

# 2030 ERP: OIL AND GAS

There is an opportunity to transform the sector into the cleanest global oil and gas producer, while also moving to provide low-carbon and non-emitting energy products and services in a manner that will ensure economic competitiveness, prosperity and create good jobs for Canadians.



2005 emissions: **160 Mt**

2019 emissions: **191 Mt**

Estimated change from 2005 to 2030: **-31%**

## What We've Already Done

- ✓ Established federal regulations requiring the oil and gas sector to reduce methane emissions by 40-45% below 2012 levels by 2025.
- ✓ Proposed Clean Fuel Regulations will reduce the carbon intensity of liquid fossil fuels, including reducing emissions from oil and gas production.
- ✓ Launched the \$750 million Emissions Reduction Fund (ERF) – Onshore Program to support oil and gas companies to invest in green solutions.
- ✓ Launched the Energy Innovation Program (EIP) that includes the Canadian Emissions Reduction Innovation Network to accelerate development, validation and deployment of clean technologies, and the Carbon Capture Utilization, and Storage (CCSU) Stream to advance CCUS technologies.
- ✓ Developing an investment tax credit for capital invested in carbon capture, utilization, and storage (CCUS) projects to encourage the development and deployment of CCUS technologies.

## Key New Actions

To meet Canada's 2030 emissions reduction target and reach net zero by 2050, the Government of Canada will focus on the following key areas to reduce emissions in the oil and gas sector:



**Capping emissions:** The Government of Canada is committed to cap and cut emissions from the oil and gas sector at the pace and scale needed to get to net zero by 2050. The details of how best to design and implement this cap will require close collaboration with industry, provinces, stakeholders and Indigenous communities. A discussion paper will be released in Spring 2022.



**Advancing carbon capture, storage and utilization (CCUS):** The Government of Canada is supporting development of CCUS technology and working to provide policy certainty to facilitate the development and deployment of this technology. This includes the details of a new CCUS investment tax credit that will be provided in soon. The Government will also continue efforts to increase coordination between public and private sectors to eliminate regulatory barriers and facilitate market growth.



**Further reducing methane emissions:** The Government has committed to go beyond the current regulatory requirements (aimed at a 40-45% reduction by 2025) and to develop new measures to reduce oil and gas methane emissions by at least 75% below 2012 levels by 2030 through regulations.



**Eliminating subsidies for fossil fuels:** The Government is committed to eliminating inefficient fossil fuel subsidies, and developing a plan to phase-out public financing for the fossil fuel sector, including by federal Crown corporations.





**Supporting workers:** The energy needs of Canada and the world will grow in the decades to come, while global demand for oil and gas will decline, and increased green investments will create jobs. The Government is working with provinces and businesses to get the transition right – so that we achieve our pollution reduction goals and ensure economic competitiveness, prosperity and good jobs for Canadians.