



Response to Public Comments on CER Filing Manual and Electricity Filing Manual Revised Greenhouse Gas (GHG) Emissions and Climate Change Guidance

Outreach on the Draft Revisions to Filing Manuals

Draft revisions to the following documents were posted on the CER Filing Manual Updates page for a 90-day public comment period from 1 June 2022 to 31 August 2022:

- Filing Manual Guide A: GHG emissions and climate change entries in s. A.2, Table A-2 (Filing Requirements for Biophysical Elements) and s. A.3, Table A-4 (Filing Requirements for Economics and Financing), including draft supplemental guidance; and
- Electricity Filing Manual Ch. 6: GHG emissions and climate change entries in Table 6-2 (Filing Requirements for Biophysical elements) and Ch. 7: Table 7-1 (Filing Requirements for Economics and Financing), including draft supplemental guidance.

For additional background on the draft revisions, please refer to the appropriate “Regulatory Context and Summary of Gaps” document posted previously on the Filing Manual Updates page.

The objective of the CER’s outreach was to support broad external engagement and feedback opportunities on the draft revisions. A discussion paper, supplemental guidance, and a marked-up draft version were shared publicly to encourage comment. Notification emails with links to the draft revisions were sent to pipeline companies, environmental non-governmental organizations, Indigenous organizations, landowner associations, municipal organizations, and other groups. Overview presentations were provided to industry representatives and the Trans Mountain Expansion (TMX) and Enbridge Line 3 pipeline (Line 3) Indigenous Advisory and Monitoring Committees (IAMC).

Written comments were received from BMT Canada, Enbridge, Environment and Climate Change Canada (ECCC), IAMC-TMX Indigenous Caucus, Manitoba Hydro, Stantec Consulting Ltd., TC Energy, and Trans Mountain. All comments were posted on the [Filing Manual Updates](#) page. The CER thanks all who provided feedback.

Public Comment Summary and CER Response

The Filing Manuals provide direction and guidance to applicants regarding the information the CER would typically expect to see addressed in a filing and to ensure project design takes into account other requirements such as the Onshore Pipeline Regulations (OPR) and Electricity Regulations.

For the draft GHG emissions and climate change guidance, the CER received feedback on a wide variety of topics, including scalable approach and thresholds, mitigation measures and credible net-zero plans, climate resilience, and consultation with Indigenous communities.

The CER considered all comments and, where feasible and within the scope of the review, updated the filing guidance to address the feedback received. Many of the comments collected through this process will also be considered as we review other elements of our regulatory framework, including the OPR and other sections of our Filing Manuals.

Some public feedback addressed broader issues that were beyond the scope of a specific section of a guidance document like the GHG emissions and climate change section of the Filing Manuals. The CER is continuing its analysis on how these issues could be meaningfully implemented.

While many edits and improvements have been incorporated in the updated guidance, no new filing requirements have been introduced. The updates clarify existing filing requirements by refining the language and providing examples where appropriate.

The following section summarizes the main comments received and the CER's response to these comments, including how they were considered.

Scalable approach/thresholds

Comments:

- The proposed operational GHG emissions thresholds (> 10kT CO₂e/year) was supported, and it was noted that the same threshold could be applied to construction GHG emissions
- GHG and climate change assessment requirements for applications filed under the OPR (e.g., for deactivations, decommissioning and abandonment) were unclear
- There was support for a recommendation to ensure that a lower administrative burden, in terms of information requirements, is placed on low-emitting projects
- The examples of projects that may cause increases in upstream GHG emissions provided by the CER were not clear

Revisions:

- Finalized thresholds (for both construction and operational GHG emissions) for a scalable approach that would drive the level of information to be filed in an application: 10kT CO₂e/year
- Updated GHG flow charts to make the requirements proportional for projects with lower emissions

Mitigation measures and credible plans to achieve net-zero by 2050

Comments:

- There should be flexibility for applicants to allow for changes in available technologies, market, safety, and reliability considerations
- The CER should consider corporate Emission Reduction Plans instead of project-specific net-zero plans
- Guidance should include a list of potential construction-phase mitigation measures that could be considered by the applicant
- Guidance should include considerations around determining avoided emissions and use of offsets
- Prioritize avoidance and mitigation of GHG emissions over offsetting and carbon credits

- Guidance should reflect alignment with ECCC’s Strategic Assessment of Climate Change (SACC) and associated draft technical guides
- Guidance should ensure that the applicants fully outline the GHG and climate change impacts to sites of Indigenous significance

Revisions:

- Guidance now states that applicants must provide net GHG emissions in addition to total GHG emissions
- Guidance has been clarified regarding avoided emissions and offset measures by referencing ECCC’s guidance on these topics
- Guidance is now explicit about the prioritization of avoidance over offsetting

Comparison of a project’s GHG emissions to national total emissions

Comment:

- The CER should not require applicants to provide a quantified “percentage of total national, provincial or sector-based emissions” when a project’s GHG emissions are low

Revision:

- The requirement regarding comparison of the Project’s GHG emissions to total national emissions was removed. However, applicants are required to compare project’s GHG emissions to national sector-based emissions

Climate resilience

Comments:

- Add climate resilience to the supplemental guidance, as it is an important consideration
- Clarify expectations around climate resilience and keep it consistent with ECCC’s guidance

Revision:

- Expanded the filing guidance, including supplemental guidance, on climate resilience, and aligned it with ECCC’s guidance

Consultation with Indigenous Peoples

Comment:

- Oversight of net-zero plans, including monitoring, verification, and administrative penalties should be informed by Indigenous Peoples

Revision:

- Added filing guidance around consultation on net-zero plans with potentially affected Indigenous Peoples

Electricity Filing Manual guidance: relevance to power line applications

Comments:

- Remove the reference to ‘throughput’ in the Electricity Filing Manual
- Unclear what upstream or downstream is in relation to a power line; may be difficult to project or model

Revision:

- Clarified GHG filing guidance in the Electricity Filing Manual for power line projects by removing requirements that are not relevant to a power line application (e.g., GHG emissions from acquired energy sources)

Other Feedback Provided

The CER received additional feedback and comments through this review process that were not incorporated into the revised filing guidance. Below are summaries of these comments and the CER’s responses.

- Consider corporate net-zero 2050 Emissions Reduction Plan in lieu of detailed project-specific Filing Manual requirements for projects

Response: The current guidance states that corporate net zero plans can be considered for lower-emitting projects and expects applicants to describe how the project-specific GHG emissions are accounted for in the corporate plan. This is to ensure that there is clear accountability for GHG emissions reductions for a given project. The CER expects to see project-specific net-zero plans for projects that have higher emissions, as described in the GHG flow charts that are part of the guidance.

- Clarify expectations for GHG information to be provided for applications for decommissioning, abandonment, and reactivation within Guide A.2 of the Filing Manual

Response: Guide A.2 of the Filing Manual generally applies to new proposed projects and Figure 1 of the GHG flow chart in this Guide clarifies the requirements and guidance for applications filed under other sections of the CER Act and OPR. Specific requirements and guidance for applications under other sections of the CER Act, and OPR is provided in other Guides in the Filing Manual. In particular, recent updates to Guide B (Abandonment) and Guide K (Decommissioning) provide specific filing guidance regarding the assessment of GHG emissions. Guide H (Reactivation) refers applicants to Guide A.2 of the Filing Manual.

- Consider a threshold higher than the 10kT CO₂e/yr threshold for project-specific operational emissions as this appears to be a conservative threshold, essentially

requiring most projects that add gas driven equipment, such as compressor station unit additions, to prepare a project-specific net zero plan

Response: The 10kT CO₂e/yr threshold proposed for operational GHG emissions is aligned with ECCC's annual mandatory reporting threshold under the GHG Reporting Program. In setting the same threshold, the CER is looking to minimize differences in reporting expectations for federally regulated companies.

- Consider adding a list of potential construction-phase mitigation measures that could be considered by the applicant

Response: The CER's filing guidance avoids prescriptive guidance around mitigation measures. Rather it provides the flexibility for regulated companies to propose mitigation measures that may be appropriate for the project.

- Consider downstream emissions in a project review

Response: The GHG and climate change guidance is aligned with ECCC's SACC and associated draft technical guides, which state that an estimate of downstream GHG emissions is not required. The CER Act requires that the Commission must consider the extent to which the effects of the project hinder or contribute to the Government of Canada's ability to meet its environmental obligations and its commitments in respect of climate change. The CER's project assessment involves considering direct GHG emissions from construction and operations of the proposed project, and indirect GHG emissions from any acquired energy source (for example from a third-party).

- Filing guidance on GHG and climate change should ensure that applicants fully outline the impacts to sites of Indigenous significance

Response: GHG emissions and climate change can impact sites of Indigenous significance. However, because of the cumulative nature of GHG emissions and climate change, it is not practical to attempt to draw a direct link between project-specific emissions and impacts to sites of Indigenous significance. The CER intends to consider how best to reflect this comment in broader updates to its Filing Manuals and, in particular, in considerations around potential impacts to sites of Indigenous significance as part of the Environmental and Socio-economic Assessment and the Assessment of Impacts to Indigenous Rights and Interests that are undertaken for each proposed project. This comment will also be considered as the CER reviews other elements of the regulatory framework, such as the OPR.

- Implement United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration) to fully recognize Indigenous governing bodies to protect their rights from climate-related impacts

Response: The CER is committed to advancing Reconciliation with Indigenous Peoples in a manner that is consistent with the UN Declaration and is in the early stages of working through how to effectively do this across the organization. We acknowledge the importance of working with Indigenous peoples to ensure the protection of rights from

impacts of the facilities we regulate, including climate-related impacts. The CER will work to address this comment in its broader review of the Regulatory Framework, which includes the Filing Manual.

Comments were also received on CER engagement processes and coordination with other federal initiatives. While these have not resulted in changes to the GHG filing requirements and guidance, they have been shared with the CER engagement teams and will be considered for future engagement.

Next Steps

The revised GHG and Climate sections have been published on the CER website and are now in effect. Per previous practice, a banner notice will be displayed on the CER home page, and a broad list of interested parties will receive an email linking to the new Guidelines.

A history of updates to the Filing Manuals can be found at:

Filing Manual: <https://www.cer-rec.gc.ca/en/applications-hearings/submit-applications-documents/filing-manuals/filing-manual/history-filing-manual-updates.html>

Electricity Filing Manual: <https://www.cer-rec.gc.ca/en/applications-hearings/submit-applications-documents/filing-manuals/electricity-filing-manual/history-filing-manual-updates.html>