

ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

QUESTION 175-18(3): NORTHWEST TERRITORIES ENERGY STRATEGY

FEBRUARY 27, 2018

MR. O'REILLY: Merci, Monsieur le President. Earlier today I discussed the draft NWT Energy Strategy. Public comments closed on the draft on January 3, 2018. We do not have a "what we heard" report, and no indication of what the next steps are going to be. Can the Minister of Infrastructure tell us what the next steps are for the NWT Energy Strategy and the target dates for these steps? Masi, Mr. Speaker.

MR. SPEAKER: Masi. Minister of Infrastructure.

HON. WALLY SCHUMANN: Thank you, Mr. Speaker. The government is planning to release the Energy Strategy, the Climate Change Strategic Framework, and the NWT Petroleum Resource Strategy at the end of April in a coordinated, collaborative effort to bring this forward; but at the same time, Members have to realize we are working on finalizing our bilateral agreements with Infrastructure Canada, as well as Environment and Climate Change Canada, which will provide critical resources to move these strategies and action plans along. Thank you, Mr. Speaker.

MR. O'REILLY: Thanks to the Minister for that, and I look forward to the release of the final versions later in April. In my statement, I mentioned the confusing energy targets in the NWT strategy. Some sectorial targets are related to reduced greenhouse gas emissions, while another is based on increasing renewable energy use, another is couched in terms of energy efficiency, and the largest energy use sector industry has no targets whatsoever. Can the Minister explain this patchwork approach to setting energy targets in the draft strategy?

HON. WALLY SCHUMANN: As the Member has stated in this House, he named off all of the targets that we have, and he is correct. Industry has no target in there. We know that industry needs to do its part on this side of things. The Government of the Northwest Territories is going to support their efforts in an incentive program to help industry reduce their emissions around a carbon pricing that we will be bringing forward.

People have asked us how we get these targets, and what we have done, we went to a federal database on the national inventory report on greenhouse gas emissions, and this is where we got our baselines and what we plan on doing in the next ten years to reduce our targets to help us meet the Pan-Canadian Framework, which we are a signatory to.

MR. O'REILLY: I would like to thank the Minister for that explanation. I suggest that he put it in the final version. It is a good start, but it doesn't really explain this patchwork approach, and I think we need to have a consistent one.

I also mentioned in my statement that the NWT Power Corporation is not even mentioned in the draft strategy. I had expected to see something for the corporation along the lines of the corporation doing itself out of a job by building energy self-

reliance. Instead, we have a straitjacket approach to community-owned renewable generation that gives utilities a veto. Can the Minister tell us what the role is for the NWT Power Corporation in the NWT Energy strategy?

HON. WALLY SCHUMANN: As the Member knows, NTPC produces most of the electricity in the Northwest Territories. It owns and operates all the hydro facilities in NWT, as well as most of the diesel generations. He is right. It is correct that they are an important factor in how we are going to approach this. They are a critical partner of ours in reducing greenhouse gas emissions, but, at the same time, our action plan is closely aligned with their next 20 years strategic plan on how they are going to operate and their capital requirements doing this.

Our bilateral agreement that we are going to sign with Infrastructure Canada has hundreds of millions of dollars in there right now that are going to help us align with new electricity generation in the NWT and all our communities, and we are best aligned with their strategy now more than ever before.

I have talked in this House about a number of things that we are looking at doing with them, being expanding the transmission lines to the ones that are closest to the hydro communities, to the wind farm in Inuvik, which is a possibility, but all of these things are not possible with the federal dollars to be invested in the Northwest Territories, and we are continually talking with the NTPC on how we can align our efforts in reducing greenhouse gas emissions.

MR. SPEAKER: Masi. Oral questions. Member for Frame Lake.

MR. O'REILLY: Merci, Monsieur le President. Thanks to the Minister again. Lots of talk with the NTPC. That's great, but let's put something in writing in the strategy about what the role is going to be for that corporation moving forward.

The relationship between the NWT Energy Strategy, the Climate Change Strategic Framework, and carbon pricing is not set out in the draft Energy Strategy. A reasonable person would expect to see greenhouse gas reductions linked to specific energy conservation, fuel-switching, technology targets, that would be funded by carbon pricing revenues and federal programs. That is when I expect the approach should have been.

Can the Minister clearly explain the relationship between the Energy Strategy, the Climate Change Strategic Framework, and carbon pricing? It's not clear from the draft that is out now for public comment. Thanks, Mr. Speaker.

HON. WALLY SCHUMANN: The Climate Change Strategic Framework will set the overall approach to addressing climate change. It will also guide the broader interests that go beyond just energy. It's going to do climate research, adaptation, resilience activities. The Energy Strategy, as I said, is the primary tool to look at greenhouse gas reductions and energy use in the NWT as set out by our draft that we will be tabling at some point.

Carbon pricing is something that we have been working on that needs to be implemented and encourages carbon conservation, so less use of fossil fuels and the substitutions of that moving forward and how we reduce greenhouse gas emissions in

our territory.

At the same time, we have to factor in minimizing the cost of living, because that is what we heard from residents of the Northwest Territories, and we don't want to cause industry or small companies barriers to be able to do economic development in our territory.

All three of these are working in lockstep together, along, as I said, with the Power Corporation. There are actually four big pieces of documents that are working in sync to meet this objective. Thank you, Mr. Speaker.