



Natural Resources  
Canada

Ressources naturelles  
Canada

May 25<sup>th</sup>, 2023

Jennifer Dallaire  
Project Manager, Prairie and Northern Region  
Impact Assessment Agency of Canada

**Subject: Natural Resources Canada's Review of the Initial Project Description for the Aspen Power Station Project.**

Dear Colleague,

On April 25<sup>th</sup>, 2023, the Impact Assessment Agency of Canada (the Agency) requested that Natural Resources Canada (NRCan) provide input regarding the Initial Project Description (IPD) for the Aspen Power Station Project.

NRCan has reviewed the document in relation to its mandate and expertise in the areas of electricity systems, energy and economic analysis, natural gas markets, and natural gas sector emissions.

Details of NRCan's response can be found in the appendix below.

If you have any questions, comments, or concerns, please contact me at [sophia.stlawrence@nrcan-nrcan.gc.ca](mailto:sophia.stlawrence@nrcan-nrcan.gc.ca)

Sincerely,

Sophia St. Lawrence  
Impact Assessment Officer  
Office of the Chief Scientist  
Natural Resources Canada

cc: Peter Unger – Director, Office of the Chief Scientist.  
Shelley Ball – Team Lead, Office of the Chief Scientist.

**ATTACHMENT: April 25, 2023**  
**Federal Authority Advice Record**  
**Response due by May 25, 2023**

Aspen Power Station Project, Saskatchewan Power Corporation  
Agency File: 84525

Department/Agency	Natural Resources Canada
Lead Contact	Sophia St. Lawrence
Full Address	588 Booth Street, Ottawa, ON, K1A 0Y7
Email	sophia.stlawrence@nrcan-rncan.gc.ca
Telephone	N/A
Alternate Contact	Shelley Ball (shelley.ball@nrcan-rncan.gc.ca)

- 
1. Is it probable that your department or agency may be required to exercise a power or perform a duty or function related to the Project to enable it to proceed?

If yes, specify the Act of Parliament and that power, duty or function.

Based on the information provided, NRCan is unlikely to exercise a power or perform a duty or function related to the Project.

1b. Please describe any Indigenous or public consultation that will be undertaken in relation to the exercise of that power, duty or function, including when it would take place.

N/A

- 
2. Is your department or agency in possession of specialist or expert information or knowledge that may be relevant to the conduct of an impact assessment of the Project?

Specify the specialist or expert information or knowledge.

NRCan possesses the following expertise that may be relevant to the conduct of an impact assessment for this project:

- Electricity systems
- Energy and economic analysis
- Natural gas markets
- Natural gas sector emissions

- 
3. Has your department or agency considered the Project; exercised a power or performed a duty or function under any Act of Parliament in relation to the Project; or taken any course of action that would allow the Project to proceed in whole or in part?

Specify.

NRCan does not have an interest in the Project, nor has it taken any course of action (e.g. regulatory decision, funding, etc.) to enable to the Project to proceed in whole or in part.

---

4. Has your department or agency had previous contact or involvement with the proponent or other party in relation to the Project? (for example: an enquiry about methodology, guidance, or data; introduction to the project)

Provide an overview of the information or advice exchanged.

No.

---

5. Does your department or agency have additional information or knowledge not specified, above, including information on the geographic, environmental, economic or social context of the project? (e.g. location of protected or sensitive areas, previous history between local communities and proponent or similar projects, local or regional social or economic concerns)?

Specify as appropriate.

No.

---

6. What are the key issues likely to be relevant to the public interest decision, based on the mandate and area(s) of expertise of your department, and which should be addressed in an impact assessment of the Project, should the Agency determine that one is required?

For each key issue:

- Describe the effect or the nature of the issue, including any relevant context;
- Provide the rationale and/or evidence for why it is a key issue;
- Identify briefly solutions to the issue, including any information or studies that should be required in the Tailored Impact Statement Guidelines, potential mitigation measures, and/or regulatory requirements relevant to the issue;
- Provide a concise, plain-language summary of the issue for inclusion in the Summary of Issues.

The information provided will be used by the Agency to determine if an impact assessment is required and where appropriate to develop project-specific Tailored Impact Statement Guidelines that focus on the key issues likely to be relevant to the public interest decision.

Please use table 1 to respond to this question

---

7. Where possible, identify any clarifications or additional information the Proponent could include in the Detailed Project Description or in the response to the Summary of Issues that would:

- give confidence that an issue or effect could be addressed and managed;
- inform the decision as to whether an impact assessment is required; or
- aid in tailoring the Impact Statement Guidelines, if an impact assessment is required.

These clarifications and additional information will be included as specific questions in the Summary of Issues provided to the proponent

Please use table 2 to respond to this question

---

Sophia St. Lawrence  
Name of Departmental / Agency  
Responder

Impact Assessment Officer  
Title of Responder

May 25<sup>th</sup>, 2023  
Date

**Table 1: Key Issues to inform decision-making**

The Agency asks that federal authorities align expert advice with the Agency’s approach to tailoring, which focuses on key issues or effects that are likely to be relevant to the public interest decision. In identifying key issues, federal authorities should be mindful of the Project’s context (size, scope, location), Indigenous knowledge and perspectives, and public concerns. Key issues that may be relevant to the public interest decision include:

- effects that may be significant, based on federal experts’ knowledge and experience with past projects;
- effects that may impact Indigenous peoples and their rights, based on Indigenous knowledge and perspectives or experience with past projects;
- effects on key species or habitats (e.g. at risk, important to Indigenous communities, commercial importance, provide important ecosystem function);
- issues or effects that may result from novel project activities, components or technology;
- effects with large uncertainties, including in the effectiveness of mitigation measures;
- transboundary effects where mitigation measures are limited;
- positive effects, including where project may support other governmental priorities, including reconciliation with Indigenous peoples; and
- key concerns raised by Indigenous or local communities.

Effects that are anticipated to be minor or which can be managed using well understood mitigation measures, existing guidance, and/or other regulatory processes may have simplified information requirements or may be removed entirely. Measured advice from federal authorities on key issues and solutions —and on the scope and detail of any required information and studies — will enable the Agency to focus assessments on issues that are important to participants and to decision-makers.

Comment ID	Valued Component or Factor to Consider	Description of Key Issue (Context and Rationale)	Solutions	Plain language summary for inclusion in Summary of Issues
<p><i>Please identify comments by organization and comment number.</i>  e.g.: IAAC-01</p>	<p><i>Identify valued component(s) or factor to consider—within the mandate of your department or agency—to which the effect or issue applies.</i></p>	<p><i>Provide a brief description of the issue and rationale for being a key issue.</i></p> <p><i>Include, where relevant,:</i></p> <ul style="list-style-type: none"> <li>• <i>the pathway of effects;</i></li> <li>• <i>social, economic or environmental context which are relevant to it being a key issue;</i></li> <li>• <i>key uncertainties that should be addressed in the impact assessment;</i></li> <li>• <i>Indigenous or public concerns or perspective;</i></li> <li>• <i>potential for differential effects among diverse subgroups;</i></li> <li>• <i>scientific evidence or traditional knowledge, including from past project experience, which supports inclusion as a key issue.</i></li> </ul>	<p><i>Where applicable, briefly identify solutions to address the potential issue or effects including</i></p> <ul style="list-style-type: none"> <li>• <i>Information or studies required to describe and characterize the effect, should an impact assessment be required; including any guidance for data collection and/or analysis or existing data sources to inform the assessment;</i></li> <li>• <i>Any powers, duties or functions that your department or agency has that may mitigate, manage, or set conditions related to the effect;</i></li> <li>• <i>Guidance or policies for mitigating effects or any standard and well-understood mitigation measures that would address the effect, including follow-up monitoring activities; and/or</i></li> <li>• <i>Commitments the proponent could make to respond to the issue.</i></li> </ul> <p><i>Where available, please refer to existing text in the TISG template.</i></p>	<p><i>For issues to be included in the Summary of Issues, provide a concise, plain language synopsis of the key issue and any questions or directions for the proponent.</i></p>

*Please insert additional rows as necessary.*

Table 2. Clarifications or additional information the Proponent could include in the Detailed Project Description or in the response to Summary of Issues

Comment ID	Relevant section of the Initial Project Description	Description of Issue, Concern or Uncertainty	Clarification or additional information	Plain language summary for inclusion in Summary of Issues
<p>Please identify comments by organization and comment number.</p> <p>e.g.: IAAC-01</p>	<p>If the comment is related to a specific section of the Initial Project Description, please provide a reference.</p> <p>You may also choose to copy the relevant text here.</p>	<p>Provide a description of the issue, concern or uncertainty the proponent could address in their detailed project description that would give confidence that the issue will be addressed and managed, or which could aid in tailoring the Guidelines</p>	<p>Provide recommended clarification or additional information to be included in the Detailed Project Description to address the issue, concern or uncertainty, for example</p> <ul style="list-style-type: none"> <li>• Clarifications to project description (e.g. components, activities, locations or alternatives);</li> <li>• Project design changes that could avoid effects;</li> <li>• Evidence that could be presented to demonstrate there is no effect pathway or that effects will be negligible;</li> <li>• Evidence that standard mitigations will address potential effects;</li> <li>• Commitments the proponent could make to respond to the issue, including the implementation of federal operational policies or guidance documents.</li> </ul>	<p>For issues to be included in the Summary of Issues, provide a concise, plain language synopsis of the issue and of the question or direction for the proponent.</p>
NRCan-01	15.3	Peak construction workforce is estimated to be 450 employees. Within a 30 minutes radius from the construction site, there is a total of 335 unemployed individuals according to Census data.	NRCan recommends providing evidence or clarification on the source and quantity of labour from the region. Construction may require camp services to bring workers in from greater distances.	Insight is sought on how and from where peak construction workforce will be staffed.
NRCan-02	22.2	It is unclear to what degree Indigenous Peoples of Canada will receive economic benefits from the project.	NRCan recommends providing additional insight into the Indigenous employment targets that will be enforced by SaskPower.	Insight is sought on the Indigenous employment targets that may be enforced by SaskPower to benefit Indigenous Peoples of Canada.
NRCan-03	7.1-7.4	The cost estimates of carbon capture utilization storage (CCUS) and updates on capacity arrangements with Southwest Power Pool (SPP) and Manitoba Hydro are unclear.	NRCan recommends providing cost estimates of Carbon Capture Utilization Storage (CCUS) technology and updates on capacity arrangements with Southwest Power Pool (SPP) and Manitoba Hydro.	Insight is sought on cost estimates of CCUS and capacity arrangements with SPP and Manitoba Hydro.
NRCan-04	7.1-7.4	It is unclear whether the proponent has considered Grid Enhancing Technology to boost available import capacity on existing lines.	NRCan recommends clarification on whether Grid Enhancing Technology to boost available import capacity on existing lines has been considered.	Insight is sought on the consideration of Grid Enhancing Technology.
NRCan-05	7.1-7.4	It is unclear whether the proponent has considered alternative pathways for sharing Planning Reserve Margins with neighbours.	NRCan recommends clarification on whether alternative pathways for sharing Planning Reserve Margins with neighbours were considered. NRCan recommends providing the other pathways/alternative solutions that were considered for this unit.	Insight is sought on what alternative pathways for sharing Planning Reserve Margins with neighbours were considered, if any.
NRCan-06	7.1,7.3,23.2	One of the key justifications for the project is the potential for net emissions reductions. The Initial Project Description (IPD), including in section 7.1 and 7.3, indicate that the project will enable the retirement of coal and imply the potential for significant net emissions reductions. However, the IPD also indicates, in section 23.2, that the project will not directly reduce GHG emissions.	NRCan recommends that the DPD clarifies if GHG emissions reductions or coal plant retirements are the direct result of the proposed project, or if these benefits are assumed/possible, but not certain, outcomes of the project. NRCan recommends that a full cost-benefit analysis on GHG reduction be considered by assessing quantitative estimates on the amount of avoided emissions, including emissions intensity comparisons. Section 23.2 should be clarified. NRCan recommends that the Proponent follows the directions and guidance contained in the Strategic Assessment of Climate Change (SACC) and the technical guides related to the SACC including the <i>Guidance on quantification of net GHG emissions, impact on carbon sinks, mitigation measures, net-zero plan and upstream GHG assessment</i>	NRCan recommends that the Proponent provides more details on the project's GHG emissions reduction impact in the DPD.

NRCan-07	7.2, 12.2	The IPD states that the project is the only practical and economical option for enabling renewable power generation and achieving SaskPower's emissions reduction targets.	NRCan recommends that the DPD describe the alternative options that were considered and empirically substantiate why the project is the only practical and economic option.	NRCan recommends that evidence be provided to support the IPD's claim that the project is the ideal option for enabling renewable generation and achieving emissions reductions.
NRCan-08	9.4.6	The IPD indicates that TransGas will supply the gas pipeline infrastructure and gas feedstock required by the project.	In order for Canada to achieve net-zero emissions by 2050, the net emissions intensity of natural gas production, processing, and transportation must become zero by 2050. NRCan suggests that the Proponent identify its assumptions and any challenges or risks associated with procuring, for its power generation, progressively cleaner supplies of natural gas and eventually natural gas supplies with a net zero emissions intensity by 2050, and how it plans to work with TransGas on these issues.	Insight is sought on how progressively cleaner natural gas supplies in line with Canada's climate targets will be procured
NRCan-09	11.3	The IPD indicates that carbon capture utilization storage (CCUS) integration is currently being assessed and may be added to the project in the future.	The IPD does not describe how the project will comply with Canada's emissions reduction targets, including reducing emissions towards net-zero by 2050, if its CCUS assessment concludes that CCUS will not be economically or technically feasible for the project. This information will also help reveal the project's stranded asset risks (i.e., the project may risk being stranded if it cannot decarbonize in line with existing or future emissions reduction requirements due to the potential infeasibility of CCUS) as well as the risk of locking in future emissions (i.e., emissions will be locked-in if the project cannot decarbonize or be decommissioned).	NRCan recommends that the DPD describes the challenges and ability to decarbonize towards net-zero by 2050, in particular under the context of asset stranding and emissions lock-in.
NRCan-10	23.2	The IPD estimates that the operation and maintenance of the project will result in approximately 1.3Mt of emissions per year.	NRCan recommends that the Proponent clarify the units (e.g., carbon dioxide equivalent) and scope (e.g., direct emissions only, or also including emissions from natural gas production and processing) of its emissions estimates.  The proponent should identify the project's full life cycle emissions (i.e., including emissions from the production, processing, and transportation of the required natural gas feedstock), which could give a more comprehensive overview of the project's emissions impact.	NRCan recommends clarification and consistency on the units and scope of the project's emissions estimates.

Please insert additional rows as necessary.