



The art of the possible: Policy solutions

## PUTTING POLICY IN DRIVE

NATIONAL AND SUBNATIONAL PHASE-OUT FRAMEWORKS  
ALIGN IN CANADA

**Through policy leadership at both the national and subnational levels, Canada is phasing out coal emissions in a way that makes it an attractive centre for energy investment and development.**

A decade ago, Canada became the first country in the world to introduce regulations requiring coal-fired power plants to meet stringent performance standards after it recognised that no fossil fuel produces more emissions than coal in generating electricity. Following the Paris Climate Conference in 2015, Canada went further, announcing a phase-out of unabated coal power by 2030 and amending regulations to achieve this by setting a limit on greenhouse gas emissions from unabated coal power plants.

But Canada's coal phase-out story is as much about subnational leadership as it is about national policy, since it is Canada's provinces that make decisions on how to generate power.

Canada's most populous province, Ontario, was the first jurisdiction in North America to eliminate coal power. It committed to phasing out coal-fired generation in 2003, when coal accounted for approximately 25% of its electricity supply mix, subsequently closing its last coal unit in 2014. This policy decision was primarily motivated by the health impacts and economic costs of air pollution. Ontario's coal phase-out resulted in the number of smog days declining from 53 in 2005 to zero in 2014. In addition, the policy was praised for being "the single largest greenhouse gas reduction measure in North America" at the time.

Coal phase-out is also well under way in the province of Alberta, where coal used to provide over 80% of electricity. Alberta will be off coal power by the end of 2023 – a full seven years ahead of the 2030 federal target and almost 40 years sooner than was forecast in 2015.

The province of Saskatchewan hosts Boundary Dam 3, the world's first commercial-scale coal unit to operate with Carbon Capture and Storage (CCS) technology designed to capture up to 1Mt of emissions per year.

As it transitions to a low-carbon economy, Canada is committed to putting people first and ensuring that workers have the skills and opportunities to thrive in a net-zero world. A Just Transition Task Force was launched in 2018 to determine how best to support workers and communities impacted by the phase-out of coal power. The Taskforce's final report in 2019 included ten recommendations that resulted in the government committing C\$185 million to transition initiatives that support skills development, economic diversification and infrastructure projects in impacted communities.

Canada's accelerated coal phase-out supports its latest 2030 Emissions Reduction Plan to achieve a net-zero electricity grid by 2035, eliminating more than 12Mt of greenhouse gases by 2030 and nearly 100Mt by 2050. These measures will also reduce air pollution and protect human health while advancing Canada's transition to a clean growth economy.