

May 18, 2023

Public Input Coordinator
MNRF - RPDPB - Resources Development Section
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**Re: Proposed amendments to the Oil, Gas and Salt Resources Act
Response to ERO # 019-6752**

The Industrial Gas Users Association (IGUA) represents the largest industrial natural gas consumers from the chemicals, refining, steel, forest products, mining and manufacturing sectors in Ontario and Quebec. IGUA members are committed to environmental stewardship and take pride in having lower emissions intensity than many of their competitors. All IGUA members have aggressive carbon reduction plans for 2030, and most have committed to net-zero by 2050. IGUA members have publicly committed to decarbonization, while ensuring that Canada's industries are globally competitive throughout the transformation of our energy system.

Transition pathways for decarbonizing heavy industry are complex and facility-specific. As emissions intense, trade exposed (EITE) industry, maintaining competitiveness is critical. Unlike residential space heating, simple electrification is not realistic or cost effective. Each facility will have a unique solution, based on the industrial processes, location, investment cycles, and how technology evolves. Carbon capture utilization and sequestration ("carbon storage") is a key technology option for industry to reduce greenhouse gas emissions and meet their Emissions Performance Standards (EPS) obligations, while investing in Ontario, and continuing to compete in global markets.

We congratulate the Ministry on its continued success in implementing the Roadmap to carbon storage, with the goal of putting in place a framework to regulate commercial-scale geologic carbon storage projects on Crown and private land. We appreciate this opportunity to provide comment for consideration regarding creating an authorization process for special projects to test or demonstrate new activities, such as carbon storage.

For many of Canada's heavy industries, access to carbon capture and storage is important for carbon emissions reduction in the short to mid-term. These industries use fossil fuels as part of their process, not only as feedstock, which is the case for fertilizers or chemical plants, but as an integral part of the industrial process, such as the source of carbon needed for the reduction of iron to make steel.

The Government of Ontario, in general, and the Ministry specifically, should fast-track the Roadmap to carbon storage, while addressing safety considerations. Ontario has the benefit of tapping into the experiences of other provinces in building carbon storage regulatory frameworks. Ontario can look to Alberta and Saskatchewan and, more recently, British Columbia as examples to start with in order to expedite development of the regulatory framework.

Furthermore, while it is understood that changes to other legislation, particularly the *Mining Act*, are

required before access to Crown land could be granted for carbon storage projects, this highlights a specific item for Ontario to fast-track. This would let special projects involving carbon storage to be developed, or at least examined, on Crown land at the same time as projects on private land. This is especially important, as most of the geological carbon storage opportunities in Ontario appear to be under the great lakes, which may be considered Crown land.

Another item to consider is, working with the Ministry of Environment, Conservation, and Parks to ensure that the EPS program enables and encourages non-EPS covered entities to participate in carbon storage to create and sell offset credits to EPS-covered emitters.

Finally, with current and under-development federal programs, particularly the tax credits for carbon storage and hydrogen, Ontario risks missing out on significant investments that use those federal dollars in Ontario. In short, Ontario could miss out on attracting a sizeable share of Canada's investment in carbon storage technologies.

We look forward to the future work of the Ministry on the carbon storage file. IGUA and its members are available to assist and advise as needed. Do not hesitate to contact me if you require clarification or additional information.

Regards,



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President, Industrial Gas Users Association