



**Canadian
Environmental Law
Association**
EQUITY. JUSTICE. HEALTH.



DELIVERED BY EMAIL

To: ECD-DEC@ec.gc.ca

Re: Clean Electricity Regulations

November 2, 2023

Dear Minister Steven Guilbeault,

Please accept this joint submission from the Canadian Environmental Law Association (“CELA”) and the Low-Income Energy Network (“LIEN”) on the Government of Canada’s proposed Clean Electricity Regulations, as published in the Canada Gazette, Part I, Volume 157, Number 33 on August 19th, 2023.

The impacts of climate change are fundamentally unfair. Low-income people are least responsible for the crisis but are disproportionately burdened by the impacts of climate change.

CELA and LIEN support the Federal Government’s commitment to achieving a net-zero electricity system to combat climate change. The focus of this comment is on ensuring that the proposal does not disproportionately burden low-income consumers and that adequate supports are put in place to mitigate increased costs to low-income consumers. Low-income consumers also want to be part of the energy transition but targeted grant programs are needed.

Background on CELA and LIEN

CELA is a public interest law clinic dedicated to environmental equity, justice, and health. As an Ontario legal aid clinic, CELA provides free legal services to qualifying low-income, vulnerable, and disadvantaged communities. Additionally, CELA works on law reform and legal education initiatives in Canada.

LIEN is a joint program of the Advocacy Centre for Tenants Ontario (“ACTO”) and CELA. LIEN seeks to ensure that all Ontarians have equitable access to conservation and financial assistance programs and services in order to fulfill their basic energy needs affordably and sustainably. LIEN focuses on raising awareness of, and proposing solutions to, energy poverty.

Submissions on Proposed Clean Electricity Regulations

Proposal Accurately Identifies the Disproportionate Impacts of Increasing Energy Costs on Low-Income Communities

In its analysis of electricity rates, the Proposal appropriately states that where increases to fixed rates are applied equally across all consumers regardless of electricity usage, lower-income households would pay a higher proportion of their household income to cover these costs relative to higher

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income households.¹ Without targeted programs to alleviate this outcome, the proposal will have a disproportionate burden on low-income consumers. As the Proposal accurately states, “even small rate increases could disproportionately impact low-income households because they spend a greater portion of their income on electricity and are more likely to experience energy poverty.”²

Extreme heat is also an increasing concern for low-income families and a climate justice issue. Discussions about energy transitions must incorporate the need for active cooling in all homes to alleviate the serious health risks associated with extreme heat. Canada’s National Adaptation Strategy calls for ambitious and collective adaptation measures that are equitable and inclusive to ensure that everyone’s lives and welfare are protected from the impacts of a changing climate. The strategy goes on to identify extreme heat as the deadliest weather-related event in the country.³ With an objective of protecting people from urgent climate-related health risks, the Strategy sets a target of 2040 to eliminate all heat-related deaths.⁴

Recommendations

Recommendation 1: Develop a National Energy Poverty Strategy

CELA and LIEN urge the Federal Government to develop a National Energy Poverty Strategy with clear actions and outcomes to address energy affordability in Canada. Provincial energy poverty programs differ across the country and leave gaps, especially for low-income renters. A National Energy Poverty Strategy should be developed with a focus on energy justice and with the input of an energy justice advisory group. The Strategy will set targets for the reduction of energy poverty across the country, seek to identify which gaps should be addressed, and create new programs to address those gaps through federal programs or joint programs with provincial governments.

Recommendation 2: Implement Federal supports and programs that adequately address the needs of low-income households.

The Clean Electricity Regulations proposal states that “the proposed Regulations and the clean energy transition will have cost impacts on the current generation”⁵ and that “low-income households may not have the ability to purchase technologies that would allow them to benefit from the electrification of end uses.”⁶

Supports should include both ongoing income support to address short-term cost increases, and programs to assist low-income households in transitioning to cheaper and cleaner fuel options.

¹ *Clean Electricity Regulations, under Canadian Environmental Protection Act, 1999 sponsored by Department of the Environment and Department of Health, Canada Gazette Part I, Vol. 157, No. 33, p. 2734 August 19, 2023 at p. 2784. (“Clean Electricity Regulations”).*

² *Clean Electricity Regulations*, at p. 2808.

³ Environment and Climate Change Canada, “Canada’s National Adaptation Strategy: Building Resilient Communities and a Strong Economy” (1 August 2023) at 6, online: *Government of Canada* <<https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/national-adaptation-strategy.html>>. (“Canada’s National Adaptation Strategy”).

⁴ Canada’s National Adaptation Strategy, at p. 23.

⁵ *Clean Electricity Regulations*, at p. 2809

⁶ *Clean Electricity Regulations*, at p. 2808.

Low-income households do not have room in their budgets for upfront program costs. To be successful, programs to assist low-income households with transitions to cheaper and cleaner technologies must be no-cost and turnkey solutions.

The Proposal highlights other Government of Canada initiatives, which seek to support the net-zero transition and reduce the impact on electricity prices.⁷ However, there remain few Federal programs designed to assist low-income customers, including renters, through targeted, full-cost, grant programs. CELA and LIEN support the Oil to Heat Pump Affordability Program but are calling for its expansion to low-income consumers across the country, regardless of which fuel they use to heat their homes.

Conclusion

CELA and LIEN support strong measures to mitigate greenhouse gas emissions and address the climate crisis. Canada's proposed Clean Electricity Regulations, and the federal government's overall approach to climate action, must prioritize low-income households.

CELA and LIEN look forward to continuing to provide insight on other detailed proposals on climate adaptation and mitigation in Canada. Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink that reads "Jacqueline Wilson". The signature is fluid and cursive, with the first name being more prominent.

Jacqueline Wilson, Counsel

⁷ *Clean Electricity Regulations*, at p. 2735.