

August 22, 2023

To: The Honourable Steven Guilbeault, Minister of Environment and Climate Change  
The Honourable Mark Holland, Minister of Health

Dear Minister Guilbeault and Minister Holland,

We applaud the recent and important update to Canada's Social Cost of Carbon and would like to point to new evidence of the high health impacts and social cost of fossil fuel production in the attached paper "[Air pollution and health impacts of oil & gas production in the United States.](#)" We are concerned the health impacts of oil and gas production have not been adequately reflected in the analysis of status quo scenarios for important federal climate and energy policies, including for the 2030 Emissions Reduction Plan as well as the proposed Light-Duty Zero-Emission Vehicle (ZEV) regulations.

This paper finds US\$77 billion in health impacts, largely from harmful nitrogen oxide (NO<sub>2</sub>), ozone (O<sub>3</sub>), and fine particulate (PM<sub>2.5</sub>) emissions released from combustion at oil and gas production sites in the U.S. (such as from flaring and engines). Exposure to these pollutants causes premature deaths in the communities and large regions adjacent to U.S. oil and gas production sites. This study also found that while health impacts were most significant in oil and gas-producing states, heavily populated states that are downwind of those states, but do not have significant oil and gas activity themselves (e.g. Illinois, New York, Georgia) also experienced health impacts.

We believe that addressing large health impacts such as these is a co-benefit of climate action, because measures like electrification, energy efficiency and gas conservation reduce greenhouse gas emissions as well as these air pollutant emissions, which are not included in the updated Social Cost of Carbon.

In recent climate and energy policies, regulatory impact analysis statements are inconsistent in whether they provide quantitative or qualitative health impacts analysis, which segments of the oil and gas supply chain are included, and which pollutants they consider. For instance, the impact analysis for the light-duty ZEV regulations quantifies health impacts in terms of financial cost and health outcomes from these vehicles' harmful emissions, but not from fuel production upstream, whereas existing methane regulations include a cost/benefit analysis of the health impacts of volatile organic compound (VOC) emissions. It is critical that health impacts from the source covered by the regulation are included in the impact assessments. Some of this work has already been done outside of climate-related regulatory processes, as

seen in Health Canada's recent [study](#) estimating premature mortality and morbidity outcomes from air pollution by sector, including oil and gas.

The health impacts from NO<sub>2</sub>, O<sub>3</sub>, and PM<sub>2.5</sub> from oil and gas production are under-represented in the climate and energy policies and legislation we have reviewed. We recommend that a cost/benefit analysis of the health impacts of NO<sub>2</sub>, O<sub>3</sub>, and PM<sub>2.5</sub> be included in regulatory analyses such as the cap on oil and gas emissions, methane regulations, and the Clean Electricity Regulations. A complete quantitative assessment of different health impacts from oil and gas production should also be included to better articulate the "business as usual" scenario. However, this analysis should not slow the regulatory process. If quantitative assessments are not available for the draft regulations, then they should be integrated into final regulations to the greatest extent possible. Qualitative assessments should accompany draft regulations in the absence of complete quantitative analysis.

We ask you to please address this gap so the health impacts of fossil fuel use, especially at oil and gas production sites, are addressed for the good of Canadians.

Yours sincerely,

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Severn Cullis-Suzuki, Executive Director, David Suzuki Foundation

Ari Pottens, Senior Campaign Manager, Environmental Defense Fund

Cc: The Honourable Jonathan Wilkinson, Minister of Energy and Natural Resources

The Honourable Arif Virani, Minister of Justice and Attorney General of Canada

Dr. Stephen Lucas, Deputy Minister of Health

Mr. Matthew Jones, Assistant Deputy Minister, Health Canada

Mr. Adam van Koeverden, Parliamentary Secretary to the Minister of Health and to the Minister of Sport