



Legislative Assembly of Alberta

The 31st Legislature
First Session

Standing Committee
on
Alberta's Economic Future

Ministry of Technology and Innovation
Consideration of Main Estimates

Tuesday, March 11, 2025
3:30 p.m.

Transcript No. 31-1-13

**Legislative Assembly of Alberta
The 31st Legislature
First Session**

Standing Committee on Alberta's Economic Future

Getson, Shane C., Lac Ste. Anne-Parkland (UC), Chair
Loyola, Rodrigo, Edmonton-Ellerslie (NDP), Deputy Chair
Kasawski, Kyle, Sherwood Park (NDP),* Acting Deputy Chair

Al-Guneid, Nagwan, Calgary-Glenmore (NDP)**
Boparai, Parmeet Singh, Calgary-Falconridge (NDP)
Cyr, Scott J., Bonnyville-Cold Lake-St. Paul (UC)
de Jonge, Chantelle, Chestermere-Strathmore (UC)
Elmeligi, Sarah, Banff-Kananaskis (NDP)
Hoyle, Rhiannon, Edmonton-South (NDP)
Kayande, Samir, Calgary-Elbow (NDP)***
Stephan, Jason, Red Deer-South (UC)
van Dijken, Glenn, Athabasca-Barrhead-Westlock (UC)
Wiebe, Ron, Grande Prairie-Wapiti (UC)****
Wright, Justin, Cypress-Medicine Hat (UC)

* substitution for Rodrigo Loyola

** substitution for Rhiannon Hoyle

*** substitution for Sarah Elmeligi

**** substitution for Glenn van Dijken

Also in Attendance

Gray, Christina, Edmonton-Mill Woods (NDP)
Ip, Nathan, Edmonton-South West (NDP)

Support Staff

Shannon Dean, KC	Clerk
Trafton Koenig	Law Clerk
Philip Massolin	Clerk Assistant and Executive Director of Parliamentary Services
Nancy Robert	Clerk of <i>Journals</i> and Committees
Abdul Bhurgri	Research Officer
Rachel McGraw	Research Officer
Warren Huffman	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications
Christina Steenbergen	Supervisor of Communications Services
Amanda LeBlanc	Managing Editor of <i>Alberta Hansard</i>

Standing Committee on Alberta's Economic Future

Participants

Ministry of Technology and Innovation
Hon. Nate Glubish, Minister
Janak Alford, Deputy Minister

3:30 p.m.

Tuesday, March 11, 2025

[Mr. Getson in the chair]

**Ministry of Technology and Innovation
Consideration of Main Estimates**

The Chair: I'd like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of the Ministry of Technology and Innovation – so everyone who likes *Star Wars* and *Star Trek*, buckle in; this is going to be a great three-hour meeting – for the fiscal year ending March 31, 2026.

I'd like to ask that we go around the table and have the members introduce themselves into the record. Then, Minister, if you could introduce your officials with you as well. And just to note that *Hansard* is operating the microphones for us, so we can keep our hands off. My name is Shane Getson, the MLA for Lac Ste. Anne-Parkland, but that constituency is better known around these parts as God's country. With that, I'll just turn to the right, and we'll introduce ourselves into the record.

Mr. Wright: Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

Mr. Wiebe: Ron Wiebe, MLA for Grande Prairie-Wapiti.

Ms de Jonge: Good afternoon. Chantelle de Jonge, MLA for Chestermere-Strathmore.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake-St. Paul.

Mr. Stephan: Jason Stephan, MLA, Red Deer-South.

Mr. Glubish: Do you want me to go next, or do you want me to go last?

The Chair: Go ahead, Minister.

Mr. Glubish: Okay. Nate Glubish, MLA, Strathcona-Sherwood Park, Minister of Tech and Innovation. I will introduce my team during my opening remarks.

Mr. Ip: Nathan Ip, MLA for Edmonton-South West, and I lead the Tech and Innovation portfolio for the opposition.

Ms Al-Guneid: Nagwan Al-Guneid, MLA for Calgary-Glenmore.

Member Kayande: Samir Kayande, MLA, Calgary-Elbow.

Mr. Kasawski: I'm Kyle Kasawski, MLA for Sherwood Park, where all roads lead.

The Chair: Perfect. I love it.

Mr. Glubish: Some common ground to start with.

The Chair: I love it.

Mr. Glubish: There we go.

The Chair: Well, oftentimes we're not boastful enough about our constituencies. They're all very special and near and dear. So an opportunity to brag it up a little bit: please take that, members.

I'd like to note that there is no one joining us remotely today, so everyone is aboard who's coming aboard.

I'd like to note the following substitutions for the record. Mr. Kasawski – I'll let you just read into the record so I can hear it again.

Mr. Kasawski: Sure, Mr. Chair. It's Ka-saw-ski.

The Chair: Kasawski. That makes it easy for me. Member Loyola is deputy chair, so you're substituting for Member Loyola.

Ms Al-Guneid?

Ms Al-Guneid: Al-Guneid.

The Chair: Al-Guneid. Perfect. Now, for the record I did mess up my own wife's name for three months that we were married, so I come by this honestly. I'm very clumsy. Members, I appreciate you giving me some space and humour here as well.

And Member Kayande for Member Elmigi. All right. Good.

We talked about the microphones already, operated by *Hansard*. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and the transcripts of the meetings can be accessed via the Legislative Assembly website.

Members participating remotely – of which we have none. Should your cellphones go off, you will have to pay the chair 150 bucks. Actually, quite honestly, the clerk is going to get on me if I'm too humorous. Just please put your cellphone settings to the least disturbing setting as possible here to not interrupt the proceedings.

Oh, and one other substitution here, too. We have Mr. Wiebe for Mr. van Dijken.

Speaking time and limits. Hon. members, the main estimates of the Ministry of Technology and Innovation shall be considered for three hours. Standing Order 59.01 sets out the process for consideration of the main estimates in the legislative policy committees. Suborder 59.01(6) sets out the speaking rotation for this meeting. Speaking rotation charts are available on the committee members' internal website, and hard copies will be provided to the ministerial officials at the table. For each segment of the meeting blocks speaking time will be combined only if both the minister and the member agree.

If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotted for the main estimates schedule, and the committee shall adjourn.

Should members have any questions regarding speaking times or rotation, please e-mail or message the committee clerk about the process. He's the fine-looking gentleman sitting to my left.

With concurrence of the committee I wouldn't mind having a five-minute break around the midpoint for a biobreak and other such matters. Is there anyone opposed to doing that? Seeing none, the chair really appreciates that.

Ministry officials who are present, at the direction of the minister, can address the committee. Ministry officials seated in the gallery, if you're called upon, you'll have access to the microphone at the podium, and you'll have to introduce yourselves and read yourselves into the record prior to commencing on your comments.

Pages are available to deliver notes and other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members; however, members always have priority at the table.

Points of order, which I hope we'll have none today, will be dealt with as they arise, and individual speaking times will be paused; however, the block of speaking time and the overall three-hour meeting clock will continue to run.

Any written material provided in response to the questions raised during the main estimates should be tabled by the minister in the Assembly for the benefit of all members.

Finally, the committee should have the opportunity to hear both the questions and the answers without interruption during the estimates debate. Debate flows through the chair at all times, including instances

when speaking time is shared between the member and the minister. You will find that I'm very agreeable to speak to. We'll keep decorum going very well. If I find that we start to stray off of that, the chair will intervene just to make sure we can do that. Again, it's a little bit different than how we conduct ourselves in the House during question period. This is a business meeting. The most efficacy we have is to be cordial and make sure we remain in decorum.

I would now like to invite the Minister of Technology and Innovation to begin your remarks. Minister, you have 10 minutes.

Mr. Glubish: Okay. Thank you, Chair. Good afternoon, everybody. Happy to be here with you to consider the Department of Technology and Innovation's budget and business plan for the 2025-2026 fiscal year. I'll also give you an update on my ministry's contribution to the government's plans to support Albertans and to help grow our economy even as we're facing unprecedented challenges with our neighbours to the south.

I will now recognize the members of my executive team who have joined me today. I have Janak Alford, my deputy minister. I have Gene Smith, assistant deputy minister. I have Richard Isaak, assistant deputy minister, and I have Carol Sokolowski, who is acting assistant deputy minister. All for the Department of Tech and Innovation. Also, in the gallery I have Martin Dinell, assistant deputy minister; Hilary Faulkner, acting assistant deputy minister; Sean Murphy, assistant deputy minister; Kim Wieringa, assistant deputy minister; Jennie Allen, chief financial officer of Alberta Enterprise Corporation; and Dr. Michael Mahon, chief executive officer of Alberta Innovates.

Budget 2025 continues to prioritize growing Alberta's innovation and technology ecosystem and enhancing the efficiency of government services as well as modernizing government operations. Our budget has a modest increase this year of \$72.3 million, and I'm going to explain how the investments we're making are important for Albertans in terms of supporting the overall goals of our government.

Our ministry includes both the Department of Technology and Innovation as well as our agencies, Alberta Innovates and Alberta Enterprise Corporation. Our ministry essentially is shaping Alberta's digital future. We're leading Alberta's technology and innovation policy. We're fostering the technology and innovation ecosystem for necessary success. We're also responsible for driving the modernization of government service delivery. We've talked about this in previous years, and that work continues. That work is never done. We never want to get arrival syndrome; we always want to be focused on continuous improvement.

One of the themes that I think hopefully will come out of today's discussion is that technology continues to evolve at a rapid and ever-escalating pace. What technology can do today compared to even just a year ago is mind-blowingly impressive. What that means is that there are new tools at our disposal as a government to bring forward more and more innovation inside of the public sector and to improve the way in which we're delivering services to the public.

One of the most exciting advances that we're seeing is in the field of artificial intelligence, and it should come as no surprise that Alberta is embracing this. I mean, we've been investing in AI since before it was cool. We're the original AI hipsters, right? We recruited Dr. Richard Sutton in the early 2000s to what is now known as the Alberta Machine Intelligence Institute. He's been attracting some of the smartest people on planet Earth in the field of computer science and artificial intelligence and reinforcement learning. He's so well respected that he just won the Turing award, which is essentially the Nobel prize in computer science, and that was literally just in the last week or so.

Alberta has been punching above its weight in AI research and technology commercialization for 20 years, and Alberta's government

aims to lean on that and build on that foundation and stand on the shoulders of those giants to also be a leader in Canada in implementing AI in the way in which we design and develop and deliver technology solutions.

That's why I'm so excited to have my new deputy minister, Janak Alford, join us. For those of you who don't know, he joined us in October of last year and comes to us from FINTRAC in Ottawa. He was their head of AI, and it's been so fun to see his ideas on how to use more modern tools in everything we do.

3:40

That vision has just stepped into overdrive over the last couple of months. We now have a team of over 50 Tech and Innovation staff who have been assigned roles in learning how to use AI in their day-to-day operations and using AI to develop and even to code new applications and new solutions.

I'll give you just one example of why that should excite everybody in this room, because I think we all can agree that getting the best value for every dollar spent of Alberta taxpayer funds is a good goal. You know, there was one procurement for a technology solution that had crossed my deputy's desk, and it was for over \$50 million for this solution for one of our partner ministries. As he dug into it, what he learned is that we could actually use AI to code this, we could do it ourselves, and we could do it for probably one-tenth of the cost and deliver a better outcome for that partner ministry.

A year and a half ago this was not possible. This was not even something that anyone was thinking could be possible, but because of the advances in technology that we are seeing all around the world, the tools that we can work with today are so exciting and so powerful that we can in some cases get orders of magnitude better results and savings. What that means is that as we do face cost pressures as a government, I believe that Tech and Innovation as a department is going to help every department in government to get better results. We are going to be able to support them with the tools and technologies that they need to deliver services to the public, but we're going to be able to do it in a very responsible financial manner.

That is one of the things that excites me the most about this budget, that we are doubling down on AI, we're doubling down on technology modernization, and the work that we do as a department is so critically important to supporting every government department.

That covers a bit of the vision on the technology side of the portfolio. I'd like to say we kind of run the technology backbone of most of government. We don't run Health's IT systems, but we do work closely with the Minister of Health and their team on providing some governance and some oversight and expertise, especially as they're going through some of the health refocusing efforts.

So that's one half, and then of course there's the innovation side, which is leading the government's work to try and create an environment where Alberta is seen as a destination of choice for innovators and investors and entrepreneurs to build and develop next-generation technologies and to turn those into companies, into products which then result in jobs and investment and more fiscal capacity for the province because there are more tax revenues as those businesses grow and those technologies are commercialized.

That's where a lot of the work from Alberta Innovates and the Alberta Enterprise Corporation come in. We've seen exceptional momentum in Alberta's tech sector over the last several years. Even at a time when the Canadian markets have been on the decline, Alberta has been punching above its weight and holding steady at record levels of investment three years running, having now reached a steady rate of around \$700 million a year of investment into venture capital deals into Alberta companies.

As a former VC investor myself from before politics I remember when I got my start in 2004. I was a part of one of maybe only two

funds that were investing in Alberta tech companies. We would have been talking in terms of just millions of dollars, not hundreds of millions of dollars, being invested into tech. We've come a long way, and our best days lie ahead.

But these things don't happen by accident; they happen by design. We're proud of the work that we're doing at Tech and Innovation to essentially lead the government's efforts to make sure that we are the most innovative jurisdiction in the country on how we use technology to optimize and deliver the best quality of services to the public we possibly can and get the best value for the taxpayers as we do that and also ensuring that Alberta is the most attractive place to develop new technologies. Whether you're an academic and a researcher, whether you are an entrepreneur and an innovator, all are welcome here, and we strongly believe that there's no better place in Canada for you to reach your fullest potential.

These are some of the things that I'm looking forward to sharing with all of you. Of course, I know one topic that we'll likely touch on and we've talked about in previous estimates, in previous years' budgets is Alberta's broadband strategy that we announced in 2022. I'm looking forward to giving you some updates on how that's going, should that be of interest to the committee. But rest assured that we're well on our way to achieving our goal of universal connectivity by 2027, and I'm really proud of the team's work in that regard.

You know, as a ministry we often are sort of seen as the behind-the-scenes folks, under the radar. I'm okay with that. I'm not looking to be the front-and-centre guy. But I think that hopefully after our discussion today you'll all feel confident knowing that behind the scenes we've got a really strong team. We're working real hard to support all of the government and ultimately to deliver high-quality services to the public.

Looking forward to our discussion today. With that, I'll turn it back over to you, Mr. Chair.

The Chair: Thank you, Minister.

We will begin the question and answer portion of the meeting. For the first 60 minutes members of the Official Opposition and the minister may speak. Hon. members, you will see the timers on the wall that will show the block time or the speaking time left for you and overall.

You've definitely got my attention. So you get a gold star for doing that right off the start.

The other thing that I will say here, too, folks, has helped with the decorum and everything else with the questions and for those that are following along at home. We have several estimate documents that you can refer to. The sooner you refer to those documents in the front end makes it easier for the chair to follow along: the fiscal plan, the strategic plan, ministry business plans, and obviously the government estimates. If you refer to those documents, it will keep everything moving along smoothly.

With that, MLA Ip, you caught my attention first.

Mr. Ip: Thank you, Mr. Chair. I will dive into the estimate documents.

The Chair: Sorry. Just to get us kicked off properly, if you want to ask the question of the minister, if you want block time or split time. That would be your prerogative between the two of you gents.

Mr. Ip: Block time or split time?

Mr. Glubish: We'll go with block time. Thank you.

Mr. Ip: Thank you, Minister.

The Chair: Good to go.

Mr. Ip: I will certainly dive into the estimate documents. I'm specifically going to refer to line 2.1 on page 213 of the estimates, but before I do so, Mr. Chair, I would just like to offer some setting remarks. I want to thank the minister as well as senior officials for being here today. Your work is important. On behalf of my caucus I certainly appreciate this opportunity to have this discussion. Today's dialogue is also important for transparency and accountability to Albertans and to our collective constituents. You've mentioned this before, Minister: Alberta is at a pivotal moment. The choices we make today will determine whether we lead in the economy of the future or fall behind.

Across the world governments are stepping up to support innovation, attract investment, and build competitive industries, and Alberta must do the same by harnessing our strengths, investing in our people, and creating the conditions for long-term prosperity. At the same time, we cannot ignore the challenges before us from tariff threats from our neighbours south of the border. Global economic uncertainty is creating real pressures, and Alberta is feeling the effects. Canada's productivity has lagged behind our competitors, tariffs and trade disputes threaten investment and growth, and regulatory uncertainty is making it harder for businesses to plan for the future. So if we do not act strategically, we risk losing talent, capital, and opportunities to other jurisdictions that are moving quickly to strengthen their innovation ecosystems.

But we have absolutely everything to succeed. Alberta is home to world-class research in artificial intelligence, a growing life sciences sector, advancements in agritech, an energy industry that is constantly evolving. Entrepreneurs and innovators across the province are driving new ideas and building businesses that can compete on a global scale.

In order to fully leverage these strengths, we will need a government that is focused on the right priorities: supporting Alberta businesses, attracting and retaining top talent, and ensuring that good-paying, future-focused jobs are created right here at home. That means a clear and cohesive strategy, one that doesn't just chase trends but builds a foundation for long-term growth. It means supporting research and commercialization, ensuring businesses have access to capital, and making Alberta the best place to start and grow a company. It means looking ahead, not just reacting to challenges as they arise but preparing for the opportunities that will define the next generation of economic success.

I'm sure that all of my colleagues in this room would agree that Albertans deserve a government that is focused on them, on their jobs, their future, and their prosperity. The goal should always be to strengthen our economy in a way that benefits everyone, ensuring innovation leads to real opportunities for workers and businesses alike. So I'm really looking forward to this afternoon's conversation about how we can build a strong and prosperous Alberta and make life better for Albertans.

3:50

I'll begin with the discussion on AI data centres. I know, Minister, this has been a particular passion project of yours. I'd like to refer to line 2.1 on page 213 of the estimates, which specifically references the government's work in attracting artificial intelligence data centres. I want to reference the very public announcement that O'Leary Ventures is going to build the world's largest AI data centre park, known as wonder valley, in the municipal district of Greenview. In the ministry business plan I believe this is relevant to outcome 3, "Alberta is the most attractive jurisdiction for innovators in Canada," as well as key objective 3.3, "Implement the Alberta AI Data Centre Strategy to attract AI data centre investment to Alberta, build Alberta's global leadership in AI, and strengthen economic

diversification.” While this goal is certainly lofty and I think there’s a lot of excitement, lots of details are unclear.

While this is a very compelling project, I think there are questions that remain unanswered. So I’ll sort of dive into some of the technical aspects of this project and also really get a sense of how economically viable and feasible such a project is. I’ll raise with you, Minister, and your team, that, obviously, the remote location has been raised as potentially technically challenging. It’s away from connectivity. Although I’ve heard that the government has made it clear that it won’t be on the grid in terms of energy access, the question is: how will we ensure that such a project has access to viable and sustainable energy? We also know that there are two locations currently proposed, and it is actually far away from existing fibre-optic infrastructure as well as a labour pool and talent with the potential necessary skills to work in an AI data centre.

Minister, I’ll begin with the first set of questions around just the economic viability of this project. While the data centre itself will create construction jobs and jobs related to connectivity of utilities, it is not entirely clear, once the data centre is up and running, the economic impact of the data centre, particularly from a jobs output. I want to raise that with you.

I should also mention that Mr. O’Leary has made himself an ally of the Premier. Certainly, it is relevant that he went as far as to personally introduce her to the American president at Mar-a-Lago. Given some of the procurement challenges and, might I say . . .

The Chair: Member, might I caution again as I said at the front end, if this is relevant to one of your questions. If you’re heading down into the ditch, I’ll yank you back nicely. Make sure it’s relevant to the question you have.

Mr. Ip: Mr. Chair, it is relevant to data centres specifically around the procurement process of the data centre, so if I may proceed.

The Chair: You can around the specifics of the procurement, but if you start heading in a ditch, hon. member – you understand where I’m heading in this, and you know better.

Mr. Ip: Just on the procurement side, what commitments has the government made to this project, both financial and nonfinancial, and has the government made any support or project approvals conditional on financial support from the municipal district of Greenview or the city of Grande Prairie? I assume that there has been a feasibility study of some kind that has been completed or will be completed. If this stat is available, I’d like to know how much these proposed data centres will contribute to the Alberta economy in its first five years of operation.

I also want to raise that in the world of data centres – and certainly I’m not a technical expert, so I’m looking forward to learning more from those in this room. There are four tiers of data centres. Tier 1, of course, is the lowest tier, where there is a single path for power cooling and no backup components. Tier 1 also has the lowest expected uptime. In contrast, tier 4 has a redundancy for each component, and staff are able to work on any issues without taking the data centre offline. In both the Edmonton and Calgary areas there are tier 3 data centres. I am curious to learn what tier the O’Leary Ventures data centre is projected to be. How will that impact its economic viability?

I also want to continue on and say that given that the original news releases from the municipality and the province do not provide any details, I’d like to hear from the minister his understanding of what the projected timelines are for each of the project’s six phases. When is each phase going to start construction and start operations, and what are each of the six phases? Also, I think this is relevant: how much is O’Leary Ventures investing in

each phase? Finally, upon completion of each phase how many jobs will be created?

Thank you very much.

The Chair: Perfect. Thanks, Member.

Minister, back to you. I should have noted, too, that you have 10 minutes to respond. You don’t have to take it all. Also in this block of time, members, you can concede your time back and forth amongst your table and your colleagues as well. I should have noted that on the front end.

Minister, over to you.

Mr. Glubish: Okay. Thank you, Chair, and thank you for your questions. It’s a great topic to start with. I think it’s a very exciting topic and presents a lot of opportunity for Alberta and ties nicely into some of the things I talked about in my opening remarks. Happy to dig into your questions.

One of the things I’d like to focus on first, just so that we all know what we’re talking about and we’re all talking about the same thing: this is a private-sector project. The government isn’t procuring anything. The government is not buying a data centre. The government is not building a data centre. The government is definitely not paying for a data centre. One of the things that I have been very clear about to all of the interested parties, whether it be the O’Leary group, whether it be any of the other folks who have put proposals in front of the Alberta Electric System Operator to say that they want to open up more AI data centre capacity, is that we will not subsidize this infrastructure. We will not do tax credits because we don’t need to.

The fact is, you know – this is the language I’ve given them, and they found it very compelling: time is money, and we can give you the gift of time. We can give you the gift of time by focusing on our concierge team. For example, you might have heard me talk about our concierge team, which is some folks inside of my department that specialize in AI data centre projects and approvals and the regulatory environment. The goal is to say: we are your one-stop shop. If you are serious about building something like this, come and tell us what you’re all about, tell us what you want to do. Then where appropriate we’ll bring in Environment, where appropriate we’ll bring in Energy, where appropriate we’ll bring in, you know, the Utilities minister and their team.

We’ll help save you time in the process. There’s nothing worse than spinning your wheels wasting weeks trying to get an answer on something. Over a project that normally takes, you know, multiple years, if there are dozens of periods where you can save weeks at a time by just helping people get the right people around the table to help get you answers, you can save a lot of time, and that time is worth a lot. When you’re talking about multibillion-dollar projects, when you can save months, if not years of time, that’s a big deal.

So we’ve been very clear: we will not subsidize your project, but we will give you the gift of time. No one in Canada is going to be able to move faster than us. We’ll help you navigate our approval processes. That’s an offer we make to everybody. Yes, our team has been working with the O’Leary group, and we’ve been working with about 10 or 12 other very serious groups, all of which have some very interesting proposals at various stages of development.

I hope that gives some context around the procurement question.

4:00

Again, we’re not buying this. We’re not building it ourselves. We haven’t done a feasibility study because it’s not our asset; it’s not our project. But what we know is there are a lot of very serious people from all over the world who have said: Alberta is one of the

best places to build this infrastructure, and we're very interested, and we want to put serious capital to work. So we've said: Alberta is open for business; let's work on this together.

In terms of the remote location, yes, it is a little out of the way. But as our Member for Grande Prairie-Wapiti could tell you, the folks in the municipal district of Greenview have been very entrepreneurial. For many, many years they had a vision to say: we want to develop an industrial park, an industrial complex because we know that our region can support some significant industrial development. You know, they were thinking the same way that we do as a government, which is that time is money; let's give people the gift of time. Let's help to maybe do some front-end loading of the consultations, of the engagements, and of the regulatory processes for generic large-scale industrial projects. So they created what's called the Greenview Industrial Gateway.

That is what ultimately really attracted the O'Leary folks. They said: well, there's a lot of the work that's already been done, so we can pick up where the municipality left off and just go full steam ahead. That has been very valuable to them. That's why they're really keen on that location. It's close to the gas. There's a lot of expertise in that area that can build the power generation infrastructure to convert that gas to electricity. There is a lot of fibre nearby, so they're confident that they will be able to connect to the fibre backbones that they will need. There may be a little bit of expansion required as a part of the project, but the cost of that additional fibre connectivity will be a drop in the bucket compared to the overall capital investment of the project, so it makes a lot of sense for them to do that region.

You're correct that this is a behind-the-fence, off-grid project. Ultimately, it is the O'Leary engineers who are designing a redundant system that can handle what they need. Essentially, as I understand it, they will be overbuilding the natural gas power generation on-site so that there are more than enough turbines. They don't need all of the turbines running all of the time. Then if they need to take one down for maintenance, they can spin another one up. That's how they're going to deal with the redundancy.

This will be a 99.99999 per cent uptime, like, the gold standard of tiers of data centres, and they're confident they can do that with an off-grid solution, which we like because then there is no risk to affordability or reliability of our grid for ordinary ratepayers. That's another key thing that we have told anybody who wants to build a data centre. There's one absolute no go – well, two, I guess. One is that we won't pay for it. We won't subsidize it. Two, we will not compromise affordability and reliability of the grid. Off-grid is the easiest way to do that, and that's why this project is of great interest.

On the labour pool and talent side. We have a bit of a track record as a government. When AWS came to make their 4 and a half billion dollar investment just outside of Calgary with a cloud data centre, which by comparison is a much smaller piece of infrastructure but still was the biggest in Alberta at that point in time, we did a partnership with them at one of our postsecondary institutions in Calgary. I think it was at SAIT. Correct me if I'm wrong. The Advanced Education minister would know better than me. We just said, "Tell us what the skills are that you need inside of your data centre once it's up and running, and let's design custom programming," much in the way that SAIT and NAIT do with other trades.

You know, Alberta is one of the best in the country at developing trades because we have great integration between the industries that require those skills and the postsecondary institutions, the trade schools that develop the folks who will ultimately have those skills. So we developed some custom training programs to make sure that we were pumping out the talent that they need. We've made that same offer, an invitation. I would say that "invitation" is probably the better word. It's to say: "If you want to work together on

customizing programming, we're all ears. We've done it before. We're good at it. We can do it again."

But a lot of the skills that are required for this: it's HVAC skills, plumbing skills, electrical skills, fibre-optic skills. All of that stuff we have lots of. It's all the same skills we have in the oil sands. It's all the same skills we have in the oil and gas industry because all that instrumentation requires a lot of the same kinds of – it's just sensors and wires and electrical work and plumbing and HVAC for the cooling system. A lot of the talent is already here, and we already have a pipeline of talent to support that type of infrastructure.

In terms of the overall jobs, I mean, there are the jobs to build it – that's true – and then there are more jobs than folks think. When it comes to an AI data centre, you still do need a significant amount of jobs on-site to maintain the operation and the security and the stability of that operation. I mean, you can imagine that if you've got someone doing, like, a six-month straight training run of a new large language model and something goes down, if something goes wrong on, like, month 5 of a six-month run, you've lost millions and millions of dollars. So you need to have the right talent on-site, on premise. These are high-skill, high-compensation jobs, so this is great news for Albertans. It's a whole new category of jobs that is going to contribute to our economy, and I'm confident we have the ability to develop that talent.

In terms of the Edmonton and Calgary tier 3 data centres, I kind of talked to this. Like, these are the top tier. The data centres in Edmonton and Calgary for the most part are not AI data centres, so the density of the compute and how it's tooled to work with AI workloads is the big difference compared to, say, a cloud infrastructure workload. That's one of the big differences there.

In terms of construction timing and phases, I mean, that's going to be up to the O'Leary group, just like every other project is going to be up to the project proponent. Right now we're just focused on working with them to make sure that they follow our regulatory process. We have a process. It's robust, and it protects the interests of Albertans. It makes sure that things will be done responsibly. We're just working with them to make sure that they can navigate that as fast as possible while still, you know, making sure that we are protecting the interests of Albertans along the way.

The Chair: Time is up there.

Back again to you? Perfect. Go ahead, MLA Ip.

Mr. Ip: Thank you, Mr. Chair, and thank you, Minister, for those answers. Just to follow up on the same thread, I'm interested in understanding what the criteria might be in terms of awarding such contracts or projects pertaining to the data centres.

Then I'd like to also shift gears a little bit. Beyond the economic concerns, as you know, there are some serious legal and ethical concerns surrounding this project when it comes to Indigenous consultation. I will tie this to objective 3.3 in the ministry business plan. It's relevant to how the government will implement the Alberta AI data centre strategy and attract AI data centre investment. Again, referring to line 2.1 on page 213 in the estimates.

As, Minister, you would know, Chief Sheldon Sunshine of the Sturgeon Lake Cree Nation has publicly stated that his community only learned about this project from a news release and not through direct consultation. This is a direct breach of constitutional obligations and, frankly, unacceptable. Under section 35 of the Constitution Act, 1982, the Crown has a clear duty to consult Indigenous communities before approving projects that may impact their rights and land use. We know from history that projects that fail to meet the standard often will face some legal challenges and political consequences. Trans Mountain pipeline, for example, was

delayed because of inadequate consultation. While I understand that the project hasn't been formally approved, I'm curious as to why the government has not proactively reached out. If they have, please make that clear.

The question is: what has led to this government's failure to meaningfully consult with Indigenous communities and uphold its obligations under both the treaty and the Constitution Act? I should note that the Sturgeon Lake First Nation is demanding a halt to any project and pulled out of a February 24, 2025, meeting with government officials last month, concerned that the government is not undertaking meaningful consultations. What steps is the government taking to consider the project's impact on Indigenous rights to remedy this particular situation, and have you or your department since that time reached out to the Sturgeon Lake First Nation folks?

4:10

I also want to shift our attention on, actually, the permits because some of these questions will touch upon Chief Sunshine's January 13 open letter to the Premier.

The Chair: Just to interject – again, just for clarity, members: you're okay so far. There are no issues, but just understand there are certain things that the ministries will have overlaps on. When you get into specific approvals, there might be environmental, there might be also the duty to consult, but this is also for just tech and innovation. The minister's response might be a little bit more narrower than you are heading towards, just to give you an idea on that one.

Mr. Ip: I appreciate that, Mr. Chair, but I also fully expect and assume that there is crossministerial collaboration as this will touch upon multiple ministries. Happy to receive the answer that is available at this time, but . . .

The Chair: Just making sure your expectations are tempered with the response. That's all. Please proceed.

Mr. Ip: Thank you, Mr. Chair.

My next question is on the same sort of line of questioning, really just around the permits, and pertains to Chief Sunshine's January 13 open letter to the Premier in which he talks about water. Since water will be used, I believe, for cooling for data centres, is any data centre anticipated to draw water from the Smoky River, and is the government going to be providing assistance to obtain water permits? How might that interplay with conversation and negotiation with treaty rights and consultation with Indigenous communities?

In a January 2, 2025, video Mr. O'Leary's YouTube page talks about Alberta's \$70 billion AI data centre. At about the 9:50 mark, he states that the Premier assisted – not will assist, but assisted – in obtaining natural gas for the project. I just want to get some clarity on Mr. O'Leary's comments. Has the government provided any assistance in obtaining a natural gas permit for the project? Has it been approved to go ahead. If so, what commitment has been made, and has an application been filed?

I wanted to then proceed also to a series of questions really on the permit applications that have been submitted to provincial regulators for the project. I'm just assuming from Mr. O'Leary's comments that he is further along than perhaps we may come to understand. I want to ask the minister and your team: are there any related permits that have been submitted related to natural gas extraction and carbon capture and sequestration to the Alberta Energy Regulator? Are there any related permits to power lines and natural gas pipelines to the Alberta Utilities Commission? Are there any related to electricity, to AESO and the Alberta Electric System

Operator, or any permits related to the drawing of water, to Alberta Environment and Protected Areas?

I want to come back to water permits and the usage of water. This is a broader question just around the use of data centres, particularly in southern Alberta. I believe the data centre proposed in southern Alberta is actually in a drought zone, if I'm not mistaken. How much water are data centres expected to draw, and how will this potentially impact sensitive ecosystems like in southern Alberta?

There are a number of different memoranda of understanding between the province and municipalities, industry groups, irrigation societies in southern Alberta talking about their reducing of water use, and introducing a number of AI data centres could potentially introduce a new conflict. So with respect to the MOUs related to water usage what consultation did your ministry do with southern Albertan municipalities, industry, and irrigation societies regarding AI data centres and the water they will need to draw from waterways? Did the government already inform parties to the MOUs about its intentions regarding AI data centres before they were signed? Will the data centre strategy make the government revisit the Water Act and its associated regulations and contemplate changes, or will it remain intact?

Back to the point of how this will touch upon multiple ministries and potentially multiple pieces of legislation. I would like to know what work has been done in that regard, particularly on something as sensitive as water. As you know, Minister, the fact that southern Alberta has a limited supply of water has been known for some time. It is also known that current water shortages will likely get worse. Our summers are getting drier by the year, and our province's population continues to grow. Given that southern Alberta's water situation will likely worsen and these data centres stand to draw even more water out of waterways potentially, what work has the government done to measure the impact its AI data centre strategy will have both on existing water use as well as the local environment?

I understand there isn't a data centre approved right now, but have some of these proactive precautions been taken to ensure that if a data centre does come into being, the natural environment, in particular waterways, are not impacted, that will ultimately impact the quality of life of Albertans? Similarly, what is the plan to mitigate data centres' impact on southern Alberta's water supply and to navigate use conflicts such as farming, ranching, industrial, and residential uses? As you well know, there are multiple competing uses. Has the ministry investigated some of these challenges that have been identified by stakeholders, and what is the mitigation plan?

Finally, I just want to ask whether the government has a comprehensive consultation strategy not just with the identified stakeholders but with the general public around AI data centres, whether you anticipate any sort of adverse impacts to the local municipalities and settlements?

Thank you.

The Chair: Thank you, Member.

Minister, before we proceed, I allowed tons of latitude for the member under the strategic planning on this, with the data centres. As someone who's built numerous megaprojects and major projects in my career, understanding that there are a number of items the member touched on that are not specific to your scope, I would ask the minister to answer whatever you can. For the audience and those following along at home: there are some very fulsome processes, and this seems to cross over a lot of lines under the stretch of collaboration, but understanding full well that there are a number of regulatory bodies that deal with these matters, inclusive of different industries and ministries themselves.

With that, Minister, I'll turn the time to you, and please try to answer what you can.

Mr. Glubish: Thank you, Chair.

Look, I get the interest in the file. It's an interesting file. So even though some of the stuff maybe doesn't directly touch on the budget, I'm happy to talk to it. I'll do my best to, you know, answer as much as I can. But as the chair mentioned, there may be a few things that may be better for a side conversation afterwards because they might tie to other ministries, other ministers and their files.

There are some questions you've raised that I think are relevant to the overall data centre file as a whole. In our first block we kind of talked a bit about what are some of the reasons why this is exciting; now we're getting into the details of the how. How would you build these? How are these going to move forward? How do we make sure we do this responsibly? Those are fair questions, maybe not so much budget questions, but they're fair questions from a strategic perspective on the file. Since that's an area you're interested in, happy to do a bit of discussion about that.

A lot of what you talked about centres around water, and absolutely this is something we've put a lot of time and energy and thought into. In the same way that we don't want to compromise the affordability and reliability of Alberta's electrical grid, which would just cause unnecessary hardship on Albertans all across the province, we don't want to cause any risk to the stability of our watershed in any corner of the province.

4:20

You know, one of the things that we have certainly found as we've dug into this is that the availability of water is different in every corner of the province. Southern Alberta has much more scarcity, northern Alberta has an abundance of water, so for us a lot of this is going to be site specific. If you're proposing a project that's super water hungry in the middle of southern Alberta in an irrigation district where the irrigation is probably the highest and best use of that water licence, it's probably going to be a little bit harder to get a big, massive data centre project approved.

That's just a fact, and we're okay with that as a government. At the end of the day, I think our job is to say that we have a robust regulatory framework, we have the Water Act and all the rules and regulations around how you get water licences and permits, and we don't want to give anybody a workaround on that just because we're passionate about data centres and think that there's a lot of upside. So we will absolutely ensure that all of our strict, robust water protections and regulations will be followed to the letter.

That's part of why we have the concierge services, to say: tell us what you're trying to build, tell us what your goal is, and we'll work with you to understand what's realistic and what are the best places in Alberta that could be a fit for you. If you're a small, little data centre that's not going to need a lot of water, then maybe something in southern Alberta could work. If it's close to the gas, if it's close to other things, if it's close to the fibre and everything you're looking for is there and it's not going to cause any hardship on the watershed: great. Let's explore that together. Let's still follow the process – we'll make sure that this is being done responsibly – but if you need something bigger, like wonder valley, then northern Alberta probably makes a lot more sense.

Now, another factor that I think is important to note too is that technology is changing on how data centres are run and especially how they're cooled. I mean, a lot of folks have in their mind these big data centres creating a lot of heat and then you're extracting the heat from the source and then you're using water evaporation cooling. That's the old way of doing things. Almost nobody does that anymore. That's where a lot of the really heavy demand of water comes from. I don't think you're going to see a lot of projects in Alberta that are proposing that water evaporation cooling because it just doesn't make sense anymore.

First of all, we have a natural advantage of having a cold-weather climate. Even in the summer we're colder than many other places, but in the winter you've got free natural cooling. There are a couple of different technologies where Alberta is actually a leader. We have companies like CoolIT out of Calgary, which is expanding leaps and bounds. They're investing \$350 million to double their capacity, and they're integrated in the Nvidia supply chain with direct-to-chip liquid cooling. Now, not water cooling, but what it is: a closed-loop liquid system that removes the heat into the liquid, takes the heat off of the chip, puts it into liquid, transmits it elsewhere, and then there's a heat exchange process.

When you can combine that with the ambient temperature in our cold-weather climate, there are some great economies of scale to be able to cool these data centres. What we've seen is that, relative to a jurisdiction like Texas, you can get almost a 15 per cent efficiency improvement on the cooling technology just because of our cold-weather climate. That's another reason why folks are so bullish on Alberta. So that's one option, and it's not very water heavy at all.

There's another option that's even newer that shows a lot of promise. There's a company called Denvr Dataworks, also out of Calgary, that has developed some really cool technologies. It's liquid immersion cooling, so the racks of chips are just embedded in this mineral oil, this proprietary mineral oil solution, and they've got all this really cool tech to circulate that and suck the heat out of there. What they're able to accomplish with that is groundbreaking, and they literally use no water.

To your points about water: yes, of course that's important. It is a priority of our government. We have a robust regulatory environment. We will follow that robust regulatory requirement, but the good news is that we can have our cake and eat it too because a lot of the newest technology is not going to be super water heavy, and we will be able to see some really exciting projects proceed without causing hardship on the surrounding watershed. Of course, we're going to want to make sure we make the smartest decisions about what site matches which project, and, again, that's what our concierge team that is funded by my ministry – I'm trying to tie it back to the budget here, Mr. Chair. My budget pays for . . .

The Chair: As the Chair I find myself in an interesting spot when I've given everybody so much latitude, but it is very interesting.

Mr. Stephan: Gold star.

The Chair: Every once in a while throw me a bone just back to the budget.

Mr. Glubish: My Budget 2025 has the resources for our concierge team which is doing that work to help folks make sure that they're following all of the right rules but that they're doing that in a timely process, which is good for all involved.

You know, when it comes to the consultation process, I will just point out that, as I said earlier, the municipal district of Greenview did a ton of engagement and consultation with all stakeholders in the region before there was a data centre project proposed. This was just more generically about that the municipal district of Greenview anticipated having significant industrial investment coming to the region, and they were preparing for that, and they wanted to involve the community in that. There was a ton of engagement there, and I know all of the surrounding First Nations were invited to participate in that.

As a next step, of course, now that there's a specific proposed project, it is absolutely incumbent upon the O'Leary group to engage in good faith regularly with all of the First Nations in the region. I know that their CEO spent a significant amount of time in the market, in person to go and meet with all of the nations. That

work is ongoing and will continue, and we'll encourage them to continue doing that because, to your point, there are some obligations that need to be met, and we're going to make sure that nothing gets approved unless all of the appropriate steps have been followed, including that First Nations engagement.

You know, I think sometimes it might just look like: oh, well, someone famous like Kevin O'Leary does a big marketing piece. He's a salesman, right? Like, that's part of his job. He's selling the concept to help attract investors to a project. Some folks might look at some of his materials and say: "Oh, is this a foregone conclusion? Is this already done? Is this already approved?" No. There's still a lot of work to be done. We're going to follow the process. We're going to make sure that all the right steps are followed.

That will include significant Indigenous consultation, and where appropriate we as a government will play a role in that. Where it's appropriate for it to be just between the project proponent and the local First Nations, we'll let that happen too. But we're not looking to do any workarounds. We're not looking to cut any corners to help anybody and provide any favouritism. Everyone's going to be treated the same. Everyone's going to follow the same rules. We're just trying to help make sure that everyone also gets to move through that process in an efficient manner.

In terms of the water permits at the gig in the municipal district of Greenview, as a part of that work they did secure – I don't know if it was a provisional; I don't remember exactly what the word is. It's not a permanent water licence, but for all intents and purposes let's call it provisional. It's to get the ball rolling. But before they would be allowed to transfer that to, for example, the O'Leary group, a lot more steps still need to be followed.

I just want to reassure anyone who might be watching: we understand there's a process. We're going to make sure that process is followed. That's what our role as a government is. Let's make sure that we're doing this responsibly, but also let's make sure we're doing it as efficiently as possible. By doing both of those things, I think we can set Alberta up for long-term success, and we can also ensure that those folks who want to invest billions of dollars into our market here can do so with confidence.

The Chair: Excellent.

Looking to the table. Go ahead, MLA.

Ms Al-Guneid: Thank you, Mr. Chair. First off, thank you to the public service for being here and for creating the budget, advising the minister, and for your work for Alberta. I'd like to start with the ministry's outcome 3, specifically 3.1 on attracting jobs and investments. The Trump tariffs against Canada and Alberta have been aggressive tactics against our country and will result in economic chaos for a long time. The Premier has used taxpayer money to go to Mar-a-Lago and DC. The Premier never actually made it to the Trump inauguration, as the ticket was cancelled.

The Chair: So . . .

Ms Al-Guneid: I'll get there, Mr. Chair.

The Chair: Yeah. Before we get into 23(h), (i), (j), allegations, attempting to draw disorder, et cetera, please tie it back, Member, to the estimate itself.

Ms Al-Guneid: I need to finish my sentence, and I will get back . . .

The Chair: The chair has also given you caution, so please take that under advisement.

Ms Al-Guneid: Thank you, Mr. Chair.

For the public record, none of these taxpayer-funded activities here have resulted in stopping the tariffs or bringing investments into our province as per outcome 3.1.

4:30

The government needs to understand that working with a bully like Trump is not business as usual. This is not just a trade war. This is a war. This is a question of sovereignty, and we need different thinking here. Now, I do appreciate the effort, but the reality is that these tactics have failed because we need a strategy and we need a Team Canada approach, with real expertise in negotiations, especially with a bully like Trump. When I look at the ministry's budget, it's actually surprising because there isn't this real long-term plan to respond to the economic upheaval that Alberta will continue to face under a Trump presidency. So through the chair to the minister: is the government confident they've done enough to stand for Trump in order to attract investment . . .

Mr. Wright: Point of order, Mr. Chair.

The Chair: A point of order has been called.

Mr. Wright: The member opposite is now getting into matters other than what's being discussed here in the estimates of this budget, and while the chair has given a fair amount of latitude, I think we've gone far past a point of acceptable latitude. Oh, sorry; 23(b).

The Chair: Yeah. Go ahead.

Member Kayande: I have not yet seen where this could be a point of order. She has clearly referenced that we're talking about section 3.1 of the ministry's business plan. Clearly, the purpose of Technology and Innovation is to spend taxpayers' resources in order to fulfill the mandate of Technology and Innovation, and asking questions about the effectiveness of the spending is perfectly proper for an estimates conversation. It's not just about the dollars; it's about what the dollars are used for.

The Chair: The chair does find this a point of order. I did caution the member. The last statement you said was Trump and specifically related to a line item in the estimate. I can guarantee you the new President of the United States' name is not written in the estimates. Member, continue on with asking your questions, but that would cause disorder to continue with the same language that you've used.

Please carry on.

Ms Al-Guneid: Item 3.4 in the business plan points out that the ministry provides innovation and commercialization programming through Alberta Innovates, yet on page 162 of the business plan I see roughly a \$60 million reduction in the Alberta Innovates budget over the next two years. That's a 23 per cent reduction by 2027. So besides the chaos we're seeing cuts here. Minister, through the chair, this is the time to be doubling down – and I heard you saying doubling down, so that's great – on clean tech and technology commercialization in Alberta. This is our best defence against the Trump aggression and will advance Alberta's innovation ecosystem. So through you, Mr. Chair, how does the minister square cutting Alberta Innovates' budget while this is the time to be investing in new frontiers of research and derisking new tech and clean tech for the private sector? For example, under Alberta Innovates we have BBC, or bitumen beyond combustion. . .

The Chair: Member, just for edification, through the chair, please. Maybe direct it this way so we can get decorum back in line, please. Direct your questions through the chair.

Ms Al-Guneid: I did say “through the chair.”

The Chair: It also includes eye contact. I’m smiling up here. I’m more than happy to look at you and listen to everything you have to say, but just for decorum, if you wouldn’t mind, please.

Ms Al-Guneid: Bitumen beyond combustion. I understand that the minister talks about venture capital money, and it is important, but there are trillions of dollars in the global market waiting to be invested in value-added . . .

The Chair: Member, similar to the House when you’re speaking through the Speaker, it’s typically the parliamentary parlance of Westminster to speak through the chair, and it also includes eye contact. So if you could speak to the chair.

Ms Al-Guneid: I do speak to you, Mr. Chair, and also I do look everywhere. It’s going to be a long three hours just looking at you, Mr. Chair.

The Chair: Yeah. Well, let’s do what we can with the time that we have. Again . . .

Ms Al-Guneid: I will do my best. Thank you, Mr. Chair.

The Chair: Member, I’m asking you pleasantly and nicely. The chair is literally giving you direction now to speak through the chair. The chair has cautioned so we can maintain decorum, so you can get all of your questions asked and answered and that everyone else has the same courtesy. If you could speak through the chair, that includes eye contact, and I’ll give you a nod when you can start looking back down at that end. Just to keep decorum, please, I’m asking you for that.

Ms Al-Guneid: I’ll do my best, Mr. Chair.

The Chair: Thank you.

Ms Al-Guneid: I understand the minister likes to talk about venture capital money. Again, I said that it is important, but there are trillions of dollars in the global market waiting to be invested in value-added industries and in low-carbon technologies. Mr. Chair, I haven’t heard the minister speak about clean tech and value-added industries, and this is within the ministry’s mandate to spur innovation in these areas. There is a huge potential in developing asphaltene and carbon fibre from Alberta’s bitumen. These are multibillion-dollar sectors. We need strategic government investments and programming, not cuts to some of the best research agencies that provide the minister and the cabinet with strategic long-term advice. Through you, Mr. Chair: how will the minister divide up the money between its research areas? Which areas will be cut in the ’26-27 budget and ’27-28 budget when the budget to Alberta Innovates is cut?

Through you, Mr. Chair, to the minister. In order to achieve item 3.1 to attract investments, how is the government positioning Alberta for the future given that our trade with the U.S. is fraught? Also, to advance clean tech and our innovation ecosystem under the tariffs threat, the government should be thinking about the repatriation of Canadian innovators and scientists, bringing them back to Canada and Alberta. We will need to be assisting Canadian technologies. This budget does not match these priorities. Through you, Mr. Chair, is the minister asking Canadian innovators the following: “Do you require the government’s assistance to bring your technology or project pilot to Canada and Alberta? Are there commitments in your financing agreements that require you to spend capital in the U.S.? What are the penalties to break the agreement? What is your next market for your product if working

with the U.S.A. is not feasible? What is the government actually doing?”? I do not see a pre-emptive strategy here for the tariff threat.

Now, I want to switch gears quickly to the data centres and power. I see that this lack of systems thinking and long-term planning and building an infrastructure here to bring investments is a good segue to item 3.3 on data centres. I’d like to preface my questions by saying that if you are in the data centres business, you are in the power and energy business. This means that data centre companies do not invest until they find the energy to power these projects.

I’d like to say that I do like the ambition of bringing data centres to Alberta, but the government needs a full-on strategy, with all the ministries adjacent to the Technology and Innovation ministry, to bring terawatts of power for the data centres. Securing energy for these projects must include a cohesive strategy with the utilities department, Energy and Minerals, and the environment ministry because of the link to the technology innovation and emissions reduction program – that is TIER – which invests TIER revenue in clean tech and energy. An example is energy storage. It is a technology that can provide dispatchable energy and relieve congestion and help with grid-level reliability and even off-the-fence electricity for data centres. What is the role of Alberta Innovates in collaboration with other ministries in advancing research in energy storage and funding a more competitive, modern, and sustainable minerals and materials industry for the energy storage here?

To sum up all of this, for the short term data centre companies will probably take all the energy they can find to power the data centres: natural gas, renewables, nuclear, storage technology, and so on. It is a race. However, in the medium term these data centre companies will start selling to the Amazons and the Googles and the Microsofts of the world. All of these companies have net-zero targets, so they expect a pathway to reliable, low-cost, and low-emissions electricity supply. With that in mind, why is this government limiting Canadian energy in Alberta while we are in a race to attract data centres?

A reminder that this government not only banned renewables for seven months and lost \$33 billion in investment in Alberta . . .

Mr. Wright: Point of order, Chair. We’ve now gotten back into the weeds, speaking of matters other than the estimates specifically pertaining to the Ministry of Technology and Innovation. I think that we need to get back to the point. While I appreciate that they’re going to try to bring it around in some way, shape, or form, we’re not here to talk about any other ministries rather than Technology and Innovation at this point in time.

4:40

Mr. Cyr: Standing Order 23(b) and (c).

Mr. Wright: Standing Order 23(b) and (c). Thank you.

Member Kayande: The member has made it quite clear that Technology and Innovation and data centres is about energy. The minister has himself made it very clear that a data centre strategy is an energy strategy. He has spoken at great length about the efforts that he is taking to ensure that data centre and energy are treated as a single line item, and in regard to that the banning of renewable investment has, in fact, in many people’s interpretation, limited the amount of data centre investment in this province. It is appropriate that the minister be required to answer for that in the estimates of his ministry.

The Chair: The chair is ready to rule. At this point I don’t find this a point of order. However, there is a caution. The chair has granted a lot of latitude both to the ministry and the member so far to discuss

the data centres, but as you can see, members, if we want to spend our time with points of order, continue on this path, we will, quite frankly, waste taxpayers' time and your time, which could be more constructively put directly towards the items. If you want to use this for your opportunity for twitter clips or whatever else you might be doing, it would probably be a lot contrary to what the actual efficacy of this meeting can be. If other members want to continue doing that, the chair will caution and pull you back, and you will literally just limit your time.

Members, with that, I'm going to ask you again, and I can tell you full well that all the other meetings I conducted: there was a lot more use of time. It was beneficial to everybody around the table regardless of the aisle.

Member, please proceed, and please take that caution.

Ms Al-Guneid: Right now there are 12 gigawatts in the queue for just data centres.

The Chair: Member, do you understand what we're saying so we don't go down the path again? We're in agreement here? You're taking the chair's caution before you continue on? Just to make sure we're clear on that.

Ms Al-Guneid: Minister, there are no data centres without energy.

The Chair: Not debating the issue of energy required for crunching data. Member, this is about decorum, and I'm asking you to continue on, but please acknowledge the chair is making a second request. We've already had two points of order called, and the chair is cautioning. Use your language differently if you can. Make sure you get your messages out. You can get your point across, but let's try to make the best use of time. Member, do you acknowledge what I'm saying? Just a little nod. Anything would be great to know that it's not falling on deaf ears.

Ms Al-Guneid: I'm trying to think how to change this question, because ...

The Chair: So you're acknowledging what I've asked. That's all I need, just a nod and you can ...

Ms Al-Guneid: Thank you, Mr. Chair.

The Chair: Thank you. Please proceed.

Ms Al-Guneid: Where are the government incentives to secure all types of energy, to secure these data centre deals, and what has this government promised Kevin O'Leary regarding the proposed data centre? O'Leary talked about having natural gas permits. The minister did mention that. What does that mean? Can the Premier approve permits to achieve objective 3.3? What has this government promised Kevin O'Leary regarding the proposed data centre? What did the government get in return for that, and will Kevin O'Leary's project be backed by heritage fund dollars?

Really, it is a race to get data centres. It is a global phenomenon that we're seeing here, and while every jurisdiction in the world is trying to court these data centre companies, why does the government think we can secure these investments while we're going through a lot of changes in the energy market? It's causing serious investor uncertainty right now in the sector.

I'm going to cede the rest of the time.

The Chair: Okay. Thank you, Member.

Minister, over to you to respond.

Mr. Glubish: Okay. Thanks, Mr. Chair. Lots to touch on here. I'll do my best to make sure I don't miss anything.

I think one thing I just want to point out before I get into too much detail is just: remember, we're here to talk about my department, Technology and Innovation. Some of the questions about the government's strategy on dealing with Trump and tariffs – I mean, there's a lead ministry for trade; that's Jobs, Economy and Trade. They work closely with Intergovernmental Relations and the Premier's office. I mean, those may well be great questions. I think you might want to spend some time in those estimates asking those questions. While we're here to talk about tech and innovation, I'd like to focus on my estimates, my ministry, my mandate, my area of responsibility.

Touching on the, you know, fair point that data centres and power and energy all go hand in hand: I completely agree. That's one of the reasons why I believe that Alberta is such an attractive jurisdiction; we have access to virtually limitless energy. In all of the work that we've done with the industry to understand what the global demand is for power generation capacity for all the data centre infrastructure that's going to be needed in the next five to 10 years, our best estimate right now is 300 gigawatts.

I also think it's important that we talk about facts. Maybe it was just a misspeaking, but there's nobody talking about terawatts, at least at this point. We're talking 300 gigawatts globally over the next five to 10 years. I believe that Alberta could play a significant role in helping take a chunk out of that global demand.

What I have also learned in talking with all of these different companies who need this infrastructure is that, yes, it's true that all of the big household names like the Googles and Metas and AWSes all have their net-zero plans and their ESG ... [Mr. Glubish's speaking time expired] Am I supposed to stop, or can I keep going?

The Chair: We're on to the next block of time now. We've chewed up the first 60 minutes.

Mr. Glubish: Oh, okay.

The Chair: That's how the cookie crumbles, I guess, on the stopwatch.

With that, we now go over to the government caucus for 20 minutes. MLA Wright, the chair recognizes you. Again, you can go combined; you can go back and forth; you can cede your time in this area.

Mr. Wright: I'd love to have a back and forth, Minister, but I'm equally fine with block time. Your preference.

Mr. Glubish: I mean, just out of respect for everyone I want to stick to the same format for the whole evening.

Mr. Wright: Fair enough. Fair enough.

All right. Mr. Chair, through you to the minister, in the projected 2025 budget Alberta is projecting a \$5.2 billion deficit. One of the key ways that we can drive additional revenues into the province is through venture capital investments and expanding our tax base in regard to what we have coming into the province. In key objective 3.5 – it is on page 161 – it states that the Ministry of Technology and Innovation should “increase venture capital investments in Alberta's technology companies through the work of the Alberta Enterprise Corporation,” or the AEC. The AEC drives growth in Alberta's technology sectors by ensuring that early-stage tech companies have access to venture capital.

In turn, these companies create jobs, contribute to economy diversification, and reinforce Alberta's status as Canada's economic engine. One such industry, Mr. Chair, that we're seeing growth in right now in my riding is in the aerospace aviation and defence sector. Can

the minister expand on the role that the AEC has played in attracting investment capital to Alberta and how in 2025 it's going to continue to expand that to help reduce the potential deficit that we have with this budget? Then, what metrics, data, or information does the ministry use to determine the impact the AEC has on the Alberta venture capital sector as a whole? How much investment have they brought into the province?

4:50

Transitioning back to something that I believe is going to have a direct access towards these kinds of capital investments being made in rural Alberta. You know, it really pertains to access to high-speed Internet. Not everywhere in the province has got access to the high-speed bandwidth needed, and this is a concern for many Albertans, including a number of ranchers and farmers closer to the U.S. border in my riding. Whether it be farmers in rural Alberta or doctors in Calgary or Edmonton city centres, high-speed Internet can be a concern. The Alberta broadband strategy, released by Technology and Innovation in 2022, highlighted the need to collaborate with all levels of government and the private sector to ensure all Albertans have access to reliable high-speed Internet.

In 2024 the ministry held many announcements on the broadband strategy, including those in Strathcona county and Rocky Mountain House. From performance metric 1(a) I see that 32 per cent of underserved households had access to high-speed Internet in '23-24. Before getting fully into details, how does the ministry currently compile and record and track that data? Then can the minister give us an update on the broadband strategy and how many homes are left to connect to reliable high-speed Internet? And \$106.2 million is going towards the rollout of the Alberta broadband strategy as part of Budget 2025-26. Will these funds be allocated as needed, or are they already allocated to specific projects or communities? If so, what are those projects in communities?

Minister, as we continue to take a look further and further into the impacts of connectivity to households across Alberta, through the chair, you know, still on page 159 of the business plan, we see that the target for 2025-26 is 50 per cent of previously underserved households to be connected to broadband. Now, this is a big concern in my riding, Mr. Chair and Minister. Medicine Hat is kind of what we jokingly refer to as rurban, where it's got a lot of rural around it and it's got a lot of urban centre, more so than it's had previously. There are still folks in my riding that struggle to get access to very, very specific high-speed Internet capabilities. This is a concern I hear regularly through stakeholders from the rural communities in my riding. Minister, through the chair, this target increases to 100 per cent by the end of fiscal year 2026-27. Could the minister please provide a progress update to this target? It's very important to me as it pertains to a number of stakeholders in my riding. Is this strategy on track to meet its 2026-2027 goal?

I'd also like to take a look at addressing the urban-rural digital divide. It has been an ongoing priority for this government. Could the minister please speak more broadly to the work that his ministry is doing to foster better connectivity across Alberta, including those folks in my specific riding? I think of the folks that live rural out near Onefour, which is just north of the U.S. border, or even as we take a look at some of the Hutterite colonies to the east and south as well.

Now, Chair, if I can ask just a clarifying point. Currently for him to go and rebut, I can jump back in with questions afterwards?

The Chair: If there's time remaining, it would come back into the block, yes. You could also cede time now to another member if you chose. Each person has up to a maximum of 10 minutes to speak within this block.

Mr. Wright: Okay. There's only about three minutes left.

Okay. Maybe I'll end with this question. On page 159 of the business plan, Chair, \$52.5 million is allocated to the digital accelerator program. The Ministry of Technology and Innovation's business plan states that

this initiative aims to modernize government services delivery by enhancing privacy, security, and control of personal information through Alberta.ca accounts and a digital wallet and will introduce platforms that simplify the administration of government grants and social services case management.

Performance metric 1(b) showcases the number of verified alberta.ca accounts year over year since 2020.

Can the minister explain what alberta.ca accounts are, how they work, and what services are available to Albertans, and can the minister break down how this \$52.5 million will be used within the digital accelerator program? We've seen a constant rise in both alberta.ca basic and verified accounts since 2020, with \$7.6 million going towards alberta.ca accounts. What will this be used for, to break down even further with clarity, to ensure that we're being fiscally responsible with that?

I'll stop there. There was lots to talk about. I'll pick up maybe a question at the end after the block.

The Chair: With that, over to the minister.

Mr. Glubish: Okay. Great. Thank you. Lots of good stuff to unpack there. Let's just start from the top. Lots of great questions about Alberta Enterprise and the venture capital market and just investment in the tech sector as a whole. One of the things I like about Alberta Enterprise is that this is something that's been long lasting across multiple administrations. There's not really a political angle to this; it's just, I think, a successful initiative that has been going on since 2008.

For anybody watching at home who's not familiar, Alberta Enterprise Corporation is the venture capital fund of funds. What that means is that we as a government have provided capital to the fund, and then they partner with and invest in and become limited partners in some of the best of the best venture funds that operate across Canada. The whole point is to say: if we invest in you, you need to have an office in Alberta; you need to have people working in Alberta. We're not going to go so far as to mandate that you must invest in Alberta companies, but you must have a presence here.

What we found as a result is that because we are so confident in the quality of the deals here, the quality of the tech companies being birthed here, we know that as long as they are here, they have feet on the ground, they're going to meet those outstanding entrepreneurs and start-ups, and they're going to cut cheques; they're going to invest. In fact, what we've seen is exactly that.

There has been \$367 million committed since inception to Alberta Enterprise from the government of Alberta, of which \$225 million has actually been drawn down and invested into funds. As a result of that, those funds that Alberta Enterprise invests in have actually invested \$1.2 billion into Alberta technology companies. That's like a 5 to 1 multiplier effect, where for every dollar we invest in AEC, they're finding \$5 to come back into Alberta tech companies. It's an outstanding tool that has worked exceptionally well to bring private-sector dollars into private-sector companies, into Alberta. The cool thing about it is it's not a government grant. We are equity partners right alongside of everybody else, so as those companies grow, as they reach their fullest potential, we're along for the ride.

Some companies that, you know, have been born out of that, some household names, there's – maybe not household. Household to me

because I'm a tech nerd. There's Calgary-based Helcim, which is a payments company that competes with Stripe, and they're growing by leaps and balance. That was an AEC investment.

There's Neo Financial, which is revolutionizing the banking industry. It's a Calgary-based digital bank. They just recently raised over \$300 million. It was 100-some million dollars in equity and about \$250 million in venture debt this year. They're growing like crazy. Again, that was in the early stages coming out of the Albert Enterprise portfolio.

It's working well, it's delivering great momentum in Alberta's tech sector and helping to track significant investment. The last several years we've had great numbers. This past year was \$698 million. The two years prior to that were in the low \$700 million range of investment into Alberta tech companies. I believe firmly that the work that Alberta Enterprise Corporation does has been foundational to that momentum. We continue to work with them. I'm looking forward in the upcoming year, as new investment opportunities come up, to seeing that new world-class funds are raising another round. Then, presumably, they will continue to do what they do best.

5:00

So why don't we – oh, I will also just say, because I know the member mentioned the aerospace sector, which is of particular interest to the region of Cypress-Medicine Hat, you know, we're seeing a significant growth in Alberta's aerospace sector. Of course, the member will know better than me some of what's happening in his region, and then of course I know some of our Calgary region members will be familiar with the De Havilland expansion, which, you know, is very important to Chestermere-Strathmore. And then we've also seen some of the investments on the training and the simulators and whatnot with some of the different airlines.

But then there's also some really exciting research and technology spinoffs coming out of our postsecondary institutions in drone technology, in satellite technology, many of which have ties to whether it be Alberta Innovates or whether it be Alberta Enterprise and some of the funds that they are partners in. I think it's a testament to the fact that our innovation policy is working. It's building that momentum that we want to see, and there's some really exciting industries that maybe wouldn't normally be considered to be, like, the thing that Alberta is really great at. Everyone always expects: oh, you're really great at oil and gas; you're great at ag; you're great at forestry. We're starting to get a good reputation for that we're great at anything to do with AI, but there are a lot of other things we're really great at, too, and it's good to celebrate that.

Let's switch to broadband. I mean, this is something near and dear to my heart because I know when my cohort was first elected in 2019, there was a lot of work to do. You know, we had inherited a situation where there had been no investment for four straight years in any kind of connectivity initiatives to bridge the rural-urban digital divide, and that's why I was so proud in 2022 to launch the Alberta broadband strategy to secure \$390 million of funding over four years from our government and also to negotiate \$390 million of matching funding from the federal government. Since then we've been working together on deploying those investments to bring reliable high-speed connectivity to rural, remote, and Indigenous communities across the province.

The way in which we measure and track success is, essentially, how many households that were underserved before now either have reliable Internet today or there is a project in their area that is under construction to bring that connectivity to them or there is a project that has been approved for funding but construction is yet to start but is imminently going to start. On that measure, between the work we're doing as a province, the work the federal

government is doing in co-ordination with us, and the work that our private-sector partners are doing, I am pleased to say that as of today 98 per cent of those Alberta households that were underserved when we started either have connectivity, have it under construction, or are in a region that's been approved for a project that will start imminently.

Given that we are at the midpoint of a four-year strategy, I think, you know, 98 per cent is not bad. Of course, we still need to get that construction across the finish line. That's up to our partners that we've provided the funding to, and I'm confident that they're going to do some great work there. There's that 2 per cent that we still need to find some solutions for, but we're working on that as well.

Some of those households in that 98 per cent number and some of those communities we haven't announced yet because this is a partnership with the federal government through the universal broadband fund. We were going to announce it in November, but the minister that was going to join us for that announcement ended up resigning from cabinet that week. As a result, the announcement was pulled, and then given the turmoil of the leadership and where we find ourselves now, there just has not been an opportunity to make that announcement, and we're not allowed to unilaterally make that announcement.

So, unfortunately, I can't speak to some of the specific communities, but, you know, I guess the message I would offer to your constituents is: hope is on the horizon. We're doing the good work. We're working hard. And even though we haven't been able to announce all of those communities, that work is under way and those shovels will be in the ground this construction season. Our hope is that once the dust settles on whatever is going to happen in the federal government over the next couple of months, we'll finally be able to share some of that good news with everybody. We're not going to rest until we get to universal connectivity, and I'm confident we're well on track to delivering that result by 2027.

In terms of the verified account – sorry; I'm just realizing we're running a little low on time here – I think the fact that there's such an uptick is a testament to the fact that Albertans are finding value in accessing government services online. The verified account is just simply the log-in method, right? You don't want someone else to be able to log into a government site and access your health records. You want to make sure that you and only you can do that. That's what the verified accounts are there for, to give you an option to access your information and services.

The Chair: Thank you, Minister.

Back to the government caucus with one minute remaining, one point three.

Mr. Wright: One point three. Perfect. Thank you, Minister and through the chair. This government recognizes the importance of innovation being a leader in this space. Indeed, I know the minister's goal is to make Alberta the most attractive jurisdiction in Canada for investors, as outlined on page 161 of the business plan. Could the minister highlight the government's effectiveness in attracting innovative talent and investments to the province? And can the minister explain, as the business plan outlines, several initiatives contributing to this goal, just a brief overview?

I'll turn it back to the minister for just some of the other answers that I don't think we got to in that last block.

Mr. Glubish: I mean, we've seen folks from all walks of life move into Alberta to take advantage of what our province has to offer, and I think folks from the tech sector are certainly a part of that. I mean, Calgary's market has been booming. It's been recognized as one of the top tech hubs in the world by many who track these types

of things. Obviously, we don't have time to get into a lot of the details right now, but what I'm seeing all around the world is that people are paying attention to Alberta when it comes to technology and they're seeing some great momentum on investment and on great technology commercialization, and I think our best days are still ahead.

The Chair: Right to the wire.

We're at the lightning round. These are 10-minute blocks. No one may speak longer than five minutes at a time. Time cannot be ceded to any other caucus members. If time is not combined, then the member and minister may only speak once.

With that, I would turn it to the opposition members. MLA Ip.

Mr. Ip: Thank you, Mr. Chair. I just wanted to follow ...

The Chair: Just ask it for the timekeepers here, if you're going block or if you're going back and forth. Just ask that question.

Mr. Ip: Minister, block or shared time?

Mr. Glubish: Let's stick with block.

The Chair: Thanks, guys.

Mr. Ip: Yeah. Perfect. Thank you. I'd like to continue the conversation around rural broadband, and let me just sort of preface by saying that it relates to the estimates line 4.1, digital delivery and innovation, on page 213 as well as the ministry business plan under objective 1.3, build capability and modernize infrastructure and service delivery approaches, along with other objectives. But I want to specifically reference that. I'd like to discuss the Alberta broadband fund, set up in partnership – and you referenced this, Minister – to share costs with the federal government's universal broadband fund. It provides grants to Canadian corporations, municipalities, Indigenous entities for solutions that get communities meeting the CRTC benchmarks for Internet speeds. It also exists to fill any gaps left by the federal program. It's a good example of collaboration between the provincial and federal governments.

Through you, Mr. Chair, the minister has certainly noted the importance of rural broadband, but I should point out that the government has significantly underspent and is significantly underspending on rural broadband. According to page 110 of the fiscal plan only \$58 million was spent out of the \$98 million budgeted, which is about 59 per cent, with 41 per cent not yet accounted for. As page 91 of the fiscal plan notes, \$48 million in broadband strategy capital grants is being reprofiled from last year's budget into this year's budget. The federal universal broadband fund terminates March 31, 2027, and any activities of funds with the Alberta government must wrap up by this date.

5:10

Similar to what we had witnessed during the pandemic, there may be a risk here – and this is what I would like clarity about – that Alberta is going to leave some federal money on the table because they're not able to meet the timeline. Of course, we all know that connectivity is critical to innovation in this province, and this government has previously committed to rural broadband but has, as I noted, spent less than 60 per cent of the money budgeted for rural broadband. Just for clarity's sake, and members of the public might take interest in this as well, can the government explain what happened? What delays on the part of the ministry and the department contributed to this?

As well, through you, Mr. Chair, the minister mentioned that one way to measure success is how many households have been connected specifically. The question is: how many households should

have been connected in the 2024-2025 fiscal year that will now instead be connected in the upcoming 2025-2026 year because of the reprofiling of the funds? I hope I have the correct understanding of that. As of this month how many customers or households have been connected to broadband Internet through the Alberta broadband fund as well as the federal universal broadband fund?

I should note that because of the delays, the government is running into the deadline imposed by this agreement, the March 2027 termination of the federal broadband program. What is the department doing to ensure that the Alberta government is able to meet its own targets and the program is complete by this date? It would be helpful to hear from the minister, through you, Mr. Chair, whether the government is confident that the federal dollars can be spent and targets met by this date. Will any federal money allocated to Alberta remain unspent by the federal government's March 2027 deadline? If so, what is the plan to mitigate against this?

Very, very quickly – and if I have another block of time, I will probably dive into this a bit more – I do want to ask about SuperNet. For those at home who may not be familiar with SuperNet, it's a network of fibre-optic cables that connects thousands of schools, hospitals, libraries, government and municipal offices in 429 communities that was first constructed by the Alberta government in 2001. By 2018 it had already cost the government \$1 billion. What I'm hearing at times from stakeholders is that it is actually being underutilized as the province embarks on its rural broadband strategy.

My question to the minister, through you, Mr. Chair, is: how many households currently actually leverage SuperNet for their Internet through service providers, and how many Internet service providers actually are able to utilize SuperNet?

The Chair: Right to the wire. I think that almost got out there.

Minister, back to you.

Mr. Glubish: Sure. When it comes to the dollars on the broadband funding and the timing, I mean, there are a lot of factors. There's the quality of the projects that have been proposed, the timing it takes for both the Alberta government and the federal government to evaluate those projects and select the ones that will deliver the best outcomes for Albertans and the best value for taxpayers. Then there is the negotiation of the agreements between the two granting governments, Alberta and Canada, and the project proponent that was successfully selected.

We want to make sure, you know, before we actually cut a cheque to these folks, that we're confident, we've got legal contracts in place that will say: you are absolutely going to deliver. I don't want to just focus on getting money out the door. I want to make sure that I can guarantee that once we've selected a partner and we've provided funding to them, they're going to deliver a high-quality, reliable Internet experience to that community.

Sometimes that stuff takes a little bit of time. Sometimes the federal government drags their heels. It's just a fact. There have often been times where we were ready to sign off on an agreement and we had to wait six months before the federal government was ready. All of these types of things factor into that. Sometimes the amount we had anticipated spending in a given year doesn't materialize because those contracts weren't ready and the construction wasn't going to start, and we're not going to go and give people money 18 months before they're going to start a project. We're going to give them the money after they've signed the contract and once they're beginning the work. It's not a matter of: well, we just decided not to spend the money this year. It's a matter of: the projects weren't ready to be funded in that current year, so we reprofiled that funding to the next year.

This has been something where we saw in the first year or two of the program that there was a bit of work to stand up the process and to get the applications in and to select the best projects and to get the shovels in the ground. But now we're kind of in full stride. As I mentioned, there is a tranche of projects that have been approved, whose contracts have been signed, that have not yet been announced, that would have been announced in November, that I think would have given a lot of members a lot more specific context on how this is working, to give them confidence that we're well under way, well on track to hit our goal of 100 per cent by 2027.

But, unfortunately, because of federal government internal matters, the minister that was going to make that announcement with me had to resign from cabinet. As a result, that announcement has not happened. What I can tell you is – I said it before, and I'll say it again because I think this is important: 98 per cent of Alberta households that were identified as underserved when we started either have completed Internet, reliable Internet now or live in an area where that Internet is under construction as a result of the work that we're doing or live in an area where there are projects that have been approved, maybe not yet announced, but where construction is imminently going to commence.

After this next construction season, when we have this conversation again this time next year, I think you're all going to be pleased with what we're looking at. I don't think any of you are going to be worried about whether we're going to be on track to get the job done. I wish I could tell you more, but sometimes I don't get to – well, I never get to control what the federal government does. I try to be diplomatic and work with them as best I can, but sometimes we have more success than others.

When it comes to SuperNet, I think it's important to have a bit of a history lesson there. Initially, yes, the Alberta government in the early 2000s invested in that infrastructure and owned that infrastructure. It was initially designed to connect about 350ish rural communities to provide that fibre backbone. It was to connect hospitals, schools, postsecondaries, municipal buildings, courthouses, etc. It wasn't initially designed with the intent of providing Internet to households. It was the main trunk line to connect all that important civic infrastructure, especially given that, you know, it was not commercially viable to rely on the private sector to get to all of those rural and remote markets.

For whatever reason, I don't know why – this predates my team's time in government; I think it might even predate the NDP's time in government – the government of the day decided to transfer ownership of the SuperNet to Bell. Bell owns the SuperNet today. Bell operates the SuperNet today. Our government has a contract with them as a user of that.

That's all I have time for in this block.

The Chair: Yeah. It goes by fast.

Members, if we're still comfortable with it, I would love to take a five-minute pause. Does that work for everybody to be back here in five minutes? Excellent. Thank you.

[The committee adjourned from 5:18 p.m. to 5:23 p.m.]

The Chair: All right. We're back into the meeting. With all members here, if the chair could take a little bit of an indulgence, the chair misspoke earlier. I would like to make that formally recognized. In efforts to ensure decorum, the chair assumed it was similar to the House. It is not. So the member was correct, in which you have to direct your items through the chair. However, to try to maintain decorum at that time, I overexerted with the attempts to try to make sure that we're directing and keeping the tone down.

The chair's intent is to make sure that, honestly, we don't waste a ton of time on points of order. Last year we managed to get

through nine meetings with only two points of order being called, and it's been very efficient for everybody to do that. I do offer my apology to the member and to the members if I've offended at all. The intent is, again, to maintain decorum in this room, to make sure that you do get all your questions answered. With that, I offer my apology.

We're over to the government side of the item. It's still the lightning round. You'll have to ask if you want block time or back and forth, and there's 10 minutes in total.

With that, I see MLA de Jonge.

Ms de Jonge: Thanks, Chair.

Minister, would you like block time?

Mr. Glubish: Yeah. I think we'll stick to the same format. Thank you.

Ms de Jonge: No problem. You know, first of all, thank you for being here today with your officials, Minister. Looking at page 157 of the business plan, it states that

the Ministry of Technology and Innovation has a strategic role within government to support Alberta's economic growth by driving technology and innovation policy and strategy, creating programs and tools that help grow Alberta's economy, modernize government, and foster efficient delivery of government programs, services, and information.

That's a run-on sentence. With a main focus to ensure the privacy and personal information of Albertans is protected and managed through a privacy by design approach.

As part of this approach key objective 2.2 states that the ministry's goal is to

strengthen privacy protections for Albertans by introducing new privacy legislation.

Throughout this entire committee meeting we've been talking about what a fast-paced world this is. AI is being used by so many people and organizations, myself included. To be honest, I don't understand a lot about it, relatively little, and I think I'm in the same boat as most people when it comes to that. In fact, I was having a conversation with AI earlier today, and I asked about this. It was ChatGPT. ChatGPT said: yes, most people are clueless about the broader implications of AI. When I pressed on that point, the model said: if I'm being honest, I think a healthy level of concern is important; AI has huge potential. It got a bit cheeky, and it said: but with great power comes responsibility.

You emphasized your excitement in the future, especially Alberta's role on the technology landscape. I'm very excited about that, too. But I also have some questions and what I think are fair concerns about privacy, individuality, self-determination, personal freedoms, human commodification. So, Minister, I'm wondering if you can expand on any efforts that you're taking to ensure Albertans remain protected when it comes to the dangers of deepfake and AI technology. With the passing of the Protection of Privacy Act does the ministry plan to add any other legislative items to better protect Albertans' privacy? Finally to this point, you mentioned that, you know, we're the original AI hipsters, so to speak, but that it's also important to ensure that Alberta leads the way when it comes to the protection of data and privacy for its citizens. I'm wondering if you're also able to expand on that, please.

Additionally, switching gears a little bit, the Ministry of Technology and Innovation through budget '25-26 will be once again allocating \$15.4 million towards its cybersecurity program. We all know how important cybersecurity is when it comes to government systems. We hold and manage a lot of data on behalf of Albertans, and cyberattacks are, obviously, a real threat and increasing in the last number of years. We know that modernizing systems is very

important. Vulnerabilities in legacy technologies and in third-party products have become increasingly unmanageable. Through the chair, can the minister share how the Technology and Innovation cybersecurity program ensures the privacy, integrity, and resilience of Albertans' data while also safeguarding the security of government operations? Minister, also if you can share some highlights from the technology and innovation cybersecurity program to just make sure that, you know, we know it is making an impact when it comes to defending against threats to government digital systems.

I can't tell you how often I open up my news app and I read stories about this, and I think we're entrusted with a great responsibility with the data of Albertans. I know that developing these systems and this legislation falls on your plate, so I appreciate the important work you're doing for Albertans along with your team.

I guess with about 15 seconds left I'll leave it there. I look forward to your answer. Thank you.

The Chair: Over to you, Minister.

Mr. Glubish: Okay. Great. Well, thank you for those questions. The way I look at it is that AI is a tool just like any other tool. A tool can be used for good, and a tool can be used for evil. Our job as legislators is to try and say: how do we strike that right balance to make sure that we don't stand in the way of the good that that innovation can bring, transforming health care to make it better, transforming every industry you can imagine to make it more productive? There's nothing more powerful in terms of fixing the productivity crisis that Canada faces than technology and specifically AI, but then we need to balance that against the abuses.

5:30

You mentioned deepfake as an example. You know, there are examples, of course, where that can be used to impersonate public leaders and to mislead the public or whether it be to perpetrate fraud, but I think the most sickening and the most devastating use of deepfake technology today is in the generation of intimate images and video without the consent of the individual portrayed. I read stories about that, and it breaks my heart. The problem is that laws all around the world haven't quite caught up with the technology, and so it's important for us as legislators to wrestle with these things. That's why I'm really keen to work in collaboration with our Minister of Justice on developing a policy in the upcoming year on protecting against deepfake abuses, especially when it comes to the intimate image and video application of that.

Our hope is that by being a leader in the country in trying to tackle this very obvious abuse, that we can invite every other jurisdiction in the country to join us, including the federal government. You know, we don't want to follow the mistakes of – what I believe is a mistake – the European Union, where they've gone so hard on the protection side that, now, nobody making AI tools will sell them or use them in the EU, and that's going to set the country back many, many years in terms of economic upside and opportunity for their people because they've just taken, like, a sledgehammer approach.

I think I said we need to take a surgical approach, to say that if there's something that is obviously wrong, let's fix it. Let's deal with that one issue, one at a time as we go, and then always have an eye to what the broader trends that we're seeing in the industry are. What are these tools being used for good, and what are these tools being used for bad, and how do we protect the interests of the public? I think the protections on deepfake abuses is going to be one of the first really key signature pieces that we're working on.

Of course, then there's what we did with Bill 33 in terms of modernizing the public body privacy legislation to bring it into the modern age. Of course, there's been a private members' committee

investigating the private sector privacy legislation, PIPA, which, you know, we'll get some recommendations soon from the committee. Looking forward to tackling that in this upcoming year. Our hope would be to bring forward a similar modernization to that legislation.

Taken together with the public body privacy legislation, the private sector privacy legislation, the deepfake stuff, we're doing a lot of policy work on protecting the interests of Albertans, and this budget funds that policy development work, so we're tying it back to the estimates.

The other thing I would say is that we're also laying the groundwork to implement some sovereign compute infrastructure, so a much smaller scale data centre, but it would be an AI data centre that we control, that is ours. It is not connected to the outside world, and that's how we can ensure that the data that we are stewards of is being used in the most responsible way without any risk to the public.

It's important. These are things we've got to put a lot of time and energy and thought into, and we are leading the way on behalf of the government of Alberta at Tech and Innovation. I'm really excited about this initial move to implement this sovereign compute infrastructure. I think you're going to hear us talk a lot more about the whole, "what is sovereign compute" and "what is data sovereignty" in the upcoming year, but it is important in the context of protecting people's privacy and making sure that we don't do anything with technology that would put the things that Albertans care about at risk.

I think we've got a good line of sight on what the things are that matter here. We're focused on those things, laser focused, and we've got a solid team that really understands the technology, and so I'm confident we're on the right track.

The Chair: We're out of time there.

Go ahead, MLA.

Ms Al-Guneid: Thank you. I'd like to switch gears a little here to the data strategy outlined in outcome 2. I do appreciate that the data strategy here is structured, but it seems that there's an approach to advancing the use of data within government. At the same time, this data strategy is coming across more like a digitization and modernization of services within the government, which is fine and much needed, of course, but we need more than this. We need to be more ambitious in order to solve complex problems. Through you, Mr. Chair: how can the minister and the Tech and Innovation ministry lead a provincial data strategy that is crosscutting across government? This would be a data strategy to provide accurate, clean, and historical data to help us apply AI solutions, as mentioned on page 157.

AI applications can be widely applied, such as identify patterns in energy use for consumers, provide emission monitoring systems in oil and gas, identify operational trends and equipment performance in oil sands, create AI-driven decentralized energy grids for efficiency and security and electricity, monitor water use and identify leaks, especially with the impending droughts and water scarcity that we will continue to see in the coming years. Through you, Mr. Chair: how is the minister working on advancing a collaborative approach for data strategy across government? How will this data strategy present accurate, clean, and historical data to create AI solutions for smart energy, smart agriculture, smart cities, smart grid, and smart everything?

Through you, Mr. Chair: how is the minister showing leadership in encouraging data sharing within government ministries? How does the minister advance data sharing between industry, agencies, researchers, start-ups, and even within the innovation ecosystem? I do recognize that it will be hard to access data from the industry

just because of the competition alone. I recognize that's a challenge, but at least this ministry should be leading an effort to share data across agencies and ministries when it's applicable – universities, researchers, and start-ups – to make better long-term decisions. Government continues to be siloed, and there are no small problems anymore. The complexities are so big. The nature of work must be interdisciplinary and crosscutting across government.

If we look at Estonia, a small country with smaller GDP, smaller land mass, less resources, yet they are a leader in AI applications, government digitization, and truly world renowned in their data strategy. There's a lot to learn from others, Mr. Chair. Alberta does not need to reinvent the wheel.

Finally, through the chair to the minister: what is the minister doing to create a crosscutting government data strategy for AI applications?

I have a few seconds left here. I'd like to correct the public record. Trump is mentioned in the government's fiscal plan on page 24, and the word tariff is mentioned 90 times.

Thank you.

The Chair: With that, are you ceding your time?

Ms Al-Guneid: Yes.

The Chair: Over to you, Minister.

Mr. Glubish: Okay. When it comes to our data strategy and our intent to be more data driven in our public sector innovation, I mean, this is critically important. This ties into what I mentioned earlier about our investment into some sovereign compute infrastructure. We've ordered a bunch of top-of-the-line chips, AI processing hardware, that we are going to be standing up here in the next month or two. Janak?

Mr. Alford: Correct.

Mr. Glubish: In the next month or two. That is going to put us in a position where we can start to do some things that we couldn't do before and have the appropriate privacy protections, the appropriate security protections, but the appropriate computing power to be able to do the analysis, to do the research that will allow us to develop new tools, new technologies, new solutions, and new services that will improve the experience of Albertans when they are interacting with their government and will also improve the productivity of our government. So I am very excited about that.

You know, some of the comments or questions were: what are we doing in terms of that data sharing across government departments? I mean, absolutely, we need to do more of that. That's why I was so passionate about bringing forward Bill 33 in the last sitting, in the fall. We had government departments that said: "Okay. You've got Health, and then you've got seniors, and they're both helping the same citizen at the same time for the same reasons, but they can't talk to each other about that citizen." That's dumb, right? It's one patient, one taxpayer, one citizen being served by one government. So we made sure to, in that bill, in that legislation, create the parameters that would allow for two government departments to talk to each other about a common citizen. That did not exist before; it does exist now. This is some good policy that is putting us in a better position to eliminate those silos.

5:40

It is going to open up so much opportunity for innovation across government and service delivery improvement across every ministry, but especially those social ministries, those citizen-facing ministries. Yes, we will absolutely use that sovereign compute

infrastructure. We will use the new policy and legislation that will facilitate that interaction between government departments to make sure that the right information is in the right hands at the right time to deliver the best possible outcome for the citizen that we are serving at that point in time. That's the goal, and we will be the ones playing the role of making sure that the technology infrastructure is in place to facilitate that outcome.

Some of the work that we're doing as a leader is the work we're doing through what I call govlab.ai. And the vision by govlab was to say that, well, we as a government aren't the best in the world at using AI yet. Yet. We don't have all the in-house talent and expertise yet, but we know there are some private-sector folks out there who are really good at this, so let's invite some of the best of the best to join us. We will bring some resources, and we will bring some problems that we think AI could help us to solve in an innovative new way. They will bring the expertise and the technology commercialization horsepower. Then we'll also partner with academia to bring in some students and some recent graduates through Mitacs, and we all work together to bring forward some really innovative new tools.

One of the things I'm most excited about – it's still in development, but we're seeing some great momentum there – is when we talk about, think about: how do we better predict when and where a wildfire is going to start, how it's going to spread, and what could we do proactively either in terms of proactively deploying the infrastructure to fight that fire? Whether that's the personnel, whether that's the helicopters, whether that's, you know, the heavy construction equipment to go and build a firebreak in the forest, if we can better anticipate where those fires are going to start, how fast they're going to spread, we can proactively reduce the risk of that getting out of control.

Then there's also some work that govlab is doing in co-ordination with a company called Wyvern, which is one of the satellite spinoffs from the U of A that I was talking about earlier. They've developed some hyperspectral imaging technology that's really exciting, and it helps us to determine the fuel density in the forest. So we can go and do a map of the entire forest and say: how bad is the fuel density? And then we can be more proactive at how we address that.

The Chair: Thanks, Minister.

Chair recognizes MLA Cyr. You have the nod, so ask the question and then the timekeepers will know what to do up at the front here.

Mr. Cyr: Well, is it okay if we go with block time, Minister?

Mr. Glubish: You bet.

Mr. Cyr: Thank you, Minister.

Minister, thank you for attending this meeting and each of the staff. I know you guys are all working really hard on our behalf. I know last year I had focused on MCSnet and how much expansion you had done in my region, and I'm so thankful for that. I will tell you that the big holdup was, in fact, the feds in all of that. That was a frustrating time for all of us. We saw that Alberta was ready, but the federal government just wasn't coming to the table. I see that with your ministry, actually. You're ready and you're willing to work with anybody, and I'm thankful for that.

One of the projects that comes to mind is the Marguerite Lake compressor station that I had met with you in 2024. It was great to hear the rollout, what their hopes were, and to hear your thoughts on the next steps. That was insightful. Again, Minister, I know that you're always trying to branch out and do what's best for Alberta. I'd also like to thank Minister Jean and Minister Schulz for their help in that moving that project along as well.

I also would like to follow up on where MLA de Jonge was going with cybersecurity. We did have a ransomware incident that happened over in the city of Cold Lake. I'm very thankful that when

it happened, I reached out to your department and you were very responsive to work with my local city of Cold Lake administration. Again, that shows how adaptive you are and ready to help out everybody that is ready to go.

Specifically, I'd like to talk about CyberAlberta. They play a key role in ensuring the safety of Alberta's public and private organizations. The CyberAlberta community of interest program strengthens Alberta's overall cybersecurity posture by sharing threat information and working collaboratively with Alberta public and private organizations. The ministry fact sheet on page 158 of the business plan mentions a committee comprised of cybersecurity leaders from Alberta's public and private sectors. Can the minister please explain what this committee entails, the structure, and how it functions? As cybersecurity is an opt-in program for Alberta public and private organizations and given that the threat of cyberattacks on these organizations is constantly growing every day, can the minister share how many organizations have joined the program so far? What other cybersecurity programs are available through the Ministry of Technology and Innovation, and why are they so important to ensure digital literacy to all Albertans?

Moving on, my next part here is a key objective 2.4, which states that the Ministry of Technology and Innovation will "provide cross-government programs and services to maintain secure and resilient digital services and protect Government of Alberta digital assets." On page 160 of the business plan, under Initiatives Supporting Key Objectives, \$22 million is allocated to mitigate, patch, upgrade, and modernize 66 legacy applications to reduce identified critical cybersecurity vulnerabilities and the potential for serious compromise.

Given the importance of updating back-end applications, can the minister please explain what these legacy applications are and why it's critical that they are updated? Can the minister explain how this funding will be used to upgrade and modernize legacy systems? Lastly, how important is it that we invest in this now to ensure that our systems are up to date, and how does it reduce cybersecurity vulnerabilities?

Minister, I will tell you that when it comes down to the province of Alberta, I know I feel safer with you at the helm, directing us here, sir. Thank you for that. I will say that when it comes to my other questions, they are a little more lengthy, and I probably won't be able to get them within the next 36 seconds. Again, I want to thank you and your staff for really being here and explaining how your ministry is funded and what projects, exciting projects, you're working on.

I will cede the last 20 seconds to the committee.

The Chair: Okay.

Go ahead, Minister.

Mr. Glubish: All right. Well, thank you for your kind words and for your feedback. Let's talk a bit about CyberAlberta. I know the municipality of Cold Lake was not a member initially, but I think they probably are now. CyberAlberta is something that we came up with. The idea was that we already have the responsibility of having to develop best practices and invest in critical infrastructure to protect all of the systems that we operate as a government and all of the data that we are stewards of on behalf of Albertans in the administration of the provincial government. We have to be, like, the best in the province. We're the biggest. We have probably one of the biggest cybersecurity divisions of any organization in Alberta.

We thought, you know, there are lots of other businesses or not-for-profits or municipalities that just don't have the same resources that we have. We thought: why don't we create this community where folks can come and join our personnel and once a month get

together and talk about what are the biggest threats that we're facing? What are the most current vulnerabilities in different softwares and what are the patches? What are the best ways to mitigate against these risks, and how can we help folks make sure that they are trained in case something goes wrong?

5:50

We now have, I think, 810 members as of February of this year, representing over 360 different organizations. That continues to grow significantly every month. I think folks are finding a lot of value in that; like, we're able to share threat reports. We're able to share so much information to help support other organizations. We certainly lent our support to Cold Lake when they had the unfortunate incident. We did everything we could to help them get through it as strong as they could and get to the other side.

In terms of some of the patches and updates to those critical systems, look, we manage over 1,200 different technology systems across government. The fact is that some of them are older. Some of them are on older systems and technologies that haven't been updated, but they're still performing important functions. We still need them, at least for now, until we maybe modernize them into something newer. We have to make sure that we're being proactive and saying: out of all the systems that we manage, let's do an environmental scan and rank them, and say which are the ones that are oldest, maybe the most vulnerable. If there's something new and it's working perfectly, we probably don't need to give it a lot of love, but if there's something older and maybe there's more risk of a compromise, that's the one we've got to focus on. What I want to make sure that we're doing is that with the resources we have, we focus on those things that need the most attention right now so that we can get the maximum impact of mitigating any risk of a future cybersecurity breach.

That's the funding that you referenced from page 160 of the business plan and the \$22 million to modernize 66 legacy applications. I can't speak to specifically which ones they are because that would be a security risk if we flag to the public, you know, here are the things that we're working on addressing right now. But I can tell you that we've put a lot of thought into our process to say: what are the things we've got to do right now to maximize the risk mitigation? That's really what cybersecurity is. There is always going to be a risk out there. Those risks are evolving every day. Threat actors are using modern technology to try and come up with new ways to breach our systems. We're just trying to make sure that we use modern technology and that we have the best understanding possible of what those risks are. Then we prioritize our resources accordingly.

You know, knock on wood, so far so good. We've been, I think, pretty effective. I know our cybersecurity team led by Martin Dinell, who's here today, won the Premier's public service award just recently for some of the outstanding work they've done both in Alberta but also in terms of being recognized as a leader across the country. When another province has an issue, Martin is usually one of the first people they call. I'm proud of that. Sorry; I'm pointing over here. Is he actually sitting over there?

What I would want your constituents to know is we've got a really rock star team on the job, and they're working hard every single day to make sure that we're being proactive.

The Chair: Thanks, Minister.

Over to the opposition caucus. MLA Ip.

Mr. Ip: Thank you, Mr. Chair.

I just want to pick up on our previous conversation about SuperNet. Thank you, to the minister, through you, Mr. Chair, for

that bit of a history lesson. Of course, its intended uses have evolved over the years, but the reality with SuperNet is that there is aging infrastructure that will need to be replaced in order to meet modern standards of connectivity. Over the years it has evolved to become a fibre backbone, not just for public institutions and organizations but also be able to allow Internet service providers to leverage that network. So my question to the minister is: what is the plan for SuperNet? Is there a plan to continue to leverage the SuperNet fibre network to be able to ensure more connectivity to hard-to-reach areas or rural areas in Alberta? Given that it is a 20-plus-year network, is there going to be some deferred maintenance or replacement cost associated with it, and what does that look like?

I would like to sort of turn our attention to a pilot program that the Alberta government embarked on previously, which is Starlink. Of course, Starlink is infamous currently because of the political environment. I do want to say that this is relevant to line 4.1, page 213, digital delivery and innovation. This particular pilot on the Starlink program was intended to allow households and businesses in isolated rural areas to apply for a rebate toward the purchase of new hardware for high-speed satellite Internet through Starlink, which, I think is relevant to note, is wholly owned by SpaceX, whose CEO is currently Elon Musk.

Of course, as Albertans we are all keenly aware of the political realities and the threats faced from our southern neighbour. Certainly, Mr. Musk and Canada are in drastically different positions compared to where the pilot was when it terminated last year. Mr. Musk has aligned himself with the administration of President Donald Trump, who is actively antagonizing Canadians through a trade war and repeated talks of making Canada a 51st state. It is positive that that pilot has been terminated, but my question to the minister, through you, Mr. Chair, is: how much was spent on this pilot, and how many homes were connected as a result of the Starlink program?

Turning to the original pilot itself, I have noticed that the results have not yet been published to the government's web page for Starlink. It's a very simple question. Why haven't the results been published, and what are the results of the pilot project? Will the minister commit to ensuring that it is going to be public? If the government is not going to use Starlink to connect Albertan households and businesses in isolated areas, which personally I think is a good thing, how will the government ensure that the communities that are difficult to reach, that do not have a fibre-optic network nearby will in fact be able to have access to broadband connectivity that actually meets the benchmarks and the minimum standards of the federal program?

With the one minute that I have, I also want to talk a little bit about artificial intelligence, particularly generative AI. Some of the challenges there have been mentioned by colleagues in this room, but there are sort of two areas that I have heard from stakeholders are of particular concern. One is the protection of data privacy, of personal data, particularly as it relates to generative AI, but also how that data is used.

We know that there are biases that exist in existing algorithms, and artificial intelligence, particularly generative AI, is ubiquitous now. They're tools that government uses, private sector uses. While the government introduced Bill 33, Bill 33 doesn't actually address how private organizations use personal and private data of Albertans pertaining to AI. So what is the ministry's plan and the minister's plan to address this, and how can we in the interim safeguard Albertans' data, both in its privacy but also its usage? And do we see dollars and investments reflected in the cybersecurity investment so far?

Mr. Glubish: Before I forget, I will just, for greater clarity – I imagine the member would be interested to know how the Alberta

government's internal policies do not allow the use of these AI tools on personal data.

Now, Bill 33 is focused on public bodies. PIPA is focused on the private sector. As I mentioned earlier, we're in the middle of awaiting the feedback from a private member committee on evaluating PIPA and providing recommendations. Once we see those, we will of course be working on some modernization of that private-sector legislation, so I imagine that over this upcoming year we will have an opportunity to debate that type of policy. How that relates to the budget is just the fact that we have the resources to do that policy work. I'll leave that one there.

6:00

In terms of SuperNet, in terms of the plan for maintenance and upgrading, I mean, that's probably why the provincial government of many administrations ago gave it to Bell. They didn't want to have the cost of upgrading and maintaining it. Bell is responsible for maintaining and upgrading it, and they have been over the years. The capacity of the SuperNet infrastructure is much higher today than it was when the Alberta government first built it.

In terms of the plan for using that, I mean, again, it was designed initially for schools, hospitals, libraries, et cetera. There are 1,900 schools that use it today, over 300 hospitals and health facilities, over 300 libraries, over 600 government, municipal, and Indigenous facilities, and that touches 429 communities, over about 13,000 kilometres of fibre cables and then another 5,000 kilometres of wireless coverage connecting all those different facilities.

What we have said is that anybody who wants to, you know, tap into that, to build off it, so if that's a trunk line that you want to – if there's a community near SuperNet and as a telco or municipality, whatever, you want to leverage that, you can. We'll get you connected to the right people at Bell. The contracts with Bell are such that they must allow other players to tap into that network. We've seen, I think, 20 or so projects that have built off the SuperNet to then build residential connectivity efforts.

In terms of Starlink, the pilot, there were 150 households eligible to participate in the pilot; four actually participated. The total cost of that was \$2,575, and now that is in the public record. There you go. Like, look, comments about Elon Musk, Starlink: I'm not going to get into that. The fact is that low Earth orbit satellite technology will be necessary to reach certain parts of the province for connectivity, absolutely. It will be the only option. Starlink is currently a leader, but there are many other companies working on building out their networks. We don't care who people want to use. We just care that if you want connectivity today and you need low Earth orbit satellite technology today, we want to make sure you have options. That was why we tested that pilot.

You know, we'll continue to work with folks who want to explore low Earth orbit satellite options, but I think before we get too far down that path, we want to see how far some of these other fibre to the premises and fixed wireless projects get us towards universal connectivity. I think it's going to be a relatively small part of the population who will have only a low Earth orbit satellite technology option. Some will be able to choose between that and fixed wireless, and maybe if they like the satellite connection better, they might go with satellite. But they'll have that choice. There will be a small number of Albertans whose only option, if they want reliable Internet, is going to be that satellite, and whether it's Starlink, whether it's, you know, Jeff Bezos, whatever his satellite company is, or some of the other ones that are in development, there are going to be a few options.

I think we talked about the privacy stuff and the difference between Bill 33 and PIPA. Yeah, I mean, your point is well taken. We are absolutely committed to making sure that Alberta has the

strongest privacy protections in the country and the strictest penalties for abuses. The work we did in Bill 33 is the start of that. The work we're going to do with deepfakes will build on that, the work we'll do on PIPA will build on that, and the work we're going to do with sovereign compute is going to build on that. Taken together, we have the most robust strategy in the entire country, and Albertans are going to be well served and have strong privacy protections.

I'll cede the last five seconds.

The Chair: One housekeeping item, too. We have another member joining us at the table. If you could read your name into the record, please.

Ms Gray: Good afternoon. Christina Gray, MLA for Edmonton-Mill Woods.

The Chair: Perfect. Thank you.

And it's back to – there we go. I recognize MLA Wiebe.

Mr. Wiebe: Thank you, Chair, and thank you to the minister for being here today to answer some of the questions as they relate to his ministry. Earlier in this session we talked a little bit about data centres. That made me happy, that there was so much interest for the potential data centre in my area, in my riding. If approved, this would be great news for not only my region but the province. Aside from the direct jobs, construction jobs that this centre would create, the other excitement is all the natural gas that this centre would consume via electricity, gas that we don't have to ship to other markets and that we can value-add right here in Alberta. That's wonderful news. I just wanted to say that before I get to my questions.

Now on to my first questions here. On page 213, line 6 of the government estimates it shows that approximately \$34.7 million in funding is allocated towards data and content management. From what I understand, this is to provide a strategic direction and delivery of service related to the governance and management of content, including data, information, and records. This is quite an important initiative, especially as it pertains to personal privacy. Can the minister unpack some of this management system and how it provides strategic direction? Is this confidential information, and if so, how does that change the content management process? Again, I see that this is roughly about a \$6.5 million decrease from last year's forecast. Is this due to the increased efficiency in the department?

Also, the ministry has a strong reputation for staying with the emerging trends and implementation of best practices. Key objective 2.1 on page 160 of the business plan states that the ministry's goal is to "enhance security and privacy controls for digital government services through the use of advanced protection and detection tools." Safeguarding sensitive information is essential for maintaining public trust and ensuring seamless accessibility to government services. As privacy and cyberthreats evolve, it is critical that Alberta remains confident in its digital infrastructure.

Could the minister elaborate on the key initiatives, programs, or supports that guide the implementation of the goal in key objective 2.1? What specific threats or vulnerabilities is the ministry prioritizing, and how will it enhance the protection and detection tools to mitigate those risks? How does Alberta's approach compare to other provinces as they are practising practices being adopted from other jurisdictions?

My next question is from a highlight on line 3 on page 213 of the government's estimates. I see that roughly \$106 million of funding was allocated to technology support and operations under capital grants, which, to my knowledge, oversees management of the government's secure technology platforms, including the 1GX

system, end-user voice and data, videoconferencing, network services, and SuperNet operations. Exploring these systems is vital to understand the framework that exists for our government's technology services.

This is obviously a lot to unpack, so could the minister please provide some detail into these systems, and is it possible for the minister to provide a breakdown on how this funding is distributed across these services? I see that this is an increase from last year's budget. Can the minister also point to the reasoning behind the increase in this funding?

Thank you.

The Chair: Back to the minister.

Mr. Glubish: Okay. Well, thank you for the questions. Yeah. I mean, this line item, the \$34.7 million on the data and content management piece, ties into the data strategy. How are we doing more data-driven innovation as a government? You know, some of that is making sure we have the right – I call it the digital plumbing behind the scenes to make sure that we are able to essentially use our data responsibly in a way that helps us to make better informed decisions.

Some of that is making sure that we can communicate between departments, which now Bill 33 allows us to do, so that we have the right information in the right hands at the right time to deliver the best possible outcome for the citizens that we're serving at the time. You know, there's got to be some technology behind the scenes to facilitate that in a safe and secure way so that the privacy of the individual is protected. We're engineering privacy by design into everything that we do and ethical practices with any kind of data stewardship. That's really what that line item is all about, making sure we've got the right digital infrastructure to facilitate those protections and those controls but then the ability to integrate the data-driven innovation into better public service delivery.

6:10

The reason why there is a decrease year over year is just that some of the funding in the previous year had been a bit temporary in nature. Some of this stuff is sort of steady state. You kind of need the baseline to keep things going. Sometimes there are one-off projects here and there, and there was a little bit of one off in the previous year, so that's where the reduction has come from.

In terms of the overall safeguarding of sensitive information, I mean, I talked a bit about our plans with the sovereign compute, which I think is going to be a really important step forward to make sure that we have that in-house data centre capacity that is separate from the outside world. It's not reliant on American tech companies, for example. In that way, we can be one hundred per cent certain that we are in control of the data that we are stewards of on behalf of Albertans and for the benefit of Albertans.

We do have some very sophisticated AI-based fraud detection systems that we use that continuously monitor and analyze any transactions happening on our digital systems. If someone is interacting with the government digitally, we're able to monitor for that fraud, and those have been really helpful to us to prevent any unintended transactions from ever occurring. So that's another one of the steps that we've been taking that ties into, you know, our key objective 2.1.

In terms of, like, the specific threats or vulnerabilities that we're prioritizing, I mean, we talked a bit about the legacy applications. We talked about, you know, there's that funding for the 66 critical applications. I talked a bit about the process that we've gone through to rank and prioritize: what are the areas that are going to

give us best bang for our buck? That way, by being more strategic, we can best mitigate the risk of a cybervent.

In terms of comparisons to other jurisdictions I think Alberta is certainly seen across Canada as a leader. I mean, I mentioned it earlier. When other provinces run into an issue, they're often calling Martin from our cybersecurity division for advice and for counsel. We're okay with that, right? Like, we think it's good to have good relationships with the other provinces because, at the end of the day, we're all facing very similar threats and we're all familiar with what it takes to operate a provincial government and the demands that that has. So we are investing in those relationships. You know, sometimes it might be us offering some help, but you never know when we might need to pick up the phone and call someone for advice as well.

In terms of the technology support and operations for capital grants part of that includes the Alberta broadband fund that was reprofiled from year to year, as we talked about in some of the earlier interactions. In fact, that's a pretty significant part of that funding. The '25-26 year has \$106 million in technology support and operations for capital grants, and that's for the broadband piece. The main reason that there is an increase year over year is just, as we talked about, in the previous year we had some dollars allocated for broadband. The contracts weren't ready, so it got reprofiled.

The Chair: Sorry to interrupt, Minister.

Back to the opposition caucus. MLA Ip.

Mr. Ip: Thank you, Mr. Chair. I want to dive into the government's support for the gaming industry in Alberta's interactive digital media sector, as covered in the business plan under outcome 3 as well as key objective 3.1. Under the estimates this refers to line 2.1, page 213. Of course, those working in innovation know that Alberta has a very robust gaming industry, a small but mighty gaming industry. In 2021 there were 88 video game companies in Alberta, about 12 per cent of the country's video game companies according to the Entertainment Software Association of Canada, creating 1,300 jobs.

Of course, we all are well aware of the success of BioWare, an international gaming leader that has called Alberta home for the last three decades. It was founded by a group of students and college friends here in Edmonton. It's really a testament to the entrepreneurial spirit in Alberta. BioWare is an example of how Alberta can be competitive in the video gaming industry and we have the talent to match anywhere in the world.

I know, Minister, you and I will likely disagree on this, but through the chair, to support Alberta's thriving gaming sector in 2018, as you're aware, the then Alberta NDP government introduced the interactive digital media tax credit which was subsequently scrapped by the current UCP government in 2019. Despite assurances by the UCP government, it was later reneged. There was some previous talk by this government that it was going to bring it back.

What we're seeing now is that there is a global economic downturn when it comes to the video gaming sector, and for jurisdictions that have similar tax credit schemes such as the ones in Ontario, Quebec, and B.C. the video gaming industry has been able to weather some of the economic challenges.

To quote yourself, Minister, through the chair, the minister did call it a do-nothing-new for the industry last year in estimates, yet I should note that industry leaders in the gaming sector almost unanimously laud the digital tax credit and a recent headline by Taproot Edmonton says it all: "Edmonton's gaming industry struggles as investment shrinks and provincial support is [missing in action]".

We're seeing the impacts of not having robust cohesive strategy supporting a vital sector in Alberta. Last October Edmonton-based Inflexion Games laid off at least 66 employees and in December Humanoid games, also based in Edmonton, completely closed and put at least 53 people out of work. We don't have to look very far to see that. In fact, the film and television tax credit, which I should note was also introduced by the previous NDP government, has worked very well. In fact, production values in Alberta on average doubled since it was reintroduced by the UCP government and removed caps on the film and television tax credit.

The question to you, Minister, through you, Mr. Chair, is: why has the government reneged on its promise to re-establish the tax credit when there are very strong indications that it will bolster the industry in a downturn as we have seen in other jurisdictions? Obviously, the film and television tax credit, I think, is quite a good comparison to this.

The other piece I need to mention is that in those jurisdictions that have similar tax credit schemes, they are also able to retain talent in the video gaming industry because of that. To the minister: I would like to understand what the specific rationale is as to why that digital media tax credit was ultimately reneged. What other alternatives if any does the government plan to introduce to support this important sector?

I'll cede the few seconds I have. Thank you.

The Chair: Excellent.

Over to the minister.

Mr. Glubish: Yeah. Well, first we do have some funding that we do through Alberta Innovates. We have \$750,000 in funding to partner with Shred Capital, which is a venture studio that supports young and emerging digital media gaming companies. The feedback we've had from the folks participating in that program has been outstanding. You know, they've been able to get introduced to all the big players, all the big studios. It's not just about giving dollars and saying: I hope you make it. It's about: let's actually get your ideas in front of the people who could take you to the big leagues. We've had some great success there.

Then there's some I know through the Alberta Enterprise Corporation. One of their funds that they're a limited partner in, Flying Fish Ventures, invested in Artificial Agency, which is a spinoff from the Alberta Machine Intelligence Institute and the University of Alberta. These folks are building a new gaming company where they're essentially using artificial intelligence to automatically generate content inside of video games. It's really cool. It's groundbreaking stuff.

6:20

There are lots of different ways in which we are bringing supports into this industry. It doesn't look like a tax credit, and I'm okay with that. Like, here's the brass tacks. Yes, there are other jurisdictions that have these digital media tax credits, but that costs a lot of money, and to pay for it, they all have a PST. We don't have a PST, and I'm proud of that. That saves Albertans billions and billions of dollars a year relative to other jurisdictions. But that also means that we have to make decisions about what we're going to spend money on.

When I looked at this program, when I knew that the industry was asking for a 25 per cent labour tax credit – this is essentially a subsidy on every labour dollar they spend. So, you know, if we had at the time about 1,000 jobs in this space in Alberta, the average salary in the \$80,000 to \$100,000 range – let's just say it's \$80,000 – a 25 per cent subsidy on that is \$20,000 per person. Whether that company makes money or not, we would be paying \$20,000 a

person towards their salary. That means we'd be paying \$20 million a year forever just to keep the 1,000 jobs we already have. I can't justify that.

Let's say we were hoping to double the industry. That would mean we'd be paying \$40 million a year just to add an incremental 1,000 jobs. You know, when we talk about an affordability crisis, I can't look my constituents in the eye and say: well, I'm paying \$20,000 a year for these video game salaries. When we're all facing an affordability crisis, it's just not the best use of our dollars. As we looked into the details, we just couldn't support a policy initiative like a tax credit. We said that instead we're going to focus on the things we're doing with AEC.

You know, and good-quality video game companies that are raising an equity round: talk to the venture funds that we're partners in, and maybe there's going to be a deal there that's going to help you. It worked for Artificial Agency; it could work for you, too. Go talk to our partners at Shred Capital with the work we're doing through Alberta Innovates. The folks who are participating in that program are finding enormous value out of that. I still think there's a lot of work we're doing that is going to lead to growth in that industry. It just looks a little bit different. To your point, we might have to agree to disagree on that. I respect that, but you asked the question; I'm giving the answer here.

Just because you brought it up, I do want to just highlight, you know, that, look, I know the folks at Inflexion. I actually hired their CEO, Aaryn Flynn, to do some consulting for my venture fund at one point in time. I've known him for like 20 years. He said in his words, not mine: although we're proud of what we've accomplished with *Nightingale* to date – *Nightingale* is their game – as well as the enthusiasm and support from our community, the early-access release hasn't been commercially successful enough to continue development at our studio's previous size. As a result, we're undergoing a restructuring process in Canada, and we will also be closing our U.K. office.

The CEO himself says: look, our game was not commercially successful enough to keep doing things the way that we're doing it; we have to recalibrate. It's not up to government to go and bail out a product that didn't work out. At least, that's our perspective as a government. I respect folks who might have a different view, but we're focused instead on AEC. It's tried and true; it works. It's making great progress.

The Chair: Thanks, Minister.

Back to – there we go – MLA Stephan.

Mr. Stephan: Over there, Chair. It's good to see you, and, Minister, it's great to see you. It's great to be able to ask just a couple of quick questions. I know we're nearing the end of estimates, but for me it's great to be able to talk to a minister who is a subject matter expert – of course, we're always learning – and has subject matter knowledge and experience in the area in which you have the stewardship. That's just excellent, and it benefits all Albertans.

Just given the time I just want to ask about two items. Performance metric 2(a) on page 160 of the business plan talks about providing cyberrecovery in terms of a disaster. There are kind of two areas where I know some Albertans are interested and concerned about. One of which is: how well are we prepared if there's an EMP event? A very serious thing. Could be very serious. I'd be interested in hearing what mitigation or focus there is on that in terms of recovery.

Then a related issue is: AI is a wonderful tool, but sometimes AI can be used, as you mentioned, for bad things. If AI itself is creating malware, that could be very hard to deal with and manage and control. I'd be interested in your thoughts on mitigating that.

Then maybe to end a third question on a positive note, you had mentioned some opportunities that AI provides, and I would just be interested in, you know, having seen the government of Alberta operations, where is an area that you've kind of identified that there could be awesome benefits to bless Albertans and using AI as a tool from a cost-benefit perspective that would just be a game changer.

That's it because we don't have much time.

The Chair: All right.

Minister, over to you.

Mr. Glubish: Thank you. Well, look, one of the areas I'm really excited about on how we can use AI that will be a game changer – let's start there – is anything to do with procuring IT services. You know, I gave the example in my opening remarks about that one contract where the bidders came in at over \$50 million and then we hit the pause button. Janak and the team kind of took a closer look and said: "You know what? With some of the modern tools and technologies we have available today that we didn't have a year ago, we could actually code this for one-tenth of the price. That shows me that – you know what? – we have so much untapped potential on how we procure technology solutions."

The other piece is that today it takes about an average of 70 days to procure anything in technology at the Alberta government. Oh, sorry, not 70 days; seven months. Worse than 70 days. Thank you, Janak. So seven months on average to buy anything in tech. It takes months just to generate the RFP and then to make sure it's compliant with trade agreements, and then, you know, all the value-for-money checks and balances that are important to protect the taxpayer are in there. Also, we have historically not necessarily had all the right in-house expertise to articulate exactly what it is that we're trying to do. Maybe the folks writing the RFP don't fully understand the most modern technology that's out there, and so they might not be articulating it well enough so that the smartest people who have the skills to solve the problem would even recognize: oh, that's a procurement I should bid on. So then you end up with fewer people bidding, you have artificially inflated prices because there's not as much competition, and you have a lower quality result because the folks doing the work are not the subject matter experts.

Upping the bar in terms of the talent and the skill sets that we have in-house on the articulating of what we need in the procurement and then using AI to help automatically generate that RFP in a way that is compliant with trade agreements does reflect value-for-money principles. Then we can go from months to minutes in terms of generating the RFP.

Then, on the other side, when folks are applying to do business with the government of Alberta, we can have an AI augmented tool where it says: "Okay. You've selected you want to bid on this project. We've built a tool for you where you can link your web page, link all your marketing materials, link any white papers or any materials that you have that explains what you do and why you're really good at it." Then it will automatically generate for you in minutes a compliant RFP that is consistent and checks all the boxes, does everything correctly. Then you just walk through it with the wizard to say: "Okay. Maybe I need to add some information here, or maybe I need to tweak this. Maybe something was missing here." Again, it can go for months, you know, taking two or three people, a full-time job, just to bid on government contracts. You could just have a much more automated, streamlined process.

That's how we're going to go from seven months to seven days on average to procure in technology, and we're going to do so in a

way that has even stronger protections on value for money and way more transparency in the process. I'm really excited about that. I think it's going to help to deliver way better value for the taxpayer and better results for our partner ministries that we're building technology solutions for.

The Chair: With that, we've taken it right to the bell. I must advise the committee that the time allotted for considerations of the ministry's estimates has concluded.

I'd like to remind committee members that we're scheduled to meet on Wednesday, March 12, 2025, at 9 a.m. to consider the estimates of the Ministry of Jobs, Economy and Trade.

Also, there is going to be another committee immediately following this one in the room, so the old words: you don't have to go home, but you just have to leave here real quick.

With that, thank you, everybody. Meeting is adjourned.

[The committee adjourned at 6:30 p.m.]

