



February 12, 2020

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Hon. Bronwyn Eyre, Minister of Energy and Resources
ministerer@sk.gov.ca

Hon. Dustin Duncan, Minister of Environment
env.minister@sk.gov.ca

Dear Ministers Eyre and Duncan,

We are writing on behalf of the Saskatchewan Environmental Society to ask you to reconsider your government's recently announced target to increase oil production in Saskatchewan to 600,000 barrels per day by 2030. This target represents an increase of approximately 120,000 barrels per day above the current level of production in our province.

Actively planning for an increase in oil exploration and a 20% increase in oil production in Saskatchewan by 2030 is not a socially or environmentally responsible goal to adopt at a time when the United Nations is urging governments around the world to reduce fossil fuel use and aim for a 45% reduction in greenhouse gas emissions over the next 10 years. If the world is to avoid catastrophic climate change impacts, the global community clearly needs to consume less oil, as well as sharply reducing its use of other fossil fuels. Simply put, fossil fuel-producing jurisdictions will need to accept the fact that large quantities of oil, coal and natural gas will have to be left in the ground in order to safeguard the natural world and the future of human civilization.

Over the past 12 years the Saskatchewan Environmental Society has written numerous letters and briefs to your government advocating a set of policies aimed at reducing fossil fuel consumption in Saskatchewan. Here we want to emphasize that Saskatchewan's fossil fuel exploration and production policies also require reevaluation. The United Nations Environment Programme (UNEP) recently issued a well-researched report that assesses the growing gap between fossil fuel production and the objectives of the Paris Climate Agreement: <http://productiongap.org/wp-content/uploads/2019/11/Production-Gap-Report-2019.pdf>. It is imperative that Saskatchewan government policies not be a contributing factor to this problem.

The consequences of governments failing to sharply lower fossil fuel production and consumption are becoming more and more evident. Greenhouse gas concentrations in Earth's atmosphere have reached dangerously high levels and are continuing to grow each year. As a result:

- Australia is now facing a terrifying bushfire crisis driven by drought and record-high temperatures.
- Much of Africa has been suffering drought and severe weather events at an unprecedented scale over the past few years.
- Parts of India are regularly experiencing severe water shortages and temperatures over 50 degrees Celsius.
- Greenland's rate of annual ice loss has shot up to well over 200 billion tonnes per year.
- The pace of worldwide sea level rise is accelerating.



- Deadly mosquito-borne diseases are spreading into more areas of the globe.
- The frequency of severe weather events worldwide has risen 46% since the year 2000.
- In western North America the forest fire season is becoming longer and more dangerous.

These climate change impacts are occurring as a result of a global average temperature increase of only 1.1 degrees Celsius above pre-industrial levels, so what we are witnessing today is only an initial indication of the dangers that lie ahead unless concrete action to reduce fossil fuel consumption and production are taken by all levels of government, including your own.

In September of 2019, 77 countries, including Canada, pledged at a special UN Summit to reach carbon neutrality by 2050. In our view, actively planning to increase oil production in Saskatchewan or in any other jurisdiction runs completely counter to a commitment to move toward carbon neutrality and will only make the transition to carbon neutrality even more difficult. Instead, we urge your government to pursue economic growth opportunities that involve the development of our wind, solar, biomass and geothermal resources and the development of a renewable energy future for Saskatchewan. We also urge you to invest heavily in energy storage opportunities and in opportunities to use energy in much more efficient ways.

Finally, we want to raise with you the risk that expanded oil infrastructure in Saskatchewan could decline in value or even become a stranded asset in the decades ahead if climate change impacts accelerate. Mark Carney, former Governor of the Bank of England and of the Bank of Canada, has highlighted this risk and the need for companies and governments to be transparent about it. By way of a Saskatchewan example, a significant portion of oil production in our province tends to be utilized for refined petroleum products used in road transportation in the three prairie provinces. If, in the face of climate change concerns, the adoption of electric vehicles accelerates significantly on the Prairies, while the use of gasoline-powered vehicles declines sharply, this could have negative financial impacts for the Co-op Refinery.

Further compounding climate change induced financial risk in Saskatchewan is the large number of inactive oil wells that have still not been properly decommissioned by the companies responsible for them. If some of the oil companies operating in this province become increasingly insolvent in the years ahead due to the climate crisis, Saskatchewan taxpayers could be left with an enormous decommissioning and clean-up bill that runs into the billions of dollars.

In closing, we hope you will reassess the oil exploration and oil production targets that your government has set. Thank you for considering our concerns.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Peter Prebble'.

Peter Prebble, Board Member

A handwritten signature in dark ink, appearing to read 'Allyson Brady'.

Allyson Brady, Executive Director