



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

February 4, 2021

The Honourable Seamus O'Regan
Minister of Natural Resources
580 Booth Street
21st Floor Room: C7-1
Ottawa, ON K1E 0A4

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Information Request: IR0577

Dear Minister O'Regan:

As you are likely aware, the Parliamentary Budget Officer (PBO) provides independent and non-partisan analysis to the Senate and to the House of Commons about matters related to the nation's finances and the economy, the estimates, certain other government documents, and the cost of proposals. In carrying out my mandate, I often require information held by government departments and Crown corporations and I am entitled to free and timely access – subject to limited exceptions – to such information under section 79.4 of the *Parliament of Canada Act*.

I am currently undertaking an analysis pursuant to paragraph 79.2(1)(a) of the *Parliament of Canada Act*, which mandates the PBO to prepare reports analyzing the following federal government documents: (i) a budget tabled by or on behalf of the Minister of Finance; (ii) an economic and fiscal update or statement issued by the Minister of Finance; (iii) a fiscal sustainability report issued by the Minister of Finance; (iv) the estimates of the government for a fiscal year.

For this analysis, I am requesting information related to the Emission Fund (ERF) – Onshore Program.

- In relation to the projects retained in Intake period 1, financial information, data, modelling, and analysis including, but not limited to, project location, project start and end dates, project characteristics, baseline emissions, emissions reductions, project budget, costs per unit of GHG emissions, repayment plans, and the financial viability of project applicants (please see the Appendix for more information);
- The interest rate that will be charged to ERF – Onshore Program recipients on late payments;
- Financial information, data, modelling, and analysis regarding other costs and benefits associated with the ERF, including but not limited to:
 - The interaction, and financial and fiscal implications of the interaction, between the ERF and various GHG offset programs (including provincial programs and the Federal Greenhouse Gas Offset System);

- The interaction, and financial and fiscal implications of the interaction, between the ERF and federal, provincial, and territorial regulations that impose caps on industrial methane and other GHG emissions;
- The contribution of the ERF to meeting the Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds;
- The first-time and/or improved measurement and quantification of emissions as a result of the ERF.

In order to provide the analysis to parliamentarians in a timely manner, I ask the information to be provided to my office no later than **February 18, 2021**. If access to the requested information cannot be granted by that date, a response must be provided by you or your deputy minister as soon as possible.

Should you or your staff have any questions about this information request, the analyst responsible, Nigel Wodrich can be contacted directly at Nigel.Wodrich@parl.gc.ca, 613-296-0174.

Attached is a reply form. It too should be filled out and returned by February 18, 2021, whether or not you provide access to the requested information. Should you refuse to provide access to the requested information, you or your deputy minister must provide a written justification for the refusal as required under section 79.41 of the *Parliament of Canada Act*.

The response letter will be posted on the PBO website and, therefore, it should not be marked "confidential". As well, the requested information should be attached separately. If this information is confidential, please clearly mark it as such, either on the electronic spreadsheet or the hard copy version.

Providing timely and effective analysis to the Senate and House of Commons and promoting greater budget transparency and accountability are the PBO's primary objectives. The degree to which this is possible depends, to a large extent, on free and timely access to quality information held by government departments. In doing so, you are assisting us in better serving the Senate, the House of Commons, and their members.

Yours sincerely,



Yves Giroux
Parliamentary Budget Officer

c.c.: Antoine Brunelle-Côté, Privy Council Office, Assistant Secretary to the Cabinet,
Liaison Secretariat for Macroeconomic Policy
Jean-François Tremblay, Deputy Minister, Natural Resources Canada

Attachment: Reply form for IR0577
Appendix



Appendix

Ideally, the data provided in relation to the projects retained in Intake period 1 would be provided in an anonymized format for each of the 29 projects retained in Intake period 1. Specific metrics include, but are not limited to:

- Project location (province/territory)
- Project start and end dates
- Type of project (i.e., L1, L2, E1, E2, E3, or E4; or some other categorization)
- One year after the end date of the project:
 - Volume of vented/flared natural gas conserved in the first year and associated uncertainties
 - Anticipated methane emissions reductions ($\text{m}^3 \text{CH}_4$ and CO_2e) in the first year and associated uncertainties
 - Anticipated net carbon dioxide and black carbon particulate emissions in the first year and associated uncertainties
 - Anticipated net GHG emissions reductions (CO_2e) in the first year and associated uncertainties
- Cumulatively from one year after the end date of the project to 2030:
 - Anticipated methane emissions reductions ($\text{m}^3 \text{CH}_4$ and CO_2e) and associated uncertainties
 - Anticipated net GHG emissions reductions (CO_2e) and associated uncertainties
- Total budgeted project costs, by fiscal year
- Total budgeted contributions for project costs, by source, by fiscal year
- Total budgeted eligible supported project costs, by fiscal year
- Total anticipated federal contribution under the ERF – Onshore Program, by fiscal year
- Anticipated cost per tonne of GHG emissions reductions (CO_2e)
- Repayment plan (of the three plans available)
- Financial viability rating (high, medium, and low risk scale) of the project applicant