



Premier of Alberta

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

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 how best to support innovation in the oil sands sector and reduce emissions intensity of oil sands development.

Technology and innovation are key enablers in meeting Alberta's environmental, economic and social imperatives, and will play a vital role in reducing emissions from oil sands development and improving local and regional environmental performance. Investments in technology and innovation can also be a catalyst for economic growth in Alberta.

OSAG is requested to provide advice on the following matters:

- a) The role of innovation in the oil sands sector and the extent to which the emissions trajectory is impacted by investments in innovation.
- b) The current state of innovation in Alberta as it relates to oil sands.
- c) The role of government in supporting technology and innovation in the oil sands.
- d) Best practices to accelerate delivery of innovation and ensure integration/collaboration across value chains, sectors, and innovation entities.
- e) Gaps in the current innovation processes directed at oil sands emissions and local and regional environmental performance.
- f) A performance management system that permits effective and timely assessment of innovation results.
- g) Linkages between innovation, emissions and local and regional environmental performance.
- h) Portion of carbon revenue that should be allocated to innovation and technology in order to most effectively and efficiently achieve the innovation objectives, and what portion of the carbon revenue allocated to innovation and technology should be directed to lowering the GHG intensity of fossil fuels.

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.

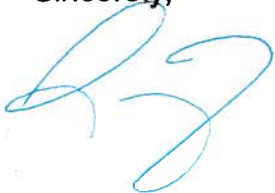
Participation by persons representing Indigenous interests in the development of these recommendations, or other input provided by Indigenous interests to OSAG, does not replace or discharge the Crown's legal duty to consult.

OSAG is requested to deliver the above requested advice to the Government of Alberta no later than June 30, 2017. 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,

A handwritten signature in blue ink, appearing to be 'R. Notley', is written over the word 'Sincerely,'.

Rachel Notley
Premier of Alberta