

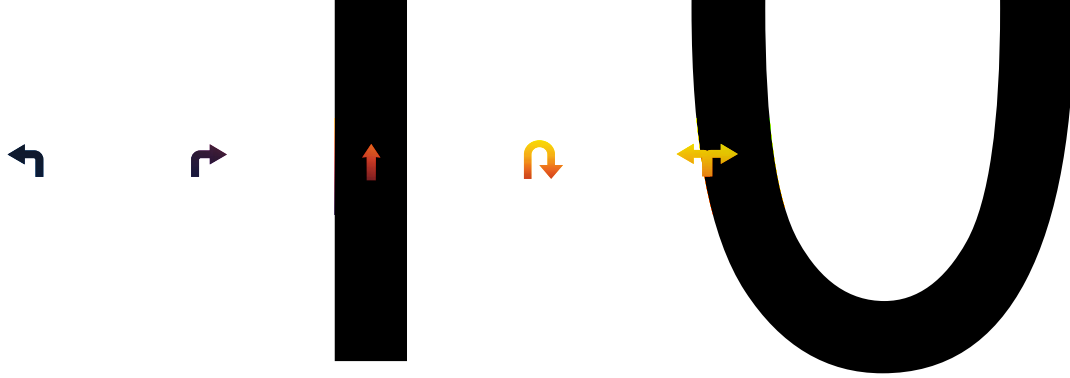


DESTINATION NET ZERO EVENTS

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ENERGY AND
TRANSPORTATION DAYS

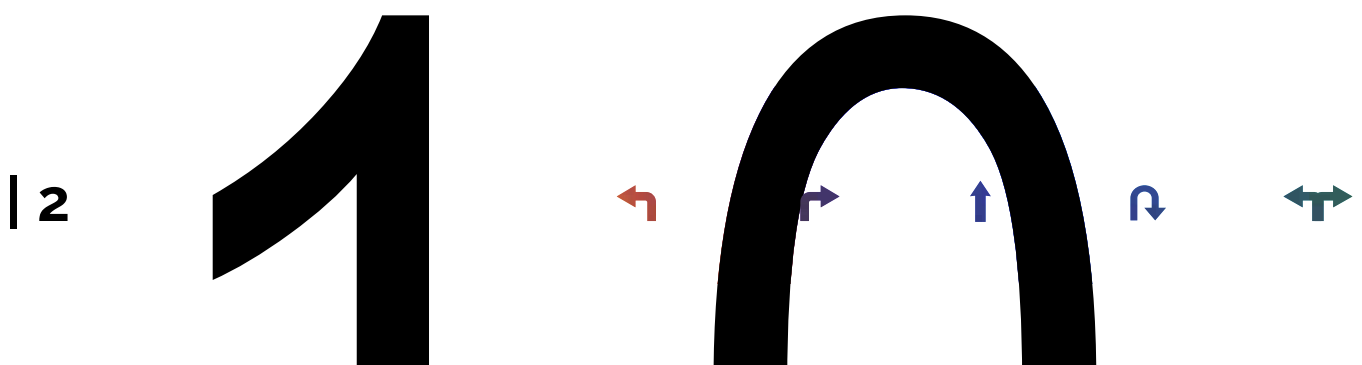
The **10** Actions We Need to Take in the Energy and Transportation
Sectors in the Next **10** years to Get to Net Zero



We are at the beginning of the most decisive decade in our lifetimes. What we do in the next 10 years will set the course for our net-zero future. To meet the moment, GLOBE Series launched Destination Net Zero Events—a three-event series culminating in GLOBE Forum 2022, the largest and longest-running sustainability conference in North America.

We're embedding action and accountability into these events with the 10x10: 10 actions in 10 years we need to take to get to net zero. The actions identified in the Energy and Transportation Days event, which took place virtually October 26-27, 2021, are summarized below. These will feed into the final 10x10 that is produced after Forum.

By this point in the global pandemic, we have all attended our fair share of virtual events and let's be honest, it's not always easy to feel the energy in the Zoom. However, there was a palpable level of excitement and passion in the Energy and Transportation Days sessions. Speakers and attendees engaged in deep conversations about the actions we can take to accelerate our transition to net-zero energy and transportation systems. We thank them for being part of the dedicated community that is building a better future.



1

Develop and deploy infrastructure and solutions that support and drive the energy transition

There are many net-zero transition pathways that require the deployment of different kinds of infrastructure and solutions than what we have in place today. These include charging networks and grid enhancement for electric mobility; new approaches to grid design for decentralized electricity generation; hydrogen production and distribution; networks and clusters for carbon capture, utilization and storage (CCUS); renewable natural gas (RNG) and other bioenergy solutions; and clean technologies that will play a role in decarbonizing the energy and transportation systems.

In a country as geographically spread out and diverse as Canada, we will need technological, financial, social and policy innovation to support this deployment on a scale that more urban nations have not had to grapple with. Our ability to deliver that innovation will determine how far we can go.

2

Scale strategic investment to activate many pathways to net zero that are currently undercapitalized

Many of the technologies and pathways to net zero are still emerging, and are either pre-commercial, or commercial only in niche applications. Many developers do not have the capital required to deploy at the scale required for transition and rely on a range of programs and sources of financing to develop their products and solutions. These pools of capital need to see rapid and targeted growth to properly enable the pace of development commensurate with net-zero ambition. Identifying and overcoming reasons for capital hesitancy, especially regulatory uncertainty, are required to enable the scale up of capital availability.

3

Manage the impacts on the labour force and stakeholders most impacted by the transition

The importance of retraining and reskilling workers in sectors most impacted by the transition came up time and again across many of the sessions. Beyond direct focus on labour force interventions, other stakeholder impact management including equitable investment in rural infrastructure, identifying transferable skillsets and ensuring the net zero transition optimizes job opportunities were also highlighted. Many workers and their representative organizations that rely on jobs in the current energy system are hesitant to embrace the transition without a clear picture of how these impacts can be addressed. Beyond workers, impacts to consumers



4

Prioritize opportunities for Indigenous leadership, reconciliation and sustainable economic development

also need to be considered, whether it be from utility bills, mobility costs (whether via ground or air), and shipping impacts. Many participants agreed that this is a shared responsibility among all actors in the system.

The net zero transition offers an opportunity for (1) Indigenous leadership and participation in the clean energy and low-carbon transportation economy; (2) sharing equity and maximizing sustainable economic activity on the ground in Indigenous and local communities; and (3) addressing previous exploitative social and economic relationships through reconciliation. These activities have the potential to create a more socially just and equitable transition, and mitigate the impacts of job losses or economic out-migration in communities tied to legacy energy systems.

5

Collaborate, collaborate, collaborate!

Almost all the conversations during the Energy and Transportation Days touched on the need for increased collaboration to drive action on net zero. The challenges we face are complex and require multifaceted solutions that are not easily deployed by single entities in either the energy or transportation sectors. Innovation in how we collaborate is also an important consideration. Acting to create space for traditional competitors, whether they be energy producers, vehicle manufacturers or carriers, to collaborate on transition business models has the potential to amplify efforts to scale transition technologies. This collaboration needs to happen at all levels of society and organizations, from the consumer, to the boardroom, to the halls of government.

6

Eliminate investment uncertainty as much as possible

Many speakers highlighted uncertainty-driven risk that is largely avoidable. Regulatory uncertainty, jurisdictional deviations in markets, cross-border trade challenges and investor expectations were all highlighted as areas where uncertainty can be reduced or improved upon. Efforts to do so may unlock further investment and could catalyze some of the other actions mentioned here.



7

Capitalize on opportunities to expand the appeal of the transition to gain support for action

Getting consumers on board with transition-related activities and the behaviour changes they will need to make is always a challenging prospect, especially when the benefits may not be experienced immediately. Sport, consumer brands, and other interest-based campaigns have an important role to play in conveying the emotional benefits of action.

8

Build trust in data, reporting and modelling tools

When it comes to disrupting existing legacy energy systems and the mobility services they fuel, much has been made of the trustworthiness of data and measurement of various climate, socioeconomic, and other environmentally-related impacts. This is further complicated by the need to view net-zero commitments at a sectoral, value chain or jurisdictional level. Building trust in in-house, partner, industry and government data, reporting and modelling tools through common principles to evaluate data quality can reduce friction when viewpoints differ on how to invest in the transition.

9

Align incentives across borders

When it comes to the carrots and sticks that encourage action on net zero, there is keen awareness that the policies, incentives and tariffs being put in place by our major trading partners have the potential to make or break business opportunities within Canada. Action is needed to align incentives that stimulate the development of integrated value chains that ensure Canada remains an attractive place to invest. Examples included the 45Q tax incentive for Carbon capture, utilization and storage (CCUS) in the US, or supply chain provisions tied to consumer rebates for electric vehicles.

10

Develop consistent and credible net-zero targets

There are many perspectives on what comprises a net-zero target, and we saw this reflected across the sessions when discussing corporate, industry-wide, provincial and national goals. There are still many issues of scope, ambition, boundary, methodology and monitoring that are actively being resolved, but more work is needed to build acceptance of emerging approaches to setting and achieving targets. Concerns over greenwashing, on the one hand, and realism on the other abound, but it is clear that everyone is engaged on this issue and committed to working through many of the challenges. Expect further developments soon and check out [Destination Net-Zero Portal](#), [Canada's Net-Zero Leader Board](#), and [Getting to Net Zero Together](#) blogs for additional resources.

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Despite the many perspectives, interests and strategies employed across the energy and transportation sectors, there are many common actions that can be taken to advance our progress towards net zero. The coming months will be instrumental in showing that we can indeed achieve the action needed to meet the reality of the climate crisis, especially in the next decade.

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GLOBE Forum | Mar 29-31, 2022

Do you have questions or would you like more information about the 10x10? Contact us.

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