

Greenhouse Gas Industrial Reporting and Control Act Bulletin 029

Commencement of a 60-day public consultation period for Carbon Capture and Sequestration (CCS) protocol

Greenhouse Gas Industrial Reporting and Control Act (GGIRCA)

Overview

This bulletin provides public notification of the beginning of the 60-day consultation period for feedback on the B.C. Offset Program's draft Carbon Capture and Sequestration (CCS) protocol. Additionally, the Ministry of Environment and Climate Change Strategy (the "Ministry") is proposing amendments to the Greenhouse Gas Emissions Control Regulation (GGECR) that will allow the length of the monitoring period and associated monitoring requirements to be determined by the applicable protocol. The Ministry is planning to bring the proposed regulation forward in Fall/Winter 2023.

During this period, the Ministry welcomes feedback and perspectives from Indigenous partners, industry, verification and validation bodies, potential project proponents, government stakeholders, and others, to ensure the practical application of the final protocol upon release. Each comment received will be evaluated on its own merit with appropriate changes being considered once the consultation period has concluded.

The Province is pleased to circulate the CCS protocol for consultation in support of its commitment to Section 3 of the Declaration on the Rights of Indigenous Peoples Act ("Declaration Act"), which mandates the government to bring provincial laws into alignment with the UN Declaration.

Feedback on the draft CCS protocol may be provided by email to the Director under GGIRCA at <u>GHGRegulator@gov.bc.ca</u>.

Background

GGIRCA establishes protocol requirements, statutory authorities, the BC Carbon Registry, and offset regulation-making power. Under GGIRCA, an offset unit is a tradable compliance unit that may be retired to offset greenhouse gas (GHG) emissions. For carbon offsets to be recognized as B.C. offset units, projects must meet provincial regulations and submit a project plan using an approved protocol. Protocols established by the Director under GGIRCA set out instructions on how to quantify GHG emission reductions from a particular type of project. Project plans may only be prepared according to protocols established under GGIRCA. If established under GGIRCA, the CCS protocol will provide a framework for approval of emission offset projects that sequester (permanently store) captured carbon. The CCS protocol will complement existing government incentives and programs that direct financial support to projects that reduce emissions, further incentivizing the rapid development and deployment of CCS technologies.

The CCS protocol must be read in conjunction with the Greenhouse Gas Emissions Control Regulation (GGECR), as the GGECR sets regulatory requirements that are applicable for all emission offset projects. Meeting the eligibility requirements in the CCS protocol does not guarantee the generation of offset units for a project. Project proponents are advised to ensure that the rules for calculating baseline emissions and addressing the additionality of the project align with the CCS protocol. They should also consider the interaction of projects under this protocol with other regulatory and funding programs, as rules may vary across programs.

Applicability

This consultation period reflects Stage 5 of the protocol development process, as defined in the <u>Offset Protocol Policy (OPP</u>). This stage aims to identify any potential issues with the practical application of the Protocol in B.C. Engagement, consultation, and coordination with First Nations on protocol development also supports the Province's commitment under Section 3 of the Declaration Act. Feedback received in this consultation period will be incorporated into the preparation of the final document, which will then undergo legal review prior to final review and approval by the Director under GGIRCA. For more information on the protocol development process, please refer to the <u>Offset Protocol</u> <u>Policy (OPP)</u>.

Regulation is determinative

The above is not legal advice and is provided as an aid in understanding the Regulation. Operators are responsible for reviewing the Regulation to ensure compliance with it.