

# QUEST– Transforming federal government approaches to community energy use and emissions

Presentation to the House of Commons Finance Committee  
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# Climate Change must be incorporated into fiscal planning

- The Committee specifically posed two questions:
  1. What federal tax and program spending measures are needed to ensure prosperity and a sustainable future for Canadians from an economic, social and/or environmental perspective?
  2. What federal stimulus measures have been effective and how might relatively ineffective measures be changed to ensure that they have the intended effects?

**We believe that investments made to empower communities will be critical as both economic and environmental priorities merge.**

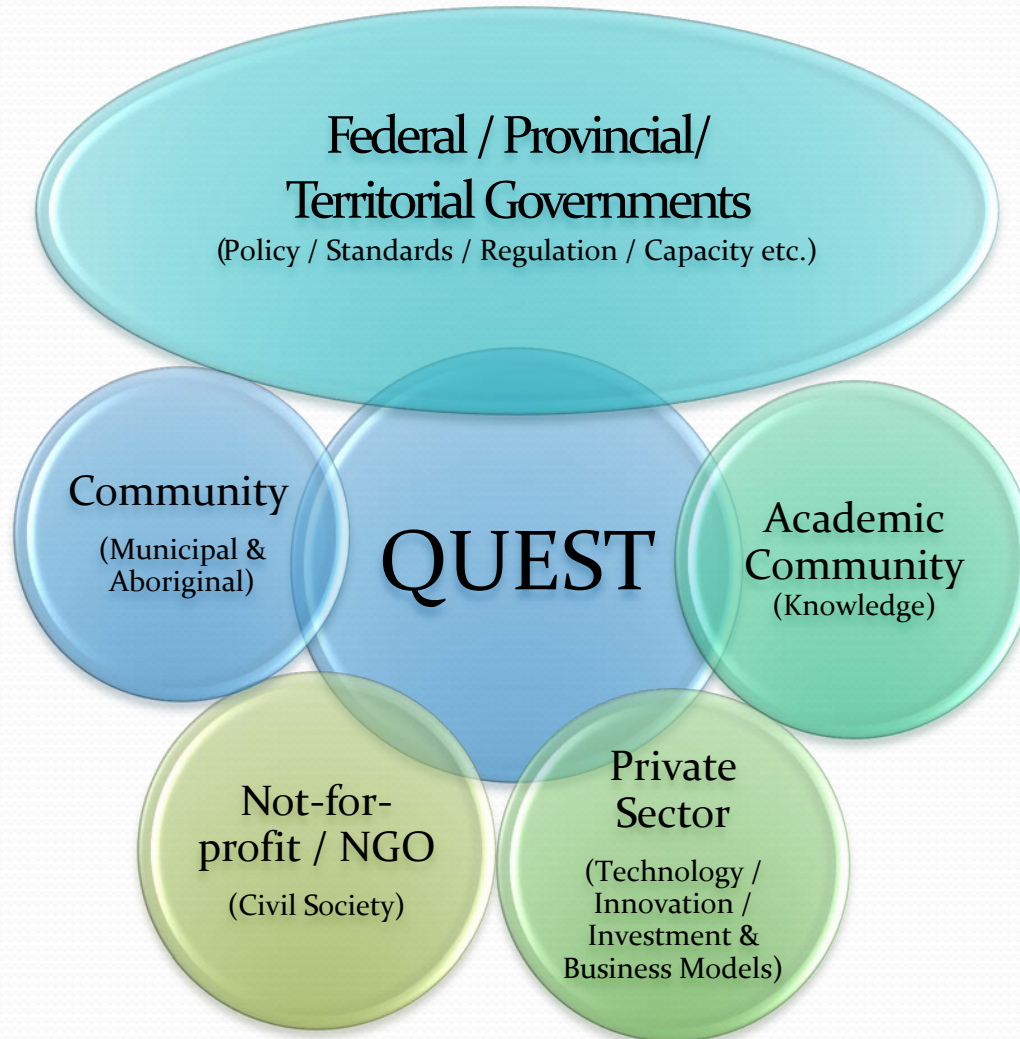
# Large final emitters appear easy to regulate – individuals and communities less so

- The federal government has committed to reducing Canada's total greenhouse gas (GHG) emissions by 20% from 2006 levels by 2020 and a 60-70% reduction by 2050. It includes increasing Canada's energy efficiency by 20% by 2020.
- The 2007 National Energy Board Reference Case Scenario for Canadian Energy Demand and Supply to 2020 states the following:
  - End-use energy demand in Canada is projected to increase at an average of 0.7% per year from 2007 to 2020;
  - Energy from conventional fossil fuels is expected to be the dominant source of supply to 2020;
- Large industrial emitters currently account for about half of Canada's GHG emissions.
- **Communities account for close to 60% of Canada's energy consumption and close to 50% of Canada's GHG emissions, as follows:**
  - Residential (13% GHG)
  - Commercial/Institutional (11% GHG)
  - Transportation (18% GHG)
  - Industrial (6% GHG)

# The QUEST vision

- QUEST is a collaborative among key energy actors and enablers across Canada and from the public and private sectors.
- QUEST's **mission** is: To foster a community-based integrated approach to land-use, energy, transportation, waste and water and reduce greenhouse gases, air pollutants and waste.
- QUEST's **vision** is: By 2050 every community in Canada is operating as an integrated energy system, and accordingly, all community development and redevelopment incorporates an integrated energy system.

# How QUEST is situated?



# Where the climate change imperative creates synergies with infrastructure

- Canadians are becoming increasingly “urbanized” (i.e., 80% live in urban areas today, and this percentage is expected to grow to 85% by 2020);
- Under a “business-as-usual” scenario, urban/community energy use could increase by 75% by 2050 compared with 2006 consumption (with corresponding GHG emission increases); and,
- A study by QUEST on the potential for integrated community energy systems to meet Canada’s climate change targets indicates that, with appropriate supporting policies and incentives, direct and indirect community GHG emissions could be reduced by 40-50% by 2050.

## What is needed?

- The billions of dollars the federal government currently spends, and the billions more leveraged from the provinces and territories, be coordinated more effectively across departments in support of integrated community energy systems.
- New federal-provincial-territorial programs be implemented to build Canada's capacity to plan and implement integrated energy solutions and to support the demonstration of related technologies and innovative planning processes.
- Energy efficiency and demand-reduction policies be elevated to equal importance to energy supply and decarbonisation policies.

## The specifics

- Allocate new long-term funding in the amount of \$500million over five years to accelerate the adoption of integrated energy solutions at the community level;
- Provide \$50 million in funding support to Natural Resources Canada (and other departments, as appropriate) to build capacity in Canada to plan for, design and implement integrated energy solutions; and
- Support QUEST and integrated energy solution stakeholders and enablers to network across Canada and share knowledge and experiences as the enhanced policy focus on energy efficiency, demand-side management and integrated energy solutions takes hold and becomes a core part of our energy future.

# Consensus is emerging for QUEST

- Community Energy Solutions Roadmap was endorsed by the Council of Energy Ministers at their meeting in Newfoundland on September 1, 2009). Benefits include:
  - Saves money and energy
  - Improves energy system adaptability
  - Reduces GHGs
  - Reduces air pollution
  - Creates local jobs
  - Improves community livability
  - Ensures infrastructure rebuild makes Canada competitive and sustainable
- The Standing Committee on Natural Resources report issued in June supports government investment in integrated community energy systems.
- Provinces and municipalities are supportive.