

Written Submission for the Government of Ontario

**Consultation to Support the Important Role for Natural
Gas in Ontario's Energy System and Economy
(ERO 019-9501)**



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The Canadian Association of Energy Contractors (CAOEC) is pleased to add its input to the Government of Ontario’s consultation to support the important role for natural gas in Ontario’s energy system and economy.

CAOEC is glad to see that the Government of Ontario, under the leadership of Premier Doug Ford and Minister of Energy and Electrification Stephen Lecce, recognizes the valuable role natural gas plays in the Ontario economy and energy system.

Our members, and the thousands of workers they employ, are on the frontlines of the natural gas industry as they drill and service the wells that produce this important energy source, and we fully endorse this value statement in the consultation document: *“It is critical to attracting new jobs in manufacturing, including the automotive industry and agriculture, given the role natural gas plays in supporting energy affordability, system reliability and continued growth.”* The oil and gas industry supports tens of thousands of direct and indirect jobs in Ontario through its demand for vehicles and other manufactured goods, as well as the direct jobs that come out of gas and oil refining and distribution systems.

Our members are also at the forefront of Canada’s energy transformation. The sub-surface extraction of Canada’s diverse energy and critical mineral resource—such as lithium for EV batteries, helium for semiconductors, geothermal heat for generating electricity, potash, or storage for carbon dioxide or hydrogen—all rely on our workforce and equipment.

CAOEC does not have comments on the retail and industrial use of natural gas beyond noting that we support the government’s recognition that natural gas will continue to play a major role in Ontario, and that consumers and businesses should have multiple energy options available to them.

What are the challenges and opportunities for enhanced energy efficiency, adoption of clean fuels (e.g., RNG, Hydrogen) and emission reduction methods (e.g., carbon capture and storage) to lower emissions in the natural gas system?

As noted, our members are involved in all aspects of the energy industry, including the extraction of sustainable resources. While we have the potential to substantially increase our capacity to reduce emissions, the current federal government will not allow our members to take advantage of the Clean Technology Manufacturing investment tax credit due to our attachment to the fossil fuel industry, thereby preventing our members from making the technological advancements necessary to meet the emission reduction targets that the tax credit was designed to help achieve.

As the Government of Ontario considers its natural gas policy, we encourage it to support our efforts to create a level playing field for an industry that produces the fuel so many depend on.



About CAOEC

The Canadian Association of Energy Contractors (CAOEC) represents 91 land drilling, offshore drilling, and service rig member companies on the frontlines of energy security and transformation. They operate a fleet of 372 drilling rigs and 685 service rigs in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Atlantic Canada. CAOEC's members are varied and diverse, and include many small- and medium-sized enterprises that have been leaders in creating opportunities for young people, Indigenous communities, and middle-class workers.

For decades, our membership has included Indigenous representation. From Indigenous-owned companies, such as Pimee Well Servicing, DHC Well Servicing, and Onion Lake Cree Nation Well Servicing, to business partnership ventures, ownership stakes, and Indigenous training programs, CAOEC members create meaningful work in remote communities and exemplify an inclusive evolution in the energy services sector.