BACKGROUNDER
Memorandum of Understanding
Between the Province of Saskatchewan and the State of Victoria

The Province of Saskatchewan, Canada and the State of Victoria, Australia intend to forge stronger relationships through collaboration and sharing of information on the research and development of new and emerging technologies related to climate change. Saskatchewan and Victoria both rely on coal-fired electrical power plants as their primary energy source. Agriculture is a key economic sector in both jurisdictions. Both economies are built on resource-based industries. Saskatchewan and Victoria share similar challenges and opportunities in taking action against climate change.

PURPOSE OF THE MOU

- To help accelerate development of emerging clean coal and low-carbon emissions technologies, as well as carbon capture and storage projects.
- To collaborate on research, development and demonstration projects in renewable energy systems, such as wind, solar and biomass.
- To create opportunities that generate green jobs.

OVERVIEW

- Mutual policy objectives include a reduction of greenhouse gas (GHG) emissions from the production and use of energy and transitioning towards a carbon-constrained future.
- Victoria has shown leadership in addressing climate change and it will benefit Saskatchewan to have access to the quality of information available in Australia.
- Saskatchewan introduced The Management and Reduction of Greenhouse Gases Act in the provincial legislature on December 1, 2009, which includes reducing GHG emissions in the province by promoting investments in low-carbon technologies and processes. The provincial framework will also provide funding for research and development of emission reduction technologies and adaptation initiatives.
- Similarly, Victoria has developed a comprehensive climate change policy framework to reduce GHG emissions from the energy sector that includes support for renewable energy, energy efficiency, low emissions technologies and a national emissions trading scheme.

PROMOTING RESEARCH AND INNOVATION

- The shared focus on research, development and other joint commercial projects will occur in the following areas: carbon capture and storage (CCS) and clean coal technologies; renewable energy systems; alternative technologies; and adaptation to the impacts of climate change, including agricultural practices and wildfire management operations.
- Research and development projects of mutual interest include biomass projects and smart energy networks, including generation, storage, transmission and distribution.
- Scientists and researchers at the University of Regina continue to study methods for capturing carbon dioxide (CO_2) and are demonstrating the technology. Saskatchewan remains well-positioned as a global leader in CCS facilities. The University of Regina's International Performance Assessment Centre for Geological Storage of CO_2 tests the performance of CO_2 storage to assist governments with developing regulations and policies required for large-scale CO_2 storage. The

International Test Centre develops and demonstrates carbon capture technology at both its pilot plant at the university and at the CO_2 capture plant located next to SaskPower's Boundary Dam Power Station. This research is important for developing processes that will allow the continued use of fossil fuel resources to generate electrical energy in an environmentally-responsible manner, while minimizing the cost to the people of Saskatchewan.

- Shared research findings between Saskatchewan and Victoria will provide an opportunity to refine research deliverables and implement technologies in a timely way.

RECOGNIZING LEADERSHIP

- Victoria is a leader with its commitment to reducing GHG emissions by investing $2.4 billion (AU$) in CCS projects. Victoria's Energy Technology Innovation Strategy is currently reviewing proposals for the CCS Large-Scale Demonstration Program.
- In 2008, Victoria developed legislation that provided clarity and certainty for industry to support investment in carbon storage and assured communities that injection and storage operations were of minimal risk to public health and the environment.
- Victoria has shown leadership by addressing the long-term liability issues of carbon storage.
- Victoria's experience is of extreme value to Saskatchewan in its move toward reducing provincial GHG emissions and sustaining economic growth.

BUILDING ON EXPERIENCE

- The State of Victoria recognizes the vulnerability of the agriculture sector to climate change and has designed a program to address governance and deliver results.
- Victoria offers extension and regulatory services to drive practice change in the agriculture sector, including the effective delivery and coordination of drought assistance to affected businesses and communities.
- The experiences gained in Victoria can assist Saskatchewan in preparing agricultural producers in the province to adapt to climate change.
- Saskatchewan is moving forward on its provincial adaptation strategy to better prepare for the impacts of a changing climate.
- The drought in the Melbourne, Australia area is now in its tenth year and Victoria is reviewing its drought policy to better prepare farmers, rural communities and industry for resistance to fire, drought and flooding.
- The University of Melbourne, located in Victoria, houses a Centre of Excellence for climate change adaptation research. In Saskatchewan, the Prairie Adaptation Research Collaborative (PARC) at the University of Regina is a world leader in adaptation research and strategic planning. This MOU will generate opportunities for PARC to collaborate with the Centre of Excellence and support other climate change investments and programs, address knowledge gaps and build on existing capacity and learning.