

## **Ministry of Natural Resources**

Development and Hazard Policy Branch Policy Division 300 Water Street Peterborough, ON K9J 3C7

## Ministère des Richesses naturelles

Direction de la politique d'exploitation des ressources et des risques naturels. Division de l'élaboration des politiques 300, rue Water Peterborough (Ontario) K9J 3C7

November 25, 2024

Subject: Decision on Discussion Paper: Regulating Commercial-Scale Geologic

Carbon Storage Projects in Ontario, and Proposal on Enabling the

Development of Commercial-Scale Geologic Carbon Storage in Ontario: The

Geologic Carbon Storage Act

## Hello,

Over the past two years, the Ministry of Natural Resources has been taking a measured and phased approach to enabling and regulating geologic carbon storage in Ontario. Carbon storage is new to the province, and developing a comprehensive framework to regulate this activity would help ensure that it is done responsibly, with measures in place to safeguard people and the environment.

Geologic carbon storage (further referred to as carbon storage) involves injecting captured carbon dioxide (CO2) into deep geological formations for permanent storage. This technology could provide industries in Ontario with a critical tool for managing their emissions and contributing to the achievement of Ontario's emissions reduction targets.

Today, we are writing to notify you that 1) a decision has been made to proceed with the development of a framework for enabling commercial-scale geologic carbon storage (Environmental Registry of Ontario posting # 019-8767), and 2) that a new *Geologic Carbon Storage Act* is being proposed (Environmental Registry of Ontario posting # 019-9299).

These developments represent significant steps towards Phase 3 of Ontario's <u>approach</u> to enabling and regulating geologic carbon storage. Ontario aims to have a framework in place by summer 2025. Initially, the ministry anticipates that commercial-scale projects would be proposed in Southwestern Ontario, where the geology is expected to be the most suitable.

 In the summer of this year, we shared information about the development of a legislative and regulatory framework for commercial-scale geologic carbon storage. This information included a discussion paper that provided an overview of how various components of the framework could function. Based on feedback received, a decision was made to move forward with the development of the framework. More details on the decision, the feedback received, and the original discussion paper can be viewed in the decision notice on the Environmental Registry of Ontario: <a href="https://ero.ontario.ca/notice/019-8767">https://ero.ontario.ca/notice/019-8767</a>.

2) Based on comments received in response to the discussion paper, as well as feedback received in previous phases of framework development, a *Geologic Carbon Storage Act* (the "Act") is being proposed. The proposed Act would enable the regulation of research and evaluation activities, and carbon storage activities associated with the permanent storage of carbon dioxide in underground geologic formations in Ontario.

We encourage you to review, and submit feedback on, the legislative proposal on the Environmental Registry of Ontario posting # 019-9299.

If you would like more information or have any questions, please contact Andrew Ogilvie, Manager of Resources Development Section, at 705-761-5815 or through email: Resources.Development@ontario.ca.

Sincerely,

Jennifer Keyes

Director, Development and Hazard Policy Branch

Jennifer Keyes