



Technical Discussion Guide

July, 2017



Background

Alberta's Climate Leadership Plan committed to limit oil sands emission to 100 megatonnes in any year, with provisions for cogeneration and new upgrading capacity. The *Oil Sands Emissions Limit Act* enshrined this commitment in legislation and set out the legal framework for implementation. The Government of Alberta also established a multi-stakeholder Oil Sands Advisory Group with representation from indigenous stakeholders, communities, environmental non-governmental organizations, and industry. Their first task was to provide consensus advice on how best to implement the oil sands emissions limit.

On June 16, 2017, the Government of Alberta announced that it had received the Oil Sands Advisory Group's consensus report on the implementation of a 100 megatonne emissions limit for the oil sands. The advice included early actions designed to encourage additional emissions reductions as well as additional actions in the event that emissions begin to approach the limit.

Why are we seeking input?

This feedback questionnaire gives stakeholders the opportunity to provide input that will inform government of your views on the establishment of regulations for the Oil Sands Emissions Limit.

The Government of Alberta is committed to providing the same access to relevant materials and information for any interested stakeholders, which may include unregulated industries, the public, and others.

The engagement process has the following objectives regarding the development of the regulations for the Oil Sands Emissions Limit:

- Utilizing feedback from Indigenous communities, municipalities and stakeholders to integrate the Oil Sands Advisory Group's advice into an efficient and effective policy framework that is sufficiently detailed to guide regulation drafting.
- Utilize engagement input to complete any gaps in advice received from the Oil Sands Advisory Group.
- Identify and mitigate environmental, social, and economic risks associated with the implementation of the Oil Sands Emissions Limit.
- Identify tradeoffs and suitable alternatives.

What do you think? Share your input.

Please share your views and perspectives on the proposed detailed **questions about Oil Sands Emissions Limit implementation**. When you have completed your responses please submit your input to the Government of Alberta, Alberta Climate Office at engagement@gov.ab.ca or via mail:

Alberta Climate Change Office
9915 108 ST NW
Edmonton, Alberta T5J 3W7
Fax: 780-427-4670

In order to give input full consideration, we are requesting that you submit your responses to some or all of the questions in the guide by 6:00pm **August 31, 2017**. All input is valuable and will be considered in decision making and when developing final Oil Sands Emissions limit regulation. To assist in providing input please see the, the summary and detailed Oil Sands Advisory Group Consensus Report that is available at: <https://www.alberta.ca/oilsands-advisory-group.aspx>

FOIP NOTICE

Information you provide to Alberta Climate Change Office (ACCO) is collected under the authority of section 33(c) of the Freedom of Information and Protection of Privacy Act and is managed in accordance with Part 2 of the FOIP Act. Your name, email, and organization will be collected as part of your submission to the Oil Emissions Limit Engagement Process (and any statements you provide will be used for the purpose of assessing future Oil Sands Advisory Group initiatives .Please refrain from providing any personal information as part the submission on behalf of your organization. ACCO will not use or disclose your information for any other purpose without your written consent or unless required to do so by law. If there are any questions, further feedback, or you wish to request a change to the information you provided, please contact Sharon Hawrelak, Director of Communications for the Alberta Climate Change Office, at 780-427-3807 or by email at sharon.hawrelak@gov.ab.ca.

Please identify the stakeholder group(s) you represent [Select one or more that apply]:

<input type="checkbox"/>	Individual	<input type="checkbox"/>	Reside in Alberta
<input type="checkbox"/>	Indigenous group	<input type="checkbox"/>	Reside outside Alberta
<input type="checkbox"/>	Community Group	<input type="checkbox"/>	Other _____
<input type="checkbox"/>	Environmental Non-Governmental Organization		
<input type="checkbox"/>	Industry		
<input type="checkbox"/>	Academic		



Technical Discussion Questions

Please provide your ideas, thoughts and insights to the questions below.

1. Summary of OSAG's Advice on Resource Recovery Requirements:

- Amend resource recovery regulations to consider greenhouse gas emissions.

Questions:

- Would existing initiatives (for example, the Alberta Energy Regulator's Directive 82 Pilot Program) provide sufficient flexibility to make these considerations?
- Would this create any unintended risks?

Your Feedback:

Please provide responses to some or all of the questions in a separate document and submit by email to engagement@gov.ab.ca or by mail or fax listed above.



2. Summary of OSAG's Advice on Reporting and Forecasting Systems:

- Require annual forecasted and reported emissions from facilities (same as for carbon levy).
- Require the regulator to provide a 10 year emissions forecast.
- Establish accompanying protocols & standard methodology for consistency and credibility.

Questions:

- When should an annual forecast be submitted?
- Should there be opportunities to revise the annual forecast throughout the year?
- Are there any protocols or standard methodologies for annual forecasting used in other
- Jurisdictions that are worth consideration?

3. Summary of OSAG's Advice on Best Available Technology Economically Achievable (BATEA):

- Require BATEA determinations for new facilities, expansions, or renewals of existing approvals for facilities not under construction.

Questions:

- Do any other jurisdictions require BATEA on greenhouse gas emissions?
- What lessons can we learn from BATEA on other air emissions?
- Should we expect incremental greenhouse gas emission reductions beyond carbon pricing?



4. Summary of OSAG's Advice on Innovation:

- Use incremental funds from oil sands carbon pricing to stimulate innovation investment.
- Create a regional carbon marginal abatement cost curve and technology roadmap to better inform investment decisions.

Questions:

- Would affected stakeholders find marginal abatement costs curves and technology roadmaps valuable?
- What would make these products most valuable?
- Who should lead development of these products, and who else should be involved?

5. Summary of OSAG's Advice on Greenhouse Gas Management Plans:

- Require Greenhouse Gas Management Plans through the approval process for new or expansion facilities and introduce an explicit requirement to comply with Oil Sands Emissions Limit.
- Require Greenhouse Gas Management Plans for renewals of *Environmental Protection and Enhancement Act* approvals for operating and in-construction projects and introduce an explicit requirement to comply with Oil Sands Emissions Limit.

Questions:

- Would affected stakeholders find Greenhouse Gas Management Plans valuable, if only for public transparency and accountability (i.e., non-binding)?
- What content would make these most valuable?

6. Summary of OSAG's Advice on Streamlined Approvals for Emission Improvements:

- For existing, under construction, or already approved facilities, or expansions, streamline the approval process for greenhouse gas emission improvements.

Questions:

- Is there evidence that projects with greenhouse gas emissions improvements would face an unnecessarily long application process? If so, please share any concrete examples and associated timelines.

7. Summary of OSAG's Advice on Triggers:

- At 80 Mt – Evaluate innovation systems, focus forecast on potential impacts of new and existing facilities.
- At 90 Mt - Determine how best to establish an operational reserve for the purpose of managing variability at the emissions limit.
- At 95 Mt – Review forecasting standards, assess broader context, increase focus on impacts of new and existing facilities, and forewarn potentially affected facilities.
- At Scarcity – 5 years prior to forecast exceedance of the 100 megatonne limit.

Questions:


- Are the quantity triggers appropriate? Do they need an accompanying temporal trigger?
- Is the temporal scarcity trigger appropriate? Does it need an accompanying quantity trigger?

8. Summary of OSAG's Advice on Authorizations and Mandatory Emission Reductions:

- Two options:
 - Restrict new projects from commencing production until Scarcity no longer exists, and / or;
 - Restrict authorizations to emit for the worst 50th percentile (mandatory emission reductions).
 - 1/3 reduction spread across 50th to 75th percentile.
 - 2/3 reduction spread across 75th to 100th percentile.
- Access to operational reserve if facility exceeds authorizations within acceptable variability.
- Penalty if facility exceeds authorization beyond acceptable variability.

Questions:

- Is focusing on the 50th to 100th percentile sufficient?
 - Should the range be greater or smaller?
 - Should in-year trading be enabled?
- Should the 50th to 100th percentile be established for the entire sector (mining, in situ, upgrading, together) or for each subsector (mining, in situ, upgrading, and separate)?
- What are the risks associated with this concept?



9. Summary of OSAG's Advice on Exclusions:

- Exclude emissions from primary, enhanced recovery, experimental schemes.
- Exclude electricity cogeneration emissions on the basis of a deemed electricity methodology (benchmark power plant).
- Review the definition of upgrading to provide necessary flexibility within 10 Mt exemption.

Questions:

- Should new partial upgrading be eligible for exclusion?
- How should the 10 Mt exclusion for new upgrading be administered? What happens when 10 Mt is reached?

Thank you. Your input is valuable.

Thank you for taking the time to provide input on some or all of the questions outlined in this technical discussion guide.