MANITOBA ECO-NETWORK

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Dear Members of the Standing Committee on Social and Economic Development,

Re: Community Feedback on Bill 31, *The Captured Carbon Storage Act*

The Manitoba Eco-Network, Manitoba Energy Justice Coalition, and the Canadian Centre For Policy Alternatives have provided this written submission to comment on Bill 31, *The Captured Carbon Storage Act*, currently working its way through the Manitoba Legislative Assembly. We have been discussing this Bill with the grassroots environmental community since its introduction in April and were preparing to provide some community education on this new legal approach in mid-June, since there was no public consultation undertaken by the government prior to the introduction of the Bill. We were caught off guard by the Committee Meeting scheduled today. Luckily, we were able to find a last-minute representative from MEJC to provide in-person comments at the meeting tonight.

We recommend that Bill 31 be withdrawn from the legislative process until more meaningful public engagement occurs on carbon capture technology. The environmental community is confused why the Government has invested time and money in developing a regulatory scheme for a technology has that not yet been proven to work effectively. If seeking to improve environmental protection and better address the climate crisis, there are a number of other licensing and approval processes under the responsibility of Honourable Minister Moses that should have been prioritized first. For example, the many outdated decision-making and approval processes under *The Mines and Minerals Act*, which regulates activities, from exploration to extraction, that are directly responsible for significant negative environmental and climate impacts. There are also a broad range of other climate solutions that are proven more effective, have broader community support, and will cost Manitobans less.

Critiquing the Carbon Capture Approach:

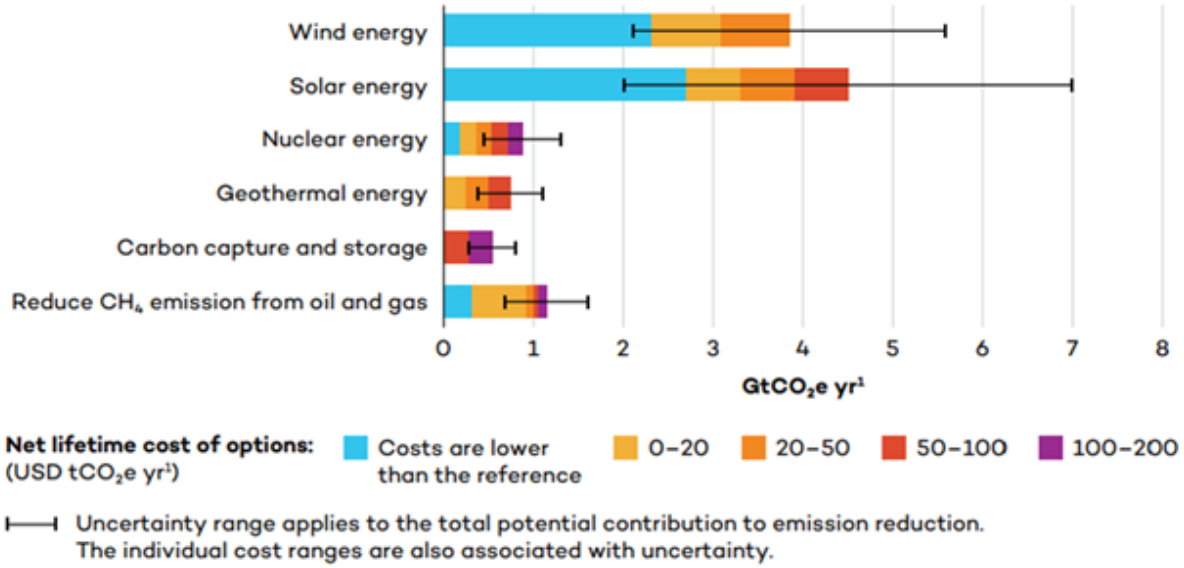
Although carbon capture and storage (CCS) technology has been promoted for the last 20 years as an effective climate mitigation measure, it has not been proven to be a successful method of reducing carbon emissions. There are currently only 30 commercial CCS projects operating globally, “capturing a total of around 42.5 MtCO2/year, or less than 0.2% of the necessary emissions reduction needed to close the emissions gap by 2030.” (IISD, 2023a)

CCS is very energy intensive. There is a significant amount of energy required for the capture and compression of carbon, with additional amounts needed for transportation and storage (IPCC 2022). CCS projects usually increase the energy demand of the facility they capture carbon from by 15-25% on average, which often increases carbon emissions depending on the

energy source used. In general, CCS technology is considered to be highly energy inefficient and often results in the generation of additional GhG emissions. Local climate organizations have demonstrated that Manitoba needs all of the power and energy we currently have to heat buildings and fuel our vehicles, we do not have energy to spare for inefficient CCS technology.

CCS technology also has an extremely high cost (billions of dollars), with the bulk of this cost often being borne by taxpayers. Due to the high energy needs of the process and the significant infrastructure required, CCS is one of the most expensive emissions reduction measures (IPCC, 2022). CSS is thus a very expensive approach to decarbonization compared to other measures, see Figure 1 below. The IISD has suggested that "Investing in CCS is a risky investment for taxpayers and comes with a significant opportunity cost for near-term, more cost-effective solutions" (IISD, 2023b).

Figure 1: Cost and potential efficacy of emissions reductions by CCS, method (CH_4) reduction, and renewable energies.



Source: IISD, 2023, p 8 (Based on data from Babiker et al., 2022).

The community has concerns about who will be paying the extremely high costs associated with CCS developments, and how government will ensure taxpayers are protected from ultimately footing the bill. Based on recent media coverage, it seems that the target (and biggest supporters) of a CCS regulatory regime are large industrial emitters. For example, Large Final Emitters (LFEs), like the Koch Fertilizer Plant. (Climate Change Connection) The proposed regulatory framework does not appear to include adequate incentive mechanisms or enforcement tools to ensure private industry is willing/required to pay the entire cost of a CCS project, and ensure taxpayers are protected.

Overall, CCS technology continues to be unproven and is not considered an effective approach to reduce emissions. The potential costs are extremely high, with limited benefit in terms of emissions reductions. The proposed regulatory framework also does not appear to protect

taxpayers from bearing the costs of CCS developments in the future. For these reasons, Bill 31 should be withdrawn.

Better Climate Solutions are Needed:

Instead of investing in CCS, the Government of Manitoba should instead focus on proven solutions to reduce Manitoba's emissions. Many such solutions have been documented in the Climate Action Team's Road to Resilience, including:

- Developing more wind and solar electricity generation projects.
- Reducing the need for vehicle transportation and making all vehicles electric.
- Working with the private sector and federal government to expand charging infrastructure until every community connected by road has enough charging stations.
- Making our buildings as energy efficient as possible.
- Heating and cooling our buildings affordably, without fossil fuel (e.g. using geothermal systems).
- Ensuring that the public has access to reliable climate change education and that progress toward the climate goals is reported upon regularly and that failure to meet targets result in remedial action.

These solutions, among many others, would more effectively support the reduction of emissions than a CCS approach, and would also help reduce energy costs for Manitobans and make people's lives more affordable.

Since elected in 2023, the environmental community has been assured that the current government is a "listening government", looking to rebuild the grassroots connections that have been strained to a breaking point over the past 10 years. However, there have already been a number of missed opportunities to engage with the grassroots about new legislative developments including the proposed changes to *The Environment Act*, and *The Manitoba Hydro Act*, under Bill 37, *The Budget Implementation and Tax Statutes Amendment Act, 2024*. In fact, the introduction of these changes as part of the omnibus budget bill, instead of as stand-alone legislation, has actively prevented public engagement on these changes since there will be no Standing Committee review.

More needs to be done to meaningfully engage with the public and environmental grassroots community about proposed environmental law and policy changes in Manitoba. Withdrawing Bill 31 until a meaningful public consultation process can occur would be a step in the right direction and would go a long way to prove that the government is in fact listening.

Our organizations welcome future opportunities to engage with the Government of Manitoba, prior to the introduction of new government Bills, to ensure the effective implementation of new legal and policy measures that support sustainable development, address the climate crisis, and ensure the protection of the environment for the benefit of current and future generations.

Sincerely,

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Sources:

Climate Action Team, *Manitoba's Road to Resilience,* online: https://climateactionmb.ca/road2resilience/

Climate Change Connection, *Manitoba Large Final Emitters (LFEs)*, online: https://climatechangeconnection.org/emissions/manitoba-ghg-emissions/manitoba-large-final-emitters-lfe/

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