



BATCHEWANA FIRST NATION OF OJIBWAYS

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May 14, 2023

Via Email: MinisterEnergy@ontario.ca

Honourable Todd Smith, Minister of Energy

Ministry of Energy
10th Floor
77 Grenville Street
Toronto, Ontario M7A 2C1

Dear Mr. Smith,

RE: IESO Pathways to Decarbonization Study (ERO#019-6647)

I write on behalf of Batchewana First Nation ("BFN") regarding the Independent Electricity System Operator ("IESO") "Pathways to Decarbonization" ("P2D") study. BFN is pleased to provide the Ministry of Energy (the "Ministry") with feedback on the findings of the P2D study as well as on the IESO's "no-regret" recommendations.

BFN appreciates the Ministry's goal of eliminating greenhouse gas emissions from the grid and supports a moratorium on new natural gas generating stations in Ontario. We are pleased that the P2D study has determined that it is possible to manage Ontario's energy transition with the necessary investments. The transition should occur as rapidly as possible *before* 2050 consistent with the federal government's goal of achieving a national net-zero electricity grid by 2035. We expect you will continue to involve BFN going forward as additional research and planning is done to move towards full decarbonization.

BFN expects to be full partners in the transition to a decarbonized future. We welcome the IESO's recognition that a partnership role for Indigenous communities is a necessity and that simply consulting Indigenous communities has never been a sufficient approach to electricity system planning. We note the IESO's acknowledgement that an increased role for Indigenous governments beyond the current participation rate in electricity projects is essential. Furthermore, we appreciate the P2D study finding that Indigenous people must have a voice in how and where new infrastructure is located, and that meaningful and transparent discussions about land use is required. We note the study's determination that the transition be managed in way that the resulting investment and increased costs do not place undue burden on people with low incomes, a situation our people unfortunately often struggle against.

We recognize energy siting can be disruptive to the natural environment and we insist upon shared decision making with proponents and the Crown with respect to the use of our lands. To be clear, BFN consent would be required before any infrastructure was built on our lands. In response to the P2D study's recommendation to begin early work on planning and siting for new resources, BFN would require the above-mentioned shared decision-making process to be implemented during any phase of engagement related to siting located on our Traditional Territory.

With respect to the IESO's "no-regret" recommendation related to streamlining regulatory, approval and permitting processes, as always, we expect rigorous regulatory oversight and fulsome environmental assessment processes. As stewards of the environment for future generations we have a responsibility to vigorously advocate for and protect our

lands. We believe in the sustainable development of our lands including development required for the energy transition. We will not, however, consent to shortcuts that threaten the integrity of the environment to achieve accelerated infrastructure buildouts.

BFN supports the growth and development of additional wind and solar powered electricity on its Traditional Territory and is actively involved in developing 3 new wind project that will decrease the greenhouse gas emissions and support the carbon offsets required for our partners. This requires additional monetary support from the government around infrastructure upgrades that will allow BFN to connect to the current grid from the Montreal River to Sault Ste Marie. BFN recognize this will increase costs to the electricity system and ratepayers, and while we are concerned about potential cost impacts associated with the investments needed, we also know that the cost of not acting now to prepare for the future need will impact the overall ability to produce clean energy when needed. We firmly believe that partnerships with Indigenous governments are an excellent way to reduce costs of new clean electricity infrastructure. We expect to see increased incentives for the development of wind and solar projects to support ongoing development.

BFN acknowledges the P2D study's finding that a zero-emissions grid by 2050 will require investment and innovation in hydrogen capacity to replace the flexibility currently provided by natural gas. BFN supports the development and adoption of *low-carbon* hydrogen production in Ontario for use in electricity generation. We stress that any proposed carbon sequestration and storage in support of hydrogen production on our Traditional Territory would require BFN consent. Nevertheless, the focus should be on developing low carbon hydrogen rather than using fossil fuels.

New hydroelectric generation projects in Northern Ontario would be supported by BFN, if they went through rigorous environmental regulatory approvals processes led by Indigenous stakeholders, and they were Indigenous owned and operated with economic and social benefits provided directly to the communities impacted. BFN would also like to see run-of-the-river scenarios contemplated. It must be emphasized that BFN faces immense capacity issues with respect to natural resource and energy projects proposed on our lands. It behooves the Ministry to consider how it will adequately support us so that permitting processes move swiftly.

BFN notes the P2D study finding that significant transmission capacity is required. BFN is actively involved in various transmission related projects on its lands. To ensure transmission corridors can be built as quickly and cost effectively as possible BFN recommends that the Minister, in conjunction with interested parties, develop a long-term strategy for new transmission deployment as well as transmission redevelopment in a manner that supports the P2D plan.

Finally, BFN wants the open market concept added to support innovation in how the powering up phase will work. There is a need in Ontario for a more competitive and less regulated market that allows a generator, transmitter, and customer to create opportunities that would be outside the rate regulated environment. If Ontario is going to meet its long-term electricity needs, it must look at what works in other markets, and it must apply those lessons learned to create new opportunities. While the rate-based market is there to protect certain consumers you must recognize that can be an impediment to market innovation.

Please do not hesitate to reach out if you have any questions.

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Chief Dean Sayers

cc: Batchewana First Nation Council