

March 28, 2023

The Honourable Steven Guilbeault, P.C., M.P.
Minister of Environment and Climate Change of Canada
Fontaine Building
200 Sacre-Coeur, 2nd Floor Office 211
Gatineau, QC K1A 0H3

Dear Minister Guilbeault:

Atlantic Premiers continue to work diligently with the Government Canada on shared goals to reduce greenhouse gas emissions. As a region, we are ambitiously investing in low-emitting energy and innovative green technologies. Indeed, the Atlantic Provinces have joined forces to help accelerate the development of renewable energy and clean fuel industries in Atlantic Canada. This advancement is strategically important to economic development and decarbonisation objectives that all provinces in the region share. At the same time, we are also very aware of the affordability challenge facing Atlantic Canadians. We remain concerned about the cumulative impacts of the federal government's climate change policies on cost of living in the region, particularly for our most vulnerable communities and residents.

The Clean Fuel Regulations (CFR) are scheduled to come into force in July 2023 and will increase costs for Atlantic Canada reaching at least 13 cents per litre for gasoline and 16 cents per litre for diesel by 2030. The unique demographic characteristics of the Atlantic region's significantly rural-based population without strong public transit systems must be considered. These increased costs will have a disproportionately negative impact on our region where increased costs will likely be passed on to consumers.

We are deeply concerned about these affordability impacts and their impact on inflationary pressures for households in our region. Almost 40 per cent of Atlantic Canadians now experience energy poverty - by far the highest rate in the country. The increased costs for Atlantic Canadians will only serve to amplify already dramatically increased food prices and costs for energy, transportation and other essential goods and services, including regional health services.

Additionally, the CFR's negative impact on GDP will also be felt disproportionately in our region. According to the federal government's analysis relative to the size of GDP, it is estimated that provinces in Atlantic Canada will be more negatively affected by the Regulations.

In light of the issues we have raised, we are requesting that your government consider the disproportionately negative impact of the Clean Fuel Standard on the citizens of Atlantic Canada by both

delaying its implementation and considering measures to directly compensate the individuals and families who will be so negatively impacted.

Sincerely,



DR. ANDREW FUREY

Premier

Minister for Intergovernmental Affairs

cc:

The Right Honourable Justin Trudeau, Prime Minister of Canada

The Honourable Dominic LeBlanc, Minister of Intergovernmental Affairs, Infrastructure & Communities

The Honourable Jonathan Wilkinson, Minister of Natural Resources Canada

The Honourable Dennis King, Premier of Prince Edward Island

The Honourable Tim Houston, Premier of Nova Scotia

The Honourable Blaine Higgs, Premier of New Brunswick

* Prince Edward Island is operating in a caretaker period due to a provincial election and is unable to participate.