

## B.C. Climate **Solutions** Council

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**Matt Horne**, Climate Policy

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**Lydia Hwitsum**, First Nations

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**Mark Jaccard**, School of Resource

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**Adriana Laurent**, Co-Founder and

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**Scott Maloney**, Vice President,

Environment, Teck Resources Ltd.

**Skye McConnell**, Manager of

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**Kurt Niquidet**, Vice President,

Council of Forest Industries

**Nancy Olewiler**, School of

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**Danielle (DJ) Pohl**, President,

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**Arjun Singh**, Councillor,

City of Kamloops

**Merran Smith**, Executive Director,

Clean Energy Canada

**Karen Tam Wu**, Regional Director

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Pembina Institute

**Jill Tipping**, President & Chief

Executive Officer,

BC Tech Association

**Joie Warnock**, Assistant to the

President, Unifor

August 9, 2021

Dear Minister Heyman,

Carbon pricing is a core component of B.C.'s climate policy portfolio.

This letter offers the Climate Solutions Council's advice for advancing carbon pricing in the 2030 Roadmap. We provide it against the backdrop of record extreme heat and intense wildfires that are imposing new challenges and loss on so many British Columbians. The sadness and anxiety they cause should motivate us to accelerate CleanBC and move aggressively to transition away from fossil fuels and prepare for climate change.

Carbon pricing has been an important part of B.C.'s climate plan since the carbon tax was implemented in 2008. We see the 2030 Roadmap as an important opportunity to both reaffirm the importance of carbon pricing and help build momentum for carbon pricing across Canada and beyond. This is consistent with our advice at the end of 2020, which highlighted the carbon tax, the ZEV Standard, the Low Carbon Fuel Standard, and the Clean Portfolio Standard as four provincial policies that should be strengthened to reach our 2030 targets.

This near-term carbon pricing advice for the 2030 Roadmap is not intended to replace the more detailed analysis that we understand will unfold in 2022. We support that more deliberative process to figure out the specific next steps that make sense for carbon pricing in BC (e.g. how to ensure B.C. is meeting the federal benchmark as criteria evolve, and how to more accurately reflect the carbon intensity of renewable fuels), and we would appreciate the opportunity to continue engaging as that process unfolds.

As part of the 2030 Roadmap, we recommend that government commit to the following:

1. **Meet or exceed the national carbon price benchmark that was announced by the federal government in December 2020.** That commitment will see the benchmark rise by \$15 per tonne per year starting in 2023, reaching \$170 per tonne in 2030. B.C. played an important role in the national carbon pricing debate by defending the federal government's right to establish a national carbon pricing benchmark in the recent Supreme Court decision, and the province can

The [Climate Solutions Council](#) provides strategic advice to the B.C. government on climate action and clean economic growth. It includes members from First Nations, environmental organizations, industry, academia, youth, labour, and local government.

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continue that role by supporting the new 2030 benchmark. Doing so will help B.C. achieve the CleanBC targets and grow the number of jurisdictions moving in the same direction.

2. **Increase support for British Columbians who are less able to adjust to rising carbon prices due to their income, location, or other measurable factors.** Tools such as the low-income climate action tax credit have been part of B.C.'s carbon tax policy since it was implemented and needs to be increased in conjunction with an increasing carbon price. Programs can also be designed so that British Columbians in need of support can afford the solutions that will help them lower their carbon tax bills (the means-tested incentive for electric vehicles committed to by the government could be a good example).
3. **Address the competitiveness challenges faced by emissions-intensive, trade-exposed industries while supporting emissions reductions.** These industries have product prices that are determined in international markets and continue to have competitors in jurisdictions facing less stringent carbon policies and/or having carbon pricing policies that address potential trade competitiveness issues. We provided more detailed advice on this issue in our January 2021 letter to you and wanted to emphasize its importance in the context of continued carbon price increases to 2030. Ultimately, B.C.'s carbon pricing policy should encourage and support these industries in making the investments needed to transition to net zero emissions, while also protecting them from adverse impacts and potential carbon leakage that could occur if BC's carbon price rises faster than competing jurisdictions.

Whether it is through additional carbon pricing revenue, and/or other revenue sources, we also wanted to reiterate that there is a compelling case to increase provincial investment to reduce carbon pollution and prepare for climate change. This was apparent through our input last year into B.C.'s Economic Recovery Plan, and as evidenced by the costs of ongoing wildfires, whatever we can do to better prepare for climate change fueled events is money well spent.

Thank you for considering our carbon pricing advice. We look forward to continuing to work with you and your staff on the role that strengthened carbon pricing can play in B.C.'s 2030 Roadmap.

Sincerely,



Merran Smith  
Executive Director  
Clean Energy Canada  
Co-Chair, B.C. Climate Solutions Council



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Vice President, Corporate Relations  
Innergex Renewable Energy  
Co-Chair, B.C. Climate Solutions Council