

Topic:

Municipalities and the OEB Decision to Remove the Fossil Fuel Subsidy

Presented to:

City of Kawartha Lakes, Council Meeting

Presented by:

Gaby Kalapos, Clean Air Partnership



The Situation



Developers don't pay for fossil fuel infrastructure.

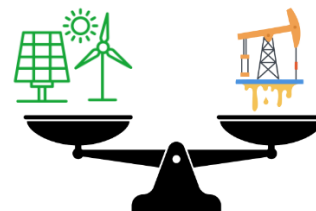
Developers often contribute to the costs of electricity infrastructure.

The Fossil Fuel rate base pays for fossil fuel infrastructure.

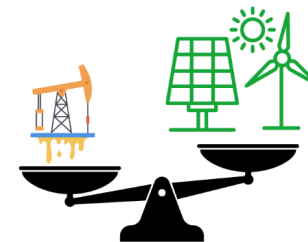
Not being required to pay for infrastructure often results with developers using fossil fuels for heating needs, without considering other options



Present State ☹️



OEB Decision



The Climate Emergency State

The Consequences



Allocating the costs for infrastructure for new development ensure more accountability and consideration of different lower carbon ways to meet people's energy needs.

If the status quo fossil fuel route is free and easy (which it is), do you think we are doing what we need to do to move the market towards consideration of lower carbon buildings?

This decision is not a fossil fuel ban, it is ensuring we are moving the market to consider other lower carbon ways to meet their customers energy needs.

Not just doing the same old, same old solution because it is easier, not because it is more affordable.



The Need to Get Off our Fossil Fuel Track and Move a Big Ship – Ontario's Energy System Offerings



Each time we bring fossil fuel infrastructure into new developments we make sure that will be a fossil fuel community for at least 15 years.

We also risk creating a stranded asset risk for the rate base and Ontarians.

The Ontario Energy Board is a rate payers protection entity.

Enbridge is guaranteed to be paid for its infrastructure investments.

Enbridge customers are the ones who are required to pay Enbridge.



Show Me the Money.....



\$ 250 million each year for 5 years for infrastructure costs for new connections

Total costs of \$1.5 billion over 5 years when additional costs of meters and capitalized overhead brought in.

\$ 600 for each Enbridge customer (not just new ones) to pay for that infrastructure.

Fossil fuels are no longer the most cost-effective route for meeting Ontarians energy needs.

Especially when one brings in those up-front fossil fuel infrastructure costs.

Be honest, do you think you would be inclined to consider other options, if you don't have any financial impetus to consider it?

Do you think you would be more inclined to consider other options if you were required to pay for your fossil fuel infrastructure?





Pass Council support for upholding the Ontario Energy Board decision to eliminate the fossil fuel subsidy for new developments.

Share Kawartha Lakes support for the OEB decision with your neighbouring municipalities, along with the Province and AMO.

Thank you for your (hoped for) leadership on supporting affordable and low carbon considerations for Ontario's buildings.

