

February 6, 2025

# Dear Candidate,

Congratulations on your decision to run for the Liberal Party of Canada. I am writing to you in my capacity as CEO of Energy NL, the industry association which represents over 500 member companies and organizations engaged in the Newfoundland and Labrador energy industry supply and service sector.

As you conduct your campaign to become leader, and thus Prime Minister of Canada, Energy NL requests you provide answers to several important questions pertaining to the Canadian energy industry, and in particular their impact on the Newfoundland and Labrador energy industry. Energy NL will be informing its membership of our request for each candidate to answer our questions, and we will provide each leadership candidate's response to our members.

#### Question 1

What is your vision of the energy industry in Canada and where does the Newfoundland and Labrador energy sector place in that vision? Does your vision for the energy industry include a vibrant and growing oil and gas sector? How will you communicate your vision to the Canadian public and how will you communicate your vision to the international energy investment community?

Energy NL has serious concerns about how the Government of Canada is enacting policy regarding the oil and gas sector and how it approaches supporting this economic driver. The proposed Oil and Gas Sector Greenhouse Gas Emissions Cap Regulations is a leading cause of concern for Energy NL members as the regulations specifically target the Canadian oil and gas industry in a punitive manner and stand to have a devasting effect on the industry. Newfoundland and Labrador will not be spared these impacts. As confirmed by analysis of Wood Mackenzie, which Energy NL commissioned to review the regulations, the proposed approach will curtail production and limit future growth of a sector that is the leading contributor to Newfoundland and Labrador's GDP. This will result in significant job losses and decreased revenue at all levels of government that are used to provide services to residents. This curtailment will significantly impact Energy NL members and their operations. The regulations also violate the Atlantic Accord. Energy NL has outlined its concerns in detail in our submission as part of Canada Gazette I which can be read here. While Energy NL and its members believe in emissions reduction and being stewards of our environment, we do not support the implementation of these detrimental regulations, nor does the Government of Newfoundland and Labrador.

# Question 2

As Prime Minister, will you cancel the planned implementation of the Oil and Gas Sector Greenhouse Gas Emissions Cap Regulations? If you cancel the implementation of the regulations,

do you plan to provide new direction to the Minister of Environment and Climate Change Canada to address this issue, and if so, what will that direction be?

## Question 3

Given concerns about both energy security and export markets, will you enact policies that will make the development of energy projects more efficient? Similarly, will you undertake an approach that supports the Canadian oil and gas sector to provide a product produced with world-leading ESG standards – and in the case of Newfoundland and Labrador, 30% below the global average for emissions at extraction – to supply global demand?

As a new administration in the White House looks to exert economic might, Energy NL members are deeply concerned about the impacts of a tariff and trade impasse with the United States.

## Ouestion 4

Despite a last-minute reprieve, Canada faces a significant economic threat from the United States government as it may impose substantial tariffs on Canadian goods. How will you support energy companies, including the supply and service sector, and their employees impacted by these tariffs? Given the lingering possibility of punishing tariffs being implemented in March, do you support allowing the oil and gas sector to once again be eligible for the Atlantic Investment Tax Credit so that companies can continue to grow during a potentially challenging economic period and replace or upgrade their infrastructure and equipment, including with greener alternatives and help governments achieve net zero emission commitments.

Newfoundland and Labrador has tremendous renewable energy potential and progressing the industry will require a supportive federal government as developers look to make substantial financial investments.

## Question 5

Given the significant potential of renewable energy in Newfoundland and Labrador, as Prime Minister, will you support continued investment in renewable energy in the form of measures such as investment tax credits?

#### Question 6

Newfoundland and Labrador has significant potential for carbon capture and storage (CCS) offshore, with studies showing the potential to store 92.5 gigatons. Will you support the development of regulations to allow for CCS storage offshore Newfoundland and Labrador through collaboration with the Government of Newfoundland and Labrador and the Canada-Newfoundland and Labrador Offshore Petroleum Board?

Thank you in advance for taking the time to answer these questions from Energy NL and inform our members about your energy policy approach. I also ask you to provide your responses by February 21, 2025 so that we have the opportunity to share them with our members for consideration prior to March 9, 2025. You can provide your responses to me via <a href="mailto:cjohnson@energynl.ca">cjohnson@energynl.ca</a> and copy <a href="mailto:info@energynl.ca">info@energynl.ca</a>.

I am certainly willing to discuss these questions or Newfoundland and Labrador energy industry issues with you at any time. Please do not hesitate to contact me at your convenience to do so.

Sincerely,

Charlene Johnson

CEO

Energy NL