



SEP 26 2016

Mr. Larry B. Buzan
President
Mr. Paul Mandry
Vice President
Ms. Nikki Sitch
Past President
Canadian Association of Petroleum Landmen
president@landman.ca

Dear Mr. Buzan, Mr. Mandry and Ms. Sitch:

Thank you for your correspondence of June 15, 2016, concerning the development of national energy projects. I regret the delay in responding.

The Government of Canada is committed to maintaining and growing a robust economy while addressing climate change. In collaboration with provincial and territorial governments, industry and Indigenous Peoples, we will develop a plan to move this country to a stronger, more resilient, low-carbon economy.

I also thank you for your support for action to address greenhouse gas emissions in the oil and gas industry. I believe that Canada can both protect the environment and grow the economy. These goals are not incompatible—they go hand in hand. The Government of Canada backs the development and export of resources in a way that supports the economy and the environment, and brings Canadians together to create a better future.

As you may know, at the recent North American Leaders Summit, Mexico joined Canada and the United States in committing to reduce their methane emissions from the oil and gas sector—the world's largest methane source—by 40 to 45 percent by 2025. To achieve this goal, the three countries committed to developing and implementing federal regulations in order to reduce emissions from existing and new sources in this sector as soon as possible. In addition, you will be pleased to know that, under the *Canadian Environmental Protection Act, 1999*, Environment and Climate Change Canada will publish proposed regulations to reduce methane emissions from the oil and gas sector by early 2017, with final regulations being published by the end of that year. These regulations will apply to new and existing sources.

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Furthermore, since March 2016, Environment and Climate Change Canada has held over 50 hours of consultations on the proposed methane requirements, including webinars, face-to-face meetings, technical discussions and bilateral meetings. Participation has consisted of representatives from industry, provincial and territorial governments, environmental organizations and Indigenous associations. I would like to acknowledge your members' participation in these consultations. Their comments and questions are appreciated. For those who have not yet had the opportunity to participate, additional opportunities for formal and informal engagement will occur over the coming months as the Department moves forward with the development of these regulations. The publication of a proposed regulatory text and the associated cost-benefit analysis in the *Canada Gazette*, Part 1, will provide an opportunity to comment on the proposed approach, while informal engagement will occur as requested or needed.

Under the *Canadian Environmental Assessment Act, 2012*, designated projects, including pipelines, are required to undergo an environmental assessment. These assessments ensure that projects are considered in a careful and precautionary manner to protect the environment, while promoting sustainable development. The assessment process also allows decisions to be informed by consultation with, and input from, the public and Indigenous Peoples.

The Government of Canada is committed to ensuring decisions on proposed projects are based on science and evidence, including with respect to climate change. On January 27, 2016, the Honourable James Gordon Carr, Minister of Natural Resources, and I announced an interim approach and principles to provide greater certainty as to how the Government will apply its discretionary decision-making authorities for projects being assessed during the review of its environmental assessment processes. One of these principles includes measuring the direct and upstream greenhouse gas emissions associated with projects under review. Environment and Climate Change Canada has released five such assessments and has published a draft methodology for estimating upstream emissions for projects.

I understand that a robust, open and transparent environmental assessment process for major resource development projects—one that takes climate change issues into account—is critical. This is why the Government of Canada has committed to introducing new environmental assessment processes as part of its efforts to restore public trust.

Finally, since natural resources development and federally regulated pipelines relate to his mandate, I am forwarding your correspondence to Minister Carr for consideration.

I trust that this information is of assistance, and I extend my best wishes.

Sincerely,

A handwritten signature in black ink, appearing to read 'C McKenna', with a long horizontal flourish extending to the right.

The Honourable Catherine McKenna, P.C., M.P.

c.c.: The Honourable James Gordon Carr, P.C., M.P.