



August 8, 2022

Via email: [ECD-DEC@ec.gc.ca](mailto:ECD-DEC@ec.gc.ca);  
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Honourable Steven Guilbeault  
Environment and Climate Change Canada  
House of Commons  
Ottawa ON K1A 0A6

**RE: Proposed Frame for the Clean Electricity Regulations**

The Business Council of British Columbia (the Business Council) appreciates the opportunity to provide input to the Proposed Frame for the federal government's Clean Electricity Regulations.

The proposal does not address the fundamental issues raised in our April 13, 2022, submission (resubmitted and attached). We ask Environment and Climate Change Canada to review and provide a written response to our earlier submission.

From the Business Council's perspective, the two key issues concerning the proposed clean electricity regulations are 1) the need to respect provincial jurisdiction over electricity development and regulation within the provinces, and 2) the negative effects of the proposal on affordable and reliable electricity for all consumers.

On the first point, it is the Business Council's view that provinces have the primary and predominant jurisdiction over electricity development, markets, and regulation. This limits the scope for possible federal policy and regulatory intervention. Any proposal must demonstrate a clear and direct connection to a federal constitutional head of power,<sup>1</sup> in what is otherwise an exclusive provincial matter. In our view, this has not been done. Moreover, the federal government cannot use the "environment" which is a shared role to intrude into the provincial domain. Since there is already existing robust provincial regulatory oversight of electric utilities (mostly Crown-owned), the proposed federal approach clearly duplicates provincial regulation. This is counter-productive. It is also contrary to the intent of your government's "Policy on Limiting Regulatory Burden on Business."

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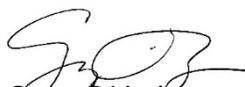
<sup>1</sup> <https://www.canada.ca/en/environment-climate-change/corporate/transparency/briefing-materials/corporate-book/jurisdiction-duties-authorities.html>.

Building on this and to the second point, affordable and reliable energy, now and in the future, is critical for Canadian prosperity and our standard of living. The proposal fails to consider the economic consequences of imposing these constraints on provincial electricity sectors and to its participants. Your government has not demonstrated how the approach will contribute to Canadians' access to reliable and affordable electricity in the coming decades and therefore fails in a full assessment of the public interest. The provinces, not the federal government, are better positioned to assess these economic consequences of electricity policy choices, to make decisions about how to transition their electricity systems, and to look after the interests of ratepayers.

Finally, recent policy and legal developments in the United States (i.e., *West Virginia v EPA*) are important external considerations. We fear the proposed standard will erode rather than enhance Canada's long-standing competitive advantages in electricity generation and exports. Unfortunately, Canada has relatively few industry sectors that enjoy comparative advantages in the North American context, and we continue to experience flagging private sector investment in many trade-oriented industries. Undermining what has been a strong Canadian industrial sector is a mistake.

We look forward to a more open conversation about the appropriateness and need for the standard.

Yours sincerely,



Greg D'Avignon  
President and Chief Executive Officer

DM/vjc  
Attach.

cc Honourable George Heyman, B.C. Minister of Environment and Climate Change Strategy  
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