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EXPANDING FEDERAL EFFORTS TO EXPEDITE HIGH-PRIORITY PROJECTS

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In our last ERIS Insider, we highlighted federal-provincial cooperation to streamline environmental assessments. In its second year, the Carney government continues to push initiatives that accelerate high-priority infrastructure development, including electrical transmission, energy, and critical minerals projects. These initiatives are part of Canada's "one project, one review" approach. The goal is to expedite major projects by allowing federal agencies to collaborate with each other, and with appropriate provincial and Indigenous governments, through a single assessment process. Removing duplicative assessment requirements is expected to reduce regulatory delays and improve permitting certainty.

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Implementing the One Canadian Economy Act

One of the Carney government's first infrastructure-building enactments was the Building Canada Act (enacted as part of the One Canadian Economy Act (Bill C-5)), which received Royal Assent in June 2025. The Act is designed to streamline federal review and approval processes, including efforts by the newly created Major Projects Office (MPO), to lead federal efforts to designate National Interest Projects (NIPs) and facilitate their development. As of October 31, 2026, the government has listed 21 NIPs encompassing electricity and energy, infrastructure and transportation, and energy and mining.

Expedited Permitting for Major Energy, Infrastructure Projects

Canada has also amended its Physical Activities Regulations under the Impact Assessment Act (IAA) to streamline federal permitting and accelerate approvals for major energy and infrastructure projects. Effective September 3, 2026, the changes remove several project categories from the IAA Project List, eliminating

overlapping review processes and consolidating assessments under the Canadian Energy Regulator Act (CERA).

The amendments primarily affect international and interprovincial pipelines and electrical transmission lines, certain offshore renewable energy projects, and specified oil and gas facilities regulated by the Canada Energy Regulator (CER). These projects will generally be assessed under the CERA rather than overlapping IAA and CERA review processes. The amendments also remove certain in situ oil sands extraction facilities and fossil fuel-fired power generating facilities from the Project List.

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The changes do not eliminate all environmental review or permitting obligations. Projects remain subject to applicable federal and provincial requirements, and the CER's review framework continues to consider environmental effects, cumulative impacts, health and socioeconomic factors, and impacts on Indigenous rights. Consultation and public participation requirements also remain relevant.

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The Building Canada Strong Act

On September 21, the Carney government introduced the Building Canada Strong Act (Bill C-39), to make controversial changes that will simplify and accelerate governmental reviews of a wide variety of infrastructure and energy projects – short-handed as "One project, one decision, in one year." This legislation would further revise the IAA, with specific, corresponding amendments to environmental and management laws. As introduced, these changes:

• Establish a one-year timeline for federal regulatory decisions on projects after proponent filings and Indigenous consultations are complete.

• Assign responsibility and authority for certain projects to a single expert federal project assessor (e.g. Impact Assessment Agency of Canada (IAAC) for most covered projects, or CER or Canadian Nuclear Safety Commission (CNSC) within their authorities).

• Strengthen coordination between permitting and assessment processes, led by IAAC, to reduce duplication and delay.

• Enable one federal decision (from Minister of the Environment) for impact assessment and permit decisions under the IAA, including an option for pre-decision preparation work the Minister deems in the public interest; permits will continue to be enforced by responsible departments under existing legislation.

• Create a new Crown Consultation Hub within IAAC to ensure coordinated and meaningful federal consultation processes with Indigenous Peoples.

• Enable the government to designate Regions of National Interest (extending the NIPs model identified above; after regional assessments under the Building Canada Act) based on current or future development needs, including areas such as transportation or energy corridors, telecommunications networks, energy production and transmission systems, and industrial regions; though the assessment can be considered pre-approved, subject to conditions and mitigation measures.

• Not alter northern impact assessment and permitting co-management regimes.

The bill is under consideration in the House of Commons, before a specially constituted Legislative Committee on Bill C-39. The government also issued a new "Cabinet Directive on getting projects built in Canada" directing federal officials to conduct reviews and follow accelerated timelines. Some environmental and labour organizations oppose the legislation, which they argue removes too many protections in order to accelerate governmental approvals.

New Opportunities

These measures are designed to accelerate major infrastructure and energy projects throughout Canada. For

landowners, developers, and investors, they could simplify approval pathways for qualifying projects. Identifying the applicable regulatory framework early in the planning process will help clarify permitting efficiencies, remaining assessment requirements, and potential impacts on project timelines.

Consultants and other environmental professionals who can navigate these evolving frameworks and combine technical expertise with effective communication will be well positioned to help clients take advantage of streamlined approvals and move projects forward more efficiently.

Editor's Note: *In October, the Court of Appeals of Alberta issued an advisory opinion finding that the IAA and Physical Activities Regulations are still unconstitutionally overbroad, even after legislative amendments enacted in 2024.*

Alberta had asked for an opinion whether those amendments successfully cured faults found in a 2023 decision by the Supreme Court of Canada finding that IAA was written in ways that allowed the federal government to assert authority over projects that should be under provincial jurisdiction. As this ERIS Insider was being prepared, the government announced it would not appeal the court decision and would instead address these continuing concerns in legislation

About the author



Jon Elliott's multifaceted career spans consulting, managing compliance projects for organizations like Applied Materials and the City of Berkeley; writing, including the creation of legal handbooks and blogs, and contributions to 24 book-length resources for attorneys, EH&S managers, and trainers; and teaching, with a distinguished record of instructing courses and delivering presentations on EH&S compliance, earning him the "Outstanding Teacher" title in 1994. Jon has a diverse educational background, including a Juris Doctor from the University of California's Boalt Hall School of Law (1981), a Master of Public Policy from UC Berkeley's Goldman School of Public Policy (1980), and a Bachelor of Science in Mechanical Engineering from Princeton University (1977).

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