

VIA: Email

The Honourable Doug Ford
Premier of Ontario
premier@ontario.ca

The Honourable Todd Smith, M.P.P
Minister of Energy
Todd.Smithco@pc.ola.org

The Honourable Peter Bethlenfalvy, M.P.P
Minister of Finance
Peter.Bethlenfalvy@pc.ola.org

Colin Best
President of Association of Municipalities of Ontario
amopresident@amo.on.ca

February 14, 2024

Subject: Support for the Decision of the Ontario Energy Board to End the Gas Pipeline Subsidy

Dear Premier Ford, Ministers Smith and Bethlenfalvy, and President Best,

City Council, at its meeting held on February 14, 2024, passed the following resolution in support for the decision of the Ontario Energy Board to end the Gas Pipeline Subsidy:

WHEREAS, residents are struggling with energy bill increases and need relief;

WHEREAS, natural gas is no longer the cheapest way to heat homes because electric heat pumps are now much more efficient, can provide all heating needs even in the cold climates, and result in far lower energy bills over the long term compared to gas heating;

WHEREAS, natural gas is methane gas, which is a fossil fuel that causes approximately one-third of Ontario's GHG emissions, and must be phased out because it is inconsistent with all climate targets, while heat pumps result in the lowest GHG emissions and are consistent with a zero-carbon future;

WHEREAS, the Ontario Energy Board (“OEB”) decided to end a subsidy for methane gas pipelines to be built in new construction developments, effective 2025, finding that this would lower energy bills for existing gas customers and improve

affordability for new homebuyers, but this decision is at risk of being overturned by the provincial government;

WHEREAS, the OEB decision will help lower energy bills and encourage heating systems that are consistent with climate targets and plans;

WHEREAS, the construction of *new* methane gas pipelines, which have 60-year lifetimes, should not be subsidized because they are inconsistent with the City's climate targets and will result in higher carbon emissions, higher energy bills, higher future decarbonization retrofit costs to get off fossil fuel heating, and a continued financial drain as dollars leave the province to pay for fossil fuels extracted in other jurisdictions;

WHEREAS, Hamilton City Council declared a climate emergency in 2019;

WHEREAS, transforming our buildings by supporting actions that improve the energy efficiency and GHG profile of new buildings within the City is one of 5 low-carbon transformations from ReCharge Hamilton, the City's Community Energy and Emissions Plan (CEEP); and

WHEREAS, the City of Hamilton is actively working to support the decarbonization of heating and cooling systems in existing and future building stock within the community, as demonstrated by the Better Homes Hamilton Home Energy Retrofit Pilot Program, which will provide 0% interest loans to up to 50 Hamilton homeowners to enable them to transition away from fossil-fuel powered heating and cooling equipment to low carbon air or ground source heat pump systems.

THEREFORE, BE IT RESOLVED:

(a) That the City of Hamilton expresses its support for the decision of the Ontario Energy Board to end the gas pipeline subsidy and requests that the Ontario Government allow the decision to stand; and

(b) That this resolution be circulated to the President of Association of Municipalities of Ontario, Colin Best; Premier of Ontario, Doug Ford; Minister of Energy, Todd Smith; Minister of Finance, Peter Bethlenfalvy and all Ontario Municipalities requesting support for the proposed changes.

Sincerely,



Andrea Horwath
Mayor

CC: All Ontario Municipalities (by email)