Ottawa (Ontario), Canada K1A 0H3

DEC 1 5 2025

The Honourable Rebecca Schulz, M.L.A. Minister of Environment and Protected Areas Government of Alberta epa.minister@gov.ab.ca

## Dear Minister:

Alberta and Canada have a strong history of collaboration in reducing methane emissions from the oil and gas sector.

Our governments first adopted an equivalency agreement to reduce oil and gas methane emissions in 2020, and we worked together to renew that agreement in October 2025. These agreements have allowed the Government of Canada to stand down its 2018 methane regulation in favour of provincial regulations tailored to your specific circumstances.

With equivalency agreements in effect in Alberta, British Columbia, and Saskatchewan, Canada is on track to meet its goal of reducing methane emissions by 40-45 per cent in 2025 – and has done so while oil and gas production has grown.

As you know, our Governments have recently committed to build on this partnership under the Canada-Alberta Memorandum of Understanding, which commits Canada and Alberta to "enter into a methane equivalency agreement on or before April 1, 2026, with a 2035 target date and a 75 per cent reduction target relative to 2014 emissions levels."

The first step in fulfilling that commitment to is to publish a final federal regulation. Our Government will publish the Enhanced Methane Regulation for the oil and gas sector in December 2025, providing the basis to begin equivalency discussions with Alberta and with other interested jurisdictions.



In line with Canada's national methane target, all obligations under the federal Enhanced Methane Regulation take effect by 2030. While Alberta is committed to a 2035 target, equivalency agreements provide the flexibility to reach equivalent emissions outcomes over the term of the agreement. In addition, amendments introduced in the 2025 *Budget Implementation Act* would eliminate the current five-year maximum timeline on equivalency agreements, allowing Canada to enter into longer-duration agreements with interested jurisdictions.

I am confident that, should Alberta adopt a regulation in line with its commitment to reduce methane emissions from oil and gas by 75 per cent in 2035 from the 2014 level, our Governments will be able to establish a new equivalency agreement to stand down the federal Enhanced Methane Regulations in Alberta.

I look forward to our continued work together to reduce emissions, accelerate the uptake of clean technology in the energy sector, and build on Canada's competitive advantage as a supplier of low-emissions oil and gas to global markets.

Yours truly,

Juli Pal.

The Honourable Julie Dabrusin, P.C., M.P.