

Furthering Carbon Sequestration Efforts in Alberta

Issue

With the Canadian and Alberta governments stating a goal to achieve Net Zero carbon emissions by 2050 while global demand for energy rises, it is more important than ever to encourage and support carbon sequestration efforts in the Alberta energy sector.

This policy resolution supports the journey to net zero to ensure that Alberta's energy sector remains the world's most responsible producer as global demand increases.

Background

World demand for oil, gas, and other energy products is increasing.¹ Meanwhile, citizens and governments worldwide demand cleaner energy, emitting less carbon.

To this end, the Canadian² and Alberta³ governments have set a net zero carbon emissions target by 2050. The Alberta energy sector is already producing the world's most ESG-responsible barrel of oil constantly becoming environmentally cleaner⁴, and it will have a role to play for decades.⁵ Despite this, it must still adapt to meet world energy demand while lowering emissions to ensure Canada and Alberta meet the 2050 net zero target.

One large lever the Alberta Government and energy industry can pull is to amplify its efforts around carbon sequestration. Carbon sequestration captures and stores atmospheric carbon dioxide to reduce the effects of climate change. Its use has been increasing in Alberta for over 8 years and has been an effective way for energy producers to reduce their carbon footprint.⁶

To meet rising demand and remain on track for Net Zero in 2050, the energy industry will need support from and collaboration with the government.

¹ Reuters. "World oil demand next year to rise faster than expected, IEA says", accessed January 13, 2024, <https://www.reuters.com/business/energy/iea-raises-2024-oil-demand-growth-forecast-despite-economic-gloom-2023-12-14/>

² Government of Canada. "Net-zero emissions by 2050", accessed January 13, 2024, <https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/net-zero-emissions-2050.html>

³ Government of Alberta. "Emissions Reduction and Energy Development Plan", accessed January 13, 2024, <https://www.alberta.ca/emissions-reduction-and-energy-development-plan>

⁴ Canadian Energy Centre. "Canadian Oil is Getting Cleaner" accessed February 23, 2022, <https://www.canadianenergycentre.ca/canadian-oil-is-getting-cleaner/>

⁵ Canadian Association of Petroleum Producers. "Crude Oil Forecast" accessed February 23, 2022, <https://www.capp.ca/resources/crude-oil-forecast/>

⁶ Government of Alberta. "Carbon capture, utilization and storage – Environmental safety", accessed January 13, 2024, <https://www.alberta.ca/carbon-capture-utilization-and-storage-environmental-safety#:~:text=all%20of%20us,-,A%20history%20of%20success,of%20CO2%20since%20starting%20operations.>

The Alberta Chambers of Commerce recommends the Government of Alberta:

1. Create and improve tax exemptions available for carbon sequestration projects in Alberta, such as Carbon Capture and Storage;
2. Strategically co-invest in carbon sequestration projects that require funding assistance;
3. Collaborate with the energy industry to determine effective and efficient carbon sequestration methods that will make a meaningful difference to achieving Net Zero;
4. Continuously advocate to the federal government for efficient and effective carbon sequestration regulatory processes, red tape minimization, and funding and incentive programs, and;
5. Grant permits as required to move carbon sequestration projects and ideas forward in a timely and effective manner.