



Reference: 410771

May 31, 2024

Elenore Arend
Chief Executive Assessment Officer
Environmental Assessment Office
Sent via email: Elenore.Arend@gov.bc.ca

Dear Elenore Arend:

Net zero standard

I am writing you, pursuant to Section 19(6) of the *Environmental Assessment Act* (the "Act"), to advise you of government policy relevant to projects that are required to obtain an Environmental Assessment Certificate or exemption order before they can proceed.

This policy applies to:

- (1) Liquefied natural gas (LNG) facilities, as defined in the Liquefied Natural Gas Facility Regulation, B.C. Reg. 146/2014, and
- (2) Other projects that would, once completed, be "reporting operations" as defined in the *Greenhouse Gas Industrial Reporting and Control Act*, with the exception of wastewater treatment facilities and landfills designed to receive primarily municipal solid waste. (collectively, "Projects").

Subject to the paragraph immediately below, the government's policy is that proponents must, during the Environmental Assessment process, provide a credible plan for their Project to achieve net-zero greenhouse gas emissions by 2030, in the case of LNG facilities, or 2050 in the case of all other Projects (the "net zero standard").

In recognition of the challenges some proponents could face by the identification of this policy, Projects covered by numbered paragraph (2) above (that is, Projects that are not LNG facilities) that are currently in the Environmental Assessment process, and in respect of which an application has been submitted under Section 27(1) of the Act, need not provide a plan during that process. However, it is the government's policy that proponents of those Projects are to provide information during the Environmental Assessment process concerning the actions they intend to take with respect to the net zero standard for 2050. This information should be sufficient to allow the chief executive assessment officer to include a condition in the draft Environmental Assessment certificate referred to in Sections 28(2)(a)(ii) and 29(2)(a), requiring the proponent to develop a credible net zero plan for 2050, as described in the paragraph immediately above, with respect to their Project. The draft condition will then be considered by ministers in making their decision under Section 29(4).

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The proponent's plan must first demonstrate how it will reduce the greenhouse gas emissions from its Project, during its lifetime, as much as reasonably practicable. In this regard, the plan must show how the proponent will (1) ensure that the emission intensity (measured by tonnes of carbon dioxide equivalent per the unit of production or activity) of the Project, during its lifetime, will be similar to the lowest in the world when compared against similar facilities under comparable conditions (for example, LNG facilities, underground copper mines, open pit copper mines, or natural gas-fired generation facilities), and (2) implement changes in technology that have arisen, or that may subsequently arise, that would allow the Project to exceed the standard set out in (1), or explain why it would not be practicable to do so.

The plan must also demonstrate how, for emissions not eliminated through reduction, the proponent will offset the remainder of the Project's emissions through offset units and under the *Greenhouse Gas Industrial Reporting and Control Act*.

It is government's policy that the net zero standard is in respect of emissions attributable to a facility for the purposes of section 6 of the *Greenhouse Gas Industrial Reporting and Control Act*, as well as emissions attributable to energy acquired by the facility, but to no other emissions.

The ability of Project proponents to meet the net zero standard, as expressed in their plans, must be considered by the chief executive assessment officer or assessment body, as applicable, in making recommendations referred to in Section 29(2)(b) of the Act, and will be considered by ministers in making a decision under Section 29(4) of the Act, including their decision on appropriate conditions to attach to a Project's environmental assessment certificate, if one is issued.

I understand that the Climate Action Secretariat (CAS) has been in contact with proponents of Projects in the Environmental Assessment process, and a majority of them have expressed their willingness to produce a net zero plan.

Implementation of plans

It is government's policy that proponents of Projects must take all reasonable steps to implement their plans. This will be relevant to the consideration by ministers of conditions to be attached to Environmental Assessment Certificates.

Application of policy

This policy will remain in effect until it is superseded by legislative or regulatory change.

Sincerely,



George Heyman
Minister