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ONTARIO ELECTION 2022

CLIMATE CRIME #7

Promoting the new coal: Good for Enbridge, bad for the planet

In 2021 the Ford government announced Phase 2 of the Natural Gas Expansion Program. The government committed more than \$234 million to support some 8750 fossil fuel (gas) connections in 43 rural, northern and Indigenous communities. The announcement was another page in the Ford government's playbook: Reward big GHG polluters, force people to pay the bill while putting Ontario on a path to climate breakdown.

Reward big GHG emitters

The lion's share of the \$234 million will go to Enbridge. The huge pipeline company, recorded \$3.36 billion in profits in 2021.¹ Under the Ford government's plan Enbridge will be given a public subsidy of \$26,743 for every potential hook-up.²

This, not long after the company reported that it sent out 18,500 disconnection notices in one month during the Covid pandemic. Enbridge itself admitted that its notices were "found to be non-compliant with OEB (Ontario Energy Board) rules."³

People forced to pay

Under the scheme Enbridge is given a subsidy to extend its fossil fuel pipeline to a number of different communities. Once the pipeline is in place, homeowners must pay to get dwellings hooked up, pay to install a fossil gas heating system and then over and above the regular gas bills pay a special surcharge to Enbridge for the privilege of buying its product. This surcharge

will amount to about \$600 a year for the next forty years. In addition to this special surcharge on new customers, the rest of Ontarians who heat with gas must pay a small monthly extra charge.⁴ The \$234 million the government is providing is to be recouped by those extra charges.

On the road to climate disaster

The United Nations, the International Energy Agency (IEA), and the Intergovernmental Panel on Climate Change (IPCC) have all sounded the alarm. Climate breakdown has reached Code Red. According to the IEA, we need to halt the expansion of fossil fuel infrastructure such as gas pipelines. Instead, the Ford government is using our money to help companies like Enbridge expand their pipelines.

The alternative

The Ford government claims that its goal is to lower heating costs for Ontarians. But forcing existing customers to subsidize Enbridge's expansion makes no sense. Promoting fossil gas makes things worse. There are much better solutions, both in economic terms and in climate action terms.





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The government is giving Enbridge close to \$27,000 for every potential hookup. The same amount could have supplied those homes with a heat pump.⁵ That would avoid all the extra costs to the homeowner for a gas hookup, a new furnace and the special surcharge.

In Ontario about 22% of GHG emissions come from buildings.⁶ Most from burning fossil fuels. If Ontario is to achieve its 2030 climate targets it must dramatically reduce GHG emissions from buildings. That means replacing fossil fuels with clean renewable energy.

The Ford Government's commitment to big emitters and its disdain for renewable energy gets in the way of effective policy that would address the cost concerns of Ontario families and the need for climate solutions.

Instead of the fossil Gas Expansion Program Ontario should:

- ! Provide subsidies for the purchase and installation of heat pumps.**
- ! Support the development of a 'made in Canada' heat pump manufacturing network.**
- ! Prohibit fossil gas hookups in new subdivisions and buildings.**
- ! Shift the burdensome cost of antiquated nuclear plants off hydro bills.**
- ! Expand the production, distribution and storage of clean renewable energy.**

¹ Market Watch

² SCAN! calculation

³ Enbridge website

⁴ Government announcement. All existing customers will be charged \$1 a month.

⁵ Geothermal Association

⁶ Canada energy regulator: provincial and territorial energy profiles - Ontario, accessed Nov 14, 2021