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Official Report of Debates (Hansard)

Wednesday 31 October 2001

**Select committee on
alternative fuel sources**

Committee business

Journal des débats (Hansard)

Mercredi 31 octobre 2001

**Comité spécial des sources
de carburants de remplacement**

Travaux du comité

Chair: Doug Galt
Clerk: Tonia Grannum

Président : Doug Galt
Greffière : Tonia Grannum

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LEGISLATIVE ASSEMBLY OF ONTARIO

**SELECT COMMITTEE ON
ALTERNATIVE FUEL SOURCES**

Wednesday 31 October 2001

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**COMITÉ SPÉCIAL DES SOURCES
DE CARBURANTS DE REMPLACEMENT**

Mercredi 31 octobre 2001

The committee met at 1005 in room 228.

COMMITTEE BUSINESS

The Chair (Mr Doug Galt): I'll call the committee to order. Just maybe to update some of the committee members, I know all the committee members realize the interest and excitement this particular committee is creating in the direction we're going on renewable energy. Last night, I was on Voice of the Province and almost all of the calls ended up on the topic of renewable energy. There was a real interest. It was amazingly positive and almost no one went off in the direction of beating up government, which is quite common on call-in programs such as that.

I just thought I would share that with you. We're all realizing, especially from our hearings back in August, the tremendous public interest, but I just thought I would share that with you at the beginning of the meeting.

Mr James J. Bradley (St Catharines): The problem was, Mr Chair, I couldn't get through to bash the government.

The Chair: I knew you were out there struggling. If I'd realized that, I'd have put in a personal call to you.

We want to go over the executive summary that's been put before us. There are a few other things I just want to touch on before we wind up near the end of the meeting.

We have talked about travel plans as a full committee in January; we'll see where that's at. I want to talk a bit about a communications plan and a coversheet for the report. We do want to get the contract signed. We approved the company last week. You may want to go in camera to discuss that contract prior to giving approval to signing it. We'll be meeting with them next week at this very time. Then, of course, the subcommittee should meet afterwards to look at the four meetings at the end of November and early December as to who we're going to have coming before us. I believe our clerk has a suggested list of provincial organizations that we may want to request to come forward at that time.

Starting back with the executive summary, I've identified a few things, but first let's hear from the committee some of your thoughts. My quick thought when I first saw it was, "Wow, nine pages. Can't they condense it down to less than that?" when in fact from a quarter of the way down page 4 it becomes public policy questions,

grouped as we had requested they be grouped and moved from the end of the report to the end of the executive summary, which personally I don't have any problem with, but possibly committee members might. With those few introductory remarks, I'm open to Mr Gardner.

Dr Bob Gardner: Just to give members a quick sense of what we did from your instructions last week, as the Chair said, we created this executive summary. You could use it in several different ways. We did try and write it in a way that you could use it as a stand-alone document, as a communications tool, if you wish, probably combined with the policy questions that you want to pose to the public. That's why it is this inordinate length of nine pages, as the Chair identified. We streamlined the questions and we grouped them. We would also see numbering them. That will be easier as well for the public.

I want to draw your attention to a couple of things actually in the executive summary in response to the discussion here last time. We changed the fifth objective to add on the issue of energy security. We also developed a few examples. What we were trying to say was to follow up the point you made. You want the submitters to be very concrete and to state the consequences of the recommendations they're making. We gave a few examples that ask them to do that. You may want other examples. Obviously we're open to what you want to do, but we wanted something concrete that you could react to.

Then you wanted to float a few trial balloons about emissions trading and a few other things, so we did draft a couple of examples. It's for you to decide if you like those particular balloons or if they're floating high enough or low enough, and we can then revise them to your directions.

What we would see happening next is, we'll obviously be listening to whatever you want to change here today, at best a couple of weeks back for us to do some final editing, pulling everything together, report back to the subcommittee for any kind of final editing and that would be that.

1010

The Chair: Discussion, comments? Disagreements, agreements?

Mr Bradley: You talk about energy security. I don't know how far this committee would be into this because this committee deals with alternative fuels, as opposed to the regular source of fuels. I have expressed a view in the House a number of times and, in this committee, about

the concern I have with energy security at all—in other words, all the exports that we're now engaged in of non-renewable sources of energy. I know these aren't the alternative fuels as much, they're fossil fuels, but fossil fuels are fuels that we're obviously going to have to use, as well as the alternatives to those.

I notice that both the Premier of Alberta and the Prime Minister of Canada can't wait to sell all that natural gas to the United States. I can certainly understand it from a short-term point of view. If we can be parochial enough and self-centred enough, which this committee probably has to be because we're a committee of the Ontario Legislature, it would be interesting to see if, at the end of our deliberations, we express some kind of concern about how much non-renewable energy is heading south of the border, where there seems to be an insatiable demand. I look at that as energy security.

I read—and someone can correct me on this if they're aware of it; I was quite surprised by it, in the year 2001—that the number one country that the US imports oil from is Canada, still to this day. It's quite shocking to me that that would be the case. I know oil moves in and out. We get oil from other places too; we don't only use our own oil, and it's a matter of where pipelines are and so on. But there we are, the number one source of oil for the United States, and natural gas contracts and, as I say, both the Prime Minister and the Premier of Alberta seem to be anxious to sell that.

From Ontario's point of view, I have expressed the concern: is there going to be enough gas and oil for our purposes in the future, as well as the alternatives that we're looking at? I guess one could make the argument that that should prompt us to look even more carefully at alternative fuels, but I think this committee is wide open to that anyway. But somewhere along the line we may want to look at whether we are satisfied that Canadian oil and gas is for Canada, or whether we are committed, through trade agreements and simply through good salesmanship, to sell that to the United States, perhaps at our own risk in Ontario, which is the largest consumer of fuels.

The Chair: As I understand, it's slightly out of our mandate.

Mr Bradley: Sure, it is.

The Chair: However, as a note in our final report, absolutely.

Mr Bradley: Maybe, yes.

The Chair: My understanding is that Ontario is still a net importer of fossil fuels.

Mr Jerry J. Ouellette (Oshawa): With regard to that, should we not be looking at making recommendations regarding a national fuel policy, then, being that Alberta is the number one oil producer? As the east coast comes on line, it's difficult for us to mandate what takes place there. We have to factor in as well, though, when we're dealing with this that if we have some control of that flow in itself, would it not be advantageous to try and control it, being that 50% of air pollutants that move into our province come from the United States, from the

Chicago and Detroit areas? Should we not try to control some of that so that if we're going to free some up, let's make sure it's going to be beneficial to Ontario in some way, shape or form as well?

The Chair: I guess the route for the committee would be through the federal government, to pressure the feds from this committee. That's just the reality of how it moves along. But I think that's just excellent in the report, remembering that this is not exactly our mandate but it's something that—and there's another one I want to talk about in the objectives having to do with energy conservation. But I'd like to wait for a few minutes because I believe it's outside our mandate. I want to discuss that when the other member can contribute.

Mr John Hastings (Etobicoke North): I'm curious. I'd like to see legislative research look at Mr Bradley's contention that we're the number one exporter to the US of fossil-based fuels.

Mr Bradley: Of oil.

Mr Hastings: Oil only, and not natural gas?

Mr Bradley: About the US getting most of it, it's not the majority but the largest plurality of its oil from Canada. I was flabbergasted by that statement.

Mr Hastings: Are you saying, then, that Canada is a net exporter of oil, more so than the Middle East, particularly Saudi Arabia?

Mr Bradley: Apparently we provide more oil to the United States, according to an article I read. I think you're right, John, in wanting to have leg research look at that—

Mr Hastings: It would be interesting to see.

Mr Bradley: —because it just didn't ring true to me that they still got the largest plurality of their oil from Canada.

Mr Ernie Parsons (Prince Edward-Hastings): I read that and was quite surprised also.

The Chair: I think these are neat tidbits to have in the final report, not as recommendations but just as observations.

Mr Hastings: My contention is that if you use the UN, the New York Times or OPEC sources, the US's major fossil, oil-based fuels would come from the Middle East, particularly Saudi Arabia, and then maybe Canada third or fourth. I'd be interested to see where that lies.

Mr Bradley: That's what I would have thought.

Mr Bert Johnson (Perth-Middlesex): For clarification, I wanted to know if you're calling natural gas a fossil fuel or not.

The Chair: Generally, it's interpreted as a fossil fuel, yes. However, there is some research that was in the Globe back in mid-August questioning whether all oil and gas is necessarily a fossil fuel.

Mr Johnson: I meant for clarification of our talking around this, because if I don't consider it a fossil fuel and somebody else does, it could skew the kind of debate we're having on things.

Mr Bradley: It's true.

Mr Johnson: So in terms of this, if we're calling it that, then I can understand.

The Chair: That is an excellent point. We can get in some trouble if we use the terms “green” or “fossil.” Probably in the report, we should be more specific, rather than using slang terms.

Mr Johnson: Maybe.

The Chair: Could I entertain a bit of discussion about the policy objectives being grouped under headings coming in the executive summary versus coming at the end of the full report? How comfortable is the committee with that location and that grouping? I’m referring to the public policy questions. Did I not explain that well?

Mr Hastings: Tell me where those are again.

The Chair: We have it starting on page 4 in the executive summary. Remember the grand list with no headings at the end of the report? It’s been moved from the end of the official report into this, with headings that kind of help you search through and find them. I have no problem with the headings, personally. It seems to flow very nicely. I guess what I’m saying is the location has been changed. It makes, first impression, the executive summary seem rather long, when in fact it’s only slightly over three pages.

Mr Hastings: Your concern is—

The Chair: I’m concerned whether the committee is happy and likes that. I’m just bringing it to your attention.

Mr Hastings: I don’t have a problem with it, personally. In fact, for an outside user who has two minutes to go through this—

The Chair: It makes a complete unit.

Mr Hastings: Yes. Maybe there should be a slight statement at the end of the ES that says to look back at the key questions to consider, which is the one back on page 2; some reiteration. Sometimes people go right to the end of a report first and then they go back, so maybe a footnote or something that says, “We’re conscious of that so go back to page 3 for the key policy questions.”

The Chair: And possibly how to respond to the committee.

Mr Hastings: Yes, and how you respond to these key items.

The Chair: So everybody agrees with the position, and Mr Hastings is suggesting a little paragraph at the end.

May I make a couple of comments under “Miscellaneous,” things that I thought might have been considered there and have been discussed. One bullet point would be the technology of gasification that we heard from Norampac, and we are also aware of plasma arc; that’s sort of along the same line of destroying organic material.

The other bullet point would be waste energy, with proper scrubbers. It’s something that was even brought up for a vote by the committee and I would consider it part of “Miscellaneous.” I’m not giving a commitment with that comment—agreeing or disagreeing—just that it should be part of policy discussions. Any thoughts on those two items?

1020

Mr Bradley: If I were given a preference, and it’s because of a bias I’ll state ahead of time, I’ve never

considered energy from waste to be an alternative fuel. I consider it an excuse to burn garbage instead of dealing with garbage in another way. But that’s a personal bias. I admit that at the beginning. What was the other one?

The Chair: The technology of gasification under pressure. Norampac’s doing that with Dombind. They’re in the process of building a plant right now. They’re producing hydrogen.

Mr Bradley: Again, my personal bias would be against that, but that doesn’t mean the committee doesn’t wish to have it found somewhere in the report. I don’t want to impose my bias on the report, but I want to put it on the record that I’m doubtful about both of those.

The Chair: I appreciate the technical point you’re coming from. Ms Churley?

Ms Marilyn Churley (Toronto-Danforth): I apologize for being late. I just got my flu shot.

The Chair: You’re looking great. Congratulations. I had mine last Friday.

Ms Churley: Thank you. As I came in in the middle of this, can you repeat what it is you’re doing.

The Chair: We’re on the executive summary. We’ve agreed, by committee, that we would like to have the public policy questions grouped at the end of the executive summary.

Ms Churley: OK.

The Chair: I was questioning whether the committee would really like it there, just pointing it out to them. Then I was questioning under “Miscellaneous,” on page 9 at the very end, should the two points I mentioned—I appreciate what Mr Bradley says, and as chair, I’m not about to get into the debate. I’m just bringing it to your attention. Is this something we have missed, and should it or should it not be there? Of the two points I was making, one would be this gasification, plasma arc that really produces gas or—

Ms Churley: And they’re not there, and the energy from waste.

The Chair: Should they be?

Ms Churley: No.

The Chair: The other one is waste energy with proper scrubbers. I appreciate what Mr Bradley’s saying and I’m very open, just suggesting.

Ms Churley: I of course do want to influence, not just a personal bias. I’ve been on the record before. I don’t think these are new green technologies. We’ve got such a vast array of things to look at while we’re trying to scope that I don’t think those things should be on there. I would recommend for the purposes of scoping and the fact that’s not new technology and has negative environmental impact that we shouldn’t include it.

The Chair: I’m just bringing it to the attention of the committee. Other comments or questions?

Mr Parsons: I guess I have a bit of a professional bias. I think we do need to look at such things as energy from garbage, because if it displaces use of other fuels, then it is an alternative; perhaps wrongly, but professionally I would like it looked at.

The Chair: Further questions?

Mr Hastings: I think we should be considering all issues. I appreciate Ms Churley's contention about biomass, but I think we should see what it involves, the technologies that may have cleaned it up. The Switzerland experience, the lady who was here in the summer, I think the third day—just as she is a strong proponent of energy efficiency and conservation, one could argue that that shouldn't be there, but in my estimation I think we may want to look at energy conservation and these less clean green approaches in terms of the transitioning of your economy from a fossil-based one to a greener or more renewables energy economy.

You don't just move from fossil to the new approach. I see energy conservation and the less green renewables, or alternative fuels, as transfer bridges, as ways of getting from where we are to where we want to be without major disruptions of the economy. So I think it's incumbent on this committee to look at these situations. I'm not saying energy conservation is not a significant means of going into the 21st century. I think there are a number of megawatts you can save depending on how we approach the issue. It isn't going to be the saviour of growth, but it's certainly a valuable component.

The Chair: Other comments?

Ms Churley: I know we don't want to spend the morning arguing about this. Everybody knows my position. I've made it very clear. But I want to point out that if you look at what's happening in Europe with burning garbage, it's being phased out. There's a whole new approach being taken on how we deal with garbage. It's on the way out and it just seems foolish for us to be looking at something that's on the way out in Europe for a whole host of reasons.

A new way of looking at dealing with garbage is anaerobic digestion, composting, getting out all the wet garbage. That's the direction we need to be going in. We're far behind many European countries. To put in our report something that's beginning to be seen as old technology in Europe as something we're looking at I think is a foolish thing to do. Given there are so many new and emerging technologies and a new way of looking at garbage, I just don't see any reason for doing it.

The Chair: Further discussion? I don't want to drag this out too long. I just put it on the table for you. If anybody wants to make a motion, I'd entertain it; if you don't, we'll move on. OK, we'll move on.

The other one I wanted to bring to your attention going through this is under "Objectives." Under objective number 3, I think it's inconsistent to put "As a result." "Reduce adverse impacts" would make it more readable. Then there is item 4—it's on page 3 in the executive summary and it's also in the full report—"Ensure that energy conservation and efficiency is improved for both traditional and alternative energy and fuels." This is not consistent with the mandate. It's not that I particularly disagree. I agree with the concern and interest, but it's outside of the mandate this committee has been given, so I really have to question whether it should be an objective.

Ms Churley: Sorry, what is it again you're looking at? Under policy objectives—

The Chair: Item 3, under "Policy Objectives": for readability I would remove "As a result," and then moving on to item 4, I am suggesting it's a great idea but not consistent with the mandate and therefore I see it as difficult to include it as an objective.

Ms Churley: Why do you see that as not consistent with our objectives?

The Chair: It's not consistent with the mandate.

Ms Churley: Or mandate. Why?

The Chair: It's energy conservation rather than an alternative fuel to replace fossil fuels.

Ms Churley: But remember, when we changed the definition of that, I made a motion to include energy efficiency and conservation as one of the things we're looking at. If I recall correctly, we added that to our list in the mandate.

The Chair: My understanding is that we do not have the power in committee to change the mandate, that only the Legislature can change the mandate.

Ms Churley: But we already made that decision. If you look in past motions the committee agreed, I think you'll remember, that we would include that. We agreed it would be foolish to not include that as something, especially in terms of—

The Chair: I'm just bringing it forward as consistency. There have been some complaints about the committee being too wide when we have a mandate to stay within, so I am bringing it forward, as the Chair, as a concern and it's your decision. I'm just talking about it.

Ms Churley: Can we look back?

The Chair: Sure.

Ms Churley: If we look back, I can guarantee you that motion was made and it was added. If it's not, we're going to have a big problem.

Mr Hastings: Mr Chair, I think we should get the notes on our deliberations on that.

1030

Ms Churley: Yes.

Mr Hastings: What I recall is that there was a motion made. I don't know whether it was voted on. If there's a hang-up about having energy conservation and efficiency hanging out separately as an objective, perhaps the best way to handle it is to reroute it under Ontario's energy reliance upon fossil fuels. I don't want to see it totally diminished here; I think it's an important consideration.

The way I've been looking at this stuff, energy conservation—we could have said, a way back, to those presenters we had from the Collingwood PUC and a couple of other groups regarding energy efficiency, "You can't come and submit your report to us, because demand management is not in itself an alternative fuel. Bye." But I don't think we were going to be that technically narrow.

So maybe we need to have research try to configure it into energy reliance and how it could be a bridge-builder, moving from a fossil fuel economy into a less reliant fossil fuel economy. It's one of the ways of getting there, in my estimation. It may not necessarily be an alternative

fuel, but it's a bridge-builder and we shouldn't just toss it out. But to deal with your concern, see if research could reword the objective more into energy reliance or one of the other objectives there, perhaps under innovative research.

Mr Bradley: I realize that if you want to be extremely precise in the mandate of the committee, to a state of rigidity, you would reject it. However, I think energy conservation and energy efficiency in fact should be among our policy objectives, because what it means is that we become less reliant—we look out there at fossil fuels and say they have certainly allowed our society to grow and progress considerably in an economic sense. What we are looking for are some alternatives. I think it should be high in our objectives to want to find ways to conserve energy and to deal with energy efficiency.

Mr Ouellette, Mr O'Toole and I represent automaking areas, for instance, where we have considerable auto parts manufacturing and assembly. One of the things the major automakers have been compelled to do and have now done of their own volition is to make much more energy-efficient vehicles for us. A lot of that was prompted by government. They use their ingenuity to find ways of conserving.

So I think that would have to be a major objective of this committee, as well as looking at the alternative fuels, because you're going to need fuels as well; efficiency and conservation alone will not do. But it is going to be a significant component and I think we've made some significant strides in the world in recent years, particularly if we can focus on Canada and North America, in reducing our consumption, because we've been very consumptive over the years, part of that being our geography and part of it the nature of the beast. So I think I'd like to see that stay under policy objectives, if that's possible with the committee.

The Chair: I only bring it forward because of the technicality, not because of the importance. I appreciate that, but I just thought, when there was some concern about the committee getting so broad—you know, a mile wide and an inch deep—rather than looking in depth on certain ones, as a responsible Chair I should bring it forward.

Ms Churley: I'm just a little bit surprised that this has come up even as an issue, because you will recall that at every meeting, if you look through the record, I spoke to this issue and have made myself clear time and time again that that, as well as economic instruments and policies, is my main interest, not looking at specific technologies. I think everybody here is aware of that. I've always been working on the assumption, because none of the committee has disagreed with me on that, that it was part of our mandate.

Do you remember there was a long list? I know we had this discussion, I think in one of the early meetings, and people agreed with me. For some reason, it's not reflected in a list. I also made a motion at that time to remove nuclear power and energy from waste, which failed, so that was still in the list. But we were playing

around with that list and I'm convinced somewhere along the line—I thought I made a motion to include that. We can't find a record of it. But we have been going on the assumption in every meeting that that's part of our mandate. I believe that we'll be a laughingstock among some if we don't deal with efficiency and conservation.

Mr Parsons: I don't recall the motion, but my concept from day one that made me excited about this committee was that one of our unwritten objectives was to reduce our reliance on fossil fuels. I'd like to think the legacy that we're going to leave for our children, grandchildren and great-grandchildren is some fossil-based fuels. Certainly efficiency and energy conservation have to be in there, because the more efficient we are, the fewer alternative fuels we need.

At the conference I was at in Ottawa yesterday I was intrigued to learn—and I don't think we're a lot different from the US—that the US produces 22% of the world's gross domestic product but utilizes 25% of the world's energy. The European Union produces 20% of the gross domestic product but uses 16% of the world's energy. Clearly, energy efficiency for the European Union has ranked very high. We look rather dismal compared to that. So if we're concerned about maintaining energy supplies, conservation and efficiency have to be part of it.

The Chair: It's interesting, the figures you came back with.

Mr Ouellette: I think possibly the objective could be read out as, "While the mandate of the committee is dealing with alternative fuels, the committee felt strong enough to have conservation and efficiency reviewed wherever possible," as a way of dealing with both issues. Because I believe, when we hear that 21% of energy costs today deal with heating water, that we have to look at those alternatives. The Collingwood example that Mr Hastings brought forward was an excellent example.

The Chair: An interesting facilitator coming through. Other suggestions?

Ms Churley: I would just exclude the "as possible" part of the motion. A friendly amendment?

The Chair: Sure.

Mr Ouellette: Hey, I'm not worried about it. I think it should be there. I think that's required.

Ms Churley: I know.

The Chair: I kind of like the idea. I'm not objecting to the idea. I was uncomfortable with the mandate and that's why I brought it forward. If we can reword it just slightly, maybe it would then be—

Ms Churley: What are they going to do to us if we come back and say we're also looking at efficiency and conservation?

The Chair: Is everybody comfortable, basically, with what Mr Ouellette said?

Ms Churley: Say that again?

Mr Ouellette: "While the mandate of the committee is dealing with alternative fuels, the committee felt strong enough to have conservation and efficiency reviewed whenever possible."

Ms Churley: Why don't we leave off "wherever possible" and leave it at "reviewed"? We're saying we think it's an important part of our mandate.

Mr Ouellette: That's fine.

The Chair: OK. No objections? Great. How about the "as a result" that I suggested in number 3? No one objected to removing "as a result," just "reduce adverse impacts" so it's consistent with "increase," "reduce," "ensure" and "support."

Other discussion?

Ms Churley: Can I ask a question? We're looking at this, but we have this interim report, October 31, 2001. Can we comment on that?

The Chair: Sure.

Ms Churley: I guess what you want to do is do the executive summary first, but we should comment on this.

The Chair: Yes, certainly.

Ms Churley: Can we do that?

The Chair: That was next in line.

Ms Churley: OK.

The Chair: Is there any other discussion on the executive summary? Otherwise, are we happy, comfortable?

Mr Hastings: With the executive summary?

The Chair: With the executive summary. Was there discussion?

Mr Hastings: On page 5, under "emissions trading and credits policy," I'm wondering if research could encapsulate some way of creating a question or sub-question around, "To what degree should Ontario's energy emission trading policy and regulations seek to promote 'green' energy alternatives?" with a question like, "How does the capping of emissions in other jurisdictions limit the potential of 'green' energy alternatives?" I was specifically interested in cogeneration but I don't think it should be that narrow. So the question would generally be, how does the capping of emission credits in other jurisdictions limit the potential of 'green alternative fuel sources'?

1040

The Chair: You're directing your question to—

Mr Hastings: To legislative research, if they could. Maybe the wording is too technical and needs to be broadened.

The Chair: To work it in as a possible policy question.

Mr Hastings: Yes.

The Chair: Any objections to that?

Ms Churley: I have a question. Can you explain a little further your concern? You said you're concerned about the cogeneration aspect and I'm not getting the connection.

Mr Hastings: As I understand it, I think the environment ministry may have a seven-year limit on any emission credits that come out of the development of cogeneration. People have suggested to me, "Why would you limit it to seven years if the construction, the capital investment of that project, goes on for 30 or 40 years? What's so magical about seven years?" Cogeneration, I

know, to you folks doesn't sound like it's green energy. That's why I expand it to where this trading of credits thing is starting in the US. Is there any jurisdiction that has capped emission credits after seven years or five years? How does that hurt the development of green energy alternatives as you want to move to a better air quality?

I have a bias that lays out that using a heavy regulatory approach to air quality—I think we're getting off topic here a bit—doesn't look at the full potential of market-based incentives or technologies. I'm just explaining why I've raised the question, Mr Chairman.

The Chair: This may be one of the discussions we should be having in late November, early December, have someone come in on emissions trading or emission credits and discuss it and explain a little more to us just how it works. It might be a good half-hour discussion.

Mr Hastings: Easily.

The Chair: Further points on the executive summary? We move on, then, to the official report.

Mr Ouellette: Just one comment with regard to what you just mentioned, Mr Chair: when we get an update on how the emissions trading works, can we include a business perspective as well? I'm sure we'll get a government perspective of what is intended to happen. However, if we bring business forward, we'll find out how business interprets it in a different fashion.

Mr O'Toole and I have both met on this very subject with General Motors. They have some strong concerns on what it actually means to them as an industry and changing any of their policies and doing various things.

Mr Parsons: Still on the emission credits, because I need to get a little better understanding of it: the emissions credit is not an Ontario-alone initiative but is a North American initiative?

The Chair: Worldwide.

Mr Parsons: A worldwide initiative. I came across a situation that, as it was explained to me, surprised me, which was: if an Ontario plant produces electricity using coal or, let's say, natural gas, it is generating some greenhouse gases. If they then take that electricity and ship it to New York state, displacing a coal-fired plant down there, for example, the coal-fired plant in the US gets the credit for not producing emissions while we in fact are charged for, we get the credit for, producing the emissions even though our electricity is going out of the province. So the American plant that stops producing electricity now has credits to sell to our Ontario plant to allow them the increase.

That was the explanation given to me, and it rather boggled my mind that not only do we have to buy emissions credits, we get the pollution, while the jurisdiction that doesn't use the coal any longer gets the money and the credit.

The Chair: I'd have to see that on a chart. I follow the difficulty in understanding how they work, especially when it's cross-border.

Mr Johnson: This might have to go on a chart, but I wanted to express, if I could, my feeling on the emission credits. I think we have to be very concerned, not unlike

Mr Parsons, who brings up some interesting detail. I don't think I can support something that says in essence that I can go out and speed and maybe even do a break-and-enter as long as we can average that off with my great-aunt, who sits in the living room of her house all the time and doesn't commit anything. I don't know that that's a good analogy but I do want to—

The Chair: It's a nice try.

Mr Johnson: —express my reservations about the concept.

Mr Ouellette: If I could just add to Mr Parsons's comments the fact that the end user receives no incentive to use green energy as well. So if they use coal-fired, nuclear or wind or any power, they receive zero credit for the energy they purchase, which complicates matters for corporations as well when they're making decisions.

Mr Parsons: Yes. There are still a lot of questions for me on emission credits.

Ms Churley: Just to add to them, the emissions trading and credit is a really complex area. It can be done in a whole lot of different ways. As you know, the Ministry of the Environment's proposal was sent back to the drawing board a while ago. We are going to have a briefing on this, right? When are we going to do that? Have we set a date?

The Chair: We're going to talk about that at the subcommittee immediately following this meeting.

Ms Churley: There are ways of doing it where it actually can help clean up the environment and promote green energy, but there are other ways of doing it without the caps where you end up with more net pollution. That's what we want to avoid. A briefing hearing from all sides about the impacts is important before we make any decisions on that. I prefer to keep the wording the way it is until we have that briefing.

The Chair: One of the things that happens is that with each trade it's ratcheted down. It's never 100%.

Could we move along or do you want to discuss this? We're really getting a bit off.

Mr Bradley: A quick question on that, Mr Chair, and that is from whom we would get the briefing. If it's from the Ministry of the Environment of Ontario or the Ministry of the Environment of Canada, they may have a better spin on what we're proposing in Canada and in Ontario than someone else. There's a suggestion that a business perspective be brought forward as well. That is useful, and it may be that someone else from the environmental field who has a perspective may be worth hearing from. It is complicated. There's no question about it.

Like Bert, I am not a fan of emissions trading. In terms of global warming it probably makes some sense. In terms of smog it makes much less sense, in my view. That's why I would like to have a pretty good briefing on that from people who can tell the layperson what it means in as straightforward terms as possible. Most of us, at least, are lay people in this regard.

The Chair: If you have someone you would suggest for the briefing, maybe you could share that with your point person for the subcommittee.

Mr Bradley: I think that either John Wellner or Jack Gibbons from the environmental movement in Ontario would have a view that would be useful. I'd also be interested in the government view and I'd be interested in a business view. I don't want us to be endorsing something that business will tell us ultimately is going to be worse for the environment if it happens. So I think those three perspectives would be useful. Jack Gibbons is probably as good an expert as anyone in that regard from the environmental movement point of view. We'd also want to hear from the ministry and, as I say, from business.

1050

Mr John O'Toole (Durham): On that, I agree. It did come up during the estimates process of the Ministry of the Environment and they did have a person who was the policy director in that area who gave a pretty good response. My sense from listening, as Mr Ouellette said, to some of the stakeholders is that they believe, whatever the trading system is, that it should be in harmony with our trading partner in the United States. They're looking at a pretty rigorous regime for enforcement and measuring. There are a lot of minutiae and it is really, as has been said here, very hard to actually quantify what the net overall reductions are when you are, as Mr Parsons said, trading with other people and they're getting relief. We have to have it harmonized. That's my view.

The current draft that's on the EBR is not consistent with the American thing and that's a problem. Let's face it, there's a lot of transborder movement. This isn't something that just happens in Ontario. So a briefing from the Ministry of the Environment would be helpful but, as was said before, without duplicating. The manufacturing sector should be heard from.

The Chair: It has also been suggested to me that we might get someone up from the EPA in the States. It sounds like this is going to be a full day with two-hour sessions, not just a half-hour session.

Mr O'Toole: It's a huge issue.

The Chair: Or maybe it's something we should wait for until after Christmas, when we have more time for the committee, rather than trying to cram it in on one of the days before Christmas. I'm not sure.

Mr O'Toole: If I could just continue on that, I think there's some necessity for urgency here. I'll tell you why. If we're going to be impacted immediately with what we might want to look at—the draft regulations are already posted. There has been an extension. That extension—it's in November that it's going to close off, which means it will go forward to cabinet or however those things get finally approved. I think after Christmas is too late. The door will be shut, they already will be setting up a regime, and good luck.

Mr Hastings: I would echo Mr O'Toole's concerns. I'm not a fan, to quote Mr Bradley, of a total capping regulatory approach, which is where I'm fearful we're headed, without looking at what's happening in other areas. We're going to be out of sync to some extent, and I think we need to get a full briefing from all these areas.

We have to be very cautious about how you describe—and I think, Ernie, you’ve brought up a very good point. Your ear has to be very attuned to who is giving you an explanation about emissions credits and trading and how that scenario—I don’t want to denigrate the person, but without telling me, you have to be listening: who’s the identity behind a particular approach? That’s why you’ve got to get your head around—and I haven’t myself yet—what this means for the Ontario economy.

If you listen to some people in the manufacturing area, they do want to get their emissions down, they want to move on with being energy-efficient, but certain approaches are saying, “Fine. After you’ve done your 100% or 200% maximizing of energy efficiency and conservation, you still face this ceiling. It doesn’t matter what you do, you might as well say, ‘Bye, we’ll move to another jurisdiction.’” Complicating this whole thing is that the US is not onside on the Kyoto agreement, whereas we seem to be just sort of floating into it and saying, “Everything’s fine.” We may learn a very strong lesson here for our future generations. They may have a lessened manufacturing capacity across this country. That’s one of my major concerns.

Mr O’Toole: If I could, on that whole issue—

The Chair: I would like to move on because we’re talking about the executive summary and I think we’re a little off topic. So could we have Ms Churley and then move on.

Ms Churley: I’ll be quick. I agree with Mr Bradley that we should ask Jack Gibbons as well. From the environmental point of view, he’s done a lot of very technical work on this. We should do the briefing as soon as possible, but I would add that because we don’t have the mandate—and again, I tried to get the committee to agree with me that we should be making short-term recommendations but I didn’t get support for that. We don’t, therefore, have the authority to be making short-term recommendations. So even if we have this briefing—and I think it’s important to have it so we have a better understanding at this point—we have no influence as to what the government is going to do or not do on emissions trading.

What I would like to know, however—the deadline has been extended—is if we could find out, if we could ask the clerk to inquire as to possible dates that the ministry is looking at to bring this emissions trading program into law. We don’t know at this point, and I’m concerned that we’re moving ahead when we do have all these questions and concerns about what kind of model we end up with.

Mr O’Toole: Can I submit one name? The person I would like to ask for is Ian Howcroft from the Alliance of Manufacturers and Exporters Canada.

The Chair: Thank you.

We have now completed the executive summary and we will move on to the full report.

Just as we kind of change gears, you may see a strange face up here at the clerk’s table. Please welcome Don Forestell, who is a clerk assistant from New Brunswick,

just for those of you who might think he’s new, sitting up here. It’s good to have him with us.

Moving on to the interim report itself, comments? That’s a question. Do you want to go through it page by page or do you want to just make reference to a few things? How would you like to handle it?

Ms Churley: I have a couple of comments to make on specific items. I don’t know if others do.

The Chair: Would you like to make your comments?

Dr Gardner: If I may, Dr Galt, we found in the past that the most effective thing is for members to make whatever comments they have on specific bits and pieces and we’ll take that into account. You probably don’t want to go through it page by page. That will take a long time. I think really you’re just flagging any concerns or things we’ve missed or things you would like to add or phrase differently. Then any subsequent changes we can fly by the steering committee and do the final edit with them. It’s awfully difficult for a large group like this to do copy-editing, so you can leave that to us.

On the structure of it, the way these two documents will fit together, likely what you will want to do is have the executive summary also as part of the interim report as a whole. So the bits you have just looked at as the executive summary would stand alone for some purposes but they would also be included in the interim report. Your structure would be executive summary, the list of policy questions and then the body of the interim report as it is or however you change it.

Ms Churley: I think it’s a good report and reflects the work we’ve been doing. I thank you for it. It’s quite good. I just have a couple of minor comments to make.

On page 5, third paragraph down, it says, “Green energy alternatives can also benefit the environment.” I would just strengthen that. I think there are a number of reasons this committee was set up, but I believe that was the main one, because of air pollution and the need to find greener alternatives. I haven’t thought up the wording but, “Green energy alternatives—the primary purpose is to benefit or to protect the environment.” After that, then, there are all these other things. I don’t know if people agree with me, but that’s my concept of why this committee was set up in the first place.

The Chair: Any comments on the comments? What she’s basically saying is to just give it more emphasis.

Ms Churley: Yes. The way it’s written here is that it “can also benefit the environment.” It reduces the importance of it.

The Chair: “Will” or—

Ms Churley: “One of the primary benefits of finding green alternatives is to benefit the environment.”

1100

Mrs Marie Bountrogianni (Hamilton Mountain): I will support that. We’re not looking at alternatives that will worsen the environment. So I’d like to support that.

Ms Churley: Perhaps other people want to go ahead while I find my other comments.

The Chair: Do others have comments while Ms Churley is looking for her second one? We’ll come back to you. We won’t lose you.

Mr Hastings: The only one I see some concern about would be on page 49, and in the listings as well, the table of contents. We have geo-energy under “Miscellaneous Other Applications,” as well as district heating. Geothermal has been getting the short measure of the stick around here. I’m not talking about Iceland but about the heat pumps. I think we need to consider removing “miscellaneous,” because it sort of makes people think that geo energy or geothermal in Ontario isn’t achievable when you invest in heat pumps and some such varieties.

The district heating project—I know it’s based on cogeneration to some extent—is not an alternative fuel per se, but it is a way of being energy efficient in terms of dealing with commercial and industrial buildings, Ms Churley. I knew you’d be interested in that component of energy conservation. I think we need a heightened word or an alternative to “miscellaneous,” as it suggests these are afterthoughts.

Mrs Bountrogianni: I would agree. There was a shovel in the ground in Ancaster a couple of weeks ago where they will use this type of energy to heat a daycare centre, which is wonderful.

The Chair: Other comments? Is that clear enough for research? Other comments on the report itself?

There’s one that came to my mind, and that’s how dangerous using the term “green” is rather than being more specific. “Green” has different meanings to different people. Is everybody comfortable with the word “green” appearing or should it be “renewable fuels” or “renewable energy” or whatever?

Dr Gardner: We heard you on that last time, Dr Galt.

The Chair: Is that possible?

Dr Gardner: When we look back at the hearings and the Hansard, an awful lot of witnesses used “green.” It’s true that they use it broadly. We did the editorial trick of putting it in quotation marks much of the time to indicate that this is a matter of debate and some uncertainty, but it is very broadly used, not just by environmentalists but OPG has green programs and green objectives. It’s true it’s uncertain but it’s very broadly understood. To not have it in would, I think, look odder than having it in.

Mr Bradley: It’s very subjective in the evaluation of it. Some people would define nuclear power as green energy. I wouldn’t define it as green energy but others might. I see it as energy. I see it as an alternative to fossil fuels. I wouldn’t necessarily define it as green.

The Chair is correct in having some apprehension about the application of the word “green.” To again put a bias on the table that I’ve mentioned before, some people would say energy from waste is green. That would not be my definition of “green.” Is it an alternative way of producing power, for instance? Yes, it is. But it isn’t, in my definition, green. I really think, Mr Chair, that’s where you’re seeing some of the rather broad use of the word “green,” when in fact it’s alternative. There is some—there would probably be a consensus—we would all agree is green.

There would even be some who would say, for instance, that the Hydro-Québec water projects up north

are not entirely green. When they flood the lands, they leach natural mercury into the water and that mercury gets into the fish. They also flood the lands of the native people up there. Quebec likes to talk about that as green and it isn’t necessarily as green as others. I don’t know whether Mr Gardner has a suggestion for us or a way out of this.

The Chair: I think you can carry that to the extreme, and I’m agreeing with you. In wind power there is some visual pollution from those windmills on the horizon. Some people think they’re pretty and attractive; others think they are rather ugly. Some complain there might be sound from them. What is purely green is very debatable.

Dr Gardner: One thing we could do to respond to your points is add something in the introduction, that we realize there’s considerable debate and uncertainty about green, that we’re using it in this report the way witnesses have used it in bringing forth their views.

The Chair: Sure. I think that’s good. That would be very helpful.

Mr Hastings: The other way of approaching it possibly is to have Bob—I know it’s another question, but under “Public Policy Questions,” is the use of the word “green” the way people use it? Do they subscribe to the broad-based definition, such as the one you have in the footnote on page 5 from the Pembina Institute?

The other way is, if you’re going to have some language problems or messaging around words, maybe we need to start developing a small index of what words have been used, like the one Bob suggested most of the presenters have used, versus what “renewables” would be. “Renewables” would probably be wind and solar and maybe geo, I don’t know, a couple of others, and that would be it. Maybe we need in the final report or somewhere what terms created some problems for people, and you’d have maybe six or eight, “green” being your big one.

The Chair: A bit of a glossary.

Mr Hastings: A little bit but not one that goes for pages; maybe half a page of different terms. I’m sure “renewables” includes stuff other than the ones you’d think of as renewables.

The Chair: Good point.

Ms Churley: Another make-work project for you.

Dr Gardner: Always at your service.

Ms Churley: I finally found the point I wanted to make.

The Chair: What page?

Ms Churley: On page 2. I was looking too far ahead and that’s why I couldn’t find it. It says at the top of the page, “Ensure that any broader use of alternative energy is cost-effective and contributes to overall energy security for the province and to economic goals such as job creation and export development,” and all of that.

I’m not sure what is meant by “cost-effective” there. Obviously from our hearings we understand that, to bring in alternative methods and green energy, in some cases that’s not going to be the biggest priority in getting it on the grid, getting it in use. I want to know your inter-

pretation, why you said “cost-effective,” and whether people will agree with me that although we want to be fiscally responsible, we certainly heard from witnesses and we know that that would hinder bringing on an awful lot of green energy if that were a prime concern.

Dr Gardner: I think that particular objective has become a bit of a hodgepodge, in which we were trying to collect points that members wanted to make on various economic-related issues. Actually it may be for members to debate exactly how they want to phrase “cost-effective” or how they consider the cost-effective issue to fit in.

Mr Bradley: In that regard, my preference would be that the financial implications be known. I suspect some of the things the committee might well be recommending—although I don’t want to pre-empt the committee or make predictions about the committee—may not be, at least in the short run, as cost-effective as we would like. It may be that we’ll come down on the side of the environment at a financial cost. That whole section—and I understand very well why it’s in—“Ensure that any broader use of alternative energy is cost-effective and contributes to overall energy security for the province and to the economic goals such as job creation and export development,” I can see putting the kibosh—Hansard always has a hard time with the word “kibosh.”

Ms Churley: Spell it.

Mr Bradley: Don’t ask me to spell it, please.

1110

Mr Johnson: Is that a “c” or “d”?

Mr Bradley: —the kibosh on a lot of recommendations that would come forward. That’s the one that would be the blocker on a lot of the suggestions that would come forward.

Nevertheless, I want to know what the financial implications are. If they’re bizarre—you may have the best form of energy available, but it’s just totally impractical to use it and you want to know that. But I’m looking at that—I’ll call it a paragraph, or that point, and I say that could be used as a blocker of a lot of recommendations that would come forward.

The Chair: A quick comment. That reminds me of something that came forward last night from one of the callers: the total cost of the change, including health and all the rest of it.

Mr Bradley: Yes, good point.

The Chair: Are you suggesting a period after “goals”?

Mr Bradley: I think that would be better.

Mrs Bountrogianni: I agree with my colleagues on this side that that will limit us to our actual mandate, which is to look at alternative sources. It’s not to look at the most cost-effective sources, whether that’s in the long term or in the short term. But I do agree we have to know what it costs and what the economic implications are. Perhaps a change of the verb: instead of “ensuring,” “exploring” or “documenting” what the financial implications are of the uses of alternative energies. We have to know what we’re getting into, but this would be a very

lean final report if we’re going to look at only cost-effective alternative sources.

The Chair: I’m going to let Mr Gardner speak, and then I think I had a hand over here and then back to you, Ms Churley.

Dr Gardner: One possible option there for members would be “ensure that any broader policies for alternative energy taken into account,” and then you could have these kinds of total costs as opposed to cost-effective perhaps, and these others would then become examples of what you’re saying without being—

Mr Bradley: Sorry. At the risk of stepping in and interrupting, “take into account” is certainly superior to what we have here.

Mr Johnson: The other alternative that Bob has, “to ensure that any broader use of alternative energy studies the cost, as well as the contribution to overall energy security,” is an alternative wording that could be looked at.

The Chair: Mr Ouellette and then Ms Churley.

Ms Churley: The point was raised about the externalities that we don’t factor in when we talk about energy costs, the existing traditional costs of energy. We don’t factor in the externalities of the health care costs and all those others that we did discuss to some extent here. I just think that trying to look in isolation at new alternatives, the cost to us as a society to bring them on board, separating out the externalities of the existing forms of energy that we have, is a problem. It will look skewed if we don’t take the whole thing into account.

I would like to change the wording, if we’re going to leave that in there. Instead of “ensure”—what was it you said, Jim?

The Chair: Basically what I’m hearing is that—

Mr Bradley: The cost implications.

Ms Churley: I’m just concerned that—

The Chair: It’s too rigid?

Ms Churley: Yes.

The Chair: I think that’s what I’m hearing.

Ms Churley: Yes. We do need to know some of the implications, especially around—and this is my interest—the policy changes. Perhaps if there are tax incentives, policy changes, all of those things, we need to have the information because it may well be that some—we would all agree as a committee that some of the recommendations from people would just be the least cost-effective and reliable power sources for Ontario, but we can’t isolate out the costs from, is it the most beneficial and reliable form of new energy in Ontario? You know what I mean?

Mr Ouellette: I’ll try to get in a couple of points.

We had a bit of a discussion on costs, and I’ll just bring forward what I said when we discussed it before. When you want to use a comparison, it may be more expensive to do that, but when oil was first brought on, or gasoline, for example, the first automobiles ran on alcohol. What was the cost to change over there to establish what we have now? Maybe it was higher; maybe it wasn’t. The same with Walter Diesel. When he

brought diesel on board, it ran on vegetable oil; now we're on diesel fuel. So there were whole infrastructures developed. When mechanics were made of the initial ones, being the diesel engine and the automobile, the gas engine, which at that time was the alcohol engine, there was a substantial change and cost involved at that time. Maybe it was higher, maybe it was lower; we don't know. Is that why it changed there, or was there development that we could move to that? When we're looking at these alternatives, maybe it's more costly now, but in the future it may be a lot cheaper, as with fossil fuels now.

The other point I wanted to bring up is that when we talk about green energy, future history will essentially determine the decisions we make today, whether they are green in the future or not, as Mr Bradley said regarding nuclear.

Some things—Mr Parsons talks about the windmills. How do we know that in the future, by harvesting the winds, we are not thereby reducing the winds that contribute to our earth now, which could cause a drought in those microcosms around the Great Lakes because we're utilizing that energy? We don't know that. But that's something we can determine in the future.

I think the use of alternative fuels is far more specific in dealing with the issues as opposed to "green," because what's green today may not be green in the future.

The Chair: Can we move along? Maybe we could have staff redraft that one.

Ms Churley: OK. I have another.

The Chair: You have another one?

Ms Churley: Yes.

Mr Johnson: You said two.

Ms Churley: No, I have more. I actually read the report.

The Chair: Wonderful. We appreciate that.

Ms Churley: Page 14, the last point on the top of the page, "Can SuperBuild play a role in joint financing of alternate fuel/energy capital projects?" Where did that come from? There are a lot of demands on SuperBuild, and I'm not sure if the researchers can tell us why we have a very specific fund in here when this is long range. I think this is going to be kicking around for a while. I'm not going to get political here, but we all know the SuperBuild fund has a lot of demands on it. A lot of the money hasn't been paid out yet. We're talking about sewer and water upgrades and all kinds of other needs of municipalities. I just don't understand why that specific program is in here.

I'm sure somebody must have brought it up. You couldn't have dreamed it up yourself.

The Chair: Discussion?

Dr Gardner: Jerry can respond to where it fit in the hearings. Alternatively, if members don't want it in, we can just take it out.

The Chair: Discussion?

Mr Hastings: I don't see its relevance.

Dr Gardner: Out it goes.

Ms Churley: Somebody must have suggested it.

Mr Hastings: I think you probably included it because you were looking at what would be the organizational scenario for carrying out some of this stuff. That's all.

The Chair: I'm sure Ms Churley would appreciate that it's highlighted on my sheet as well.

Ms Churley: Aha. And what were you going to say about it?

The Chair: It was not consistent with the report. This may be the second time that I'm Chair—

Ms Churley:—that we've agreed. Let's have it on the record.

Interjection: This is getting too cozy.

Ms Churley: Too cozy. That will change.

The Chair: Do you have anything else, Ms Churley, to bring to the attention of the committee?

Ms Churley: I do, but I can't find it. If anybody else has anything—

Mr Parsons: If we can back up to the line that we just deleted to question or comment on it, my understanding—

The Chair: Just a sec. Are you on page 14 yet?

Mr Parsons: Regarding SuperBuild. My understanding is that we have the one ethanol-producing plant in Ontario. There is a proposal, an attempt, to get one constructed. In some cases, these are farm co-operatives putting it together. I understand that in Cornwall they're having some difficulty getting the funding to construct the plant. It has been in the design stage for quite some time. Here is a group of Ontario citizens attempting to put on line something that would give us an alternative energy, but at this point in time they still do not have the financing.

1120

Maybe SuperBuild isn't it, but do we need somewhere to address whether there are things that can be done to assist an alternative energy start-up? We certainly seem to have a sense that the ethanol has more advantages than disadvantages, and yet we can't increase the production in Ontario without this plant. So maybe SuperBuild does have a role, I'm not sure, but I think the financing of an alternative fuel is going to be difficult for some organizations that start up not an unproven but a new product.

Mr Johnson: On a point of clarification: I didn't hear the group that was involved and what they were manufacturing.

Mr Parsons: As I understand it, it is a co-operative group of farmers who are constructing a plant to utilize corn to produce ethanol.

Mr Johnson: There are already two ethanol plants, and I don't know why they would want another one because they're both quite underutilized right now, as far as I know.

The Chair: We're told that it is covered in another section already.

Ms Churley: That's what I was going to say; it is covered.

The Chair: I think it comes back to what this committee is about in developing policy that may require a

higher percentage of oxygenated fuels, or you put a different tax structure on it, or whatever. We could look at those instruments, and maybe if the demand is there that plant will be built pretty quickly: a guaranteed demand for X number of years down the road. Anything else on the interim report?

Ms Churley: I do want to point out—and this is a positive thing, vis-à-vis our discussion about the executive summary—that on pages 22 and 23 there is a very good section on energy conservation and efficiency measures. So that's in the body of the report, and I think we're all pleased to see that there.

The Chair: Sure. We've sort of given some direction to research and writers. We'll bring this back at the beginning of the November 7 meeting. I don't want to spend a lot of time. I don't want to get off on a discussion on other things when we have the research company here. But, at the same time, I gather you want it brought back to see what has been written down before we approve it. Mr Gardner?

Dr Gardner: A common practice of many other committees is that we make these changes and bring them to the subcommittee and the subcommittee approves it for the committee. These are relatively minor changes that you're asking us to do, and if you're happy with the subcommittee doing it, it will save you some time here in the full committee.

The Chair: Maybe we should hear from the clerk. I'm hearing something different.

Clerk of the Committee (Ms Tonia Grannum): That has been a practice, but because we have to do the motion to adopt it, it's probably best just to bring it back and then just go over it briefly, just point out the changes, and then we do the motion to adopt, to print, translate and to table all at the same time.

The Chair: If we do it that way, can we, some way or other, next Wednesday morning zero in on only the changes, because we've agreed to everything else? Can I get that agreement from the committee, that we zero in and only spend five or 10 minutes?

Ms Churley: Unless they find some the problem in the report.

The Chair: I think we've agreed to it here. I don't think we'd want to spend—

Ms Churley: I agree.

The Chair: OK, so we're really not talking that many items. There is one objective that's going to be overhauled, that we're going to take out as a result in one other one, and there are three or four other things that have been left with research.

Dr Gardner: That's fine, Dr Galt. We can certainly bring back those changes and we'll highlight them so you see exactly what was done.

The Chair: Could all them maybe be put on one page?

Dr Gardner: Sure. We'll think of an effective way so that you don't have to waste your time with that.

The Chair: OK.

Dr Gardner: Can I also ask the committee's permission: we'll want to take another look at this document. There are bound to be little typos or something that we've missed, so we'll make sure that everything's consistent. For example, when we change the objective, we've got to make sure it's changed exactly the same way in two places. We need a little time to do some copy editing and really go through it with a fine tooth comb. We do leave that to the end, until you're happy with it substantively.

For those kinds of little changes, if they can go to the subcommittee, if you're comfortable with that, that'll speed the process up. The one thing though I would ask you to look at is, we have a question for you on page 53, on the Web site. Is there anything that you want to say about what you want to do with the Web site in the—

The Chair: It is a Web site, not a "Wet" site.

Dr Gardner: Including an excellent typo that our Chair has found. That's a good one, actually, a "Wet" site; second last paragraph, second line, a "Wet" site. We like to have prizes for members who find the most embarrassing typos, so we'll consider the appropriate reward for our Chair here.

You may not want to say anything further. Tonia and I will talk to our colleagues in information systems and we'll come back with a plan for the subcommittee. So you may just want to say that the committee has got a Web site and don't say anything in the italics part, don't answer that question for now. We did just want to bring your attention to it, though.

Mr Hastings: Way back in August when we first were discussing our normal expectations of this select committee, I did broach the subject of the Internet quite a bit. I don't want to take too much time on it. I think it should have some of these key policy questions on the site; maybe not the whole report, because that would take a tremendous amount of work on the IT side.

Dr Gardner: No, it wouldn't, Mr Hastings. It's easy to convert documents. Once you approve the report, once it's translated, we will put it up on the site and we'll publish the executive summary separately. People will likely read that and print it more, but we'll sort all that out. It's not a technological obstacle at all. If you want to do interactive town halls and some other snappier kinds of things in the new year, we can work up a plan on options and how you might want to do that. You may be best to not comment on that now, just say, "Here's the site," and then we can talk further about how to use it in innovative ways in the new year.

Mr Hastings: One final question, then: is there an opportunity here, despite security concerns, for the Legislature to look at bringing in some co-op students who are probably looking for IT opportunities in the development of the Web site? I don't know if the Legislature has ever used co-op students in this context. I'll just leave it with you.

Dr Gardner: We'll consider that. Thank you.

The Chair: Just a few things that I've asked so you know and we're up to date: the travel plans for the full

committee—January I think was the decision. We just need to check with the clerk. Has any work been done on this as far as pulling it together or research, places that we might go to? Not at this point?

Ms Grannum: We've got the updated list of conferences. The subcommittee will have to sit down and decide where they want to go and when.

The Chair: I guess what the committee and/or the subcommittee needs is some of that information as to where it should be or should not be.

Ms Grannum: It's in the list.

The Chair: We may need to get it condensed down.

Ms Grannum: Which research did.

The Chair: It's one thing to have conferences; the other thing is to have locations such as wind farms, say Ballard in Vancouver, or what's in California. I don't think we would be trying to get the committee travelling to a lot of conferences, but to see sites and what's happening out there.

Dr Gardner: We had planned, after we finished the interim report—we heard that you were interested in California, Alberta and BC—to look at the most effective way to get some bang for the buck if you travel there, who are the key people to see, how to organize it. So we'll come back to the subcommittee with proposals.

The Chair: That's what we need, and then the communications plan.

Ms Grannum: I'm working on that. There was a glitch with the ministry, but they're going to send us some information.

The Chair: We'll discuss that later.

I guess the other thing is the contract with Navigant. To discuss the contract, it's my understanding that we should be in closed session prior to it being signed. First, does the committee want to hear some of the details about the contract to prior to it being signed? We did agree to Navigant at the last committee meeting a week ago. I'm at your pleasure.

Ms Churley: I think this doesn't have to be in closed session. I did look at the contract, I talked to Tonia, but I understand that this is a routine kind of contract. There's nothing in this contract that—we have all the rights to our research and all the work that we do. OK.

1130

The Chair: Is the committee comfortable?

Interjections.

Mr Hastings: If the subcommittee or the committee is not satisfied, is there an exit clause?

Clerk of the Committee: There is, yes.

Mr Hastings: Where is it, Tonia? Is it 2.2, 2.3?

Clerk of the Committee: Yes, 2.2, 2.3 and 2.4. Not everybody has a copy of it.

Mr Hastings: All right.

The Chair: I guess we'll go on. If you don't want the details discussed, we can just proceed with the motion. I'll call on Ms Churley to put forward a motion.

Ms Churley: Sure. I move that the select committee on alternative fuel sources approve the contract for

Navigant Consulting, as recommended by the subcommittee on committee business.

The Chair: Discussion? All those in favour? All those opposed? I declare that motion carried.

Therefore, on November 7 we will meet with Navigant, or at least their representative. I think that will be a very interesting discussion. I think you'll be very pleased with the company we've signed the contract with, not that some of the others weren't excellent, but they just seemed to click with the committee and scored high.

Unless the committee has other items to discuss, we'll go to the subcommittee. Mr Parsons, before we adjourn?

Mr Parsons: If I could just share with the committee very briefly, I went to a conference in Ottawa yesterday on hydroelectric production and climate change. I went thinking it would deal with how climate change will affect hydroelectric production. In fact, it was the opposite; it was how hydroelectric production affects the climate. I was not aware until yesterday that greenhouse gases are produced by hydroelectric production in fairly significant quantities. I had thought it was absolutely clean, but it was to deal with the opposite.

The challenge for hydroelectric is reservoirs. Lakes produce greenhouse gases, and reservoirs become super-lakes and produce a considerable amount of greenhouse gases. As the water levels are artificially altered, you will get the water level down, grass growing, shrubs and so forth growing, and then when you flood again, they decompose and emit gases. Where I had thought they were not in this issue—I found the conference fascinating. They were dealing with restricting the greenhouse gases produced by hydroelectric production.

The other thing I would share that I found of interest was that BC Hydro is evidently working aggressively to try to produce a total costing of electric production, costing produced by coal, total cost produced by water etc. Their numbers, when they're completed, should be, I would think, of great interest to our committee.

The Chair: It will be very intriguing to see those. The other interesting one is the amount of carbon dioxide that's released in cultivation.

Mr Parsons: The other side effect of hydroelectric production is that you increase the area flooded, and forests tend to be CO₂ sinks. So not only are you now producing CO₂, you've eliminated the CO₂ sink to get rid of it, so you actually double the damage.

The Chair: So consequently, the advantage of the run of the river—hydro projects are so ideal by comparison.

Mr Parsons: They produce no side effect of greenhouse gases, that's correct.

Interjection: That's Beck 3.

Ms Churley: Beck 3, a short-term recommendation.

The Chair: It's really run of the river. Are there other comments before we adjourn?

Mr Ouellette: Yes, I just wanted to know, Mr Parsons, were there any discussions on low-flow hydro generation? Did any of that take place there?

Mr Parsons: No, 80% of the attendees were from Hydro-Québec, and the emphasis and focus was on large rather than small or local.

The Chair: OK. Anything else?

Mr Hastings: I see there's a conference in my own riding in late February that I'd be interested in attending.

The Chair: I think we can afford it.

Mr Hastings: I would think Mr Ouellette would probably be very interested in that one as well.

The Chair: It's hard to say what the committee may be doing at that time, but I think when they're local like that, we should definitely be attending. There is also one in late November that's in Richmond Hill, I believe.

By the way, thanks for attending yesterday and going to Ottawa. You'll give us a small report?

Mr Parsons: If you define "small" properly, yes.

The Chair: I tend to read one-page reports.

Mr Parsons: With no restriction on font size, I think it can work fine.

The Chair: Hearing no further comments, the committee stands adjourned, and we'll convene as a subcommittee to sort out sessions that we'll hold in late November and December.

The committee adjourned at 1136.

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Vice-Chair / Vice-Présidente

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Mrs Marie Bountrogianni (Hamilton Mountain L)

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Mr Jerry J. Ouellette (Oshawa PC)

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