



ONTARIO
CLEAN AIR
ALLIANCE

January 3, 2022

By Email: ministre-minister@ec.gc.ca

The Honourable Steven Guilbeault
Minister of Environment and Climate Change

Dear Minister Guilbeault:

Re: 2030 Emissions Reduction Plan

We are writing to express our alarm at Ontario's intention to re-carbonize its electricity system, and to outline actions that the Government of Canada can take to defend its greenhouse gas (GHG) pollution reduction commitments.

The GHG pollution of Ontario's gas-fired power plants are scheduled to increase by 375% by 2030 and by more than 600% by 2040 according to Ontario's Independent Electricity System Operator's (IESO) *Annual Planning Outlook* (December 2021).

Clearly, Ontario is going in the wrong direction if Canada is to reduce its GHG pollution by 40 to 45% by 2030 relative to 2005 levels.

Recommendation #1

We recommend that the Government of Canada establish a Clean Electricity Standard that requires Ontario to achieve a net-zero GHG emitting grid by 2030.

We are pleased to note that [thirty-two Ontario municipalities, representing almost 60% of Ontario's population, have passed resolutions calling for the phase-out of Ontario's gas-fired power plants.](#)

We are also pleased to note that the Government of Canada has promised to move Canada to a net-zero emitting electricity grid by 2035.

We believe that it is important to recognize that achieving a net-zero electricity system by 2035 is a much more ambitious target for Alberta and Saskatchewan than it is for Ontario. Specifically, while Alberta and Saskatchewan obtain approximately [80 to 90% of their electricity from fossil fuels](#); Ontario already had a [96% carbon-free electricity grid as of 2017](#), before it began to backslide.

[As part of an equitable national strategy to achieve Canada's 2030 and 2035 GHG reduction targets](#), we believe that it would be reasonable to require Ontario to achieve a net zero electricity grid in advance of the Canadian provinces which have fossil-intensive electricity systems.

Recommendation #2

We recommend that 100% of Ontario's gas plants' GHG pollution be subject to Canada's carbon tax

Currently, only about 5% of Ontario's gas plants' GHG pollution is subject to Canada's carbon tax.¹ On the other hand, Ontario families are subject to carbon taxation on 100% of the GHG pollution produced by their fossil gas furnaces. This is economically irrational if we want to move to a net-zero electricity grid at the lowest possible cost. Fully taxing GHG pollution from gas plants will have a small impact on electricity costs for ratepayers; but will provide a clear signal to system operators about the need to move to fossil fuel-free power sources.

Rcommendation #3

We recommend that the Government of Canada provide financial support for the installation of bidirectional chargers for our cars, school buses and fleet vehicles. Bidirectional chargers can aid in achieving fossil fuel-free electricity systems across Canada, and particularly help Ontario achieve a phase-out of gas-fired electricity generation by 2030.

Currently, virtually all our electric vehicle (EV) chargers are *unidirectional*. That is, they allow our electricity grid to charge our EVs' batteries, but they do not allow our EVs to send power back to the grid.

¹ According to the IESO, the average GHG pollution of Ontario's gas plants will be 387 tonnes per GWh in 2023, but the Government of Canada's Emissions Performance Standard only subjects the gas plants' pollution in excess of 370 tonnes per GWh to carbon taxation. <https://www.ieso.ca/en/Sector-Participants/Planning-and-Forecasting/Annual-Planning-Outlook>

Bidirectional chargers allow our electricity grid to charge our EVs' batteries and also allow our EVs' batteries to send power back to the grid during peak demand hours.

[By 2030 the total capacity of Ontario's EVs' batteries will be more than double the capacity of our gas-fired power plants.](#) Therefore, the installation of bidirectional chargers can allow our EVs' batteries to make a major contribution towards phasing-out Ontario's gas-fired electricity generation.

This is an urgent matter since it is cheaper to incentivize bidirectional charging now before millions of one-directional chargers are installed.

Recommendation #4

We recommend that the Government of Canada direct the Canada Infrastructure Bank to: a) cancel its plans to provide financing for the Lake Erie export line; and b) offer to provide financing for electricity transmission projects that will facilitate increased electricity trade between Ontario and Quebec.

[The Canada Infrastructure Bank \(CIB\) is planning to provide Fortis Inc. with a \\$655 million low-interest loan to help finance the construction of an electricity export line between Ontario and Pennsylvania.](#)

If built, the line will facilitate increased fossil gas electricity production and exports from Ontario to the U.S.

The CIB should not be using Canadian tax dollars to subsidize increased domestic gas-fired electricity GHG pollution and export in a world undergoing Climate Change.

Instead of subsidizing the export of fossil fuel-fired electricity to the U.S., the CIB should provide financing for new transmission projects which will increase Ontario's ability to import low-cost waterpower from Quebec and to access Quebec's hydro-reservoirs, which can act like a giant battery for Ontario's wind and solar energy.

The IESO has identified how Ontario can increase its ability to import power from Quebec by 7,500 megawatts (MW) by upgrading our existing transmission links at [Chats Falls \(2,000 MW\)](#), [Ottawa \(2,000 MW\)](#), [Beauharnois \(2,000 MW\)](#) and [Cornwall \(1,500 MW\)](#). Since all of these upgrades can use existing Hydro One transmission corridors, they can be completed by 2030.

Minister Guilbeault, we understand what a difficult job it is to guide Canada to the achievement of our ambitious climate goals. Your task is being made unnecessarily more difficult by short sighted actions that are being taken by the Government of Ontario. We recommend that you use the tools that are at the disposal of the federal government to rein in Ontario's irresponsible actions and to put Canada on a path toward zero net GHG pollution.

With best wishes,

A handwritten signature in black ink, reading "Jack Gibbons". The signature is written in a cursive style with a large, looping initial "J" and a long, sweeping underline.

Jack Gibbons
Chair