

# Canada's Coal Sector Update to the 27th Session of the Global Methane Initiative (GMI) Coal Subcommittee

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**September 24th, 2018**  
**Environment and Climate Change Canada**



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# Federal GHG Reporting Program (GHGRP)

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- Threshold for reporting was reduced from 50 kt to 10 kt for the 2017 reporting year
- Preliminary analysis shows that the lower threshold resulted in 5 additional coal mines reporting to the GHGRP in 2017
  - The augmented dataset will be helpful in building understanding of coal mine fugitive emissions



# Federal Carbon Pricing Backstop

- The proposed federal backstop is under development and will apply in whole or in part in provinces and territories that:
  - request it, or
  - do not have a carbon pricing system in place in 2018 that aligns with the federal benchmark
- Two elements of the proposed federal backstop
  - A fuel charge applied to fossil fuels
  - An output-based pricing system (OBPS) for industrial facilities
- Based on \$20/t in 2019, rising \$10/t annually to \$50/t in 2022
- All direct revenue from the backstop to be returned to jurisdiction of origin



# Output-based Pricing System (OBPS)

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- Facilities registered under the OBPS, including coal mines, will not pay the charge on fuels that they purchase
- Under the OBPS, facilities will have a compliance obligation for the portion of emissions above an annual facility emissions limit
- Annual facility emissions limits will be calculated based on:
  - A facility's production; and
  - Relevant output-based standards (OBS)

# Outreach to Canadian Coal Mines Stakeholders

- Debriefed stakeholders on last year's GMI coal mine methane subcommittee meeting
- Canadian coal mining industry participated actively in the April, 2018 Global Methane Forum
- In reviewing environmental assessments of new proposed Canadian coal mines, proponents are encouraged to review the UNECE best practice guidance for opportunities to recover methane



# Contact Information

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