



Alberta's Methane Emissions Reduction: CAPP

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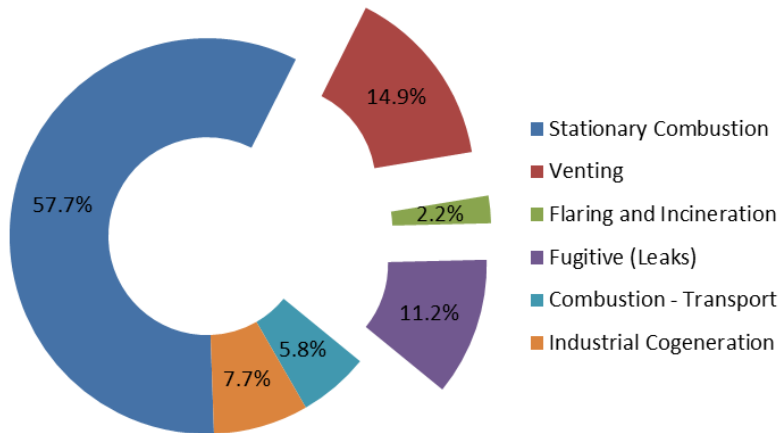
Alberta Target

- 》 Reduce methane from oil & gas sector by 45% (13.7 MT) by 2025
- 》 Baseline is Environment Canada 2014 National Inventory

Objective: to reduce methane emissions from oil and gas operations by 45% by 2025.

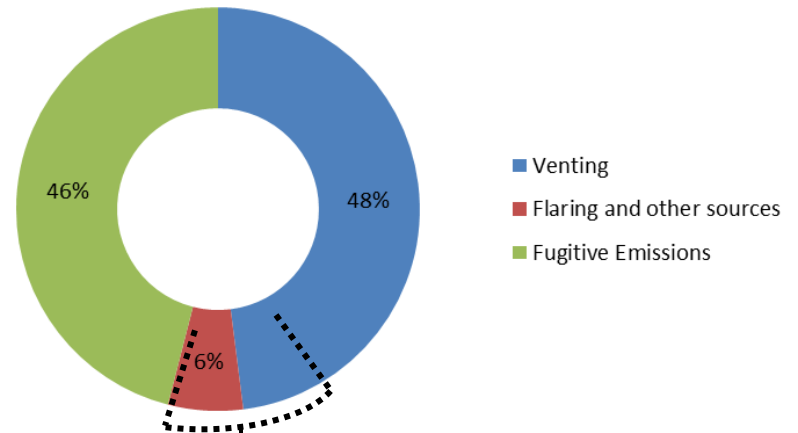
Alberta Oil and Gas Sector Emission Sources (2014)

Total GHG = 132 Mt or 48% of AB



Venting, Flaring, and Fugitive Emission Proportions (2014)

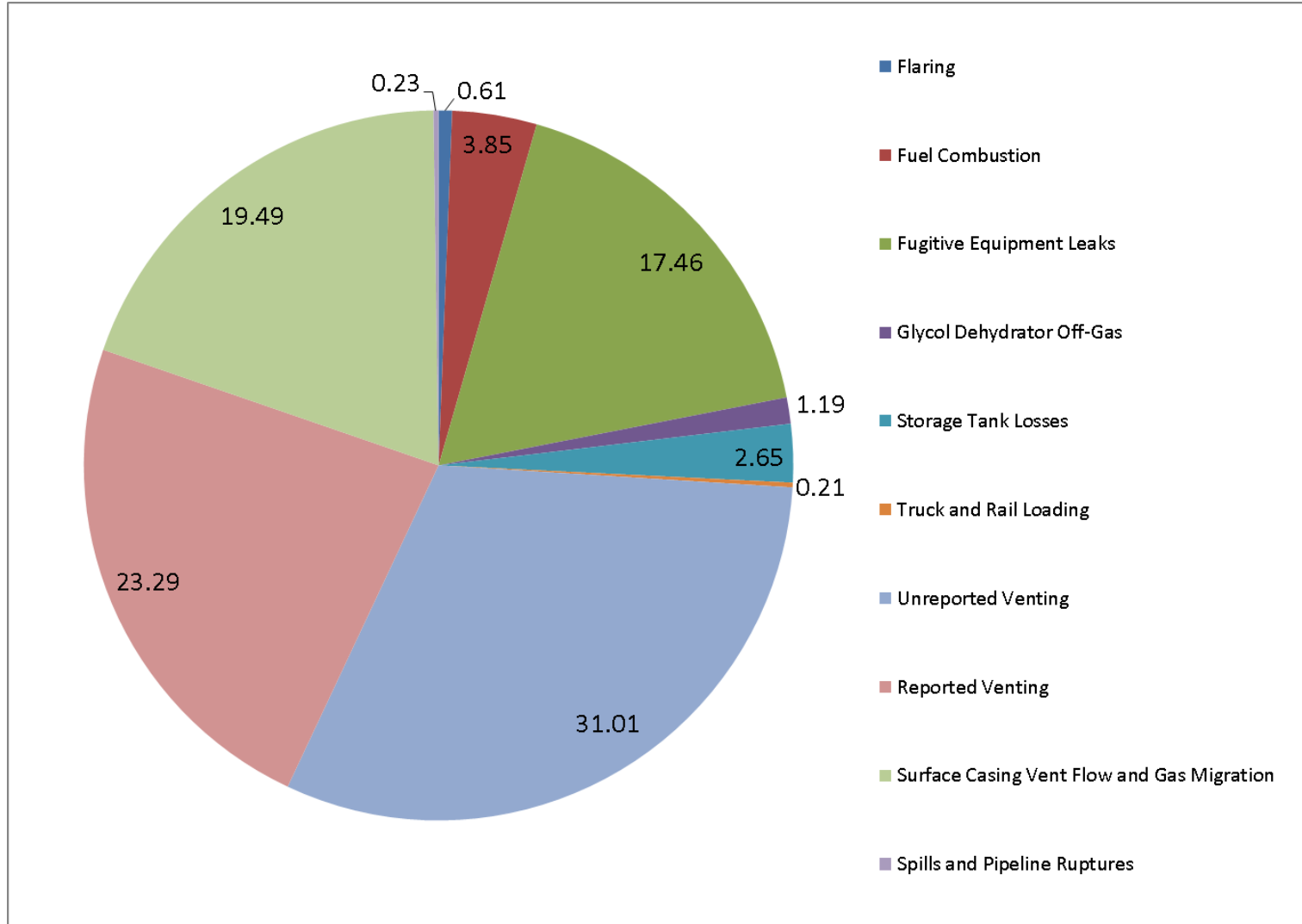
VFF = 31.4 Mt CO₂e or 28.3% Oil & Gas



Pre-CLP AER ST60B

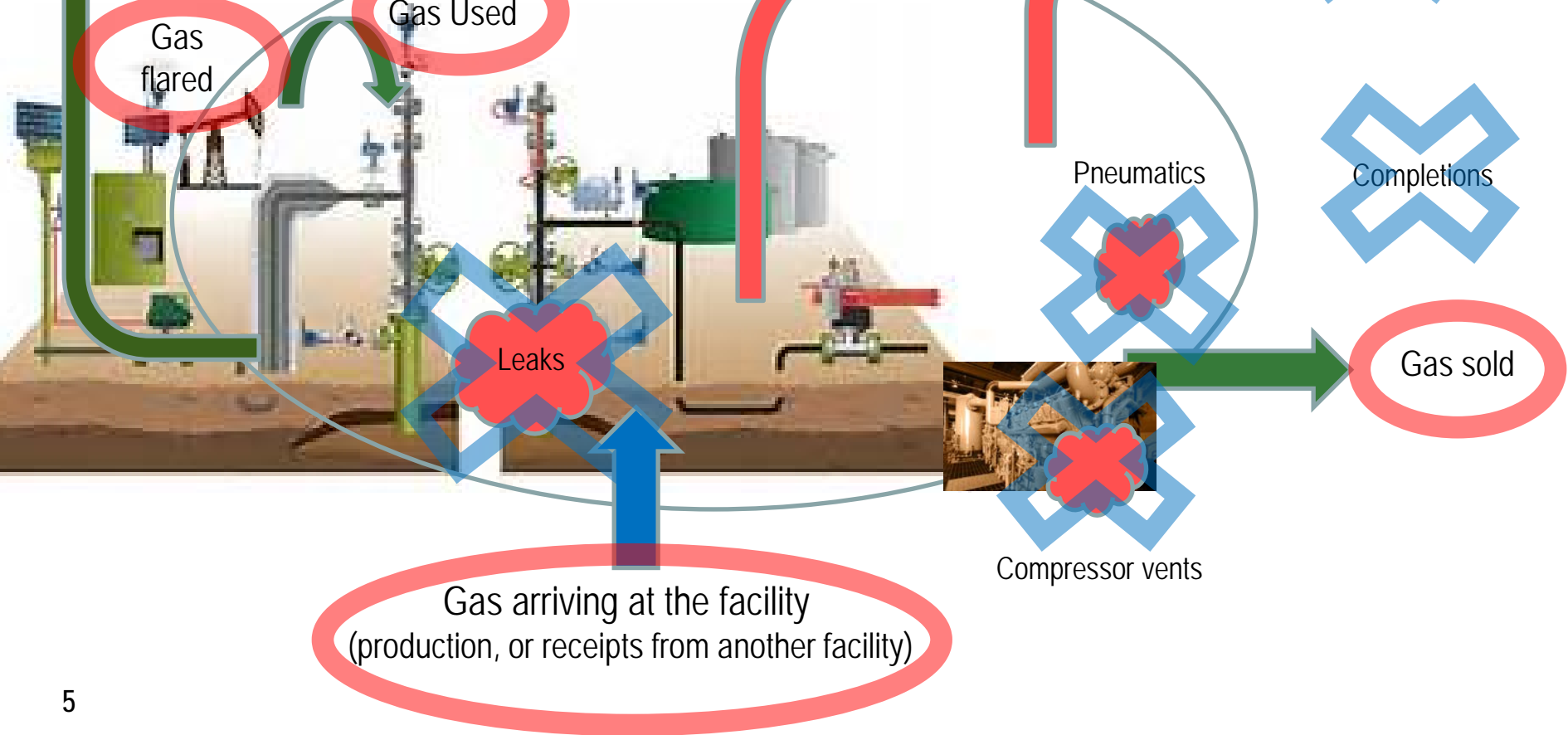
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Canadian Oil and Gas Sector Methane Emissions % by Source (2010 Clearstone)



AER

Where are the sources?



Regulatory Excellence

**AER
Regulatory
Strategy**



Principles

» Regulatory Design:

- Risk informed (worst-first, tailored)
- **Efficiency**
- **Performance based**
- **Adaptive**
- Aligned
- **Operationally feasible**
- Transparent
- Maximizing co-benefits

Regulatory Spectrum

Prescriptive

Market Based

Regulatory Development Options

AER Strategy

**Regulatory
Outcomes**

- » **Goal posts of success:**
- Environment: the 45% reduction
 - Economic: Regulatory Impact Assessment
 - Social: Stakeholder confidence
 - Innovation: Enable and enhance new technology

- » Tailored approach
- » Focus on lowest cost mitigation
- » Address largest sources first

An example: Risk Informed Marginal Cost

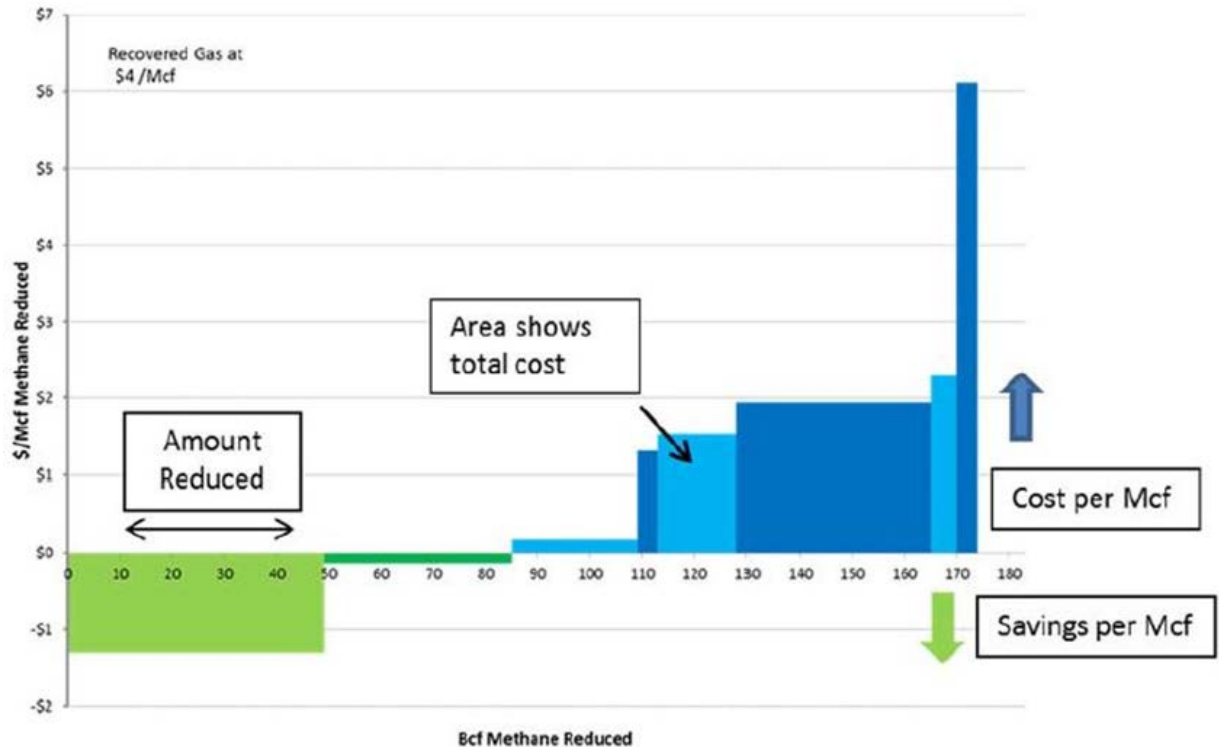


Image courtesy of Pembina/EDF



Questions



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