

Natural Resources Centre

2021 WORK PLAN

Remaining competitive in times of change

The events of 2020, including the global spread of COVID-19, the associated lockdowns and the election of a new government in the United States, have accelerated a number of trends that have been building for a while. These include a growing volatility in demand for oil and gas, an increase in climate legislation, a stampede of investment to those companies that can demonstrate responsible performance and the steady growth of cleaner energy sources. These forces continue to shape the demand for Canada's vast resources, expertise and ingenuity.

They also continue to shape the landscape of opportunity that exists for Western Canada, as well as the challenges we face.

In 2021, we will continue to work on the issues that need to be resolved for Canada to make its way to the front of the line as a preferred, responsible supplier. And we will continue to make our voice heard – through balanced and evidence-based analysis, influential speaking engagements and media events.

POLICY GOAL

Carbon and climate policies that benefit the West

As home to many energy-intensive, high-emissions industries, Western Canada is particularly sensitive to the effects of carbon and climate policies. This creates both opportunities and risks. When policies complement each other, opportunities to achieve emission reduction goals are enhanced. But when they overlap or contradict each other, it can create confusion, increase costs, reduce competitiveness and undermine climate outcomes. In 2021, we will continue to focus on what works and what doesn't, and how the West can prosper in this rapidly changing environment.

In 2021, our major areas of focus will include:

- **U.S. energy and climate policy.** The decisions made under the new Biden administration will have enormous implications for Canada. We will keep a close eye on the implications of evolving U.S. policy on energy and climate, and what can be done to ensure Western Canada's interests are aligned with our giant neighbour to the south.
- **Offset opportunities.** As governments and companies across the country and around the world pledge to achieve net-zero emissions, demand for carbon offset credits to balance remaining GHG emissions is rapidly increasing. This project will look at requirements to support the development and scaling of offset opportunities that promote investment in Alberta and the West generally; we will convene government, industry, academic and other organizations at a James A. Richardson Discovery Roundtable to elicit feedback as we continue this work.

POLICY GOAL

Responsible energy for the future

In Western Canada and around the world, the energy sector is rapidly transforming to one that promises to be cleaner, greener and more efficient. In 2021, we will continue to help Canadians understand what responsible energy development should look like – and we will continue to advocate for the choices that make sense both locally and globally.

- The *Energy Innovation Brief* was launched in 2020 and has proven to be popular with a broad audience who want to be informed about technical and business innovations in the energy sector. We will continue to publish the *Brief* throughout 2021.
- Environmental, social and governance (ESG) factors are increasingly driving investment decisions, corporate actions and public opinion. Our work in 2021 will focus on helping Western Canada's energy companies, governments and other stakeholders understand the value of not only adopting ESG practices but going beyond current approaches to build trust, reduce risk and attract investment.
- We will continue to assess policy implications and produce recommendations for how Canada can best capitalize on emerging opportunities with nuclear energy, hydrogen, a more integrated electricity grid and other evolving technologies.

POLICY GOAL

Profiting from cleantech innovation

Western Canada is rife with innovators – and cleantech innovation can lead to both economically and environmentally positive outcomes. Our work in 2021 will focus on areas where policy decisions will play a central role in either bolstering success or creating challenges for cleantech innovators. Our projects in this area have us working with a broad range of partners, including energy innovators, technology adopters, accelerators, regulators, government agencies, law firms and others to create an ecosystem in which cleantech innovation can thrive.

- The L.E.A.D. project (Leveraging Energy Assets for Diversification) was started in 2020 in collaboration with the Energy Futures Lab. In 2021, the project will provide recommendations to amend legislation and regulations in Alberta that hinder the repurposing of inactive oil wells and facilities for new energy uses, such as solar, geothermal or lithium extraction.
- Our analysis of the Alberta clean energy ecosystem, undertaken with the Alberta Clean Technology Industry Alliance (ACTIA) and the Foresight Cleantech Accelerator, will help identify where Alberta has specific strengths in cleantech and how government and other actors can best support cleantech businesses and build Western Canada as an energy cleantech powerhouse.
- We will produce a report on the different types of policy levers that governments – federal, provincial or municipal – can use to attract investment for Western Canada's energy transition.