



Canadian  
Electricity  
Association

Association  
canadienne  
de l'électricité



Canadian Hydropower  
Association  
Association canadienne  
de l'hydroélectricité

July 19, 2016

The Honourable Catherine McKenna  
Minister  
Environment and Climate Change Canada  
200 Sacré-Coeur, 2nd Floor  
Gatineau, Québec K1A 0H3

**Re: Electricity Sector Comments on the Expert Panel Draft Terms of Reference for the Canadian Environmental Assessment Act Review**

Dear Minister,

The Canadian Electricity Association (CEA) and the Canadian Hydropower Association (CHA) appreciate the opportunity to comment on the Expert Panel Draft Terms of Reference for the Canadian Environmental Assessment Act (CEAA) Review.

CEA and CHA are working together on the review of the CEAA, with the common goal of improving the environmental assessment process. Electricity is the enabler of modern societies and is indispensable to Canadians enjoying a high quality of life, as well as to the competitiveness of our national economy. With about 82 percent of current generation free of greenhouse gas emissions, electricity is crucial to meet our international climate change commitments and to transform our economy. Together, the associations offer the comments below for your consideration;

**1. Scope of the Review**

CEA and CHA commend the government for undertaking a review that aims to regain public trust and to get resources to market to meet the energy needs of customers. To help with this goal, the associations would like to make the following recommendations:

- I. A progressive, forward-looking, and objective review focused on potential improvements to CEAA 2012:*** The electricity sector is supportive of an objective evaluation of the CEAA since 2012, focused on a progressive, forward looking



identification of potential improvements to environmental assessment (EA) processes. The Expert Panel should evaluate current EA processes recognizing the need for timeliness, efficiency, and certainty to assess a practical level of oversight and its implementation. **CEA and CHA recommend including a reference to focus the Expert Panel's review on progressive and forward looking potential improvements to CEAA 2012, as part of the Scope of Review in the Terms of Reference.**

**II. *Improved timelines, efficiency and certainty in regulatory processes:*** An environmental assessment framework based on clear, efficient, and consistent timelines and certainty in regulatory processes sends an important signal to investment markets and stakeholders who seek meaningful engagement. A way to improve the certainty and credibility in the process is to ensure that provisions in the CEAA are clear and not open to inconsistent interpretations. In today's economy, entering the market at the right time is critical, and regulatory certainty is crucial to achieve this. Successful delivery of resources to electricity markets requires certainty and timeliness in the environmental assessment process and in related authorization mechanisms. **CEA and CHA recommend including a reference to focus the Expert Panel's review on improving efficiency and certainty in environmental assessment processes, as part of the Scope of Review in the Terms of Reference.**

**III. *Alignment between complementary federal, provincial and territorial measures, processes, and Acts:*** The Expert Panel should examine ways of improving alignment and avoiding duplication between federal, provincial, and territorial processes and overlapping requirements in different Acts and associated regulations. A way to prevent unnecessary delays due to overlap and duplication is to introduce measures that allow consistency between decisions made under CEAA and other federal legislation, such as the Fisheries Act. **CEA and CHA recommend including a reference to improving alignment between complementary federal, provincial and territorial processes and Acts, as part of the Scope of Review in the Terms of Reference.**

**IV. *Focus on environmental outcomes that take into consideration economic factors:*** Environmental protection objectives should be science-based while taking into account economic factors. A focus on achieving environmental outcomes instead of on technology-specific solutions provides the most cost effective way to reduce or avoid environmental impacts while providing flexibility for different projects. As long as the



mitigating measures proposed are commercially available and meet the environmental outcomes, these measures should be allowed to be technology-neutral. **CEA and CHA recommend including a reference to economically feasible, technology-neutral solutions to achieve environmental outcomes, as part of the Scope of Review in the Terms of Reference.**

**V. Recognition of need for flexibility as projects evolve:** The electricity sector believes that clear guidelines are needed to manage changes in project design or scope once projects are initiated. Major projects take a long time to develop and often evolve during the construction phase, sometimes resulting in the need for changes to the project or mitigating measures after the project is approved. Currently, CEAA does not provide a clear mechanism to address these project changes. **CEA and CHA would welcome a reference to finding ways to effectively manage changes in project scope or mitigating measures, as part of the Scope of Review in the Terms of Reference.**

## **2. Conduct of the Review**

CEA and CHA commend the government's efforts to conduct the CEAA Review in an open manner and to provide opportunities for Canadians to express their views and participate during the consultation process. To help with this goal, the associations would like to offer the following recommendation:

**I. Opportunity for stakeholders to present their views directly to the Expert Panel:** The associations believe that to ensure truly meaningful and inclusive consultations, stakeholders, including individual companies, should have an equal opportunity to inform the review process by presenting their views directly to the Expert Panel. **CEA and CHA would welcome a reference to recognize the need to provide equal opportunity for stakeholders to express their views to the Expert Panel directly, as part of the Conduct of Review in the Terms of Reference.**

In conclusion, we look forward to working closely with the Expert Panel and providing constructive feedback and solutions for a science-based environmental assessment (EA) process focussed on economically available environmental outcomes. The two associations have extensive experience with EA processes and welcome the opportunity to inform the Expert Panel's review through the Multi Interest Advisory Committee and through direct engagement with electricity sector companies.



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CEA and CHA would like to thank the Government of Canada for the opportunity to comment on the Expert Panel Draft Terms of Reference for the CEAA Review.

Yours sincerely,

**Hon. Sergio Marchi**  
President and Chief Executive Officer  
Canadian Electricity Association

**Mr. Jacob Irving**  
President  
Canadian Hydropower Association