



CANADIAN COUNCIL ON
RENEWABLE ELECTRICITY

CONSEIL CANADIEN SUR
L'ÉLECTRICITÉ RENOUVELABLE

Written Submission for the Pre-Budget Consultations in Advance of the 2022 Federal Budget

List of Recommendations

Recommendation 1: That the government remain committed to phasing out unabated coal-fired electricity, and achieving 90% non-emitting electricity by 2030.

Recommendation 2: That the government continue to engage with provinces, territories, and stakeholders on a target year well before 2050 for reaching 100% net-zero electricity.¹

Recommendation 3: That the government strengthen the regulatory treatment of greenhouse gas emissions from electricity generation. For example, it should be ensured that output-based allocations in the federal carbon pricing backstop for the electricity sector de-escalate toward zero. This would provide a clear and strong signal to guide electricity sector investment toward renewable electricity generation, transmission, and storage infrastructure in alignment with the trajectory needed to decarbonize Canada's electricity grid, and achieve Canada's national greenhouse gas emissions reduction targets.

Recommendation 4: That the government prioritize the recommendations of Electricity Alliance Canada submitted to the House of Commons Standing Committee on Finance for the Pre-Budget Consultations in Advance of the 2022 Federal Budget, including to: continue to recognize the critical importance of: resilient infrastructure that delivers non-emitting electricity to energy users; and working with provinces, territories, industry and other stakeholders to accelerate investment in infrastructure that enables the increased use of clean electricity throughout the Canadian economy (including "electrification" and "green hydrogen").

¹ CanREA believes that Canada should commit to align with the United States on a 2035 target while recognizing the potential need for some limited flexibility mechanisms for generators to enable the efficient implementation of such an objective.



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Hon. Wayne Easter,
Chair of the House of Commons Standing Committee on Finance
Transmitted electronically to: FINA@parl.gc.ca

21 July, 2021

Dear Mr Easter,

RE: Written Submission for the Pre-Budget Consultations in Advance of the 2022 Federal Budget

The Canadian Council on Renewable Electricity (CanCORE) represents the aligned interests of the three national trade associations for the renewable electricity sectors that are responsible for 68% of Canada's total annual electricity production: WaterPower Canada (WPC); the Canadian Renewable Energy Association (CanREA); and Marine Renewables Canada (MRC).

CanCORE was established in 2015 to educate and engage Canadians about the opportunity to expand the production and use of renewable electricity across the country. The Council and our Associations work to build public support for increased development of our abundant renewable electricity resources in order to further decarbonize North America's energy system.

In response to policy and market signals (including those sent by the federal government through: legislated greenhouse gas emissions reduction targets and accountability framework; the regulated phase-out of unabated coal-fired electricity; and the federal carbon pricing backstop), significant additional renewable electricity generation, transmission and storage capacity has been commissioned and is being developed across the country. These projects represent tens of billions of dollars of investment, and tens of thousands of jobs across Canada every year.

The Strengthened Climate Plan (SCP) states that: *“Canada proposes to achieve a net-zero emissions grid before 2050, and to expand clean electricity supply to ensure electricity generation increasingly transitions towards non-emitting sources. Under a scenario with significant electrification in all economic sectors (i.e. doubling of today's percentage of final energy use from electricity), by 2050 Canada will need to produce up to two to three times as much non-emitting power as it does right now. Moving forward, emphasis will be placed on*



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ensuring that Canada is prepared for the accelerated electrification of key sectors and can meet this projected increased demand with new sources of non-emitting electricity.”²

In recognition of these objectives, we welcome the opportunity to present the recommendations in this letter that would maximize the contribution of our Members to Canada’s near- and long-term economic competitiveness, as we move toward 40 – 45% economy-wide emissions reductions by 2030, and to net zero by 2050.

Recommendation 1: That the government remain committed to phasing out coal-fired electricity, and achieving 90% non-emitting electricity by 2030.

Recommendation 2: That the government continue to engage with provinces, territories, and stakeholders on a target year well before 2050 for reaching 100% net-zero electricity.³

Recommendation 3: That the government strengthen the regulatory treatment of greenhouse gas emissions from electricity generation. For example, it should be ensured that output-based allocations in the federal carbon pricing backstop for the electricity sector de-escalate toward zero. This would provide a clear and strong signal to guide electricity sector investment toward renewable electricity generation, transmission, and storage infrastructure in alignment with the trajectory needed to decarbonize Canada’s electricity grid, and achieve Canada’s national greenhouse gas emissions reduction targets.

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² Government of Canada (2021) “A Healthy Environment and a Healthy Economy, Clean Electricity Annex”

³ CanREA believes that Canada should commit to align with the United States on a 2035 target while recognizing the potential need for some limited flexibility mechanisms for generators to enable the efficient implementation of such an objective.



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Our Associations will also be submitting sector-specific recommendations to the Committee, and would welcome the opportunity to provide additional information as required.

Sincerely,

Patrick Bateman
Interim President, WaterPower Canada

Robert Hornung
President and CEO,
Canadian Renewable Energy Association

Elisa Obermann,
Executive Director,
Marine Renewables Canada