

Managing energy towards carbon neutrality in Quebec: Sobriety, efficiency and good governance



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Équiterre 

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SUMMARY OF PRINCIPLES AND RECOMMENDATIONS

Équiterre has identified six (6) principles to guide government action towards carbon neutrality in every sector of society:

1. More climate ambition

- Recognize the close relationship between energy issues and the climate and biodiversity crises, as well as the fact that there cannot be infinite growth in a world with finite resources;
- Improve Quebec's climate target so that Quebec does its part on the international level to become carbon neutral by 2040 and carbon negative by 2050, and enshrine it into law.

2. A structured strategy to achieve carbon neutrality

- Put forward a visionary, structured energy strategy that:
 - proposes scenarios to move the goal up to 2040, as per the UN's recommendations for wealthy countries;
 - allows for carbon neutrality to be achieved by 2050;
 - includes:
 - a carbon budget broken down by sectors;
 - quantified measures showing each sector's contribution to achieving the 2030 and 2050 targets.
 - quickly brings fossil fuel consumption to an end and prohibits new natural gas hookups in residential, business and industrial sectors;
 - encourages reducing demand at the source, and helps to ensure energy security and equity over the long term;
- Expand the mandate of the *Bureau de la transition climatique et énergétique* to ensure that all ministries are involved and held accountable;

- Adopt a climate change adaptation strategy based on best practices;
- Require that every organization, ministry and state-owned corporation publicly state their role in helping Quebec to achieve carbon neutrality, and be accountable for it.

3. Respect for the physical and social limits of the province

- Ensure that energy decisions take Quebec's physical and social limits into account in order to protect biodiversity and strengthen our social fabric.

4. More equity, justice and inclusion

- Develop projects in collaboration with Indigenous communities when their land is involved;
- Ensure that all energy and mining projects respect the constitutional, international and inherent rights of Indigenous Peoples, including the right to free, prior and informed consent;
- Guarantee the right to energy and electricity;
- Ensure that lower-income households are not affected by changes in Hydro-Québec's rates.

5. Good governance

- Make science-based policy decisions and implement them in collaboration with the other levels of government;
- Develop integrated resource planning and entrust it to an independent non-partisan agency;
- Ensure yearly monitoring of the Energy Transition, Innovation and Efficiency Master Plan to gauge the effectiveness of the measures;
- Assess each regulatory, legislative and financial decision through the lens of carbon neutrality to avoid energy lock-in;
- Preserve the integrity of the regulatory role of the *Régie de l'énergie* by ensuring its independence;
- Give back the authorities taken from the *Régie* when Bill 44 was passed, and allow it to issue recommendations on measures to achieve carbon neutrality.

5. Electricity as a service for the Quebec population

- Reaffirm that the purpose of the energy system is to serve the public;
- Ensure public development of the wind sector with Hydro-Québec as lead partner, in partnership with local communities;
- Maintain cross-subsidization.

With the above principles taken into account, the following table details Équiterre’s vision for the energy transition. It begins with our recommendations for a public consultation on this transition.

Sectors	Recommendations
For greater citizen participation	<ul style="list-style-type: none"> • Make the deliberations and decisions of the <i>Comité sur l'économie et la transition énergétique</i> public; • Mandate the <i>Bureau d'audiences publiques sur l'environnement</i> (BAPE) to hold a generic public consultation on Quebec’s energy future. These consultations would look beyond electricity-generation capacities; • Be proactive in encouraging all stakeholders to participate, especially Indigenous and vulnerable communities, as well as experts in the fields of climate, energy, civil society and workers affected by the transition by: <ul style="list-style-type: none"> ◦ requiring the <i>Bureau d'audiences publiques sur l'environnement</i> (BAPE) to travel the province as part of its consultations; ◦ setting up task forces specializing in a specific theme or focusing on a specific region.
Do better with less	<ul style="list-style-type: none"> • Analyze the potential for growing Quebec’s energy capacity after implementing ambitious, large-scale conservation measures; • Prioritize collective sobriety and energy efficiency to increase the amount of energy available to Quebec and centre the decarbonization strategy on these approaches (see Principle 2); • Lead or support education/information campaigns and activities on energy efficiency and sobriety; • Have the government lead by example by putting in place sobriety measures for public and para-public agencies; • Roll out energy efficiency programs designed to foster equity, inspired by Canadian and international best practices.
Land use,	<ul style="list-style-type: none"> • Review land use practices and adopt a holistic approach to foster urban densification and reduce

<p>mobility and transportation</p>	<p>automobile dependence;</p> <ul style="list-style-type: none"> ● Subject all new proposed investment to a climate test; ● Develop the action plan for the <i>Politique nationale d'architecture et d'aménagement du territoire</i> while taking account the importance of collective energy sobriety and efficiency, and prioritizing densification; ● Implement environmental tax measures to reverse the trend toward gas guzzling vehicles and energy-intensive homes; ● Institute a moratorium on highway development and invest in adapting infrastructures to climate change; ● Seek to balance spending on the road system with spending on public transit well before 2030; ● Offer more public transit options; ● Develop interregional public transportation (train, bus, etc.); ● Prioritize active and shared mobility, including by investing more in the development of cycling/walking infrastructures; ● Regulate the sale of zero-emission vehicles (ZEVs) and make them easier to purchase; ● Adopt a more ambitious ZEV standard as soon as possible and move up the deadline for ending the sale of gasoline-powered vehicles to 2030; ● Use environmental tax strategies to encourage sustainable modes of transportation (feebate system, tax credits for automobile-free households, subsidies for buying electric bicycles, etc.); ● Innovate and support innovation for decarbonizing freight transport by prioritizing the optimization of logistical systems, active mobility in urban centres and vehicle electrification.
<p>Buildings</p>	<ul style="list-style-type: none"> ● Integrate carbon neutrality requirements into all of the Quebec government's funding programs for buildings; ● Evaluate and reform Quebec's residential building decarbonization programs to ensure they are as effective and equitable as possible; ● Revise the Building Code so that new buildings comply with net-zero energy standards; ● Impose energy efficiency standards on existing buildings to reduce consumption; ● Introduce a rating and performance system for existing large buildings;

	<ul style="list-style-type: none"> ● Encourage the use of a "shadow carbon price" to show the cost savings of retrofits in Hydro-Québec's rating systems; ● Prohibit any form of hydrocarbon, including natural gas, as an energy source, and prohibit the installation of equipment using fossil fuels, be it new equipment or end-of-life replacement equipment. This would be modelled after the <i>Regulation respecting oil-fired heating appliances</i> enacted in November 2021, in: <ul style="list-style-type: none"> ○ New construction in Quebec; ○ Government buildings by 2025; ○ Existing buildings by 2030. ● Reject the dual energy agreement between Hydro-Québec and Énergir to avoid carbon lock-in; ● Increase incentives to purchase and install electric thermal storage systems and heat pumps; ● Support the development of innovative carbon-neutral technologies for the building sector.
Production and consumption	<ul style="list-style-type: none"> ● Lower the energy consumption associated with the production and transport of goods through reduction at source and reuse, and by putting in place measures making the repair of consumer goods more accessible, including legislation; ● Create a fund for reduction at source and reuse, and finance it through an increase in disposal fees or by taxing single-use items; ● Financially support businesses operating in reduction at source and reuse.
Agriculture and food	<ul style="list-style-type: none"> ● Prioritize energy sobriety and efficiency in every link of the food production chain, from production to waste diversion; ● Integrate performance criteria based on energy consumption, as well as nutritional yield, in the provision of funding under Quebec's <i>Stratégie de croissance des serres</i>; ● Put measures in place to reduce food waste from soil to plate.
Industry	<ul style="list-style-type: none"> ● Monitor energy productivity for businesses and the province, through such means as including it in key performance indicators; ● Adopt sectoral targets for enhancing energy productivity; ● Prioritize decarbonization of sectors that still operate mainly with fossil fuels, such as construction and agriculture;

	<ul style="list-style-type: none"> ● Offer support services to businesses through learning networks and sharing platforms, complete with analytical, measurement and monitoring tools; ● Lead by example in procurement; ● Impose conditions on the provision of public funding and subsidies, and encourage businesses that adopt responsible energy consumption practices such as shutting down during peak demand periods; ● Manage loss by creating heat loops as part of a circular economy approach; ● Continue supporting energy efficiency projects in industry; ● Keep carbon neutrality in mind during new construction and major renovations; ● Include environmental, social, economic, technical and governance criteria in the selection of any industrial project and make these criteria public, as well as the analyses explaining the government's choices.
Energy production	<ul style="list-style-type: none"> ● Develop rigorous and transparent selection criteria that are in line with social and environmental limits for new supply projects, and make them public; ● Prioritize wind power in cooperation with local communities and draw inspiration from projects carried out with communities in other provinces; ● Develop solar energy in a decentralized manner within a self-generation or micro-network framework and using a rational, pragmatic approach; ● Evaluate and cost out the available energy and power potential with a modernization of hydroelectric equipment and participation in decarbonizing the Quebec-Atlantic regional network; ● Remove fossil fuels from off-grid networks by planning and managing sustainable off-grid systems in cooperation with the affected communities; ● Roll out ambitious energy efficiency measures in communities reliant on off-grid systems; ● Have off-grid network transitions serve as model projects for energy sobriety and/or efficiency while putting in place ambitious new measures; ● Dismiss nuclear as a power supply option for Quebec.
Energy transmission and interconnections	<ul style="list-style-type: none"> ● Promote interconnectivity with neighbouring jurisdictions while pursuing a dialogue with neighbouring provinces and states towards "win-win" agreements;

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| | <ul style="list-style-type: none">• Diversify Quebec's energy mix and wean the province off natural gas through bidirectional partnership with neighbouring jurisdictions. |
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