

August 31, 2022

E-MAIL

Canada Energy Regulator
Suite 210, 517 Tenth Avenue SW
Calgary, Alberta
T2R 0A8

Attention: Ramona Sladic, Secretary of the Commission

Dear Ms. Sladic,

Re: Public Comment Period on the Canada Energy Regulator (“CER”) Filing Manual revised Guide A: GHG emissions and climate change entries in s. A.2, Table A-2 (Filing Requirements for Biophysical Elements) and s. A.3, Table A-4 (Filing Requirements for Economics and Financing) New section proposed: GHG emissions and climate change supplemental guidance

Enbridge appreciates the opportunity to provide comments on the CER’s updated Filing Requirements and Guidance. Enhanced transparency in regulatory process, by directly improving predictability of CER expectations, generally increases Canada’s global competitiveness. Enbridge supports the CER’s goal of improving clarity for project proponents and for allowing flexible and scalable options for greenhouse gas (GHG) emission filing requirements. Enbridge encourages the CER to be mindful of frequently asked questions, both inside and outside of project proceedings, and to periodically assess and incorporate revisions to the GHG and Climate Change Supplemental guidance outlining the CER’s expectations.

Table A-2 FM and Table 6-2 EFM:

1. Direct emissions

The CER has proposed the following wording to the guidance (at the bottom of Page 1): *“clarify the approach to determining avoided domestic emissions and what project-specific mitigation and offset measures have been taken into account in the quantitative estimate; and describe the criteria used for this”*. Enbridge recommends that the CER provide additional guidance as to the GHG emission factors that should be employed to measure avoided emissions, project-specific mitigation, and offset measures. This approach would align with the current methodology employed for GHG emissions regulatory reporting/compliance at federal and provincial levels and would ensure consistency among project proponents.

3. Net-Zero Plan

Enbridge appreciates the CER aligning with the principles outlined in the Strategic Assessment of Climate Change (SACC) and related Technical Guides. In light of the

uncertainty in this area and the evolving nature of GHG emissions and climate change requirements, technology, etc. Enbridge recommends that the filing requirements remain flexible and that the CER continually update guidance, in line with the SACC and Technical Guides and other legislation/ regulation/ policy.

Requiring a project proponent to develop a plan detailing actions that will be taken to achieve net zero along with a schedule would be extremely challenging, given the uncertainty regarding future government policy action. Enbridge recommends that the CER include appropriate qualifying language such as “including the expected implementation schedule for the actions, known to the proponent at the time of application” or, “any additional project-specific mitigation and offset measures that are expected to be implemented for the project to achieve net-zero emissions by 2050, as at the time of the application”.

The CER proposes that the net-zero plan include a description of the approach to determining avoided and abated GHG emissions and using offset credits but has not provided any guidance around the use of offsets (i.e., methodology, source, etc.). Enbridge recommends that the CER consider the VCM Provisional Codes of Practice as a starting point to provide guidance around the use of offsets.

Figure 3: Scalable approach – Operational GHG emissions

Can the CER further clarify the definition of “third-party emissions”? If this relates to Scope 3 GHG emissions Enbridge recommends further consultation on this approach given the lack of industry guidance on Scope 3 GHG emissions in the midstream sector.

Other Comments

In reference to the Greenhouse Gas Emissions and Climate Change Supplemental Guidance (draft) document provided in addition to the Filing Manual table changes, Section 3.4 states that “*both the SACC and the Filing Manual specify that proponents may submit either a project-specific or a corporate net-zero plan, depending on the nature, scope and scale of the project*”. Enbridge recommends that this option is directly incorporated into the Filing Manual Guide.

Enbridge thanks the CER for this opportunity to provide input on the revisions to Guide A of the Filing Manual. Enbridge welcomes any opportunity to answer questions, provide clarification, or validate any inferences or conclusions drawn by the CER from the above submission. In addition, Enbridge believes that collaborative discussions and dialogue between the CER and regulated companies would be a productive addition to the review process.

Sincerely,

Specialist Regulatory Affairs