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December 15, 2022

Hon. Scott Moe, Premier of Saskatchewan, and

Minister of Intergovernmental Affairs

Hon. Bronwyn Eyre, Minister of Justice

Hon. Dana Skoropad, Minister of the Environment

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Dear Premier Moe, Minister Eyre, and Minister Skoropad,

We write to express our deep concern about the provisions related to greenhouse gas regulation and environmental standards in Bill 88 The Saskatchewan First Act, introduced in the Legislative Assembly of Saskatchewan in November. We are concerned because we contend that the bill has legal, environmental, ethical, and economic ramifications that have not been considered.

Bill 88's assertion that the regulation of environmental standards and the regulation of greenhouse gas emissions as it pertains to oil and gas development, other non-renewable natural resource development, forestry activity, and electricity generation is under the exclusive jurisdiction of the Government of Saskatchewan is highly controversial. Bill 88 ignores the fact that environmental regulation in Canada has historically been a matter of shared jurisdiction between the Government of Canada and provincial governments. Moreover, the recent Supreme Court of Canada ruling in favour of the Government of Canada with respect to its jurisdictional right to levy a price on greenhouse gas pollution, clearly underlines the right of the Government of Canada to set federal policy with respect to greenhouse gas emissions.ⁱ

Of special concern to us is that Bill 88 appears to be an attack by your government on the greenhouse gas reduction policies of the Government of Canada, with the view to trying to ensure that many of these emission reduction policies do not take effect in Saskatchewan. Bill 88 clearly has the potential to be used in this way. For example, judging by the critique of federal policy outlined in your government's recent publications: 'Drawing The Line: Defending Saskatchewan's Economic Autonomy' and 'Direct Compliance Costs of Federal Climate Policies in Saskatchewan,' it appears that the Saskatchewan government does not support the Government of Canada's plans to achieve deep carbon dioxide emission reductions in the oil and gas



sector by 2030 and to cut methane emissions from oil and gas production 75% by 2030 (when compared to 2012 methane emission levels).ⁱⁱ Instead, section 3 of Bill 88 attempts to give the Saskatchewan government exclusive control over regulating greenhouse gas emissions in Saskatchewan's oil and gas sector.ⁱⁱⁱ Bill 88 also has the potential to be used by your government to try to block federal government regulations which require coal-fired electricity generation to be phased out in Saskatchewan by 2030. Judging by Premier Moe's comments to the media in early November, your government continues to strongly oppose these federal coal phase-out regulations.^{iv} Your government's position contrasts sharply with more environmentally conscious approaches to electricity production being pursued in every other Canadian province that has traditionally been heavily reliant on burning coal to produce electricity. Ontario completed the challenging process of phasing out all its coal-fired power stations by 2014. Alberta's coal-fired power stations will be phased out by 2023, while Nova Scotia's government, which is still heavily reliant on the use of coal, recently committed to completing a phase-out of all its coal-fired power plants by 2030.^v

For Saskatchewan to reject federal government greenhouse gas regulations, which are modest when compared with many parts of the industrialized world, is disappointing indeed. The Government of Saskatchewan's opposition to these federal emission regulations when our province's greenhouse gas emissions per capita are already three times higher than the Canadian average and eight times higher than the world average is truly shocking and embarrassing, particularly given the danger these pollutants are known to pose to current and future generations. Bill 88 undermines the ability of Canada to meet its greenhouse gas reduction obligations to the United Nations.

Greenhouse gas emissions from the burning of fossil fuels and other manmade activities have for some time now been a well-recognized threat to human well-being and the integrity of ecosystems. The Supreme Court of Canada, in its ruling on the Greenhouse Gas Pollution Pricing Act, clearly recognized this, noting that global warming causes harm beyond provincial boundaries and is a matter of national concern under the 'peace, order and good government' clause of Canada's Constitution. The Secretary General of the United Nations has also clearly recognized this threat and has become increasingly concerned about the threat to humanity based on the latest expert advice of the World Meteorological Organization, the World Health Organization, and the Intergovernmental Panel on Climate Change, and after witnessing climate disaster after climate disaster unfold around the world. In recent months Secretary General António Guterres has called the high concentration of greenhouse gases in the atmosphere a "code red for humanity" and has warned the world is on a path to "collective suicide" if it does not rapidly reduce its greenhouse gas emissions. He has also warned that we are approaching tipping points that will "make climate breakdown irreversible."^{vi} Further, he has emphasized that global greenhouse gas emissions must be reduced at least 45% below current levels by no later than 2030, and must be net zero by 2050, to avoid catastrophic climate change impacts.^{vii} The rise in global average temperature must be limited to no more than 1.5 degrees Celsius.

Saskatchewan is already beginning to suffer some negative climate change impacts, with significant human and economic costs attached to them. Overland flooding in largely rural areas in 2010-15 (leading to Provincial Disaster Assistance Program payments of \$450 million), the 2015 forest fire season (scorching 1.7 million hectares of Saskatchewan's forests, forcing the evacuation of 13,000 residents of Northern Saskatchewan and costing over \$100 million in fire-fighting costs), and the 2021 drought (unprecedented in geographic scale and leaving the provincial government with a \$ 2.4 billion crop insurance payout, the largest in history) are good examples of how severe those



consequences are becoming. Yet, scientists warn these kinds of impacts will become far more severe and frequent if global greenhouse gas emissions are not rapidly curbed.

As we consider the level of government in Canada that should regulate greenhouse gas emissions, we must not forget that by far the greatest negative impacts of Saskatchewan's greenhouse gas emissions are on the people and ecosystems that lie beyond our borders. For example, Saskatchewan's greenhouse gas pollution contributes to the melting of glaciers around the world, to devastating drought in the Horn of Africa, to sea level rise that is accelerating and threatens thousands of coastal towns and cities, to the death of coral reef ecosystems as ocean waters warm beyond the coral's tolerance, and to hundreds of extreme weather events. These include severe heat waves like the one that hit the Pacific Northwest of North America in 2021 and unprecedented floods, such as the one that struck Pakistan this summer, negatively impacting 33 million people and causing at least 30 billion dollars in damages.

These are simply a few examples of the hundreds of negative impacts to which Saskatchewan's greenhouse gas emissions contribute each year. Lest you think our province's contribution to these events is of little significance, consider that Greenland is now losing more than 200 billion tonnes of ice per year because of climate change impacts, and that Saskatchewan's annual contribution to this melting is over 300 million tonnes of ice per year based on our province's share of global greenhouse gas emissions. Please also consider that the carbon dioxide emissions Saskatchewan has released into Earth's atmosphere over the past 15 years that your government has been in office will remain in Earth's atmosphere for an average of another 85 to 100 years (depending on their date of release). The nitrous oxide emissions Saskatchewan has released during this time will be present in Earth's atmosphere for another one hundred years. These two greenhouse gases will continue to negatively impact climate stability on Earth throughout the above-mentioned time periods. **It is the long-lived nature of greenhouse gas pollution and the fact that the primary impacts of our pollutants extend far beyond Saskatchewan's borders that makes it essential for the Government of Canada to be centrally involved in regulating these pollution sources. Regulation cannot be left to Saskatchewan's government alone.**

Considering the hazards posed by greenhouse gas emissions, we ask that Bill 88 be amended to delete all references to any assertion that the regulation of greenhouse gas emissions (in Saskatchewan's oil and gas industry, in other non-renewable natural resource sectors, in Saskatchewan's forestry sector, or in Saskatchewan's electricity generation sector) should be under the exclusive jurisdiction of the Government of Saskatchewan. Instead, we urge your government to fully co-operate with the Government of Canada in achieving Canada's commitment to the United Nations to reduce nationwide greenhouse gas emissions at least 40% below 2005 levels by 2030.

In closing, we also wish to express concern about your government's claim that tackling climate change is not in Saskatchewan's financial interests. Saskatchewan is suffering and will suffer much more in the future from climate changes we contribute to. While there will be significant short and medium-term costs required to achieve major greenhouse gas emission reduction in our province, in the long term there will be much greater costs associated with a failure to take effective action on climate change, and these long-term costs are likely to be of an irreversible nature. We urge you to consider the advice of the internationally renowned economist Nicholas Stern who warned governments that "without action, the overall costs of climate change will be equivalent to losing at least 5% of global gross domestic product each year, now and forever" and Stern warned annual GDP losses could climb as high as 20% annually.^{viii}



Furthermore, your government does not appear to be taking account of the savings that can be achieved from greenhouse gas reduction, particularly if your government were to pay more attention to facilitating investments in energy conservation and energy efficiency across all sectors of our economy. Your government's current weak ranking (lowest among all provinces) in the Canadian Energy Efficiency Scorecard underlines the lack of appreciation your government has for the savings that greenhouse gas emission reduction could offer.^{ix}

Another economic consequence we urge you to consider is the climate of investment uncertainty that Bill 88 will create. Until businesses are convinced that the regulatory regime in Saskatchewan is stable, many firms will be less willing to make long-term financial commitments. If your government was to instead work co-operatively with the Government of Canada on climate change issues, it would reduce investment uncertainty and help to facilitate increased investment in our province.

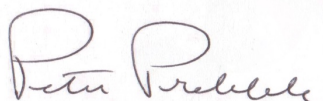
Finally, there are the economic, social, and environmental consequences of a failure by governments such as yours to provide solid climate leadership. Saskatchewan is a rich province in a rich country; but like every other part of the world, our well-being will ultimately depend on the global community achieving deep reductions in greenhouse gas emissions in this decade, and successfully achieving net zero emissions by 2050. Thus, it is not only imperative that Saskatchewan, Canada, the United States, and other wealthy countries reduce greenhouse gas emissions by at least 45% by 2030, it is imperative that developing countries do so too. Strong leadership on greenhouse gas reduction by the governments of wealthy provinces and countries will help convince other governments to clean up their act. On the other hand, failure to provide environmental leadership, as your government is currently displaying, sets a very bad example for other governments around the world.

By way of example, Saskatchewan and the global community urgently need India to make deep cuts to its greenhouse gas emissions into the atmosphere. India is now the third largest emitter on our planet. Yet, India's per capita emissions are only in the range of 2 tonnes per person. In contrast, Saskatchewan's greenhouse gas emissions exceed 60 tonnes per person each year. If wealthy provinces like Saskatchewan and wealthy countries like Canada are unwilling to make the important investments needed to reduce their greenhouse gas emissions 45% by 2030, it will make it far easier for lower income countries like India to delay taking action. Sadly, if such a scenario becomes reality, every part of the world will ultimately suffer enormous environmental, social and economic losses, and some parts of the world are likely to become uninhabitable.

Thank you for taking account of our concerns and for considering our advice. We urge your government to change course, amend Bill 88 as we suggest, and give high priority to providing strong climate change leadership for our province.

Sincerely,


Margret Asmuss, President


Peter Prebble, Board Member


Bob Halliday, Vice President


Glenn Wright, Board Member

ⁱ References re Greenhouse Gas Pollution Pricing Act, Case in Brief

<https://www.scc-csc.ca/case-dossier/cb/2021/38663-38781-39116-eng.aspx>

Please also refer to the Supreme Court of Canada decision on the Greenhouse Gas Pollution Pricing Act at:

<https://decisions.scc-csc.ca/scc-csc/scc-csc/en/item/18781/index.do>

ⁱⁱ Is Saskatchewan eyeing its own 'sovereignty act?' Province slams federal green laws and says it's 'Drawing the Line,' <https://www.thestar.com/news/canada/2022/10/11/is-saskatchewan-eyeing-its-own-sovereignty-act-province-slams-federal-green-laws-and-says-its-drawing-the-line.html>

Quote from Premier Moe: "...we cannot allow continued federal intrusion into our exclusive constitutional right to develop our natural resources and grow our economy."

Bill 88 titled An Act to Assert Saskatchewan's Exclusive Legislative Jurisdiction and to Confirm the Autonomy of Saskatchewan

<https://docs.legassembly.sk.ca/legdocs/Bills/29L3S/Bill29-88.pdf> (The short title is: The Saskatchewan First Act.)

Please refer to section 3 of the bill entitled: 'Saskatchewan's exclusive legislative jurisdiction asserted'

Relevant subsections of section 3 of the bill are highlighted below including sections 3(b), (d) and (e). Sections (b) and (e) are particularly relevant to the oil and gas sector.

Section 3(1) Saskatchewan asserts its exclusive legislative jurisdiction under the Constitution of Canada, and in particular, those matters listed in sections 92 and 92A of the Constitution Act, 1867.

(2) Saskatchewan asserts that the doctrine of interjurisdictional immunity applies to exclusive provincial legislative jurisdiction to the same extent that it applies to exclusive federal legislative jurisdiction.

(3) Without limiting the generality of subsections (1) and (2), Saskatchewan asserts its exclusive legislative jurisdiction under the Constitution of Canada in relation to the following matters, and asserts that these matters fall within the core of exclusive provincial legislative jurisdiction for the purposes of the doctrine of interjurisdictional immunity:

(b) the development, conservation and management of non-renewable natural resources in Saskatchewan, including:

(i) who may be licensed;

(ii) where and when the development, conservation and management may take place; and

(iii) any terms or conditions applicable to the development, conservation and management, including the regulation of environmental standards and the regulation of greenhouse gas emissions and other emissions;

(d) the operation of sites and facilities in Saskatchewan for the generation and production of electrical energy, including:

(i) who may be licensed;

(ii) where and when the operation may take place;

(iii) any terms or conditions applicable to the operation, including the regulation of environmental standards and the regulation of greenhouse gas emissions and other emissions; and

(iv) the source of fuel for electrical generation, including renewable and non-renewable resources;

(e) the regulation of all industries and businesses falling within the exclusive jurisdiction of Saskatchewan, including any regulations, terms or conditions applicable to the licensing of industries and businesses, including the regulation of environmental standards and the regulation of greenhouse gas emissions and other emissions

Drawing The Line: Defending Saskatchewan's Economic Autonomy' and Direct Compliance Costs of Federal Climate Policies in Saskatchewan, October 2022, Government of Saskatchewan

Please refer to the two sections entitled: 'The Problem: A Federal Problem for Everything and the Guise of Environmental Regulation; Conclusion and Next Steps.' Quotes from these sections include:

"The federal proposal which would mandate the oil and gas industry to cap emissions is one such policy that in name suggests the energy sector must curb its environmental impact, but in practice will impede the production of the actual resource."

"Larger than the economic impact of the agricultural sector in GDP terms, the (Saskatchewan) oil and gas sector remains squarely in the sights of the federal government seeking to extract its pound of flesh." The Drawing the Line document indicates the provincial government will: "Prepare to take legal actions, legislative or otherwise, to maintain control of electricity, fertilizer emission/use targets and oil and gas emissions/production."

Direct Compliance Costs of Federal Climate Policies in Saskatchewan, Saskatchewan Ministry of Finance, October 2022. Please refer to the sections entitled: Lost Production and Impacts on the Oil and Gas Sector, Oil and Gas Emissions Cap Mandate and Oil and Gas Methane Mandate.

<https://www.saskatchewan.ca/-/media/news-release-backgrounders/2022/oct/direct-compliance-costs-of-federal-climate-policies-in-saskatchewan-a.pdf>

Quotes from these sections include:

"The Oil and Gas Emissions Cap and the federal government's Oil and Gas Methane Mandate will likely prevent Saskatchewan from realizing the provincial Growth Plan target of 600,000 barrels of oil per day production by 2030."

"Premature shut-in of lower productivity wells is also anticipated."

"Significant capital investment in combustors would be required on a scale never before undertaken in the province. For example, the historical maximum number of combustors installed in one year, in Saskatchewan, is 253 – while the analysis results require peak installations of nearly 2,200 combustors in one year."

"While not fully accounted in the overall provincial direct costs of complying with federal policies, there will be an inevitable shift in investor confidence and redeployment of growth capital to meet new regulatory requirements in the oil and gas sector."

iii Bill 88 titled An Act to Assert Saskatchewan's Exclusive Legislative Jurisdiction and to Confirm the Autonomy of Saskatchewan <https://docs.legassembly.sk.ca/legdocs/Bills/29L3S/Bill29-88.pdf> The short title is: The Saskatchewan First Act.

Please refer to section 3 of the bill entitled: 'Saskatchewan's exclusive legislative jurisdiction asserted' and then to subsection 3(d) which asserts exclusive provincial control over greenhouse gas emissions and choice of fuel in Saskatchewan's electricity generation sector.

iv Moe, Wilkinson talk collaboration rather than confrontation on energy, environmental policies
Moe expresses concern over coal phase-out

<https://www.cbc.ca/news/canada/saskatchewan/sask-feds-environment-policy-1.6647464>

Quote from the CBC article in reference to the 276 megawatt Shand coal-fired power station in Estevan: "Moe said Wednesday that 'stranding' the 276-megawatt power station 12 years before its retirement date of 2042 does not make sense. "Who would be willing to give up that asset 12 years early?"

v Alberta set to retire coal power by 2023, ahead of 2030 provincial deadline, by Dan Healing The Canadian Press, December 4, 2020 <https://globalnews.ca/news/7502144/alberta-coal-power-ahead-of-schedule/>

Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth, Department of Environment and Climate Change, Government of Nova Scotia, December 2022 Refer to page 18 – Creating a Clean Electricity System <https://climatechange.novascotia.ca/sites/default/files/uploads/ns-climate-change-plan.pdf>

vi UN chief warns 'we will be doomed' without historic climate pact, The Guardian, November 4, 2022

<https://www.theguardian.com/environment/2022/nov/04/un-chief-antonio-guterres-climate-crisis-cop27>

<https://www.theguardian.com/science/2021/aug/09/humans-have-caused-unprecedented-and-irreversible-change-to-climate-scientists-warn>

Major climate changes inevitable and irreversible – IPCC's starkest warning yet, The Guardian, August 9, 2021

<https://www.theguardian.com/science/2021/aug/09/humans-have-caused-unprecedented-and-irreversible-change-to-climate-scientists-warn>

vii UN Secretary-General's remarks on the launch of the Intergovernmental Panel on Climate Change report (IPCC)

<https://www.unicef.org/vietnam/press-releases/un-secretary-generals-remarks-launch-intergovernmental-climate-change-report-ipcc>

viii Stern Review: The Economics of Climate Change,

http://mudancasclimaticas.cptec.inpe.br/~rmclima/pdfs/destaques/sternreview_report_complete.pdf

Please refer to 'Summary of Conclusions'. Quote: "Using the results from formal economic models, the Review estimates that if we don't act, the overall costs and risks of climate change will be equivalent to losing at least 5% of global GDP each year, now and forever. If a wider range of risks and impacts is taken into account, the estimates of damage could rise to 20% of GDP or more."

ix Energy Efficiency Scorecard, 2022. Efficiency Canada. <https://www.scorecard.efficiencycanada.org/energy-efficiency-saskatchewan>