



March 10, 2022

Ministry of Northern Development, Mines, Natural Resources

Re: Comment on Amendments to Oil, Gas and Salt Resources Act to permit CCS

To Whom it May Concern,

ArcelorMittal Dofasco G.P. would like to provide feedback on the discussion paper exploring legislative changes to remove barriers to the storage of carbon dioxide.

ArcelorMittal Dofasco is the Hamilton region's largest private sector employer with nearly 5,000 employees shipping approximately 4.5 million net tons of high-quality flat carbon steel annually. ArcelorMittal's goal is to help build a better world with smarter steels made using innovative processes which use less energy, emit significantly less carbon, and reduce costs. Steels that are cleaner, stronger, and reusable. Steels for electric vehicles and renewable energy infrastructure that will support societies as they transform through this century. With steel at our core, our inventive people, and an entrepreneurial culture at heart we will support the world in making that change. This is what we believe it takes to be the steel company of the future. From our Hamilton location, we play a key role in North America's advanced manufacturing supply chain working with the top automotive, energy, packaging, and construction brands.

We understand the proposal titled **Geologic Carbon Storage in Ontario** aims to amend the Oil, Gas, and Salt Resources Act. We understand the proposed changes include:

- Lifting prohibitions on the injection of carbon dioxide (EOR excluded in proposal),
- Adding the ability to enter into agreements with companies to explore, test, pilot, and demonstrate new technologies,
- Enhance provisions for corporate accountability, and
- Enhance existing protections to prevent risk to the public and environment.

We view the availability of CCS in Southwestern Ontario as an important tactic to help us reach our Net Zero CO₂ targets and make Ontario industry competitive with jurisdictions that permit CCS.

I am writing to express ArcelorMittal Dofasco's support for moving forward with legislation on the proposal to allow safe CO₂ injection in the province. To incentivize heavy emitters to consider CCS as part of their decarbonization strategy, we recommend that the EPS be amended to allow sequestered CO₂ to be deducted from covered facility CO₂ reportable emissions and tax obligations. We also believe it is important to develop a framework that allows for offset credits to be established from CCS projects, including outside the covered sectors. To meet the timelines associated with carbon reduction targets, the amendment requires expediting to keep momentum. Further to the sequestration of fossil-based CO₂ emissions, the same infrastructure can be used to capture biogenic carbon for deep geological sequestration. This will generate negative emissions and ensure the CO₂ infrastructure is not stranded as alternative decarbonization technologies are developed.



Lastly, we believe the barriers to CCS pipelines and transportation must be removed. While outside the focus of this discussion paper, CCS pipelines and transportation are a vital component of the overall CCS network and we see them as a regulated and open-access amenity for Ontario emitters. We envision a pay-for-service utility to transport and store CO₂ which would avoid access issues, unbalanced rates and avoid the need to become the owner-operator of long-term CCS infrastructure.

If you have questions or require further information, please contact me directly.

Regards,

Hon. Tony Valeri, P.C.
Vice President, Corporate Affairs
ArcelorMittal Dofasco