ontario chamber of commerce

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September 15, 2021

Kelly Grieves
Atura Power Head Office
208-2800 Highpoint Dr.
Milton, ON, L9T 6P4

RE: Atura Power's Low-Carbon Hydrogen Program

Dear Ms. Grieves,

I am pleased to provide a letter of support for Atura Power's application for federal funding to expand their plans for hydrogen innovation in Ontario.

For more than a century, the Ontario Chamber of Commerce (OCC) has supported economic growth in Ontario by advocating for business priorities at Queen's Park on behalf of our diverse 60,000 members, including local chambers of commerce and boards of trades in 155+ communities across Ontario. Our membership comprises energy stakeholders of various kinds – from generators and distributors to consumers of all sizes.

Low-carbon hydrogen will play a key role in the fight against climate change and help position Ontario as a leading source of green innovation worldwide. Since phasing out coal-fired generation, Ontario has had one of the cleanest energy systems in North America. As the province continues to see population growth and an increase in electricity demand, further investments and innovation in the energy industry will be necessary to meet national emission targets.

Atura Power, a subsidiary of Ontario Power Generation, is implementing a low-carbon and green hydrogen program with the primary focus of advancing clean technology and assisting heavy emitting sectors achieve net-zero emissions by 2050. The company aims to have 1 GW of installed electrolyzer capacity in Ontario by 2030 resulting in approximately 1.3 Mt of CO2-equivalent emissions abatement across industries, including power generation, steel production, mining, fertilizer production, and heavy-duty trucking.

Through a phased approach, Atura Power will begin by demonstrating the benefits of hydrogen through commercial demonstrations at scale with a variety of heavy emitting industrial partners to enable the consumer base to mature. Altura has two demonstration projects planned in Niagara and Halton Hills.

The initial commercial demonstration project in Niagara Falls will use excess hydro-electric power that would otherwise result in wasted/spilled water to produce hydrogen that will help stabilize the grid. Emission reductions will range from an estimated 10,000 tonnes of emissions per year from natural gas to 25,000 tonnes per year from displacing diesel in transportation. These investments will also have significant impact on the region's economy, creating roughly 200 new jobs in fields including engineering, project management and construction.

Atura Power's second demonstration project in Halton Hills will blend hydrogen with natural gas to support decarbonization of heavy-duty trucking fleets travelling across Highway 401 and local transit. Projects in both regions will offer future scale-up opportunities, serving to attract further investment, bolstering long-term job growth, and reinforcing Ontario's position as a leader in cleantech. Consumers will also reap long-term benefits of these investments through reduced electricity rates resulting from off-peak load growth.

International demand for hydrogen is growing as countries shift energy dependence away from fossil fuels and towards renewables. Support for domestic manufacturing and development of low-carbon hydrogen technology will strengthen Canada's competitive advantage in the industry. In 2018, the industry generated revenue of $207 million and was responsible for 2,177 jobs in Canada.[1] Deployment of hydrogen in Canada will help the industry grow and serve as a reference point for international partners looking for local projects to validate the technologies.

Thank you for the opportunity to comment on Atura Power's application for funding. The additional power generation provided through these projects will reduce greenhouse gas emissions, support economic growth and innovation across sectors, and help position Canada as a leader in the green economy.

Sincerely,

Rocco Rossi
President and CEO
Ontario Chamber of Commerce

[1] *Government of Canada. (2020). Hydrogen Strategy for Canada – Seizing the Opportunities for Hydrogen. Retrieved from https://www.nrcan.gc.ca/sites/www.nrcan.gc.ca/files/environment/hydrogen/NRCan_Hydrogen-Strategy-Canada-na-en-v3.pdf*