



MEETING EDE 123-19-22

**STANDING COMMITTEE ON ECONOMIC DEVELOPMENT  
AND ENVIRONMENT**

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**WEDNESDAY, DECEMBER 7, 2022  
COMMITTEE ROOM A  
3:00Pm**

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**AGENDA**

1. Prayer
2. Review and Adoption of Agenda
3. Declarations of Conflict of Interest
4. In-Camera Matters
  - a) Meeting with Richard Nerysoo
  - b) Confidential Correspondence:
    - i. 2022-10-14 – Minister of Finance
    - ii. 2022-11-02 – Minister of ECE
    - iii. 2022-10-26 – SCOSD
    - iv. 2022-10-14 – SCOSD
    - v. 2022-11-18 – Minister of ENR
    - vi. 2022-11-21 – Minister of ENR
    - vii. 2022-11-23 – Minister of ITI
    - viii. 2022-11-23 – Minister of INF
    - ix. 2022-11-25 – Minister of ITI
    - x. 2022-11-28 – Premier
5. New Business
  - a)
  - b)
6. Date and Time of Next Meeting: Thursday, December 8 at 9:00am
7. Adjournment

# Recommendations on energy policy in the NWT

Presentation to the Standing Committee on  
Economic Development and Environment

Richard Nerysoo, Fort McPherson Indigenous  
Off-Diesel Initiative (IODI) Champion

December 7, 2022



# Priorities for energy policy

- Energy policy must be...
  - Community driven, determined
- Energy project must be...
  - Community owned, managed and maintained (if desired)
- The benefits of the clean energy transition must be felt at a community level with increased socio-economic opportunities



# Comments on GNWT Energy Action Plan / Strategy

- Little insight into Indigenous involvement / engagement in these reports
- 2022-2025 Energy Action Plan (EAP) does not provide sufficient details
  - e.g. under strategic objective 1: “continue to involve and engage communities on energy projects”
    - No funding allocated in the EAP to support this action – this does not reflect adequate involvement or engagement



# Indigenous leadership and opportunities

*Recommendation #: 1, 2*

1. **Include Band Councils and Métis organizations in negotiations for climate action in the NWT.** Indigenous peoples and communities must have a voice and decision-making power for climate and energy plans, policies, programs, and investments.
2. **Prioritize and support Indigenous-owned renewable energy projects.** With the majority of federal funding to support remote renewable energy projects in the NWT being allocated to Indigenous projects, champions, and businesses, the territorial government must plan to support Indigenous-owned projects rather than utility- or government-owned projects. Renewable energy projects can be a significant opportunity for Indigenous economic development and can support the shift to own-source revenue in alignment with Article 21 of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), which the Government of NWT has a mandate to implement.<sup>1</sup>



# Indigenous leadership and opportunities

*Recommendation #: 1, 2*

- Early and continuous engagement and involvement of Band Councils and Métis organizations in the drafting of GNWT energy reports
- New policies and funding decisions must support Indigenous communities in their own pursuit of clean energy in remote communities
  - Supporting capacity development, financial needs, and leadership
  - Recognizing the mandate made by the GNWT around reconciliation / UNDRIP



# Carbon Pricing

*Recommendation #: 3, 4, 5*

- 3. Allocate carbon pricing revenue to support clean energy, similar to the approach in other jurisdictions.** Any funds collected through the NWT's fuel charge not rebated to NWT residents quarterly should be directed to support clean energy projects and programs to support energy efficiency in buildings, fuel switching to biomass for space heating, and electric vehicle (EV) and charging infrastructure. Such programs and projects should prioritize partnerships with and ownership by Indigenous governments and organizations. Carbon pricing revenue should be used to drive more affordable energy prices over the long term. Increasing energy affordability through incentive programs is especially important for those who do not regularly access tax returns.
- 4. Increase transparency to the public on how carbon pricing is applied and how it is redistributed.** The mechanisms (exemptions, rebates, tax returns, etc.) through which carbon pricing is applied in the NWT and how revenue is used (clean energy investments to mitigate high energy costs, etc.) need to be clearly communicated to residents. This is crucial to ensure residents are aware of the effects of carbon pricing, relief measures, and long-term plans to support NWT's clean energy transition.
- 5. Record and report fuel sales throughout the territory.** Information should be available on fuel sales by use (transportation, heating, electricity) for every community. This supports transparency for community-led energy plans.



# Carbon Pricing

*Recommendation #: 3, 4, 5*

- Carbon pricing revenue should not go into general GNWT funding but rather specifically for Clean Energy initiatives / affordability improvements
- Any updates to carbon pricing should be made very clear to the public – more outreach is needed
- Fuel sale data is being collected by the Dept of Finance through carbon pricing – this information should be made public to support community planning





# Renewable Energy Project Opportunities

*Recommendation #: 6, 7, 8*

6. **Increase the renewable integration limit.** The 20% cap for net metering projects has been reached or exceeded by nine of NTPC's thermal communities.<sup>2</sup> Higher penetration levels are feasible without impacts to micro-grid stability.<sup>3</sup> Current integration limits restrict economic opportunities for residents, promote behind-the-meter installations, and create roadblocks for communities advancing their clean energy goals.
7. **Provide clarity on what the renewable integration limit applies to.** It is currently unclear whether the 20% limit applies to net metering projects, community-scale renewable energy projects, or both. This needs to be clarified to project proponents so that renewable energy projects and community energy plans can be configured for optimal economic and environmental benefits.
8. **Formalize an Independent Power Producer (IPP) policy.** With Yukon's longstanding and Nunavut's imminent utility-scale IPP policies, the NWT is the only territory yet to establish a formalized IPP policy. IPP policies provide a clear pathway for clean energy project proponents, creating certainty and transparency when developing projects.



# Renewable Energy Project Opportunities

*Recommendation #: 6, 7, 8*

- Positive updates from the latest EAP:
  - Give policy direction to the PUB to address:
    - Intermittent renewable generation community capacity limits
    - Net Metering and Community Power Producer Policy
- These policy updates must be co-developed with Indigenous people



# Electric Vehicles

*Recommendation #: 9*

9. **Promote the adoption of EVs through continuing rebate programs.** Charging infrastructure investments must be supported by programs to increase EV adoption while maintaining affordability for NWT residents.



# Electric Vehicles

*Recommendation #: 9*

- Arctic Energy Alliance's rebate program for EVs is getting a top up for 2022-24, but still needs long term funding past 2024
- Interim and 2030 targets are needed for the number of EVs on the road – funding should reflect this
- EV adoption is crucial for affordability due to rising fuel costs



# Housing

*Recommendation #: 10*

- 10. Support legally recognized Indigenous governments and/or authorized Indigenous organizations in the development and execution of housing plans.** Appropriate housing and increased building energy efficiency is critical for lowering the cost of living, as over half of the total diesel consumed in remote communities is used for heating.<sup>4</sup> With the increase in Indigenous government leadership and federal funding directed to Indigenous governments and authorized Indigenous organizations for community housing improvements, Housing NWT should collaborate with these Indigenous rightsholders to execute these initiatives and develop community capacity to lead energy efficiency and building improvements.



# Housing

*Recommendation #: 10*

- Housing NWT's updated blueprint should reflect the priorities and collaboration with legally recognized Indigenous governments and/or authorized Indigenous organizations
- Overcrowding, deep retrofits, heating electrification in hydro communities, and biomass should be prioritized
- Energy efficiency improvements are a primary driver of lowering heating bills



# Richard Nerysoo

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## Questions?

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