









Jacobs Environmental Regulatory Insights, Canada

THIRD EDITION | JANUARY 2024

Welcome to Jacobs Environmental Regulatory Insights, Canada third edition, which features insights by Jacobs' regulatory and Indigenous engagement experts, along with links to additional information on current environmental planning and regulatory topics.

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| Supreme Court of Canada Rules that Federal Impact Assessment Act is Unconstitutional

On May 10, 2019, the Government of Canada enacted the *Impact Assessment Act* (the "IAA") alongside the *Physical Activities Regulations* (Regulations), aiming to strengthen and bring clarity to federal environmental impact assessment in Canada. The Regulations define categories of projects and specific thresholds for those projects that would be reviewable under the IAA's assessment processes. This IAA sought to scrutinize the environmental, health, social, and economic impacts of significant projects, extending its reach both within Canada and internationally. However, this broad regulatory ambition triggered a constitutional challenge, raising critical questions about the reach of federal authority over the environment.

On May 10, 2022, the <u>Alberta Court of Appeal</u> handed down its advisory-only decision on the constitutionality of the *IAA*. The Court of Appeal's majority declared the *IAA* and the Regulations unconstitutional in their entirety, a verdict that was then escalated to the Supreme Court of Canada. On October 13, 2023, the Supreme Court of Canada released its decision in *'re Impact Assessment* Act, 2023 SCC 23', which considered whether the IAA was constitutional or whether the legislation exceeded, or went beyond the scope of the federal government's legislative authority. The Supreme Court of Canada held that with the exception of ss. 81-91 of the IAA dealing with projects on federal lands, the balance of the scheme was unconstitutional.

The decision appears to reaffirm that the federal government must narrow its assessment and decision-making factors to adverse environmental effects within federal jurisdiction. The court concluded that the *Regulations* unduly extends the scope of the federal government's powers to matters that are reserved to the provinces under the Constitution, including the right of provinces to manage their natural resources. For example, under the *IAA*, the federal government can prohibit a designated project that is within provincial jurisdiction from proceeding even if no

federal permit is otherwise required for that project. The Supreme Court reasoned that the *IAA* subjects all provincial industries, including a province's development of its natural resources, to federal regulation and gives Parliament an effective veto power that undermines the division of powers under the Constitution.

On October 26, 2023, stating its recognition of the importance of regulatory certainty to major project proponents, Indigenous nations, and Canada's investment climate – the Impact Assessment Agency of Canada (IAAC) released a <u>Statement on the Interim Administration of the Impact Assessment Act Pending Legislative Amendments</u>. This statement confirmed that the federal government intends to amend the IAA to more clearly focus on the prevention of adverse environmental effects within federal jurisdiction and will remain consistent with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) to provide opportunities for meaningful engagement and participation of Indigenous Peoples in the assessment process. IAAC also stated that the amended IAA will also continue to include robust cooperation tools for working with provinces in a way that more clearly reflects the respective federal and provincial areas of focus.

Jacobs continues to closely track these pending changes to the IAA and is here to help you navigate the ever-evolving regulatory environment in Canada! Reach out to Jacobs' Regulatory Advisor and former IAAC analyst Sonya Meier for more information.



Sonya Meier

| Jacobs' Regulatory Advisor Invited as Expert Impact Assessment Practitioner at IAAC Roundtable

In November 2023, our Jacobs' regulatory expert, Jason Smith, was invited by IAAC to participate in a two-day impact assessment practitioner roundtable discussion in Ottawa facilitated by the Canada West Foundation to help inform and improve regulatory efficiency in Canada! Roundtable participants included external impact assessment experts from the private sector, federal agencies, and the privy council office. In light of the recent Supreme Court Decision on the constitutionality of the *IAA* and pending updates to the Act, ongoing application of UNDRIP, and the complexity of impact assessments in Canada – IAAC was looking for feedback and discussion on challenges and ways to improve how it applies its mandate to protect the environment, while promoting and supporting sustainable development. Roundtable participants discussed ways to achieve faster and more efficient regulatory processes by improving IAAC capacity and culture, fostering better collaboration and coordination between agencies, and focusing on sector-specific approaches.

Reach out to Jacobs' Regulatory Expert <u>Jason Smith</u> for more information about this workshop and how anticipated changes to the IAAC could affect your projects.



Jason Smith





| Modernization of Habitat Offset Policy in Canada and Current Regulatory Challenges

When conducting an environmental assessment, a key consideration in predicting residual effects are the mitigation measures that are proposed to be applied during construction and operation of the project. The mitigation hierarchy is a common approach both federally and provincially that potential effects to habitat should be avoided altogether, minimized, restored on-site, or offset. The Government of Canada is currently engaging on a <u>Draft Offsetting Policy for Biodiversity</u> and federal policies undergoing review and modernization including those for <u>fish and fish habitat</u>, <u>wetlands</u>, and <u>species at risk</u> with an objective of no net loss of habitat.

However, there is a lack of consistent, wholistic policy or guidance for offsets related to wildlife species at risk or protected areas. Determining fish habitat and wetland offset requirements can also be difficult with existing guidance and vary by jurisdiction and project. For projects in and around fish habitat, there is inconsistency between what types of effects have required offsetting. Jacobs has seen an increase in offsetting requirements for temporary and indirect effects to fish habitat (such as, riparian vegetation clearing). Guidance from regulators is also lacking for quantifying, valuing, and comparing fish habitat offsets to potential project effects (such as offset amounts and ratios). In some provinces, such as Alberta, offsetting approach is made clearer by policy (such as Alberta Wetland Policy), and some of these out-of-province policy approaches have been successfully used for projects in B.C. to devise appropriate wetland function offsets.

It is commonly left to the project proponent to quantify offsetting requirements and propose offsetting plans as part of regulatory approvals and these are increasingly being challenged by Indigenous nations, regulators, and stakeholders in terms of their adequacy in achieving no net loss. For example, federally-regulated projects with effects to woodland caribou critical habitat have been subject to offset requirements for over a decade, and some energy development projects have been conditioned with offset requirements for species at risk, protected areas, and other values like riparian areas and native grasslands. Industry-designed offset methods for caribou habitat have been challenged by Indigenous groups and others, and in recent years the federal government drastically increased the offset requirements by requesting up to 30:1 offset ratios for boreal caribou habitat in Alberta.

In other cases, the requirements for habitat offsets are more clearly defined. With the Blueberry River <u>Yahey court decision</u> in northeast B.C., habitat offsets are now required to address cumulative effects in Treaty 8 territory. These offset requirements are reasonably well defined. The province of BC uses an interim <u>Habitat Offset Decision Support Tool</u> that takes into account residual effects, uncertainty, risk and time lags associated with offset measures, and applies algorithms to calculate

offset ratios. The tool has been in circulation as a pilot program for several years and has recently undergone refinements to address problems that were identified by Jacobs' experts and other practitioners. Currently B.C. is collaborating with Environment Canada and Climate Change to further refine the tool with the objective of adopting it as federal policy or official guidelines to support consistent and defensible offset calculations. Given recent planning with pipeline projects in B.C., the tool has returned offset ratios that are relatively high for environmental disturbance such as temporary wetland function loss during pipeline construction (starting at 8:1), but the outputs of the tool may be adjusted through conversations with the appropriate regulator to determine final offset amounts on a case-by-case basis.

Jacobs has been a leader in ecosystem offset program design and implementation for energy development projects for decades, helping to design fair and effective offset programs that meet regulatory requirements. We have been working with the Province of B.C. to support their testing of the Habitat Offset Decision Support Tool. Jacobs' Fish Habitat Expert Mike Climie, Wildlife Habitat Expert Jody Bremner, and Wetland Function Expert Grace Mitchell are here to help your project strategically navigate the changing offsetting regulatory environment.







Jody Bremner



Grace Mitchell

| Treaty 8 Nations Challenge Blueberry River Agreement with Province of B.C.

In the last issues of Regulatory Insights, we discussed how Indigenous reconciliation is being underscored by new legislation and court decisions, including the introduction of the federal *United Nations Declaration on the Rights of Indigenous Peoples Act* to support the implementation of UNDRIP and recent Supreme Court of B.C. decisions regarding cumulative effects and Aboriginal rights.

On June 29, 2021, the <u>Supreme Court of B.C. released its decision</u> in which it ruled that the hunting, fishing, and trapping rights of the Blueberry River First Nations (BRFN) under Treaty 8 in northeast B.C. had been significantly and meaningfully diminished by the cumulative effects of industrial developments within BRFN's traditional territory over the past 120 years, including forestry, oil and gas, mines, renewable energy, and agriculture. The Court also asserted that B.C.'s regulatory mechanisms for assessing and taking into account cumulative effects are lacking and have contributed to the breach of its obligations under Treaty 8 and that B.C. may not authorize further activities that breach the promised treaty.

On January 18, 2023, the B.C. government and BRFN reached an agreement (Blueberry River First Nations Implementation Agreement) to guide a partnership approach to land, water and resource stewardship so that BRFN members can meaningfully exercise their Treaty 8 rights. The agreement establishes disturbance caps for things like oil and gas extraction that are intended to limit the amount of new disturbances to the land in high-value areas. BRFN and other Treaty 8 nations in B.C. – and Alberta – occupy territory that is in the natural gas-rich Montney formation. The new implementation agreement puts restrictions on activity in certain areas designated "high value."

Two days later, on January 20, 2023, the Province announced agreements with four other Treaty 8 First Nations (Doig River First Nation, Halfway River First Nation, Fort Nelson First Nation, and Saulteau First Nations) covering similar objectives. The agreements, made publicly available on March 10, 2023, resulted in significant changes in how permits are issued in northeast, and where and how development may occur, with implications for the Petroleum and Natural Gas and forestry industries. The Province also announced that discussions are ongoing with the other three Treaty 8 First Nations in B.C. (West Moberly First Nations, Prophet River First Nation, and McLeod Lake Indian Band).

However, in signing an agreement with BRFN, the B.C. government is now potentially impinging on the rights of other Treaty 8 First Nations whose territories overlap with BRFN. Doig River First Nation and Halfway River First Nation – are now going to court to challenge that agreement. In a September 22, 2023, petition to the B.C. Supreme Court, the Halfway River First Nation seeks a declaration that the B.C. government breached its duty to consult the First Nation by "misrepresenting" the BRFN implementation agreement. In a October 5, 2023 filing to the B.C. Supreme Court, the Doig River First Nation is seeking a judicial review of the government's decision to implement the BRFN Implementation Agreement and an order that the province "refrain from authorizing activities pursuant to the terms of the BRFN Agreement that have the potential to adversely affect Doig's treaty rights without Doig's consent until appropriate accommodation measures have been put in place."

These decisions may have important implications, both within and outside B.C., for governments and resource development companies navigating the environmental assessment regulatory process in Treaty 8 Traditional Territories across an area approximately 38,000 square kilometres of B.C. Other Treaty 8 Nations in northeast B.C. and other treaty nations in Canada are now relying on the BRFN Supreme Court Decision to assert similar claims on their territories. These challenges could materially increase regulatory risks for new infrastructure projects in northeast B.C. and could extend to other areas in Canada where similar claims may be made. Current approaches to assess cumulative effects provincially and federally will likely evolve based on current consultation and negotiation between B.C. and Treaty 8 nations to establish timely and enforceable mechanisms to assess and manage cumulative effects on treaty lands due to industrial developments.

To avoid potential delays while navigating the environmental assessment and permitting process influenced by recent court decisions, Jacobs recommends the following approaches:

- Proactive engagement with Indigenous groups when initiating projects with a focus on consensus seeking
- Adapt to input from early Indigenous engagement regarding project scope (such as routing) and planning
- Focus on building long-term relationships with Indigenous groups in regions where your company will have a long-term presence
- Seek to reach agreements for Indigenous involvement in project planning, environmental monitoring, and sharing of economic benefits
- Obtain the necessary regulatory authorizations for activities and strictly comply with those authorizations to avoid any adverse effects that would not be considered inevitable results of these authorizations

Jacobs environmental assessment practitioners are experienced in navigating these challenges and are poised to help you understand risks and potential strategies for an efficient and successful environment assessment. Reach out to <u>Matt Mosher</u> or <u>Julie Swinscoe</u> for more information.



Matt Mosher

Julie Swinscoe



Treaty 8 Map

| Province of B.C. Announces New Energy Action Framework

The Province's has announced a new energy action framework to cap emissions and electrify the clean economy. The framework builds on actions outlined in Clean BC to drive clean economic growth, while helping the Province meet its legislated climate targets.

The oil and gas industry is currently responsible for around 50% of industrial emissions and 20% of B.C.'s total emissions. The sectoral target for the oil and gas industry aims to reduce emissions 33% to 38% below 2007 levels by 2030. The CleanBC Roadmap to 2030 committed that the Province would implement policies and programs to ensure the oil and gas sector meets its sectoral targets. The Province has legislative authority under the Greenhouse Gas Industrial Reporting and Control Act to regulate emissions from industry. The framework will support B.C.'s climate commitments and create new opportunities for people in clean energy and technology. The federal government has also committed in December 2023 to implement a nationwide cap on oil and gas sector emissions as part of Canada's climate plan.

Under the Province's framework, proposed LNG facilities in B.C. will be required to have a credible plan to achieve net-zero emissions by 2030 in order to proceed through the environmental assessment process. This may involve adopting bestin-class technology to reduce emissions as much as possible and offsetting their remaining emissions through high-quality, verified carbon offset projects. To achieve net-zero, LNG terminals will need to be fully electrified.

The new framework builds on the recent approval of Cedar LNG, a Haisla Nation-led project that will be the largest First Nations majority-owned infrastructure project in Canada and play a key role in the Haisla's economic development over the next four decades. Cedar LNG Partners is a Haisla majority-owned partnership with Pembina Pipeline Corporation. They proposed to build and operate the electrified floating liquefied natural gas (LNG) facility and marine export terminal in Kitimat on Haisla Nation-owned land, to be supplied with natural gas from the Coastal Gaslink pipeline that is under construction. The project assessment involved extensive consultation with technical experts, federal and provincial agencies, local governments, First Nations and the public. The project will be one of the lowest-emitting facilities of its kind in the world. The Province will enter into an memorandum of understanding with the Haisla Nation to help achieve further climate objectives, including exploring ways to enhance environmental performance and lower emissions to near zero by 2030.

Under the new energy action framework, the Province will:

• Require all proposed LNG facilities in or entering the environmental assessment process to pass an emissions test with a credible plan to be net zero by 2030

- Put in place a regulatory emissions cap for the oil and gas industry to ensure B.C. meets its 2030 emissions-reduction target for the sector
- Establish a clean-energy and major projects office to fast track investment in clean energy and technology and create good, sustainable jobs in the transition to a cleaner economy
- Create a BC Hydro task force to accelerate the electrification of B.C.'s economy by powering more homes, businesses and industries with renewable electricity

In December 2023, Clean Energy and Major Projects Office (CEMPO) was established within the Ministry of Energy, Mines and Low Carbon Innovation to help attract private-sector investment and lead clean energy development in B.C. CEMPO is the main point of contact for proponents looking to bring clean energy projects to B.C., as well as for major projects currently underway in the province. It will work across government to help clean energy projects - including hydrogen, biofuels, and renewable natural gas - navigate regulatory processes, access provincial programs, and reach final investment decision. What was formally known as the BC Hydrogen Office (BCHO) is now part of the CEMPO, which continues to provide focused support to hydrogen projects. It will also continue to monitor implementation of already approved projects. Project proponents can engage with the CEMPO as early as the conceptual stage of their project. There will be a need to connect with other ministries and regulators as well, but the CEMPO can provide guidance through each phase of a project lifecycle.

The new BC Hydro task force will work to electrify B.C.'s economy and industry as the province transitions to a clean-energy future. It will accelerate the planning and procurement of new infrastructure needed to power B.C.'s economy with clean electricity instead of fossil fuels, while keeping rates affordable. It will also identify and advance Indigenous ownership opportunities in future electricity generation and transmission investments. The task force will include senior officials from the Province and BC Hydro, Indigenous representation, and independent expertise.

Jacobs's is currently working on an environmental assessment application for the FortisBC Phase 2 Expansion proposing to reaching net zero carbon emissions by 2030. Reach out to <u>Matt Mosher</u> or <u>Jason Smith</u> about the strategies and approaches to help meet B.C.'s regulatory approvals requirements.



Matt Mosher



Jason Smith

| First Regional Energy and Resource Tables Collaboration Framework and Initial \$100 million Investments for Accelerating a Low-Carbon Economy

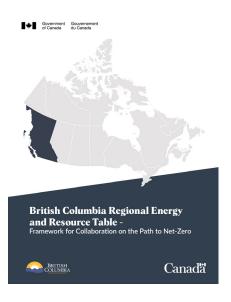
In June 2023, a Collaboration Framework was announced between the Government of Canada, the Government of B.C., and the First Nations Leadership Council to work together to build a net-zero economy. The Canada—British Columbia Regional Energy and Resource Tables (B.C. Regional Table) is the primary forum for this collaboration. The Regional Energy and Resource Tables are partnerships between the federal government and individual provinces and territories, in collaboration with Indigenous leaders, to align efforts and seize key economic opportunities enabled by the global shift to net zero. These Tables seek robust input from partners including industry and labour.

The British Columbia Regional Energy and Resource Table: Framework for Collaboration on the Path to Net Zero (Collaboration Framework) identifies six strategic areas of opportunity that have the potential to contribute to building an economy in an increasingly low-carbon world: clean fuels/hydrogen, electrification, critical minerals, forest sector, carbon management technology and systems, and regulatory efficiency.

The Collaboration Framework is the first of its kind to emerge from the nine Regional Tables launched to date. It lays out a long-term vision for building an inclusive and prosperous net-zero future in B.C. Central to the B.C. Regional Table is an acknowledgment that the integration of First Nation perspectives is critical to realizing a low-carbon economy that is grounded in respect, recognition and reconciliation, and that First Nations are full participants and beneficiaries. This approach will also align with Canada and B.C's adoption of the *United Nations Declaration on the Rights of Indigenous Peoples Act*.

Canada and B.C. have agreed to:

- Work with First Nations, and with the participation of industry, on an approach to accelerate the regulatory and permitting processes for clean growth projects in a manner consistent with the *United Nations Declaration on the Rights of Indigenous Peoples Act*
- Advance intra-provincial clean electricity infrastructure with a particular focus on the North Coast
- As part of the Government of Canada and the Government of B.C.'s commitment to build a competitive and clean economy, the Collaboration Framework is complemented by initial federal and provincial investments of over \$100 million that include:



<u>British Columbia Regional Energy and</u> Resource Table

- Up to \$48.7 million to support production projects and feasibility studies related to hydrogen and other clean fuels from Natural Resources Canada's (NRCan) <u>Clean Fuels Fund</u>. This includes \$14.4 million for Andion and Semiahmoo First Nation's Renewable Natural Gas Facility and \$10.5 million for EverGen Infrastructure Corp.'s Pacific Coast Renewables RNG Expansion Project.
- A \$15 million contribution from the <u>Strategic Innovation Fund</u> for AVL Fuel Cell Canada Inc. to support a portfolio of innovative hydrogen fuel cell technologies and world-class engineering solutions for customers in the global transportation sector.
- Up to \$10.8 million from NRCan's <u>Clean Energy for Rural and Remote</u>
 <u>Communities program</u> to support capacity building, demonstration projects
 and feasibility studies in rural, remote and Indigenous communities to reduce
 their reliance on diesel through renewable energy projects, enhanced energy
 efficiency, and local skills and capacity building.
- More than \$12.3 million for projects, research and development, and promotional activities to strengthen the provincial forest sector's competitiveness and sustainability while encouraging greater use of wood in non-traditional construction.
- Over \$6.7 million for projects from the <u>Smart Renewables and Electrification</u>
 <u>Pathways</u> program to support clean energy projects and critical regional priorities, including capacity building, and feasibility studies to support Indigenous communities.
- On May 2, 2023, the First Nations Energy and Mining Council and First Nations
 Forestry Council hosted a <u>First Nations workshop</u> that provided early perspectives

on the opportunity areas and action items. As work progresses, partners will continue to seek the expertise and insights of First Nations. Broad engagement with industry, labour groups, and key stakeholders will also continue to be an integral part of the process.

For more information and to discuss how your planned project may benefit from these programs, reach out to Jacobs' Canada Regulatory Expert, Sonya Meier, and Jacobs' global carbon management leader, Doug Huxley.





Sonya Meier

| Ontario Proposes New Environmental Assessment Legislation

The Ontario Ministry of the Environment, Conservation and Parks (MECP) is undertaking a modernization of environmental assessment in Ontario. The intent of the modernization is to focus the environmental assessment process on projects with a higher potential for environmental effects, while reducing duplication to improve service and reduce delays. The proposed changes would allow focus on high-impact projects, cut the average review time in half for the largest projects, and allow infrastructure projects to move forward more quickly.

MECP first presented a plan for a more modern and efficient environmental assessment program in a 2019 Modernizing Ontario's Environmental Assessment <u>Program discussion paper</u> and launched consultations with industry, municipalities, Indigenous communities, and the public. Following these consultations, MECP made changes to the Environmental Assessment Act (EAA) through Bill 108, More Homes. More Choice Act, 2019. These changes exempted low-impact projects, such as bike lanes and roadside parks, from environmental assessment requirements. In July 2020, the COVID 19 Economic Recovery Act. 2020, amended the EAA, beginning the proposed transformation of the environmental assessment program. On September 11, 2020, MECP proposed a list of projects which would be subject to comprehensive EA requirements. The July 2020 amendments to the EAA enabled the move to a project list approach, which means that projects that require a comprehensive environmental assessment (previously known as an individual environmental assessment) will be listed in the regulation rather than being based mainly on who is proposing the project.



The ministry will be moving forward with developing and consulting on implementing regulations and other modernization initiatives to:

- · Clearly identify the projects that require an environmental assessment
- Replace class environmental assessments with a streamlined assessment framework that has consistent requirements
- Reduce the amount of time it takes to complete the comprehensive environmental assessment process from six years on average to three years
- · Allow for online submissions of environmental assessments to improve accessibility, timelines and sharing of information
- Develop standardized work plans for selected sectors to get important infrastructure built faster
- · Improve coordination of provincial and federal environmental assessments

In August 2023, the some of the first changes included the Ontario government amended three existing regulations:

- Amendments to Ontario Regulation 101/07 (Waste Management Projects) made under the EAA to change the environmental assessment requirements for certain landfill expansion projects and to make the Minister the decision maker for elevation requests.
- Amendments to Ontario Regulation 231/08 (Transit Projects and Metrolinx Undertakings) made under the EAA to authorize the Minister to amend or revoke conditions that were previously imposed on a transit project
- Amendments to Regulation 334 (General) made under the EAA extend the current exemption for projects or activities related to land claim settlements to include Crown undertakings related to any settlement of the Algonquins of Ontario land claim.



<u>Discussion Paper: Modernizing Ontario's</u> <u>Environmental Assessment Program</u>

- Updates to the Guides to environmental assessment requirements for waste management and electricity projects to align with regulatory changes including previous amendments made with respect to thermal treatment sites engaging in advanced recycling, and to make the Minister the decision-maker for elevation requests
- Amendments to the Algonquin Land Claim Declaration Order to align with the approved exemption

Jacobs is currently working with Infrastructure Ontario and has been tasked with preparing a guidance document for the new regulations, as well as a training program to roll out to Infrastructure Ontario and other government staff whose work activities involve environmental assessments. Reach out to <u>Janie Brenner</u> or <u>Paul Passalent</u> for more information on how these changes might affect your project and strategy for best navigating these changes.



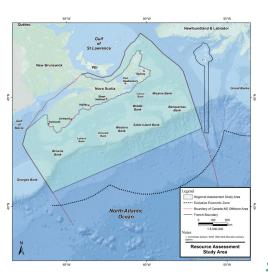


Janie Brenner

Paul Passalent

| Offshore Wind Development in Eastern Canada Supporting Green Hydrogen

The Impact Assessment Agency of Canada (IAAC) is currently conducting regional assessments for <u>Newfoundland/Labrador</u> and <u>Nova Scotia</u>. IAAC is engaging Indigenous groups, federal and provincial authorities, non-government organizations, and the public during the conduct of the Regional Assessment.



Study Area of the Regional Assessment

The Regional Assessment will help inform future project-specific federal impact assessments and decisions for offshore wind projects in these areas. The Province, Natural Resources Canada, and the IAAC are working together on the regional assessment in jointly managed waters. The first call for bids is expected in 2025. Enduse scenarios for wind energy generated by offshore wind projects include production and export of low-carbon fuels, such as green hydrogen.

In May 2023, the federal government assigned regulatory authority for wind power to jointly managed offshore boards – now renamed the Canada-Nova Scotia Offshore Energy Regulator and Canada-Newfoundland and Labrador Offshore Energy Regulator. Previously the boards regulated only offshore oil and gas projects.

In September, 2022, Nova Scotia announced it had set a target to offer leases for five gigawatts of offshore wind energy by 2030. Offshore wind development leases will be granted through a competitive bidding process, managed by both the federal and Nova Scotia governments. In November 2023, the Province of Nova Scotia has made a strategic decision to focus initially on establishing a comprehensive and clear regulatory framework for offshore wind energy development in areas jointly governed with the federal government before addressing waters solely under provincial jurisdiction. In December 2023, Nova Scotia released its Green Hydrogen Action Plan to develop the sector in alignment with the Province's climate change goals supporting both domestic use and export of green hydrogen.

Jacobs has been actively working within the US Offshore Wind industry since 2018. CH2M (now Jacobs) successfully drafted the Construction and Operations Plan for South Fork Wind, which began construction in 2022 and will deliver 132 MW of renewable energy to East Hampton, New York. Jacobs has recently provided support

to Ocean Winds in the development of an environmental risk assessment for their California Offshore Wind lease, as well as providing regulatory strategic advice to Dominion Energy for their Coastal Virginia Offshore Wind windfarm. Jacobs regulatory and environmental assessment experts are closely tracking this exciting growing sector in Canada!

Reach out to Jacobs' Canada Regulatory Expert <u>Sonya Meier</u> or our Offshore Wind Permitting Lead <u>JT Hesse</u> for more information.





Sonya Meier

| COP28 - The Cost of the Climate

Jacobs' Regenerative & Nature-Based Solutions Technology Global Principal Chris Allen attended the United Nations Climate Change Conference, joining our host

Jacobs' Dubai office team and other Jacobs experts who presented at the venue, including our Middle East Environment Regional Market Solutions Lead Zein Mocke and Water Resources Global Solutions Director Adam Hosking.

COP28 Dubai Jacobs was there – ask Adam or Chris about it

COP28 reaffirmed the importance of a focus on climate and people, but also recognized and elevated the equal importance of nature-based solutions needed to realize our global goals. Nearly 200 countries agreed Wednesday to move away from planet-warming fossil fuels — the first time they've made that crucial pledge in decades of U.N. climate talks.

COP28 ended on December 13, 2023, culminating with a "final agreement" that:

- Acknowledges that fossil fuels are a major contributor to climate change and that "transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner" is necessary to avert the worst climate change impacts
- Adopts a decision on the first global "stocktake" of climate action to cut greenhouse gas emissions by 43 percent by 2030, compared to 2019 levels
- Allows the "Loss and Damage Fund" to be operationalized and housed by the World Bank, while being managed by a board composed primarily of developing counties and small island states



Parties at COP28 were unable to agree on updates to the Paris Agreement that would have standardized the international carbon markets.

The real bottom line here is financing – the measures needed to combat climate change are immensely expensive. The final agreement included a pledge to triple the world's renewable energy capacity by 2030 and double global energy-saving efforts, typically accomplished through energy efficiency measures, over the same period. Increasing the renewable energy capacity is relatively simple, but energy efficiency programs lag behind largely due to the amount of time it takes to replace or update less energy efficient vehicles, appliances, and buildings and update existing industrial processes and infrastructure. Estimates of the capacity/efficiency cumulative investments needed between 2023 and 2030 to limit global warming to 1.5 degrees Celsius exceed \$25 trillion.

Of course, reducing and capturing, storing, and using emissions is also a key part of the strategy. According to the Global Carbon Project, global carbon dioxide emissions are set to grow 1.1 percent in 2023, which shaves a year off the 1.5 degree Celsius target - we are now expected to reach that target as early as 2030. Significant investments in both implementation and research will be needed to maximize the efficiency of these actions.

The U.S. Department of Energy and Government of Canada is currently tackling many of these problems, and Jacobs is working closely with a number of Clients on these critical projects.

For more information about COP28 please reach out to Regenerative & Nature-Based Solutions Technology Global Principal Chris Allen or Water Resources Global Solutions Director Adam Hosking.





Chris Allen

These regulatory insights have been prepared by and represent the opinions and interpretations of Jacobs environmental planning and permitting staff. They are not prepared by attorneys, do not provide legal advice, and are intended for distribution to Jacobs clients only.









