The Honourable John Horgan Premier of British Columbia Government of British Columbia The Honourable George Heyman Minister, Environment & Climate Change Government of British Columbia

April 15, 2020

## Government planning of economic stimulus and recovery measures in response to the COVID-19 pandemic

Dear Premier Horgan and Minister Heyman,

We, members of the Climate Solutions Council, would like to recognize the hard work of the B.C. Government during the COVID-19 global crisis and thank you for your efforts to protect the health and safety of British Columbians. The COVID-19 pandemic is having a significant impact on our province's communities and economy, and we recognize the need to alleviate the short-term economic impacts from this crisis by supporting communities, businesses, and individuals who are, and will be, most affected.

Once immediate relief is in place, the government will put forward an economic stimulus package designed for job creation and rebuilding the economy. We believe this is a critical opportunity to follow recent advice from the International Energy Agency, the UN and influential publications like The Economist, which have all advocated using stimulus to help rebuild a resilient, low-carbon economy. Economic growth and our strong climate policies go hand in hand and B.C.'s long history of climate action has built an enviable foundation for the province's low-carbon industries and strong clean energy sector that will serve it well in recovering from the impacts of the pandemic. Therefore, we urge the Province to apply a climate and equity lens to all stimulus programs implemented to ensure that we promote the growth of a cleaner and more just economy, building on the objectives, values, and actions in CleanBC. This includes ensuring short-term actions are consistent with our longer-term transition to a sustainable low-carbon society and economy. B.C. has an opportunity to be among leading jurisdictions including the EU, Germany and South Korea, which have all made public commitments to link economic stimulus to innovation and decarbonization goals. This leadership—demonstrated by governments, businesses, Indigenous nations and citizens—positions B.C. well to develop COVID-19 recovery policies that spur innovation, create secure jobs and continue the province on a path to decarbonization

## CleanBC provides the ideal strategic framework for stimulus investment

B.C. has benefited from climate leadership in the past and would benefit from continued leadership in the future. The economic crisis arising from the pandemic is creating a significant decline in greenhouse gas emissions. But as the economy recovers from the crisis, these emissions will rise again. Now is not the time to reverse our strong climate policies and plans to transition to a low-carbon economy.

B.C.'s prominent natural resource industries can all be part of economic recovery along with the clean energy and clean technology sectors. Independent research has found the province's clean energy sector employs 32,000 British Columbians, from hydro dam workers in the north, to cleantech engineers in Vancouver, to home insulators in the Fraser Valley.

CleanBC provides the ideal strategic blueprint within which to direct a significant portion of stimulus investment to cost-effective (in terms of emissions reduced per dollar spent) near- and mid-term projects, programs, and training, recognizing that some capital investments for infrastructure will take a longer time to come to fruition. CleanBC provides many initiatives that will help restore economic health, reduce carbon pollution, and generate sustainable economic growth.

Specific aspects of CleanBC that are relevant to short-term stimulus might include:

**Buildings:** Funds to build zero-emission affordable housing, built using B.C. wood products, and funds for heat pump and other energy upgrades for homes and buildings.

**Industry:** Funds to accelerate and incent large and small businesses to adopt technology to reduce emissions, industrial decarbonization projects including CCS or air capture, and to support grid infrastructure required to advance electrification.

Transportation: Funds for zero-emission transit and active transportation expansion.

We also encourage the government to include stimulus programs that make it easier and more affordable for businesses and households to switch to renewable energy and use energy more efficiently. Doing so provides more opportunity to make investments quickly and can also leverage private sector investments. For example, many of the ideas in the BC Hydro Phase 2 Review Interim Report would make it more affordable for British Columbians and B.C. businesses to switch from fossil fuels to clean electricity with solutions such as electric vehicles and heat pumps. We strongly encourage you to work with the federal government and B.C. local governments to align stimulus efforts to ensure that they have the maximum impact on jobs, the economy and carbon pollution reduction.

## Move forward with Phase 1 Clean BC programs, policies, and regulations

In addition to stimulus measures, we recommend that the government continue moving ahead, to the fullest extent practicable, with programs, policies, and regulations that have been committed to under Phase 1 of the CleanBC plan as well as delivering on other commitments made by government, including the development and integration of low carbon industrial strategy work with CleanBC. Announcements and progress to date on these measures have already sent a clear market signal, shaping business and investment decisions. As you know, these efforts are supporting the transition to clean energy across the economy and can ensure there is ongoing and increasing private sector investment in climate solutions. Key actions from Phase 1 of CleanBC include strengthening the low-carbon fuel standard, zero-emission vehicle regulations, continuing with carbon price increases, and funding CleanBC programs that have been oversubscribed in the past.

## Role of the Climate Solutions Council

The intent of this letter is to highlight to the Province this critical opportunity during these exceptionally challenging times. The Climate Solutions Council would like to offer our collective expertise and mandate to support the government's efforts to align economic stimulus and recovery with CleanBC, including its climate targets for 2030 and beyond.

We recommend that the Minister of the Environment and his Deputy Minister be added to the recently announced Premier's Economic Recovery Task Force as well as representation from the BC Climate Solutions Council.

Again, thank you for the leadership your government is taking at this time to 'flatten the curve' and provide relief for B.C. families and businesses. Should you have any questions or wish to discuss these issues further, please do not hesitate to call us.

Yours sincerely,

Colleen Giroux-Schmidt Vice President, Corporate Relations Innergex Renewable Energy Co-Chair, Climate Solutions Council Merran Smith Executive Director Clean Energy Canada Co-Chair, Climate Solutions Council **Council Members:** 

David Black, President, MoveUP

Lee Brain, Mayor, City of Prince Rupert

lan Bruce, Chief Operating Officer, David Suzuki Foundation

Matt Horne, Climate Policy Manager, City of Vancouver

Lydia Hwitsum, First Nations Summit Political Executive

Mark Jaccard, Professor, School of Resource and Environmental Management, SFU

Khelsilem, Councillor, Squamish Nation Council

Adriana Laurent, Co-Founder and Project Administrator, UBC Climate Hub

Skye McConnell, Manager of Policy and Advocacy, Shell Canada

Kurt Niquidet, Vice President, Council of Forest Industries

Nancy Olewiler, Director of the School of Public Policy, Simon Fraser University

Josie Osborne, Mayor, District of Tofino

Danielle (DJ) Pohl, President, Fraser Valley Labour Council

Tom Syer, Head of Government Affairs, Teck Resources

Karen Tam Wu, Regional Director for British Columbia, Pembina Institute

Jill Tipping, President & Chief Executive Officer, BC Tech Association

Joie Warnock, Assistant to the President, Unifor

cc. Carol James, Minister of Finance Minister Ralston, Minister of Energy, Mines and Petroleum Resources Minister Mungall, Minister of Jobs, Economic Development and Competitiveness Geoff Meggs, Chief of Staff to the Office of the Premier Don Wright, Deputy Minister to the Premier Mark Zacharias, Deputy Minister, Environment and Climate Change Lori Wanamaker, Deputy Minister, Ministry of Finance Dave Nikolojin, Deputy Minister, Energy, Mines and Petroleum Resources Fazil Mihlar, Deputy Minister, Jobs, Economic Development and Competitiveness