



December 9th, 2021

The Ministry of Energy, Mines and Low Carbon Innovation

The Okanagan Climate Hub would like to add our voice to the thousands of other British Columbians who are calling for an end to fossil fuel subsidies in the province.

The Okanagan Climate Hub is a volunteer-led organization that unites and amplifies individuals, groups, and organizations throughout the Okanagan that are committed to working together to achieve meaningful, effective action on climate change mitigation and adaptation locally and throughout the region.

Fossil fuels subsidies, including royalty credits, tax exemptions and infrastructure support, far from being in harmony with the province's climate plans, work directly against the carbon tax and CleanBC emissions reduction targets.

The recently launched Royalty Review is an opportunity to start reigning in those programs, especially since it has been 30 years since such a review was conducted. The set goals for the original program are now outdated, and the realization of a climate emergency should lead the province to move away from supports that either add future burdens to the carbon budget, or increase the burdens of other sectors, including households and small businesses that will be required to 'make room' in their emissions budgets to allow for further fossil fuel expansion.

We believe that the time is now for addressing those programs that are leveraged by the industry to reduce their costs and thereby create an artificial market for fossil fuels that is risky, expensive, and not sustainable. Supports for LNG Canada include discounted electricity prices, exemptions from increases in the carbon tax, a corporate income tax break and a deferral of the PST on construction. In particular, the deep well royalty credit is the largest such fossil fuel subsidy in BC, supporting well-established gas companies to frack gas for export (88%) at a time when we need to be supporting low carbon alternatives.

The total amounts of these subsidies are not fully known as the government does not make that information available, nevertheless we do know that many supports are not fully counted in these calculations, including remote roads construction and infrastructure, water pollution reduction, and hydro





infrastructure. This is all in addition to the publicly-borne costs of fires, flooding, and landslides that are now being felt as a direct result of increasing emissions.

Finally, the onus of reconciliation is on the province to develop legislation and processes that businesses and industry must follow in order to support First Nations interests. In addition, recognition that these industries have grave and significant negative impacts on Indigenous women is needed. We must respect the rights expressed in the Declaration on the Rights of Indigenous People.

The recommendations of Okanagan Climate Hub resemble those other common-sense suggestions made by a range of climate and environment organizations, supported by an increasing number of British Columbians, who want to see these supports phased out rapidly and replaced with more spending on preparedness, adaptation, renewable energy, and community resiliency.

If we are going to stay on track to meet our goal to reduce emissions by 80% by 2050 to 12.6 megatonnes (Mt) per year, then we need to move quickly and urgently. That means shifting from an outdated and outmoded fossil fuel economy to one that is clean, green and safe for future generations and the planet.

Yours Sincerely,

A handwritten signature in black ink that reads "R Warner". The signature is written in a cursive, flowing style.

Rosalind Warner, on behalf of
Okanagan Climate Hub

