

May 30, 2023

Via Email: [ENV.minister@gov.bc.ca](mailto:ENV.minister@gov.bc.ca)  
[FIN.Minister@gov.bc.ca](mailto:FIN.Minister@gov.bc.ca)

Honourable George Heyman  
Minister of Environment and Climate Change Strategy  
PO Box 9063 Stn Prov Govt  
Victoria BC V8W 9E2

Honourable Katrine Conroy  
Minister of Finance  
PO Box 9048 Stn Prov Govt  
Victoria BC V8W 9E2

**RE: New B.C. Output-Based Greenhouse Gas Pricing System**

Dear Ministers,

On April 4, 2023, we wrote asking for full and transparent consultation on the new B.C. Output-Based Pricing System (OBPS) policy framework. To date, we have not received a response from you.

In our April 4 letter (attached), we note BC's current carbon pricing structure does not compare favourably against domestic and international jurisdictions with which our energy-intensive, trade-exposed (EITE) natural resource and related downstream processing industries compete. We also flagged the need for a carbon pricing system that supports the competitiveness and long-term viability of BC's trade-exposed sectors, which generate most of the province's revenues.

The BC business community supports carbon pricing and the adoption of an OBPS model. However, as always with policy-related change, the details matter both from a program effectiveness standpoint and a relative competitive standpoint. The B.C. business community is concerned with recent consultations led by the GHG Regulator, which were deficient in essential details on the structure of the proposed B.C. OBPS, including matters such as benchmarks, tightening rates, thresholds for protection, offsets, and the use of regulated price as the floor price. These details are critically important, and the lack of transparency is of grave concern to the signatories of this letter.

The primary policy objective of an OBPS is to support the competitive position of trade-exposed industries and reduce the risk of carbon leakage. The change to a made-in-B.C. OBPS should deliver a material improvement to trade-exposed industries in B.C. and level the playing field with our Canadian and global competitors while continuing to incent reduced greenhouse gas emissions. This will help secure planned and potential investments in new and existing business operations. However, if the status quo remains, the potential for lost investment to lower carbon tax, higher GHG emitting Canadian provinces and international jurisdictions is very real. As the price of carbon emissions rises over time, the very viability of existing B.C. operations could be at risk. At stake are thousands of family-supporting jobs and contracting opportunities for Indigenous and local communities throughout B.C., along with long-term, secure funding for health, education, and government-funded services and programs.

We would be pleased to meet with you at your earliest convenience to discuss this matter, including, if necessary, under a non-disclosure agreement.

We look forward to your prompt reply.

Yours sincerely,



Cheryl Muir  
Interim CEO  
Business Council of British Columbia



Michael Goehring  
President and CEO  
Mining Association of B.C.



Richard Wong  
VP, Regulatory and Operations  
Canadian Association of  
Petroleum Producers



Bob Masterson  
President and CEO  
Chemistry Industry Association  
of Canada



Andrew Wynn-Williams  
Divisional Vice President  
Canadian Manufacturers & Exporters



Fiona Famulak  
President and CEO  
B.C. Chamber of Commerce



Bridgitte Anderson  
President and CEO  
Greater Vancouver Board of Trade



Linda Coady  
President and CEO  
Council of Forest Industries



Linda Delli Santi  
Executive Director  
B.C. Greenhouse Growers Association



Katie Kachur  
VP, Government Relations, West  
Canadian Propane Association



David Earle  
President and CEO  
B.C. Trucking Association



David Schick  
Vice President, Western Canada  
Canadian Fuels Association



Matt MacInnis  
President  
Electrical Contractors Association  
of BC



Kelly Scott  
President  
B.C. Road Builders  
& Heavy Construction Association

Attach.

cc: Honourable David Eby, Premier of British Columbia  
Honourable Mike Farnworth, Deputy Premier and Minister of Public Safety and Solicitor General (PSSG)  
Honourable Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation (EMLI)  
Honourable Brenda Bailey, Minister of Jobs, Economic Development, and Innovation (JEDI)  
Honourable Bruce Ralston, Minister of Forests (FOR)  
Honourable Nathan Cullen, Minister of Water, Land and Resource Stewardship (WLRS)  
Honourable Rob Fleming, Minister of Transportation and Infrastructure (MOTI)  
Mr. Matt Smith, Chief of Staff, Office of the Premier  
Mr. Don Bain, Deputy Chief of Staff, Office of the Premier  
Ms. Shannon Salter, Deputy Minister to the Premier, Secretary to Cabinet, and Head of the Public Service  
Mr. Doug Caul, Deputy Minister, Office of the Premier

Ms. Kaye Krishna, Deputy Minister, MOTI  
Mr. Kevin Jardine, Deputy Minister, ECCS  
Ms. Heather Wood, Deputy Minister, FIN  
Mr. Richard Manwaring, Deputy Minister, FOR  
Ms. Shannon Baskerville, Deputy Minister, EMLI  
Mr. Fazil Mihar, Deputy Minister, JEDI  
Ms. Lori Halls, Deputy Minister, WLRS  
Mr. Douglas Scott, Deputy Solicitor General, PSSG  
Mr. Doug Foster, Assistant Deputy Minister, Strategic Initiatives, FIN  
Ms. Tania Demchuk, Assistant Deputy Minister, Mines Competitiveness and Authorizations, EMLI  
Mr. Jeremy Hewitt, Assistant Deputy Minister, Climate Action Secretariat, ECCS