



Draft Response to Federal Government's Draft Clean Electricity Regulations

To the Honourable Steven Guilbeault, Minister of Environment and Climate Change, and the Honourable Jonathan Wilkinson, Minister of Energy and Natural Resources:

Dear Minister Guilbeault and Minister Wilkinson:

BurlingtonGreen and the Burlington Community Climate Action Hub, (BCCAH) are pleased to provide feedback on the Federal Government's Draft Clean Electricity Regulations. BurlingtonGreen is an environmental non governmental organization with a mission to work with our community to protect the environment, mitigate climate change and create a healthier, more environmentally responsible city, and the BCCAH is a community driven non-partisan movement for local action and strong political leadership on climate change. Our two organizations are located in Burlington, Ontario. While commenting on federal electricity regulations may seem beyond the scope of our locally-focused missions, we do engage in reviewing and offering feedback on initiatives of higher-level governments related to the environment and/or climate change where we believe such initiatives have the potential to either positively or negatively impact our local community and its future.

BurlingtonGreen and the BCCAH are respectfully submitting this document to our elected officials and to the formal consultation on the draft Clean Electricity Regulations introduced in Canada Gazette, Part 1, Volume 157, Number 33 on August 19, 2023 to the provided email address ECD-DEC@ec.gc.ca, in lieu of using the multi-step online submission platform. We agree to the *Terms of Use and Privacy Notice* provided on the Online Regulatory Consultation System for the draft Clean Electricity Regulations, and have included those terms at the end of this email for reference.

We have reviewed the positions of national and well-respected organizations such as the David Suzuki Foundation, Environmental Defence Canada, and the Ontario Clean Air Alliance, and support their positions regarding the draft Regulations. Specifically:

David Suzuki Foundation (DSF):

The David Suzuki Foundation has produced a comprehensive report entitled <u>"Shifting Power: Zero-Emissions Electricity Across Canada by 2035"</u>. The Foundation's analysis shows that Canada's electricity grid can reach the goal of zero-emissions by 2035, and one of its key policy recommendations is "to deliver early emissions reductions and to avoid new fossil generation assets being locked in or stranded, the federal government

should put in place a stringent clean electricity standard and ensure that the electricity sector is fully exposed to carbon pricing". (p. 69)

We agree with the DSF in approving of the following elements of the draft clean electricity regulations and related federal policies:

- A clear, time-based target for the electricity sector to reach net-zero emissions by 2035. Even though this policy doesn't get us all the way there, it's crucially important that this clear signal is sent to utilities, investors, businesses and provinces.
- A strong net-zero emissions intensity standard of 30 t/GWh.
- A suite of federal funding, affordability measures and other complementary policies to help ensure we achieve affordable, secure, emissions-free electricity for everyone living in Canada by 2035.

However, in agreement with the DSF, we are concerned that some terms in these draft regulations jeopardize their integrity and efficacy. Loopholes and extensions for the fossil fuel industry cannot be allowed if we hope to achieve an emissions-free electricity sector by 2035. These terms include:

- An "end of prescribed life" provision that allows fossil fuel plants to continue polluting without consequence for 20 years after the date of their commissioning, meaning some projects will continue emitting on Canada's grid until 2045.
- No interim measures are described in this policy before 2035. While utilities and companies are making investment decisions today, we need to make sure a strong signal is sent to prevent fossil fuel plants from being built including natural gas generation. Strong interim measures, such as a 2030 standard or binding pathways for decarbonization, are needed.
- Lack of a full carbon price for electricity. With the current output-based pricing system applied to the electricity sector, significant emissions are exempt from carbon pricing. The electricity sector should be exposed to the full carbon price as soon as possible, and any remaining emissions should be subject to the full national carbon price until emissions are successfully phased out in the sector in 2035.

Environmental Defence Canada:

According to Environmental Defence, the regulations as drafted will not produce Canada's committed net-zero grid by 2035, and are unlikely to meet planned emissions reductions targets. They recommend strengthening the Draft Clean Electricity Regulations to:

 Include interim targets that ratchet down over time to spur the power sector to move toward net-zero before 2035;

- Ensure that no gas plants are able to operate after 2035 except in real emergencies;
- Remove loopholes allowing for gas plants with carbon capture ("abated" gas). So
 far, the use of carbon capture in the power sector has resulted in expensive
 failures. There are no existing commercial gas plants with carbon capture
 anywhere in the world. Carbon capture for the power sector is a dead end and
 a licence to pollute. Canada should reject this pathway; and
- Make it clear that gas plants will pay the full carbon price for every tonne of CO2 released beginning in 2030.

Ontario Clean Air Alliance (OCAA):

According to the Ontario Clean Air Alliance, greenhouse gas (GHG) pollution from Ontario's **existing** gas-fired power plants will increase by more than 300% by 2030 and by 700% by 2043 as the province uses gas to replace aging nuclear plants and to meet growing demand for electricity from population growth and increased electrification (electric cars, home heating). If this occurs, Ontario will lose 60% of the pollution reduction benefits it achieved by phasing-out its dirty coal plants.

<u>The OCAA analysis</u> of the Government of Canada's Draft Clean Electricity Regulations also points out the 20-year loophole which permits gas plants in service before Jan. 1, 2025 to operate at full capacity for 20 years after their in-service dates; this currently will mean at least two new gas plants planned for in Ontario will be allowed to run at full capacity until Dec. 31, 2044. This loophole should be eliminated.

We have intentionally retained points on which the above organizations have made similar comments, in order to highlight the congruence between these organizations' assessments of the draft regulations. BurlingtonGreen's and the BCCAH's values and mission are very much in alignment with the positions taken by the David Suzuki Foundation, Environmental Defence and the Ontario Clean Air Alliance.

The urgency of strong regulations to limit carbon output has never been greater: pollution and climate change hazards in Canada have already threatened and taken the lives of far too many across the country. We are now past the point of making concessions to the oil and gas industry, extending timelines to allow continued dependence on fossil fuel use in electricity generation, and giving a pass to provinces that do not prioritize climate action. With the felt effects of climate change worsening each year, we are extremely concerned about how ongoing reliance on fossil fuels harms the health and safety of current and future residents of Canada, Ontario, and Burlington.

In fact, the gaps in these regulations would play out at the local level here in Burlington. Although we have benefitted from the province's retiring of coal fired power plants, we are gravely concerned about the recent cancellation of renewable energy efforts and the Ontario Government's new plans to expand fossil gas dependence at Toronto's Portlands gas plant. According to the Ontario Clean Air Alliance, gas plant outputs have more than doubled under

our current Premier, and at a time when we should be shifting to safe and clean energy solutions. In fact, a <u>newly proposed gas plant in Halton Hills</u> could produce as much air pollution as 250,000 cars each year if approved. Under the currently-written Draft Clean Electricity Regulations, these local gas plant expansion plans would have detrimental impacts on our community's air quality, resident health, and local climate emissions targets. That is why it is so critical to strengthen the regulations.

BurlingtonGreen and the BCCAH are strongly underpinned by volunteers - we are ordinary people who care about fighting for healthy and safe communities for everyone. We are also taxpayers and voters, looking to the federal government to strongly regulate the electricity sector. We believe that a 100% clean and renewable electricity grid is both attainable and affordable, and we are in agreement that Draft Clean Electricity Regulations are much-needed and have potential to prevent further harm to our communities, provided the above recommendations are incorporated. We urge you to implement strengthened regulations that will rapidly reduce emissions and protect our environment, health, and collective future.

Sincerely,

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Jane Jenner
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References:

- <u>David Suzuki Foundation Petition Letter re: Government of Canada Draft Clean</u> Electricity Regulations
- <u>"Shifting Power: Zero-Emissions Electricity Across Canada by 2035"</u> (David Suzuki Foundation)
- Statement on the Federal Government's Draft Clean Electricity Regulations | Environmental Defence
- <u>Canada's Draft Clean Electricity Regulations: An Ontario Analysis | Ontario Clean Air</u>
 Alliance
- Ontario power producer plans to increase Toronto gas plant output, but critics worry about impact | CBC News
- Clean Electricity, Affordable Energy | Canadian Climate Institute

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The information you provide is collected under the authority of the Financial Administration Act, the Department of Public Works and Government Services Act, the Canada—United States—Mexico Agreement Implementation Act, and applicable regulators' enabling statutes for the purpose of collecting comments related to the proposed regulatory changes. Your comments and documents are collected for the purpose of increasing transparency in the regulatory process and making Government more accessible to Canadians.

Personal information submitted is collected, used, disclosed, retained, and protected from unauthorized persons and/or agencies pursuant to the provisions of the Privacy Act and the Privacy Regulations. Individual names that are submitted will not be posted online but will be kept for contact if needed. The names of organizations that submit comments will be posted online.

Submitted information, including personal information, will be accessible to Public Services and Procurement Canada, who is responsible for the Canada Gazette webpage, and the federal institution managing the proposed regulatory change.

You have the right of access to and correction of your personal information. To seek access or correction of your personal information, contact the Access to Information and Privacy (ATIP) Office of the federal institution managing the proposed regulatory change.

You have the right to file a complaint to the Privacy Commission of Canada regarding any federal institution's handling of your personal information.

The personal information provided is included in Personal Information Bank PSU 938 Outreach Activities. Individuals requesting access to their personal information under the Privacy Act should submit their request to the appropriate regulator with sufficient information for that federal institution to retrieve their personal information. For individuals who choose to submit comments anonymously, requests for their information may not be reasonably retrievable by the government institution.