



The Right Honourable Justin Trudeau, P.C., M.P.
Prime Minister of Canada
Langevin Block
Ottawa, Ontario K1A 0A2

April 6, 2020

Dear Prime Minister Trudeau:

RE: Canada's Economic Outlook

Please accept our appreciation for your leadership and your government's as we face this current public health and economic crisis. Our members stand ready to assist in containing, eradicating and recovering from the COVID-19 virus.

The Canadian Energy Pipeline Association (CEPA) represents Canada's transmission pipeline companies who operate the majority of transmission pipelines in Canada, and many of the large pipelines in the United States. Our members move the vast majority of Canada's daily crude oil and natural gas from producing regions to markets throughout North America. CEPA members operate critical infrastructure that enables Canadians' well-being and quality of life. We are pleased to report that our systems continue to deliver this essential service in the face of today's unprecedented challenges.

We would like to acknowledge and thank your Ministers, the Honourable Jonathan Wilkinson and the Honourable Jean-Yves Duclos for their responses on April 2 to the initiative, led by the Business Council of Canada and supported by more than sixty of Canada's leading business associations. We appreciate their willingness to demonstrate flexibility in the application and enforcement of existing regulations that may be difficult to comply with, given the restrictions on movement of personnel and site access required by members' COVID-19 response. However, we continue to be concerned about the development of new legislation, policy and regulation that is not focused on our current national priorities of health, safety and economic recovery.

Canada's transmission pipeline sector understands the public's concerns regarding energy infrastructure and the Government's desire to ensure these systems are operated under the highest possible standards. With a global COVID-19 pandemic and the collapse in global oil markets, the Canadian economy, and the energy industry in particular, is under extreme duress.

Now is the time to defer the development of non-critical regulatory and policy proposals on issues unrelated to the current public health and economic crisis. Relief from these requirements would allow both industry and government to maintain focus on the continued safe operation of critical energy infrastructure.

The Canadian transmission pipeline industry is concerned with proposed regulatory and policy development pace in the midst of this unprecedented public health and economic crisis and without a



prior assessment of the health of our energy sector. These policy initiatives require capital and human resources to implement that distract from current health and safety management and recovery. The following policies are of specific concern:

- **Development of Clean Fuels Standards for the gaseous fuel stream** – given that no other jurisdiction in the world has developed a clean fuel standard for gaseous fuels, ECCC should be given more time to consult with industry directly to ensure they are aware of all issues and challenges at the beginning of regulatory development
- **UNDRIP legislation** – Government has indicated that this legislation will be implemented by the end of this year. Recent events have understandably interrupted the capacity and ability of parties to effectively participate in consultation on this legislation. As such, this legislation should be delayed until such consultation is able to be undertaken
- **Caribou protection orders** – Provincial governments have been working aggressively to establish new requirements to further protect caribou habitat and ensure an emergency protection order is not issued. Given Alberta's current extreme duress, it would be appropriate for the Government of Canada to allow enough time for Alberta refine and finalize its approach to protecting important habitat
- **Methane Regulation compliance** - With companies minimizing non-essential travel to, and non-essential staff at, their facilities/sites or enacting policies that deny site access to non-essential staff and non-company personnel, meeting the leak detection survey and subsequent repair requirements within the requisite timeframes is not feasible. Furthermore, delays in adopting and implementing other measures to meet current and future requirements of methane reductions and where these measures require equipment from or installation by third parties, will be impacted as well. A government relaxation of the 2020 leak detection frequency or deferral of leak detection requirements until it is safe to do so, would be recommended.

We support the Government of Canada's continued engagement with the Premiers of all provinces and Indigenous leadership to ensure a coordinated response that will allow our economy to weather these events and emerge stronger. One example of where the federal and provincial governments can work together to enable economic growth is through the continued support of ongoing pipeline construction projects. Construction efforts require the free movement of workers and goods across interprovincial and national boundaries and it is imperative that we all work together to ensure that this happens safely and efficiently to enable this important work to continue.

Projects like Trans Mountain Expansion, Keystone XL, Coastal GasLink and Enbridge's Line 3, as well as expansions/improvements to existing systems and the potential for massive investments in other areas, like petrochemicals are necessary for the growth of the Canadian economy. These investments benefit the whole Canadian economy, creating good jobs and contributing significantly to GDP growth.

This is a time of immense economic uncertainty which will be followed by tremendous opportunity as global recovery takes place. We look forward to your government, along with your counterparts in



Indigenous communities, the provinces and territories, working together to ensure that Canada is globally competitive and attracts investment to grow our economy for the benefit of all Canadians. CEPA and its members stand ready to help and we look forward to engaging with you and your government to ensure Canada recovers quickly.

Yours sincerely,

Chris Bloomer
President & CEO

cc: Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Intergovernmental Affairs
Hon. Bill Morneau, Minister of Finance
Hon. Jean-Yves Duclos, President of the Treasury Board
Hon. Seamus O'Regan, Minister of Natural Resources Canada
Hon. Navdeep Bains, Minister of Innovation, Science and Industry
Hon. Jonathan Wilkinson, Minister of Environment and Climate Change