

## **ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE**

### **REDUCING GREENHOUSE GAS EMISSIONS AND EVALUATION OF ENERGY INVESTMENTS**

**June 1, 2021**

**MR. O'REILLY:** Mahsi, Monsieur le President. My question's for the Minister of Infrastructure who is also responsible for the NWT energy strategy. I've indicated that there are three basic questions to apply to all GNWT energy investments, where to cut first, technology and projects ready to go, and evaluating lifecycle emission reductions. Most of our greenhouse gas emissions are from the resource sector and transportation outside communities. Can the Minister tell us what specific off-the-shelf shovel-ready options are being pursued to reduce emissions from resource extraction and transportation? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Member for Frame Lake. Minister responsible for Infrastructure.

**HON. DIANE ARCHIE:** Thank you, Mr. Speaker. Mr. Speaker, one option is electrification of transportation. We have introduced a rebate through the Arctic Energy Alliance for the light-duty road vehicles, and we also have applied for federal funding to install some of these electrical charging stations along some of the Northwest Territories highways. The electrical vehicle technology is advancing. It won't immediately solve all of the problems of the heavy-duty transportation emissions. I can tell you that the GNWT is investigating the use of some liquid biofuels, like a renewable diesel for use by the trucking industry. And at this point, it's not an off-the-shelf ready-to-use solution for the Northwest Territories. This doesn't mean that renewable diesel doesn't have promise; however, we can solve the issues with the global supply limitations and suitability for cold weather use and storage in the Northwest Territories so it will remain a future solution for now.

The GNWT was pleased to hear that the federal government recently announced the federal funding to support the production of bio -- liquid biofuels in Canada. The existence of suitable and reliable supply of renewable diesel will help advance the additional evaluation for use in our northern climates. Thank you, Mr. Speaker.

**MR. SPEAKER:** Oral questions. Member for Frame Lake.

**MR. O'REILLY:** Mahsi, Monsieur le President. I want to thank the Minister for that. Actually, you can actually drive up to pumps many places in BC to purchase renewable diesel right there. So I don't -- it's not a stretch to bring renewable diesel up here in the Northwest Territories.

But I want to move on, Mr. Speaker, to clearly renewable diesel is an easy and fast win whereas Talston expansion has no funding, no buyers; it would take years to build to diamond mines that would be closed. So could the Minister tell us what proven technologies with projects ready to go are being pursued by this government? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Member for Frame Lake. Minister responsible for Infrastructure.

**HON. DIANE ARCHIE:** Thank you, Mr. Speaker. Mr. Speaker, I respectfully disagree that renewable diesel is an easy and fast win. There is a limited global supply. No one makes for our climate conditions. And there's significant cost premium over traditional fuels. However, as I previously mentioned, we do see some promise and be able to work to continue to evaluate bio -- a liquid biofuels.

So in regards to the projects - so here's where I get to the Member's question - the GNWT is advancing in a number of energy efficiency renewable and alternative energy projects for heating, electricity, transportation, and industry across the Northwest Territories.

Mr. Speaker, our recent energy initiatives report provides details on the work and projects that we are currently advancing to be able to meet our goals for the under the 2030 energy strategy. So much work is underway and continues to, you know, work away at our energy strategy.

So as to -- as this report highlights, we did invest over \$25 million in energy products to ensure that the energy system is secure; it's reliable; and it's affordable. So this report is publically available on our government Infrastructure website. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Minister. Oral questions. Member for Frame Lake.

**MR. O'REILLY:** Mahsi, Monsieur le President. I want to thank the Minister for detailed response. The last question to be asked to ensure our energy investments are efficient and effective is to make sure that we actually conduct lifecycle emission reduction analysis. Can the Minister tell us whether this type of analysis is done to evaluate energy investments before Financial Management Board and Cabinet make decisions? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Member for Frame Lake. Minister responsible for Infrastructure.

**HON. DIANE ARCHIE:** Thank you, Mr. Speaker. Mr. Speaker, all emission reductions related to projects are assessed, projects in terms of costs versus greenhouse gas reductions. You know, this is a fairly typical assessment method and also a very useful way to be able to assess projects against each other, assuming all other factors are equal. Unfortunately, it's not often the case that all other factors are equal. For example, the GNWT must balance having an energy system that is secure, reliable, and affordable. For example, one project may have solid community acceptance and have a likelihood of success, have relatively short development timelines, and provide reliable energy. This type of project may be given priority over other projects that have significant better greenhouse gas reductions per dollar invested, and that is something that our Cabinet and, you know, our departments will continue to look at. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Minister. Final supplementary. Member for Frame Lake.

**MR. O'REILLY:** Mahsi, Monsieur le President. I want to thank the Minister for that, again, another detailed response. I'd love to see this analysis, because I've never seen it. I keep asking for it. But I welcome the Minister providing that kind of analysis.

So, you know, great to hear that that systematic evaluation is taking place; I've never seen it. If I was listening and I was the federal government, I would not be giving GNWT any money without such analysis. So how could -- you know, how can we be sure that this analysis is actually being done when it's not been shared with the regular MLAs or the public. So can the Minister tell us what analysis, if any, does the federal government require in providing funding to GNWT for use in energy projects? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Thank you, Member for Frame Lake. Minister responsible for Infrastructure.

**HON. DIANE ARCHIE:** Thank you, Mr. Speaker. And, Mr. Speaker, you know, you win some, you lose some. You know, if we give detailed information, it's too detailed. We don't give enough detailed information, it's just not enough. However, getting back to the Member's question, so we have different federal programs that have different requirements but they generally require an estimate of greenhouse gas emission reductions. Some programs like the ISA program, which is the Investing in Canada Infrastructure program, require a climate lens assessment, which is a limited lifecycle type of greenhouse gas reduction estimates for each project. So every project, through the federal government, has different -- different parameters, and that's something that we look at when we apply for specific federal funding. Thank you, Mr. Speaker.