



Date April 23, 2021

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Deputy Minister
Ministry of Environment
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Regina, SK S4S 5W6

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Ministry of Environment
3211 Albert Street
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Response to Saskatchewan's Electricity Standards and Compliance Regulations

On behalf of the Saskatchewan Chamber of Commerce membership, I am contacting you with regard to the proposed *Management and Reduction of Greenhouse Gases (Electricity Standards and Compliance) Regulations*. The Saskatchewan Chamber of Commerce is the Voice of Saskatchewan Business and represents the interests of over 10,000 individual businesses, industry associations, and local chambers across the province through its chamber network.

The Saskatchewan Chamber of Commerce has represented the Saskatchewan business community for over 100 years, and we have an active Environment Committee representing numerous industries. Through the work of this committee and other stakeholders, we released our *Building the Low Carbon Economy: Exploring Opportunities and Challenges for Saskatchewan* report earlier this year. This report contains 18 recommendations that when implemented will help Saskatchewan businesses survive and thrive through decarbonizations. These recommendations included identifying opportunities for harmonizing and streamlining regulations, consistent targets and standards, and diverse energy production and competition. Unfortunately, the proposed *Management and Reduction of Greenhouse Gases (Electricity Standards and Compliance) Regulations* do not comply with these recommendations.

Firstly, with regard to regulatory harmonization and consistent targets. Under the proposed regulations some businesses in Saskatchewan will have duplicate regulatory GHG requirements, additionally the standards are not consistent as the proposed requirements go beyond those already established in the federal system. Saskatchewan companies will face administrative and compliance cost increases due to this cumulative, shifting regulatory burden; harming the competitiveness and attractiveness of the province's business environment.

- To address this concern the Saskatchewan Chamber of Commerce recommends *The Management and Reduction of Greenhouse Gases (Electricity Standards and Compliance) Regulations* be amended to mirror the current federal requirements for electricity

generation and that the Government of Saskatchewan continue regulating industry under *The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations* for all activities.

Secondly, the Saskatchewan business community is concerned that the proposed regulations appear to focus on SaskPower protection rather than emissions reductions, and in fact they may discourage or even prevent industrial emissions reductions. Saskatchewan's current power generation sources are significantly coal and natural gas fired, so decarbonizing Saskatchewan's carbon-intensive electrical grid will be no small feat. Collaboration is needed to reduce the carbon intensity of Saskatchewan's grid.

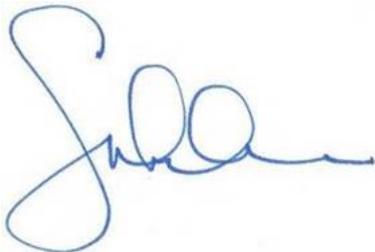
- The province needs to focus on removing barriers to participate in decarbonization including supporting industry investment into further enhancing grid sustainability and reliability. Building upon this, our members also want the information on how SaskPower uses the carbon levy to be transparent and we recommend that those revenues be used to develop clean generation projects.

Lastly, while not addressed through our *Building the Low Carbon Economy* Report, the limited consultation and analysis of the proposed regulations are concerning to our organization and members. Specifically, no economic assessment was provided, and no rationale was given for exceeding the federal system.

- We request that the Ministry enable more engagement and economic assessment of these changes by setting the coming into force date to January 1, 2022 or later.

Thank you for your attention in this matter. The Saskatchewan Chamber of Commerce would be pleased to provide further comment at your convenience.

Sincerely,



Steve McLellan, CEO
Saskatchewan Chamber of Commerce