



Premier of Alberta

Office of the Premier, 307 Legislature Building, Edmonton, Alberta T5K 2B6 Canada

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Dear Oil Sands Advisory Group:

The purpose of this letter is to outline the Oil Sands Advisory Group's (OSAG) mandate to provide the government with advice on the implementation of the oil sands emissions limit.

On December 14, 2016, the *Oil Sands Emissions Limit Act* came into effect upon Royal Assent. It establishes a 100-megatonne limit for greenhouse gas emissions from all oil sands sites, excluding emissions attributable to new upgraders or increased capacity at existing upgraders up to a combined maximum of 10 megatonnes, and emissions attributable to the electric energy portion of cogeneration. The act also provides government the authority to make regulations to implement the limit.

OSAG is requested to provide advice on the following matters:

- a) The list of facilities that should be subject to the emissions limit (so that there is clarity on monitoring and compliance with the *Oil Sands Emissions Limit Act*).
- b) The mechanism OSAG believes will most effectively implement the emissions limit, based on an assessment of the following:
  - i. The range of potential mechanisms that could be used (in a distinct or integrated manner) to implement the emissions limit;
  - ii. The criteria that OSAG used to assess the relative merits of each of the potential mechanisms (i.e. what objectives should the design of the implementation mechanism seek to achieve); and
  - iii. An assessment of the range of potential mechanisms against those criteria.
- c) The manner in which the recommended mechanism could be implemented (e.g. through legislation, policy, regulation, etc.).
- d) Any changes required to the current regulatory and operating environment that facilitate effective implementation of the emissions limit.
- e) Any changes required to the current system of reviewing and approving applications for oil sands development to effectively implement the emissions limit.
- f) Any other advice OSAG believes important in terms of ensuring the emissions limit is effectively implemented in a manner that secures broad support from stakeholders.

OSAG members are expected to engage with their respective caucuses to share information and obtain feedback and advice, and in doing so, build broader support for the work of OSAG and the recommendations it provides to the Government of Alberta.

OSAG members should seek to understand the perspectives, interests, and knowledge of First Nations and Metis people in relation to these matters and take them into consideration when finalizing their recommendations.

Participation by persons representing Indigenous interests in the development of these recommendations, or other input provided by Indigenous interests to OSAG, does not replace or discharge the Crown's legal duty to consult.

We received an update on the status of OSAG's work on this task on March 14, 2017, and the above advice to the Government of Alberta is requested as soon as practicable but in any case, no later than your April plenary meeting. In the interim, I expect OSAG to engage with the relevant government departments to ensure an ongoing exchange of perspectives regarding this important element of the Alberta Climate Leadership Plan.

Thank you for undertaking this very important work. I look forward to receiving your advice.

Sincerely,



Rachel Notley  
Premier of Alberta