



September 26th, 2025

Hon. Minister Mike Harris Jr.  
Ministry of Natural Resources  
Whitney Block, 99 Wellesley St W,  
Toronto, ON M7A1W3

**Re: ERO on CCS 025-0895 “Regulatory Proposals under the Proposed Geologic Carbon Storage Act”**

The Industrial Gas Users Association (IGUA) represents the largest industrial natural gas consumers from the chemicals, refining, steel, forest products, mining and manufacturing sectors in Ontario and Quebec. IGUA members are committed to environmental stewardship and take pride in having lowered emissions across the membership. All IGUA members have aggressive carbon reduction plans for 2030, and most have committed to net-zero by 2050. IGUA members have publicly committed to decarbonization, while ensuring that Canada’s industries are globally competitive throughout the transformation of our energy system.

For many of Canada’s heavy industries, access to carbon capture and storage (CCS) is important for carbon emission reductions. These industries use fossil fuels as part of their process, not only as feedstock, which is the case for refiners, fertilizers or chemical plants, but also as an integral part of the industrial process. Electrification for many is not feasible nor possible as a means to meet emission targets. Development of CCS will be an important tool needed for large industrials to meet those decarbonization commitments.

IGUA appreciates the opportunity to comment on the proposed regulatory framework for Geologic Carbon Storage (GCS) in Ontario. After reviewing the regulatory impacts outlined in ERO 025-0895, IGUA provides the following comments and recommendations:

**1. Centralized Management of Pore Space – A “Whole-of-Government” Approach**

IGUA supports the proposed methodology that enables access to both public and private pore space—an essential factor in achieving economies of scale and competitive project pricing. However, to fully realize these benefits, IGUA strongly recommends that the government adopt a “whole-of-government” approach, designating the Ministry of Natural Resources (MNR) as the sole authority responsible for the allocation and management of both public (Crown) and private pore space.

This centralized and coordinated framework would:

- Allow for strategic and efficient deployment of Ontario’s limited pore space resources.
- Maximize the economic and environmental value of carbon storage projects.
- Avoid fragmented jurisdictional oversight that could delay or obstruct development.

**2. Unitization Requirements May Undermine Onshore CCS Potential**

The current proposal requires a supermajority threshold of 70% for landowner consent to initiate the unitization process for private lands. This high threshold poses several risks:

- It may make it unfeasible to assemble contiguous pore space onshore, particularly along Lake Erie where some of the most suitable pore space exists.
- The inability to secure sufficient private landowner agreements could push CCS development

offshore, increasing project costs by 4 to 5 times compared to onshore development.

- A buffer zone along Lake Erie might become necessary, removing some of the most geologically advantageous formations from consideration.

IGUA urges the government to reconsider this requirement and explore more flexible mechanisms for land aggregation that maintain fairness while enabling project feasibility.

### **3. Benefits of a Whole-of-Government Approach**

By designating MNR as the lead and adopting a whole-of-government approach, Ontario can achieve the following goals:

- a. Enable timely commercial CCS deployment across Ontario, especially for large industrial emitters;
- b. Avoid unnecessary restrictions related to fragmented oversight of private lands;
- c. Lower CCS development costs, supporting Ontario businesses' competitiveness relative to other jurisdictions;
- d. Streamline approvals, minimizing red tape and delays through regulatory harmonization.

### **4. Current Regulatory Complexity Could Hinder CCS Development**

As currently proposed, the regulatory landscape is fragmented and highly complex. Developers may face overlapping and potentially conflicting approvals from multiple agencies, including:

- MNR for CCS project approval.
- Ministry of the Environment, Conservation and Parks (MECP) for carbon capture approvals.
- Ontario Energy Board (OEB) for CO<sub>2</sub> pipeline regulation.
- Mining Act amendments.
- Municipal VETO options.
- Requirement for potentially hundreds or thousands of private leases before unitization via the Ontario Land Tribunal.
- Vesting decisions at the discretion of Cabinet.

This level of complexity increases project risk and cost, discouraging investment and innovation.

### **Recommendations**

To enable successful and economically viable CCS development in Ontario, IGUA urges the government to:

1. Adopt a holistic and centralized approach to the management of both public and private pore space.
2. Vest the pore space rights in the province promptly, following meaningful community and Indigenous consultation.
3. Designate the Ministry of Natural Resources as the lead regulatory authority to streamline and coordinate CCS project approvals.
4. Simplify unitization thresholds and landowner aggregation processes, particularly for high-value onshore pore space areas such as those along Lake Erie.
5. Lead province-wide public education efforts, focusing on project safety, environmental impacts, and the role of CCS in meeting Ontario's climate goals.

### **Conclusion**

IGUA is encouraged by recent advancements in the regulatory and legislative frameworks for CCS in Ontario. However, further steps must be taken to ensure that the province is well-positioned to attract CCS investment, meet climate targets, and maintain industrial competitiveness. A centralized, whole-of-government model that reduces complexity, streamlines approvals, and maximizes pore space

utilization is critical to success.

We appreciate this opportunity to provide comments and look forward to continued collaboration.

Regards,

A handwritten signature in blue ink, appearing to read 'J. Irving'.

Jacob Irving  
President, Industrial Gas Users Association