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Ontario Ministry of Environment, Conservation and Parks

Melissa Ollevier
Financial Instruments Branch
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Dear Ms. Ollevier,

We are pleased for the opportunity to provide commentary on **"ERO 019-3719 Amendments to support transition and implementation of Ontario's Emissions Performance Standards Program".** The Ontario Greenhouse Vegetable Growers (OGVG) represents approximately 220 farmers responsible for over 3,200 acres of fresh, nutritious, greenhouse tomatoes, peppers, and cucumbers across the province. With farmgate sales exceeding $1 billion in 2019 and 2020, generating over 13,000 jobs, contributing $1.7 billion to the economy and a consistent track record of growth, the sector is a valuable economic driver for the province. Our members strive to grow fresh, high quality food year-round, driven not only meet healthy eating and food security goals across the province, but to do so in an environmentally responsible manner.

Aside from vegetable production, our membership has innovated further areas of their operations to provide energy consumers access to economical, clean electricity. The greenhouse sector is an early-stage adopter of innovative technology and is keen to lead in innovation that leads to lower carbon footprints whilst creating a globally competitive and sustainable sector. The implementation of regional energy strategies in areas of Ontario with high concentrations of greenhouses, such as Windsor-Essex and Niagara Regions, has identified the unique nature and potential of greenhouse-coupled Combined Heat and Power (CHP) for both bi- and tri-generation capabilities.

Greenhouses have the capacity to create and store energy generated, during peak power demand times throughout the day. By converting natural gas to electricity, heat and CO_2, this sector is a robust clean energy creator. Further, Greenhouses have the capacity to recover CO_2 resulting from electricity generation, which is input back to the greenhouse atmosphere to increase living plant productivity and yield. Notably, this also creates oxygen while reducing Greenhouse Gas (GHG) emissions. Greenhouse CHP has become a proven, fully dispatchable model that can provide energy on demand, aligning well with the range of future electricity demand profiles. The ability to produce clean energy, store this energy and provide for the grid in times of need should not be without recognition as the provincial EPS is adopted in January 2022.

During the cold, dark winter months, growers can generate electricity to power lights and make use of the heat by-product to supplement their current heating requirements, thereby reducing net energy demands and GHG production. During the summer months, electricity is generated to support the Ontario electricity grid during peak demand periods, thereby ensuring full asset utility. In addition, the dispatchable nature of greenhouse CHP, in combination with heat storage via hot water tanks, compliments other renewable energy sources which are often tied to climatic conditions (i.e. wind and solar). The combination of microgrids and CHP for distributed power generation needs to be recognized as a core part of Ontario's clean energy strategy, especially in applications where the "waste heat" can be used to improve overall energy efficiency, Carbon is sequestered and input back into an operational capacity, resulting in net Oxygen production and GHG reduction.

As Ontario has transitioned from the Federal Carbon taxation and Greenhouse Gas Emitter program, the Output-Based Pricing System (OBPS), it is critical to recognize the hard work and leadership the greenhouse sector has shown regarding implementation of energy efficiency and CO_2 reduction strategies. By ending the Cap and Trade system, utilizing the OBPS, and now leaving the OBPS for the provincial Emissions Pricing Standard (EPS), Ontario Greenhouse Vegetable Grower members taking part in CHP Standard Offset Program (CHP SOP) require clarity in terms of how and why their ability to create clean energy for Ontarians will further be taxed and charged, when it was the Ontario government that asked them to do so (when working to reduce coal plant operations). Moreover, the cost to these companies supplying the grid with electricity when demand is required will further be taxed based on the consumption of Natural Gas to produce this energy, by means of the Federal levy on fossil fuels. We ask the Province to take into consideration the greenhouse vegetable sector's role as an early adopter of clean energy and circular operations, ever-willing to work with the Province to implement efficient and green solutions.

It is important to have a clearly defined system that is easily navigated when the EPS goes live in January 2022. Recognizing the Greenhouse Vegetable sector as leaders in clean energy and continual reduction in GHG emissions, we hope the Province continues to provide the funding and support to further research, develop and implement climate-friendly solutions that have direct positive impacts in reducing Carbon emissions as opposed to solely monetary consequence.

We thank you for the opportunity to provide commentary on ERO 019-3719 Amendments to support transition and implementation of Ontario's Emissions Performance Standards Program.

Thank you,

Aaron Coristine
Manager of Science, Government and Regulatory Affairs
Ontario Greenhouse Vegetable Growers