



NOV 01 2021

Ms. Marie-Pierre Ippersiel
Co-chair
Net-Zero Advisory Body
President and Chief Executive Officer
PRIMA Québec

Mr. Dan Wicklum
Co-chair
Net-Zero Advisory Body
President and Chief Executive Officer
The Transition Accelerator

Dear Ms. Ippersiel and Mr. Wicklum:

Thank you for your continued work as members of Canada's first Net-Zero Advisory Body. Your efforts are critical to our collective goal of defining an ambitious and achievable path to a prosperous net-zero emissions economy by 2050.

As you know, the *Canadian Net-Zero Emissions Accountability Act* received royal assent on June 29, 2021. The Act codifies the Government of Canada's commitment for the country to achieve net-zero greenhouse gas emissions by 2050. It also requires the Government to set national emissions reduction targets at five-year intervals for 2030, 2035, 2040, and 2045, to develop emissions reduction plans for each target, and to explain how each plan will contribute to reaching net zero by 2050.

The plans to achieve these targets must be based on the best scientific information available. This will require an inclusive, thoughtful approach that reflects Canada's demographics and geography, the importance of the traditional resource economy, and shared government jurisdiction on energy and environment. We have no time to waste.

A clear area of concern is emissions from the oil and gas sector. Greenhouse gas emissions from the sector have risen 20 percent since 2005 and now make up 26 percent of Canada's total emissions, making oil and gas the largest emitting sector in the country. Getting to net zero starts with ensuring that emissions from the sector do not increase. Canada's commitment to cap and cut oil and gas emissions is a first in the world for a major energy producer.

As you may know, we made a commitment to Canadians to ensure that the oil and gas sector would reduce emissions at a pace and scale needed to achieve net zero by 2050, with five-year targets to stay on track to achieving this goal. To help us get there, we also committed to set 2025 and 2030 milestones, supported by the advice of the Net-Zero Advisory Body. This will help to ensure that

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reduction levels are ambitious and achievable and that the oil and gas sector makes a meaningful contribution to meeting the nation's climate goals for 2030 and 2050, while taking a people-centered approach to ensure a just transition for workers and their communities. Canadians gave us a clear mandate to deliver.

As an important step, we recently announced that we will reduce oil and gas sector methane emissions by at least 75 percent below 2012 levels by 2030. The 75-percent goal is one that the International Energy Agency has been calling on countries to adopt, and Canada is the first country to rise to the challenge and opportunity.

With this letter, we are asking the Net-Zero Advisory Body to provide us with independent advice on our commitment to cap and cut emissions from the oil and gas sector. Specifically, we seek your advice on key guiding principles to inform the development of quantitative five-year targets. We would like to hear your views on the appropriate timeline for delivering this advice. We are seeking advice from officials at Environment and Climate Change Canada and Natural Resources Canada, and intend to engage with provinces, territories, civil society, labour organizations, national Indigenous organizations and industry partners, both on the targets and on the overall approach to decarbonizing the oil and gas sector. We intend to begin this engagement immediately in order to ensure that we deliver on the commitment that we made to Canadians.

We know the members of the Net-Zero Advisory Body understand that climate change is not just an environmental issue, but a competitiveness issue for Canada's energy sector and for the workers who have depended on providing Canadian energy to the world for generations. The good news is that ambitious action to cut pollution presents significant economic opportunities for the energy sector and for Canada's economy as a whole, if we get this right. It is essential that as we move to a net-zero emissions economy, Canadian workers and communities continue to prosper. Our goal is a future in which the energy workers and communities that helped build this country have even greater opportunities than they do today, through a responsible transition to the low-carbon economy.

Canada's four largest producers, representing approximately 90 percent of Canada's oil sands production, recognize this imperative and have already committed to net zero by 2050. Getting this right will also be an important part of how we get to the country's ambitious new nationally determined contribution of reducing emissions by 40 to 45 percent below 2005 levels by 2030 and net zero by 2050.

Your advice will also help inform the Emissions Reduction Plan for Canada's 2030 target that we are committed to tabling in Parliament in the coming months. This plan will outline the actions that the Government is taking to meet its climate goals pursuant to the Canadian Net-Zero Emissions Accountability Act.

This is an extremely important year for climate action. The world is now convening in Glasgow for the 26th session of the Conference of the Parties (COP 26) to the United Nations Framework Convention on Climate Change (UNFCCC) with the goal of averting the worst impacts of climate change and bestowing upon future generations a healthier planet and stronger economy. The Net-Zero Advisory Body's participation on the Canadian delegation is important given that COP 26 is key to building real trust in practical measures to curb and eliminate emissions and to keeping the world on the path to a carbon-neutral future.

Again, we thank you for your important work. We look forward to our ongoing collaboration, and we are available to meet with you, as required, to discuss Canada' climate commitments and how they fit within our revised Nationally Determined Contribution under the UNFCCC.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steven Guilbeault".

The Honourable Steven Guilbeault, P.C., M.P.
(il/lui/he/him)
Minister of Environment and Climate Change

A handwritten signature in blue ink, appearing to read "Jonathan Wilkinson".

The Honourable Jonathan Wilkinson, P.C., M.P.
Minister of Natural Resources