

John Beauchamp Director – Corporate Environment, Health & Safety

700 University Ave, Toronto, ON M5G 1X6

416 592-5006

john.beauchamp@opg.com

October 27, 2020

Via Email: janelle.rose2@ontario.ca

Janelle Rose Ministry of the Environment, Conservation and Parks Air Policy 135 St. Clair Avenue West, Floor 6 Toronto, ON M4V 1P5

Dear Ms. Rose:

## Re: Proposal to end nitrogen oxide and sulphur dioxide emissions trading (ERO: 019-1233)

Ontario Power Generation (OPG) appreciates the opportunity to provide comments on the *Proposal to end nitrogen oxide and sulphur dioxide emissions trading (ERO: 019-1233)* by revoking O. Reg. 397/01: Emissions Trading. OPG is Ontario's largest clean energy generator producing clean, reliable, low-cost power using our diverse mix of generating sources. Our Ontario portfolio includes 66 hydroelectric stations, 2 nuclear stations, 1 solar facility, 1 biomass station, and 1 dual-fuelled oil and gas electricity generating station. The later two stations are subject to this program.

As outlined in the proposal, the intent of the emissions trading program was to facilitate the reduction of nitrogen oxide ( $NO_x$ ) and sulphur dioxide ( $SO_2$ ) emissions to address smog and acid rain. Since the introduction of the program, the targets have been met, and  $NO_x$  and  $SO_2$  emissions are below the established caps.

OPG concurs that the objectives of the regulations have been met, and that the regulations currently provide negligible environmental benefit, while imposing an administrative burden and cost. OPG supports the revocation of O. Reg. 397/01 as an efficiency measure. Revocation would remove the administrative burden and costs associated with complying with the requirements of the regulations and participating in the program.

OPG does have a concern regarding the timing of the revocation of this regulation. An emissions report is due annually by March 31, and compilation of the report would begin early in 2021. It would be most effective if revocation occurred prior to triggering any 2020 annual reporting. Should revocation be delayed, the program should provide certainty surrounding any active trade of allowances or credits so as to not strand transactions.

Thank you again for the opportunity to provide comments. OPG looks forward to continued regulatory streamlining to reduce administrative burden and cost, to better focus on programs that deliver environmental benefits.

We would be happy to meet in person to review our comments in more detail.

Sincerely,

John Pay

John Beauchamp,

Director, Corporate Environment, Health & Safety