alberta's Industrial Heartland Association represents five municipal partners that span AIH and are stewards for economic development for the Industrial Heartland.

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