

Feedback Form

Gas Phase-Out Impact Assessment – May 27, 2021

Feedback Provided by:

Name: John Stephenson

Title: Chapter Leader

Organization: Citizens Climate Lobby Canada

Email: [REDACTED]

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To promote transparency, feedback submitted will be posted on the Gas Phase-Out Impact Assessment webpage unless otherwise requested by the sender.

Please provide feedback by June 17, 2021 to engagement@ieso.ca. Please use subject:

Feedback - Gas Phase-Out Impact Assessment

Questions

Topic	Feedback
Are there additional considerations the IESO has not identified in defining the scope of the assessment to examine the reliability, operability, timing, cost and wholesale market implications of reduced emissions on the electricity system?	Click or tap here to enter text. #1 the cost to society of climate change, #2 the more immediate dollar cost of alternatively meeting necessary emission reduction targets by more investments in other sectors, as indicated by carbon prices, #3 US, EU and UK carbon levies on imports from Ontario as our carbon intensity rises, while theirs falls, #4 the cost of bleeding billions of dollars out of province to import fossil fuels, #5 public health costs of criteria air contaminants, #6 the costs of falling behind in clean technology, if Joe Biden can aim for a 100% emissions free grid by 2035 starting from 38% emission free today, why can't Ontario achieve 100% emissions free before 2035, starting from 83% emission free today?

General Comments/Feedback

What is “the perspective of the system operator”? Since the system is paid for, owned by and operated for the benefit of, Ontarians, should that not prioritize our well-being and our children’s and grand-children’s future? Will it examine the implications of Ontario failing to meet emission targets if gas plants are not phased out? Shouldn’t environmental issues be included in the scope? The final product should also provide insights on the environmental, and broader societal cost, issues if emissions on the electricity system are not reduced; it will cost more to reduce the equivalent amount by other means; this is indicated by the carbon prices for each year. Couldn’t the capacity and operating reserve be provided just as well if only the energy was replaced from the big gas plants (> 300 MW), but the capacity left on standby? What % of total emissions are projected to come from combined heat and power and greenhouses (on a net basis for CHP, after deducting gas that would otherwise be used for heat) in 2030, after the massive expansion of power only gas generation projected this decade? It’s small, isn’t it? Couldn’t the remainder of the economic life be harvested mostly for standby? Why replace the capacity? Just replace most of the energy. Why terminate the contracts? Just let gas be priced out of the real-time market with more near zero marginal cost wind, solar and hydro? The gas plants would still recoup about the same net revenue, wouldn’t they? The competition is unfair so long as gas plants are allowed to pollute for free. Add the carbon prices to all their emissions for each MWh, then see how well they compete. Gas plants may have an economic life of 30-40 years, but the planet doesn’t, if we keep using natural gas. To what avail are gas plants on a dead planet? Burn less and less natural gas as more non-emitting sources come on-line. In the meantime, change policies to allow onsite electrolysis using off-peak power at close to marginal cost as a new grid operation. Store hydrogen diurnally to fuel gas plants, eventually fuel cells, at peak times. Accept the need for a lot more wind, solar, run-of-river hydro and power from Quebec producing what would otherwise be surplus power. Help decarbonize building and industrial heat by also offering much lower off-peak rates, without the demand charges, for seasonal heat storage. See <https://polarnightenergy.fi/> The majority of distributed generation, efficiency, load shifting, demand response and conservation potential is also located in or around the GTA and other load centres.

Absent replacement of energy from gas plants, demand increase from decarbonization of the economy would result in even more offsetting pollution from gas plants. This should move the optimal solution to less gas. Therefore, not including demand increases from the necessary decarbonization biases the assessment against non-emitting alternatives. "Emission impacts resulting from other jurisdictions" sounds like another factor that should not be excluded. If more wind, solar and hydro create more clean surplus power that can be exported, emissions in other jurisdictions will be reduced. Ontario could take moral, if not formal, credit. Please explain application of the "emissions base-line"? The parameters for Scenario 2 should assume gas plants pay the carbon price on all their emissions, not just on those in excess of free emissions allowances per the current Emission Performance Standards. Two reasons: #1 it's the right thing to do, and #2, it will happen soon anyway. Border carbon adjustments are coming to look after protection of big emitters from international competition. Then they'll have to pay carbon fees on all their emissions. That's requisite to Canada meeting its targets. Sooner rather than later, citizens will persuade the government to act on that. If Scenario 2 incorporates proper carbon pricing, it's OK for Scenario 3 not to. The difference will be interesting. Environment should be another area of assessment. This should include emissions of greenhouse gases, and methane leaks in the upstream supply system with associated impact on meeting Ontario's and Canada's Paris obligations. Criteria air pollutants, including from cooling towers, with associated public health impacts should be another category. To be fair, life cycle environmental impacts of all alternatives should be considered. Impacts in other jurisdictions of fracking should be considered. Social and economic development impacts should be another area of assessment. This would include the different impacts on the Ontario economy of developing domestic resources versus bleeding billions of dollars per year of consumer dollars out of the province to import fossil fuel. If the second two items of the triple bottom line are not considered, the assessment is biased by failing to take account of the "bads" of using natural gas, looking only at the "goods".