

January 12, 2022

VIA EMAIL

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Newfoundland and Labrador
Office of the Superintendent of Securities, Northwest Territories
Office of the Yukon Superintendent of Securities
Nunavut Securities Office

c/o

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor, Box 55
Toronto, Ontario
M5H 3S8
Fax: 416-593-2318
Email: comment@osc.gov.on.ca

Me Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour Cominar
2640, boulevard Laurier, bureau 400
Québec (Québec) G1V 5C1
Fax: 514-864-6381
Email: consultation-en-cours@lautorite.qc.ca

RE: Notice and Request for Comment – Proposed National Instrument 51-107 Disclosure of Climate-related Matters

Dear Sirs/Mesdames:

This letter is submitted in response to the Notice and Request for Comment dated October 18, 2021 (the "**Notice and Request for Comment**") by the Canadian Securities Administrators (the "**CSA**") regarding proposed National Instrument 51-107 *Disclosure of Climate-related Matters* (the "**Proposed Instrument**") and its related companion policy (the "**Proposed Policy**" and together with the Proposed Instrument, the "**Proposed Materials**"). Defined terms used but not otherwise defined in this letter have the same meaning provided to such terms in the Notice and Request for Comment.

We thank you for the opportunity to comment on the Proposed Materials and wish to take this opportunity to address some of the specific questions asked by the CSA in Part 10 – Request for Comments of the Notice and Request for Comment. The specific questions we wish to address are set forth below, and our comments appear directly below the applicable question.

1. *For those issuers who are already required to report GHG emissions under existing federal or provincial legislation, would the requirement in the Proposed Instrument to include GHG emissions in the issuer's AIF or annual MD&A (if an issuer elects to disclose these emissions) present a timing challenge given the respective filing deadlines? If so, what is the best way to address this timing challenge?*

We respectfully submit that requiring an issuer to include GHG emissions disclosure for the preceding financial year in its AIF or annual MD&A would present an undue burden for many issuers, and particularly for Pembina, due to the limited period of time in which such disclosure would need to be prepared.

The process of calculating GHG emissions is complex and time consuming, particularly for issuers with large, multifaceted and multi-jurisdictional businesses, such as ours. Under the Proposed Instrument, as a non-venture issuer, we would have a period of only ninety days following the end of our financial year to calculate and assure our GHG emissions for such period and to incorporate this information into our AIF, which would be a challenging timeline to meet. In contrast, regulatory reporting deadlines for emissions in the various jurisdictions in which Pembina operates range from March to the end of June.

In our view, it will be impracticable for many issuers to accurately calculate and disclose their GHG emissions within the period of time contemplated by the Proposed Instrument. Accordingly, we respectfully request that the Proposed Instrument be revised such that the GHG emissions disclosure to be included in an issuer's AIF or annual MD&A be in respect of the issuer's second previous most recently completed financial year. For example, an issuer would disclose in its AIF or annual MD&A for the year ended December 31, 2023, its GHG emissions for the year ended December 31, 2022. Such an approach would, in our view, appropriately balance the objective of promoting decision-useful disclosure with the concerns outlined above concerning the burden of compliance. Further, we believe that, by ensuring that issuers are afforded the necessary time to prepare their GHG emissions disclosure, such an approach would cause a greater number of issuers to elect to include such information in their continuous disclosure documents rather than explain why such information has not been included, thus furthering the objectives of the Proposed Instrument.

2. *Under the Proposed Instrument, scenario analysis would not be required. Is this approach appropriate? Should the Proposed Instrument require this disclosure? Should issuers have the option to not provide this disclosure and explain why they have not done so?*

While we recognize the value of scenario analysis and use this tool to support our own business planning, we agree that scenario analysis should not be required under the Proposed Instrument. Our position on this issue is premised largely on concerns that are consistent with those outlined by the CSA in the Notice and Request for Comment. In particular, we believe that due to the number of assumptions required to complete a scenario analysis, the usefulness, consistency and comparability of scenario analysis would provide little benefit to investors, especially when weighed against the significant costs that would be incurred by issuers to prepare such information. We expect that a wide range of issuers will experience similar challenges developing a scenario analysis and therefore submit that it is unnecessary to add a "comply or explain" aspect to this section of the Proposed Instrument.

3. *Should disclosure of Scope 2 GHG emissions and Scope 3 GHG emissions be mandatory?*

We agree with the approach taken by the CSA in the Proposed Instrument with respect to providing issuers with the flexibility to disclose Scope 1, Scope 2, and Scope 3 GHG emissions and the related risks, or provide their reasons for not disclosing this information. In particular, mandating the disclosure of Scope 3 GHG emissions would, in our view, be particularly onerous. Due to the breadth and nature of the assumptions involved in calculating Scope 3 GHG emissions, requiring the disclosure of Scope 3 emissions would give rise to concerns regarding the usefulness, consistency and comparability of such information for investors.

We appreciate the opportunity to provide comments on the Proposed Materials. We trust that our comments will be helpful to the CSA and that the CSA will consider the views in this letter when finalizing the Proposed Materials.

Yours very truly,

PEMBINA PIPELINE CORPORATION

(signed) "*Sarah Schwann*"

By: Sarah Schwann
Title: Vice-President, External Affairs

Date: January 12, 2022