

August 10, 2026

Delivered by email:

electricity-electricite@nrca-nrcan.gc.ca

Dear Sirs/Mesdames:

Re: *Powering Canada Strong: A National Strategy for an Electrified Canadian Economy* – Request for Comments

The Canadian Environmental Law Association ("CELA") is pleased to provide comments in response to *Powering Canada Strong: A National Strategy for an Electrified Canadian Economy* (the "Strategy"), released by the Government of Canada on May 14, 2026.

CELA is a specialty legal aid clinic dedicated to advancing environmental equity, environmental justice, and public health. For more than fifty years, CELA has worked to ensure that environmental laws and policies protect vulnerable communities and provide meaningful opportunities for public participation in environmental decision-making. CELA also co-founded and co-administers the Low-Income Energy Network ("LIEN"), a province-wide network that works to reduce energy poverty and improve energy affordability for low-income households in Ontario.

CELA welcomes the federal government's commitment to developing a nationally coordinated electricity strategy capable of supporting Canada's transition to a net-zero economy. A modern, reliable, and interconnected electricity system is essential to achieving Canada's climate commitments, strengthening economic competitiveness, improving energy security, and supporting the widespread electrification of homes, buildings, transportation, and industry. At the same time, Canada's electricity transition must be designed to deliver benefits that are broadly shared. The Strategy should recognize that affordability, equity, and environmental protection are not secondary considerations but fundamental objectives that must guide implementation. A successful electricity system is one that Canadians can not only depend upon but also afford.

CELA strongly supports prioritizing energy conservation, energy efficiency, and demand-side management as the most cost-effective means of meeting Canada's growing electricity needs. Reducing demand through efficiency improvements should remain the first priority before investing in new electricity generation and transmission infrastructure. Where additional electricity supply is required, investments should prioritize renewable energy resources, battery storage, grid

modernization, and other technologies that accelerate Canada's transition to a low-carbon economy while minimizing environmental impacts and long-term costs.

While CELA supports many of the Strategy's objectives, including strengthening regional cooperation, modernizing electricity infrastructure, expanding clean electricity, improving system reliability, and promoting electrification, the discussion paper leaves important implementation questions unanswered. In particular, the Strategy provides insufficient detail regarding:

- how electricity affordability will be protected as significant infrastructure investments are made;
- how low-income households, renters, and other vulnerable consumers will be able to participate in and benefit from electrification;
- how Indigenous, northern, remote, and underserved communities will be supported through the transition;
- how Canada's electricity expansion will remain aligned with its climate commitments; and
- how renewable energy, energy storage, and demand-side resources will be prioritized relative to higher-cost and higher-risk generation technologies.

CELA is particularly concerned by the Strategy's continued reliance on nuclear generation, including small modular reactors ("SMRs"), and natural gas as key components of Canada's future electricity supply. In our view, these technologies risk diverting financial resources from renewable energy and storage technologies that are increasingly cost-competitive, quicker to deploy, and better aligned with Canada's long-term climate objectives. Continued reliance on fossil fuels also risks delaying the transition to a fully decarbonized electricity system and increasing future costs for consumers. The Strategy should also recognize that Canada's electricity transition presents unique opportunities and challenges for Indigenous, northern, and remote communities.

Many of these communities continue to rely on diesel generation or experience significant energy insecurity despite facing some of the country's highest energy costs. Federal investments should therefore prioritize community-led renewable energy projects, battery storage, grid modernization, and other clean energy solutions that improve long-term affordability, reliability, and local energy independence while respecting Indigenous rights and self-determination. Meaningful engagement with Indigenous groups and communities must remain a cornerstone of Strategy implementation.

The federal government should ensure that all major electricity initiatives are developed in partnership with Indigenous Peoples and implemented in a manner consistent with the requirements of the *United Nations Declaration on the Rights of Indigenous Peoples*, including respect for Indigenous knowledge, meaningful consultation, and the pursuit of free, prior, and informed consent.

Overall, CELA believes the National Electricity Strategy provides an important opportunity to build an electricity system that is not only cleaner and more reliable, but also more affordable, equitable, and resilient. To achieve these objectives, implementation of the Strategy should be guided by five overarching principles:

1. **Prioritize conservation, energy efficiency, and demand-side management** before investing in new electricity generation.
2. **Accelerate investment in renewable energy, battery storage, and grid modernization** while avoiding unnecessary reliance on nuclear expansion and natural gas.
3. **Embed affordability and energy equity into all federal electricity policies and funding programs**, ensuring that low-income households, renters, and vulnerable communities benefit from electrification.
4. **Partner meaningfully with Indigenous groups and communities**, particularly in northern and remote regions, through transparent, collaborative, and rights-based decision-making.
5. **Maintain rigorous environmental assessment and public participation processes** that protect human health, ecosystems, and long-term environmental sustainability.

The remainder of this submission provides CELA's comments on the principal components of the proposed Strategy and identifies opportunities to strengthen its implementation in support of a clean, affordable, and equitable electricity future for all Canadians.

Part B – Comments on the Proposed Strategy

CELA supports the Government of Canada's objective of building a modern, reliable, and low-carbon electricity system capable of meeting Canada's future electricity needs. However, achieving these objectives will require implementation measures that prioritize affordability, environmental protection, renewable energy, and equitable access to electrification. The following comments identify opportunities to strengthen each of the Strategy's principal pillars.

Building the Electricity System

CELA supports the Strategy's commitment to modernizing Canada's electricity system to meet growing demand while improving reliability and reducing greenhouse gas emissions. Expanding electricity infrastructure will be essential to achieving Canada's climate objectives; however, the transition must be guided by the principles of affordability, sustainability, and long-term resilience.

The most cost-effective electricity is the electricity that does not need to be generated. Investments in energy conservation, energy efficiency, and demand-side management should therefore remain

the first priority for meeting future electricity demand. These measures reduce emissions, lower consumer costs, defer expensive infrastructure investments, and improve overall system reliability.

Where additional generation capacity is required, the federal government should prioritize renewable electricity, battery storage, and grid modernization. Renewable technologies have become increasingly cost-competitive and can often be deployed more quickly than conventional generation projects, enabling Canada to accelerate emissions reductions while strengthening long-term energy security.

CELA does not support the Strategy's continued reliance on expanded nuclear generation, including small modular reactors ("SMRs"), or the ongoing use of natural gas as significant components of Canada's future electricity supply. These technologies present significant financial, environmental, and implementation challenges that risk delaying Canada's transition to a fully renewable electricity system.

Nuclear generation requires substantial capital investment, lengthy planning and construction timelines, and very long-term commitments to radioactive waste management. In the case of SMRs, many proposed technologies remain commercially unproven and continue to face significant uncertainty regarding costs, deployment timelines, regulatory oversight, emergency preparedness, and long-term waste disposal. Continued investment in these technologies risks diverting public resources away from renewable energy solutions that are available today and capable of delivering more immediate climate benefits.

Similarly, continued reliance on natural gas generation risks locking Canada into additional greenhouse gas emissions while creating future stranded assets as the country advances toward a net-zero electricity system. Although natural gas may continue to play a limited transitional role in some jurisdictions, it should not become a long-term foundation of Canada's electricity strategy. Instead, federal investments should accelerate the deployment of renewable electricity generation supported by battery storage and other grid-flexibility technologies. Battery storage can improve grid reliability, facilitate greater integration of renewable energy, reduce peak electricity demand, and often be deployed significantly faster than large-scale nuclear facilities. Continued innovation in storage technologies also offers considerable potential to improve affordability while enhancing system resilience.

These opportunities are particularly important for Indigenous, northern, and remote communities. Many continue to rely heavily on diesel generation despite paying some of the highest energy costs in Canada. Rather than promoting costly and complex nuclear technologies for these communities, the federal government should prioritize community-led renewable energy projects, battery storage, microgrids, and other locally appropriate clean energy solutions that improve long-term affordability, energy independence, and climate resilience. Investments should recognize the

unique logistical, geographic, and cultural circumstances of northern communities and be developed in partnership with Indigenous communities and organizations.

Ultimately, Canada's future electricity system should be built upon technologies that are affordable, scalable, environmentally sustainable, and capable of delivering emissions reductions within the timeframes required to meet Canada's climate commitments. Prioritizing renewable energy, storage, conservation, and energy efficiency will provide greater long-term value to Canadians while supporting a more resilient and equitable electricity system.

Financing the Electricity Strategy

CELA supports the federal government's commitment to investing in Canada's electricity system to enable a reliable, resilient, and low-carbon future. Significant public investment will be required to modernize electricity infrastructure, expand transmission capacity, accelerate renewable energy deployment, and support widespread electrification across the economy. These investments will generate substantial environmental, economic, and public health benefits for decades to come.

However, **how** Canada's electricity transition is financed will be just as important as **what** is financed. Unless affordability is treated as a central objective of implementation, the costs of electrification risk falling disproportionately on those least able to bear them. A successful National Electricity Strategy must therefore ensure that the benefits of electrification are shared equitably and that the transition does not deepen existing energy affordability challenges.

Affordability Must Be a Foundational Principle

Electricity has become an essential service. As Canada electrifies home heating, cooling, transportation, and industry, households will become increasingly dependent on electricity to meet their everyday needs. At the same time, many Canadians, particularly low-income households, renters, seniors, people living on fixed incomes, and residents of northern and remote communities, already struggle to afford their energy bills.

Financing major electricity investments primarily through electricity rates would increase household energy costs at precisely the time Canadians are being encouraged to electrify. Higher electricity bills may discourage households from adopting clean technologies, increase energy poverty, and erode public confidence in Canada's climate transition.

The costs of building a modern electricity system will deliver broad societal benefits, including reduced greenhouse gas emissions, improved public health, enhanced economic competitiveness, and greater energy security. Those benefits extend well beyond individual electricity consumers and will be realized over generations. Accordingly, these investments should be financed through a balanced combination of public investment and other funding mechanisms, rather than relying disproportionately on electricity ratepayers.

Federal Investments Should Advance Both Climate and Equity Objectives

Federal funding programs should incorporate explicit affordability and equity objectives alongside emissions reductions and infrastructure expansion. Every significant investment should be evaluated not only on its contribution to grid modernization and decarbonization, but also on its ability to:

- improve household energy affordability;
- reduce energy poverty;
- expand equitable access to electrification;
- protect consumers from excessive electricity cost increases; and
- ensure that the costs and benefits of the transition are fairly distributed across income groups and regions.

Embedding affordability criteria into federal funding programs will help ensure that public investments produce measurable improvements in both climate outcomes and quality of life for Canadians.

Electrification Must Be Accessible to All Canadians

Electrification will only achieve its full potential if Canadians can afford to participate.

Federal investments should therefore extend beyond large-scale infrastructure projects to include programs that enable households to reduce energy consumption and transition to cleaner technologies. Continued and targeted investment in energy efficiency, deep home retrofits, heat pump deployment, demand-side management, and building modernization for low-income people can simultaneously reduce emissions, lower household energy costs, and decrease long-term pressure on the electricity system.

These programs must be designed to reach those who face the greatest barriers to participation. In particular, greater attention should be given to:

- low-income households;
- renters, who are frequently excluded from retrofit incentives despite facing high energy burdens;
- affordable and social housing providers;
- Indigenous communities;
- rural and northern communities; and

- residents of multi-unit residential buildings.

Ensuring equitable access to electrification will require targeted financial assistance, program flexibility, and coordinated housing and energy policies that recognize the differing needs of low-income homeowners and tenants.

Reducing Energy Poverty Should Be a National Objective

Canada's electricity strategy presents an opportunity to address one of the country's longstanding yet often overlooked challenges: energy poverty.

Millions of Canadians continue to face difficult choices between paying their energy bills and meeting other basic necessities. As electrification expands, governments must ensure that clean energy technologies are not accessible only to those with sufficient financial resources. Instead, the transition should reduce household energy burdens while improving comfort, health, and resilience.

The federal government should therefore complement infrastructure investments with policies that strengthen energy affordability, including support for low-income energy efficiency grant programs, residential retrofit initiatives, demand-side management measures, and other programs that permanently reduce household energy costs rather than simply subsidizing higher bills.

An explicit commitment to reducing energy poverty would strengthen both the environmental and social outcomes of the National Electricity Strategy while increasing public confidence in Canada's transition to a clean electricity future.

Strengthening Federal Leadership

The federal government has an important leadership role to play in ensuring that electricity policy advances both climate and social objectives. Beyond financing generation and transmission infrastructure, federal leadership should include promoting affordable residential electrification, supporting community and Indigenous-led energy projects, strengthening energy efficiency programs, encouraging innovation in demand-side management, and coordinating policies across housing, energy, and climate sectors.

An integrated approach recognizes that the cleanest and least expensive electricity is often the electricity that does not need to be generated. Investments that reduce demand while lowering household energy costs should therefore be viewed as core components of Canada's electricity strategy, rather than complementary initiatives.

Ultimately, financing the electricity transition is not simply a question of raising capital; it is a question of ensuring that all Canadians can participate in and benefit from a cleaner energy future. A National Electricity Strategy that advances affordability alongside decarbonization will

accelerate electrification, strengthen public support for climate action, and ensure that Canada's transition to a low-carbon economy is both environmentally sustainable and socially equitable.

Building a Coordinated and Inclusive Electricity System

CELA supports the Strategy's objective of developing a more integrated and coordinated national electricity system. Greater collaboration among governments, utilities, system operators, Indigenous communities, and regulators has the potential to improve system reliability, strengthen energy security, reduce costs, and facilitate the expansion of clean electricity across Canada.

Achieving these benefits, however, requires more than physical interconnections between electricity systems. It also requires governance structures that promote meaningful collaboration, transparency, and equitable participation throughout the planning and implementation of major electricity initiatives.

As provinces and territories pursue greater regional integration, the federal government should play a leadership role in facilitating coordinated planning while respecting provincial jurisdiction and Indigenous rights. Long-term electricity planning should encourage information sharing, joint infrastructure planning, and coordinated investment decisions that improve reliability and maximize public value.

Particular attention must be given to projects that affect Indigenous lands, rights, and communities. Consistent with the *United Nations Declaration on the Rights of Indigenous Peoples*, Indigenous communities must be engaged as partners throughout project planning, development, and implementation. Consultation should occur early, continue throughout decision-making, and be supported by adequate resources that enable meaningful participation.

Indigenous leadership is particularly important in northern and remote regions, where many communities continue to experience energy insecurity and remain dependent on diesel generation despite paying among the highest energy costs in Canada. The electricity transition presents an important opportunity to replace aging diesel infrastructure with cleaner, more reliable, and locally appropriate energy systems that improve long-term affordability while supporting community self-determination.

Federal investments should therefore prioritize Indigenous-led and community-led renewable energy projects, battery storage, microgrids, and local distribution system improvements that reflect regional needs and priorities. These investments should strengthen local economic development, improve energy resilience, and reduce long-term operating costs while respecting Indigenous knowledge and governance.

Building an integrated national electricity system should not simply connect provinces and territories; it should ensure that every region and every community can participate in and benefit from Canada's clean energy future. Regional integration will be most successful when it advances reconciliation, strengthens local capacity, and delivers tangible improvements in affordability, reliability, and energy security for all Canadians.

Maintaining Strong Environmental Governance

Timely regulatory processes can provide greater certainty for governments, proponents, investors, and communities while helping Canada advance its climate objectives. However, regulatory efficiency should never come at the expense of environmental protection, scientific rigour, or meaningful public participation. The long-term success of Canada's electricity transition depends upon maintaining public confidence that major infrastructure decisions are transparent, evidence-based, and environmentally responsible.

Accordingly, CELA does not support accelerated review processes that weaken environmental assessment requirements or reduce opportunities for public and Indigenous participation. Major electricity projects, including new generation facilities, transmission infrastructure, and large-scale energy developments, can have significant and long-lasting impacts on ecosystems, biodiversity, water resources, human health, and Indigenous rights. These impacts must continue to be evaluated through robust, science-based assessment processes.

Environmental assessments are not obstacles to electrification; they are essential tools for identifying potential impacts, improving project design, reducing conflict, and ensuring better long-term outcomes. Well-designed assessment processes also provide greater certainty by identifying risks early and fostering stronger relationships with affected communities.

The federal government should therefore continue to support efficient regulatory processes while maintaining rigorous environmental safeguards, transparent decision-making, and meaningful opportunities for public participation. Protecting environmental integrity and public confidence will be essential to ensuring that Canada's electricity transition proceeds in a manner that is both sustainable and broadly supported.

Conclusion

CELA is supportive of the Government of Canada's development of a National Electricity Strategy and recognizes the critical role that a modern electricity system will play in achieving Canada's climate, economic, and energy security objectives.

The Strategy represents an important opportunity to build an electricity system that is not only cleaner and more reliable, but also more affordable, equitable, and resilient. Achieving these objectives will require implementation measures that place energy affordability, conservation,

renewable energy, environmental stewardship, and meaningful Indigenous partnership at the centre of decision-making.

Throughout this submission, CELA has emphasized that Canada's electricity transition should be guided by five fundamental principles:

- prioritize conservation, energy efficiency, and demand-side management before investing in new generation capacity;
- accelerate investment in renewable energy, battery storage, and grid modernization;
- embed affordability and energy equity into all federal electricity policies and funding programs;
- work collaboratively with Indigenous groups and communities through transparent, rights-based decision-making; and
- maintain rigorous environmental assessment and public participation processes that protect human health and the environment.

Ultimately, Canada's electricity system should be designed not simply to meet future demand, but to improve the well-being of Canadians. A successful National Electricity Strategy is one that delivers clean, reliable, and affordable electricity while ensuring that the benefits of electrification are shared fairly across all regions and communities. By placing affordability, equity, and environmental sustainability at the heart of implementation, Canada can build an electricity system that supports both a prosperous economy and a just transition to a low-carbon future.

CELA appreciates the opportunity to comment on the proposed Strategy and looks forward to continued engagement as the Government of Canada advances the development and implementation of a National Electricity Strategy.

Respectfully submitted,

CANADIAN ENVIRONMENTAL LAW ASSOCIATION



Theresa McClenaghan
Executive Director & Counsel



Jacqueline Wilson
Counsel