

September 18<sup>th</sup>, 2023

Dear Mayor Ugulini and Councillors:

I wish I could be at the special meeting on the gas plant tomorrow evening, but I have another commitment.

Back on July 27, I wrote to you on behalf of Biodiversity and Climate Action Niagara, a collective of 22 citizens' organizations, nature clubs and environmental groups, and our affiliated individual members, from across the Region of Niagara, to ask that you not approve the gas-fired generating plant expansion at the Northland site in Thorold.

Since considerable time has passed, I wanted to remind you of five key reasons to say no to new fossil-fuel energy generation.

### **Keeping Energy Costs Affordable For Your Citizens**

#### *1). The Plan Commits Taxpayers To Pay For Energy That May Not Be Produced*

The Federal government has committed to net zero electricity by 2035<sup>1</sup>. To entice investors in new gas generation, given this federal commitment, the Independent Electricity System Operator (IESO) has offered 20-year contracts for the six new gas plants that they want built by 2027. In plain language, the Ontario Minister of Energy has directed the IESO to make this guarantee: if climate regulations require the new plants to shut down, the people of Ontario will fully compensate them for their losses.<sup>2,3</sup> This could put taxpayers on the hook for potentially billions of dollars of energy that will not be produced.

#### *2). The Plan Imposes Higher-Cost Energy On Taxpayers For Decades Into The Future*

Natural gas generation is not the most cost-effective way to create electricity now; renewables like solar and wind are.<sup>4</sup> As well, the cost of fossil fuel energy produced will rise significantly, in the near future, as federal carbon taxes rise. As of April 2023, the federal minimum carbon tax is set at \$65 per tonne of CO<sub>2</sub> equivalent. This will increase to \$170 by 2030.<sup>5</sup> Fossil fuel prices, especially in relation to prices for renewables, will also rise substantially as the Federal government cuts subsidies to the fossil fuel industry as was announced on July 14<sup>th</sup>.<sup>6</sup> There are

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<sup>1</sup> <https://www.canada.ca/en/environment-climate-change/services/canadian-environmental-protection-act-registry/publications/proposed-frame-clean-electricity-regulations.html>

<sup>2</sup> <https://ieso.ca/en/Corporate-IESO/Ministerial-Directives>

<sup>3</sup> <https://www.thestar.com/news/canada/2023/02/02/ontarios-new-gas-plants-will-cost-more-than-wind-and-solar-report-says-so-why-are-we-building-them.html#:~:text=In%20order%20to%20reassure%20investors,rise%20by%20400%20per%20cent.>

<sup>4</sup> <https://www.irena.org/news/pressreleases/2021/Jun/Majority-of-New-Renewables-Undercut-Cheapest-Fossil-Fuel-on-Cost>

<sup>5</sup> <https://www.canada.ca/en/environment-climate-change/services/climate-change/pricing-pollution-how-it-will-work/carbon-pollution-pricing-federal-benchmark-information/federal-benchmark-2023-2030.html>

<sup>6</sup> <https://www.thestar.com/politics/federal/2023/07/14/canada-set-to-end-domestic-subsidies-for-unabated-fossil-fuel-production.html>

many other ways to meet Ontario's energy needs that are cost-effective for taxpayers and that will help make the cost of living more affordable now and in the future.

### **Securing The Energy Jobs of the Future for Niagara's Residents**

Because of federal legislation, international agreements, business pressures and opportunities, and the will of citizens, Canada, like the rest of the world, is moving to a clean energy future. Future jobs will be found, not in the fossil-fuel industry, but in the clean energy sector where jobs are expected to increase at a rate of 7% a year to 2050<sup>7</sup>.

Currently, only 1% of Canada's jobs are related to the fossil-fuel industry<sup>8</sup> and the percentage is decreasing<sup>9</sup> while green energy jobs are increasing with the sector expected to become the second-largest job generator in the country by 2050<sup>10</sup>. As we move toward net-zero energy, a half million Canadians are expected to be employed in that sector and another 1.3 million Canadians will be employed in EV-related jobs.

Local decision-making should be anticipating the jobs of the future, not the past.

### **Protecting New Economic Opportunities for Niagara**

Having a clean energy grid makes Ontario an attractive place for industries looking to lower their carbon emissions and stay competitive in a world where fossil fuel costs are rising. For instance, with one of the most fossil-fuel free grids in North America, Ontario's clean electricity system was a major factor in attracting Volkswagen to build a battery plant in Ontario.

Unfortunately, an energy plan based on building more gas-fired generation is dulling that competitive edge. And while the Premier has been touting Ontario's "clean energy advantage", over the past few years, gas- and oil-fired generation has grown in Ontario from 4% in 2017 to 10.4% in 2022 — taking us entirely in the wrong direction<sup>11</sup>.

Now is not the time to make us less competitive on the world stage.

### **Maintaining Niagara's Green Energy Leadership**

Ontario needs to be ready to power the future but there are many ways to provide the power the province needs without employing new fossil fuel generation. Wind and solar, as mentioned earlier, are now the cheapest way to generate power and they can be brought online quickly.

Ontario is leading the country in energy storage capacity, as well, using leading edge technology like compressed air and thermal systems. Furthermore, large-scale battery storage capacity has increased. In fact, seven new battery storage projects were recently announced in Ontario including one co-owned by Six Nations that will be able to power a city the size of Oshawa<sup>12</sup>. Ontario could also renew its contract to buy clean energy from Quebec while it ramps up its own clean energy generation and energy storage facilities. *(Since writing this letter, such a deal has been reached).*

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<sup>7</sup> <https://cleanenergycanada.org/report/a-pivotal-moment/#:~:text=Canadian%20jobs%20in%20clean%20energy,energy%20scenarios%20out%20to%202050.>

<sup>8</sup> <https://www.theenergymix.com/2021/01/20/fossils-create-less-than-1-of-canadian-jobs-making-20-year-phaseout-very-feasible-study-concludes/>

<sup>9</sup> <https://cleanenergycanada.org/rapid-job-growth-in-canadas-clean-energy-sector-set-to-outpace-losses-in-fossil-fuels-report/>

<sup>10</sup> <https://cleanenergycanada.org/report/a-pivotal-moment/>

<sup>11</sup> <https://www.cbc.ca/news/canada/toronto/ontario-gas-plant-electricity-doug-ford-government-1.6820256>

<sup>12</sup> <https://thenarwhal.ca/six-nations-oneida-battery-storage/>

Niagara should be looking at how it can capitalize on its long leadership as a green energy leader, by attracting clean energy generation and energy storage initiatives rather than continuing to support a fossil-fuel based industry that is inevitably being phased out.

### **Protecting Niagara's Citizens from the Health and Environmental Impacts of More Pollution and More Greenhouse Gas (GHG) Emissions**

Relying on more fossil-fuel generation for energy means more pollution with the associated negative health impacts for citizens and more negative impacts to the climate.

When Ontario closed its coal-fired generating stations it made great strides in both reducing air pollution and greenhouse gas emissions. In 2005 Ontario had 53 smog days; in 2014, following the closure of the coal-fired power plants, it had none<sup>13</sup>. As well, greenhouse gas emissions from Ontario's energy sector dropped by 20%, reducing the province's overall GHG emissions by 7%.<sup>14</sup>

In the midst of a Climate Emergency, when Canada is experiencing its worst fire season in history<sup>15</sup>, where one third of the people in the U.S. are under excessive heat warnings<sup>16</sup>, where farmers in the prairies have watched this year's crops wither after years of heat and drought<sup>17</sup>, where people in B.C. are under water restrictions because of drought<sup>18</sup>, where the world has experienced its hottest temperatures ever in 100,000 years<sup>19</sup>, it is unconscionable that we would continue to make decisions to pump unnecessary CO<sup>2</sup> into the atmosphere when better options are available.

Humans have been able to thrive because they have been experts at adapting to changing circumstances and finding ways to overcome obstacles. Our amazing ability to figure out solutions to problems, to adapt and do things differently, is needed now more than ever.

We can do it, one good decision at time.

### **The Minister of Energy Has Left This Most Important Decision In Your Hands**

In a letter to the IESO on December 23<sup>rd</sup> of 2022, Todd Smith, the Minister of Energy, made it clear that a resolution of support from local councils would be necessary before new energy projects could go forward. The decision to continue the legacy of destructive fossil-fuel generation or support the energy, jobs and economic development of the future is now in your hands.

I encourage you to make the decision that will have the best outcome for the health, well-being and prosperity of your citizens.

Sincerely,  
Liz Benneian  
Chair, Biodiversity and Climate Action Niagara

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<sup>13</sup> <https://policyoptions.irpp.org/fr/magazines/fevrier-2017/coal-phase-out-improved-ontarios-air-quality/>

<sup>14</sup> <https://policyoptions.irpp.org/fr/magazines/fevrier-2017/coal-phase-out-improved-ontarios-air-quality/>

<sup>15</sup> <https://www.ctvnews.ca/canada/record-breaking-10-million-hectares-of-land-burned-in-canada-s-wildfires-1.6481870>

<sup>16</sup> <https://www.nbcnews.com/news/weather/live-blog/heat-wave-warnings-across-us-live-updates-rcna94490>

<sup>17</sup> <https://www.agcanada.com/daily/drought-expands-across-canadian-prairies>

<sup>18</sup> <https://globalnews.ca/news/9834742/bc-farmers-drought-impacts-summer-2023/>

<sup>19</sup> <https://www.cnn.com/2023/07/05/world/hottest-day-world-climate-el-nino-intl/index.html>