

Request for Decision

Title	Support for Carbon Capture Utilization and Storage Projects
Proposed Motion	That Council authorize the Mayor to provide letters of support to the Government of Alberta with respect to carbon capture utilization and storage projects within Sturgeon County and Alberta's Industrial Heartland.
Administrative Recommendation	That Council authorize the Mayor to provide letters of support for carbon capture utilization and storage projects within Sturgeon County and Alberta's Industrial Heartland.
Previous Council / Committee Direction	<u>January 11, 2022 Committee of the Whole</u> Motion 004/22: That the Committee recommend that Council authorize the Mayor to provide a support letter to TC Energy and Pembina Pipeline Corporation for carbon capture utilization and storage projects within Sturgeon County and Alberta's Industrial Heartland.
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> Over time, Sturgeon County has had several discussions with proponents of carbon capture utilization and storage (CCUS) projects in the area. CCUS projects aim to sequester and/or utilize carbon dioxide, reducing carbon impacts that would otherwise be unmitigated, while also providing for investment and employment opportunities and showcasing one possible pathway to reducing carbon emissions. On January 11, 2022, Committee of the Whole received a presentation from Pembina Pipeline Corporation (Pembina) and TC Energy regarding the proposed Alberta Carbon Grid project ("ACG" or "the Project") and their general interest in CCUS projects in the region. Insights were provided on the ACG and their June 17, 2021 announcement to jointly develop a world-scale carbon transportation and sequestration system. <ul style="list-style-type: none"> When fully constructed, it was noted that the ACG will be capable of transporting more than 20 million tonnes of carbon dioxide annually. By leveraging existing pipelines and a newly developed sequestration hub, the ACG represents an infrastructure platform needed for Alberta-based industries to effectively manage their emissions and contribute positively to lower-carbon strategies.

	<ul style="list-style-type: none"> ○ ACG is designed to connect the province's largest sources of industrial emissions to sequestration in Alberta. The principal segments include the sequestration area, as well as north, central, southwest, and future legs. ○ Designed to be an open-access system, the ACG will serve as the backbone of Alberta's CCUS industry, connecting the Fort McMurray region, Alberta's Industrial Heartland, and the Drayton Valley region to key sequestration locations and delivery points across the province, and serving multiple industries. ○ As a hub-based infrastructure solution accessible to Alberta's largest industrial emitters across industries, ACG will pave the way for Canada to successfully meet its emissions reduction objectives - including a 40 to 45% reduction in greenhouse gas emissions below 2005 levels by 2030. ● CCUS solutions provide a tangible commitment to energy diversification, industry collaboration, environmental stewardship, and a lower carbon future. Pembina and TC Energy, among others, are positioned to take a leadership role in the transportation of carbon dioxide given their collective skills and extensive network of pipeline infrastructure. <p><u>External Communication</u></p> <ul style="list-style-type: none"> ● Pending Council's approval, a support letter regarding CCUS projects and process would be submitted to the Government of Alberta. <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> ● None
Implication of Administrative Recommendation	<p><u>Strategic Alignment:</u> Supporting CCUS projects (subject to regulatory and permitting compliance) helps to support the long-term transition to a low carbon economy while prioritizing environmental stewardship, and planned growth through construction and operational job creation. Engagement with project proponents and orders of government ensures predictable and stable external relationships.</p> <p>Showcasing support provides for future-focused thinking to proactively respond to emerging opportunities and challenges.</p> <p><u>Organizational:</u> Administrative capacity exists to provide draft letter(s) for consideration.</p> <p><u>Financial:</u> The construction of future CCUS infrastructure has positive financial benefit for Sturgeon County and all of Alberta.</p>
Alternatives Considered	That Council decline to authorize the Mayor to provide a support letter.

Implications of Alternatives	<u>Strategic Alignment:</u> <ul style="list-style-type: none"> The option could be seen to dissuade CCUS investment and could serve to diminish Council's Environmental Stewardship priority. <u>Organizational:</u> <ul style="list-style-type: none"> None. <u>Financial:</u> <ul style="list-style-type: none"> Potential for loss of investment, and corresponding revenues, over time.
Follow up Action	1. Provide letter(s) of support for CCUS for Mayor's signature (Economic Development Services, Corporate Communications, January 2022).
Attachment(s)	None.
Report Reviewed by:	Tyler Westover, Manager, Economic Development Services Lucas Warren, Manager, Corporate Communications Travis Peter, Director, Development and Strategic Services Reegan McCullough, County Commissioner – CAO

Strategic Alignment Checklist

Vision: *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

Guiding Principles: Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
Planned Growth			
<ul style="list-style-type: none"> Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Modern broadband and digital capabilities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Low cost, minimal red-tape regulations 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Thriving Communities			
<ul style="list-style-type: none"> Beautiful, surprising places with high standards; integrated natural spaces & trail systems; healthy and resilient 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Engaging cultural, historical, and civic amenities; strong community identity and pride 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Stewardship			
<ul style="list-style-type: none"> Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Sustainable development; partnerships with industry and others to drive emission reductions 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Collaborative Governance			
<ul style="list-style-type: none"> Predictable and stable external relationships; volunteer partnerships 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Meaningful connections with Indigenous communities 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Respectful and informed debate; clear and supportive governance processes 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Operational Excellence			
<ul style="list-style-type: none"> Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Future focused thinking to proactively respond to emerging opportunities and challenges 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Alternative revenue generation and service delivery models integrated strategic and business planning 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>