

September 29, 2022

The Honourable Steven Guilbeault
Minister of Environment and Climate Change
200, boul. Sacre-Coeur
Gatineau, QC K1A 0H3

The Honourable Jonathan Wilkinson
Minister of Natural Resources
580 Booth St., 21st Floor, Room: C7-1
Ottawa, ON K1A 0E4

VIA EMAIL ONLY

Dear Minister Guilbeault and Minister Wilkinson:

RE: Edmonton Chamber of Commerce Response – Options to Cap and Cut Oil and Gas Sector Greenhouse Gas Emissions to Achieve 2030 Goals and Net-Zero by 2050 Discussion Paper

For over 130 years, the Edmonton Chamber of Commerce has contributed to ambitious, foundational projects that have helped build Edmonton into the city it is today. Our record of accomplishment has made us the sought-after voice of business in Edmonton.

On July 18, 2022, the federal government published a discussion paper on their proposed emissions cap and are doing industry consultation until September 30, 2022. The emissions cap options proposed by the federal government for consultation are:

1. A cap-and-trade system that sets a regulated limit on emissions from the sector.
2. Modifying the pollution pricing system to limit oil and gas emissions.

The Chamber is concerned that options outlined in the government's discussion paper are more aggressive than what is achievable by industry. We strongly encourage the Government of Canada to consult closely with the oil and gas sector on the sector's emissions reductions plan with a focus on the following principles:

Achievability

- The emissions reductions targets must be achievable without shutting in production particularly at a time when our closest allies around the globe are asking for Canada's responsibly produced energy.

Credibility

- Moving forward with unachievable targets undermines Canada's credibility as an international leader in reducing emissions and reaching our shared goals of net-zero. Canada has a strong reputation for responsibly producing its natural resources, will continue to do so, while also being a leader in the transition to a lower carbon economy.

Investor Confidence

- Without credible and achievable targets Canada risks sidelining billions of dollars in private sector investment that will be required to transition Canada to a lower carbon economy;¹ undermine our country's strategic advantages in emerging industries like low carbon hydrogen production; and affect Canada's global competitiveness.

Energy Security

- Implementing unachievable targets that result in cuts to production will damage the energy security of Canada and its closest allies at the moment they are in most urgent need.²

Impact on Canadians

- Canada's emissions reduction targets must not negatively impact Canadian's affordability, particularly at a time when inflation and cost of living concerns are already having a major impact on the Canadian public.

Since the discovery of crude in 1947 at Leduc No. 1, the Edmonton region has been at the forefront of Alberta's oil and gas industry. One of North America's largest petroleum industrial parks border the Edmonton's southern border and Alberta's Industrial Heartland, the world's most attractive location for chemical, petrochemical, and oil and gas investments, is located just northeast of the city. The oil and gas sector is responsible for thousands of direct jobs in the Edmonton region and many times more indirectly.

While the oil and gas industry is essential to Edmonton's economy, the city is also experiencing the effects of climate change. Our members and the broader business community is committed to meaningfully reduce emissions by 2030 in a way that shows the world that it is possible to do so without damaging the economy.

Yours truly,

Edmonton Chamber of Commerce

Jeffrey Sundquist
President & CEO

¹ [Net Zero Financing Roadmaps](#)

² [Government of Canada - Energy Security](#)