

May 21, 2024

OPEN LETTER TO SENATOR PAMELA WALLIN & SENATE BANKING AND FINANCE COMMITTEE

The Honorable Senator Pamela Wallin, Chair
And Honorable Senators of the Standing Senate Committee on Banking, Finance and the Economy
The Senate
Ottawa, ON
K1A 0A4

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Email: banc@sen.parl.gc.ca

Honorable Senator Wallin and Committee Colleagues,

RE: Challenging comments by Mark Carney on Senator Galvez Sponsored Bill S-243 and related Climate-Aligned Finance Issues such as CCUS and Net Zero – A Professional Engineer’s Perspectives

On Wed. May 08, 2024, Mark Carney, former governor of the Bank of Canada and Bank of England testified to your committee on his views regarding Senator Rosa Galvez-sponsored Bill S-243, Climate-aligned Finance. Mr. Carney is also presently the appointed UN Climate Envoy as well as a senior executive with Brookfield Asset Management, and is chairman of Bloomberg Inc., parent company of Bloomberg L.P., and was the chair of the Financial Stability Board from 2011 to 2018.

In the realm of finance, Mr. Carney is unequalled in experience and knowledge.

However, he advocated for climate technologies like Carbon Capture Utilization and Storage (CCUS) which is within my realm of professional expertise, and he supported climate policies which are within the realm of one of my colleagues, Robert Lyman, former federal public servant of 27 years, a diplomat for 10 years, with decades of policy experience on the GHG file.

Robert Lyman has recently assessed the cost of climate policies to Canadian citizens. While an international survey showed that people would be willing to contribute 1% of their annual income to addressing climate change (\$430 based on Statistics Canada’s 2022 \$43,000 estimated median Canadian Income), Lyman’s analysis of a list of policies and costs created by Navius Research, shows that **Canadians are already facing \$28,000 in climate policy costs per household from 2020-2030** (\$2,800 per household per year). That number is based on the Carbon Policy Tracker’s \$476 billion (\$11,900 per resident of Canada) estimate of total federal and provincial climate measure expenditures over that period. These figures do not include the EV battery plant subsidies, which now hover around the \$50-billion mark; nor does it include foreign climate funding (i.e. for the Green Climate Fund or other).

Mr. Carney supported Senator Galvez Bill S-243 on principal that other jurisdictions are moving ahead with similar legislation. He also supported:

- CCUS – Carbon Capture Utilization and Storage

- CfD – Contracts for Difference
- Cap and Trade
- NetZero targets

Mr. Carney claimed that without urgent and stringent climate policies Canada would face \$5.5 trillion in future damages, a number drawn from a white paper sponsored by Senator Galvez.¹ He noted that RBC has estimated it would cost \$2 trillion² to accomplish the transition to NetZero and that there lies \$26 trillion in global economic opportunity in making this transition.

I dispute these claims.

I wrote a [plain language assessment](#) of the Nov. 2022 Parliamentary Budget Officer's report on GHG Emissions and GDP. "Canada's Parliamentary Budget Office just confirmed that continued greenhouse gas emissions will reduce our GDP growth by just 6.6% over the next 80 years ([National Post, December 7th, 2022](#)). So, **instead of growing 378.0%, we will only grow by 371.4%. That equates to a GDP savings that is only \$140 billion less than the do-nothing case.**"

The PBO report looked at three scenarios. GDP growth with no "climate change" consequences, the impacts of "climate change" based on the unrealistically high RCP 8.5 emission scenario (current emission growth is below RCP 4.5), and the consequences of full compliance with the 2015 Paris Accord commitments (again using RCP 8.5). The estimates shown above are based on a 2%/year GDP growth rate. That \$140 billion is the GDP reduction at the turn of the century. Consolidated over the years, the total would be \$3.6 trillion dollars. Applying a 3% discount puts the net present value of "climate change" around \$0.7 trillion. Those numbers will be lower if realistic emission scenarios are used. In other words, far from the \$5.5 trillion in damage that the Senator Galvez sponsored report claims.

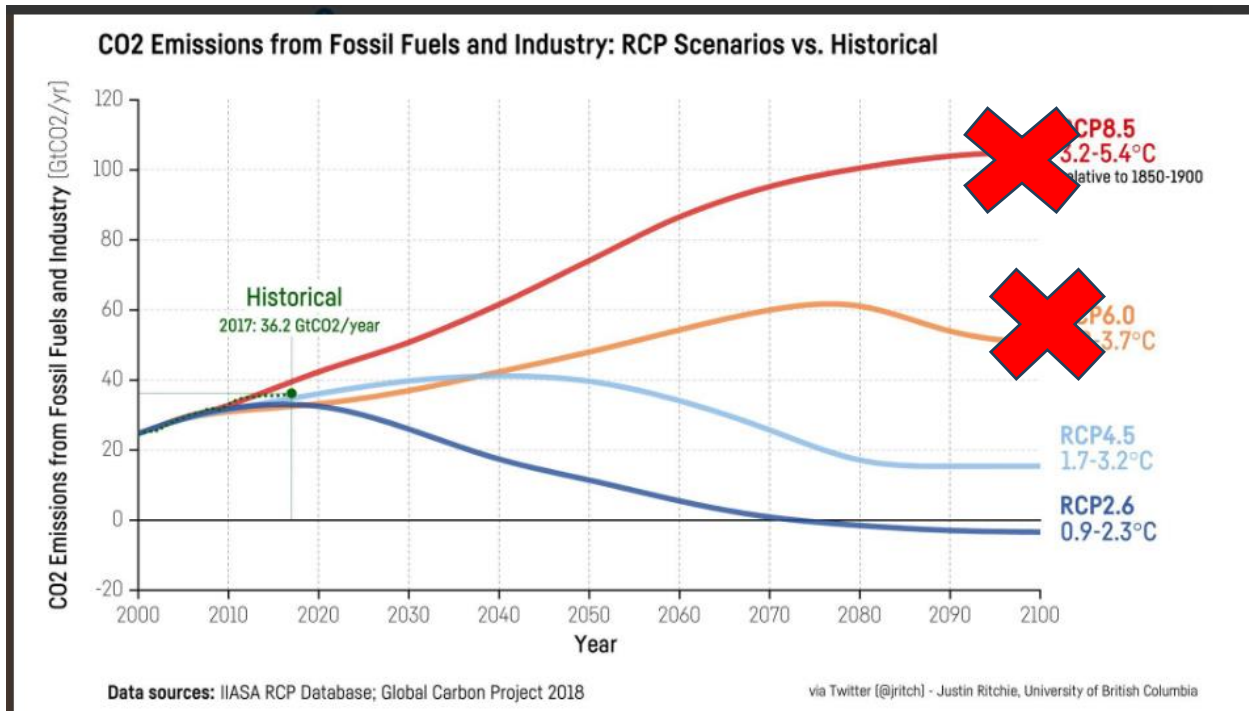
The PBO's last scenario is the most telling. Full global Paris Accord compliance will improve Canada's GDP at the turn of the century by just \$17 billion dollars. Over the years that equates to just \$443 billion (\$87 billion discounted at 3%). Again, all based on unrealistic emission scenarios. How many trillions will Canada spend for those improvements?

It appears that the [implausible RCP 8.5 scenario](#)³ is being used by the financial community to create a climate emergency that only exists on paper.

¹ <https://rosagalvez.ca/en/initiatives/aligning-canadian-finance-with-climate-commitments/>

² <https://thoughtleadership.rbc.com/the-2-trillion-transition/>

³ Deloitte's "The Turning Point" uses a variation of RCP 6.0 – also implausible. Deloitte also makes the fatuous claim, with no evidence provided that "Such a transformation could increase the size of the world economy by \$43 trillion in net present value terms from 2021-2070." One need only look at Germany, the alleged model of the Energy Transition, to see that it is drowning in debt and undergoing rapid degrowth and deindustrialization. As MEP Roger Helmer put it in 2013, EU energy prices are causing an 'industrial massacre.'



My Professional Engineering colleagues did an assessment of RBC’s analysis and found the alleged “\$2 Trillion Transition” was severely underestimated.⁴ The following glaring example should be a wake-up call.

“RBC’s estimate of the cost to go to net zero on the electrical grid with wind and solar backed up with batteries is \$5.4 billion which includes \$3.6 billion for batteries. [“The True Cost of Wind and Solar Electricity in Alberta”](#) puts the cost of batteries at almost \$2 trillion just for Alberta. Alberta has approximately half of the fossil fueled power generation in Canada so **the cost would scale up to about \$4 trillion for all of Canada, just for the batteries to back up wind and solar power.**”

Summary: Pathway 1: Electricity

Emissions Saved	RBC states:	11 million tonnes per year
	Friends of Science calculation:	40 million tonnes per year
Annual Cost	RBC states:	\$5.4 billion
	Friends of Science estimate:	\$320 billion
Capital Cost	RBC estimates:	\$67 billion
	Friends of Science estimate:	\$4,000 billion
Emission Reduction	RBC estimate:	\$6,100/tonne
	Friends of Science estimate:	\$100,000/tonne
Benefit of CO ₂ Reduction	RBC estimate:	\$1,100 per tonne
	IPCC estimate:	\$15 per tonne

RBC’s analysis also relies heavily on the hope of CCUS as the answer for dramatic emissions reductions.

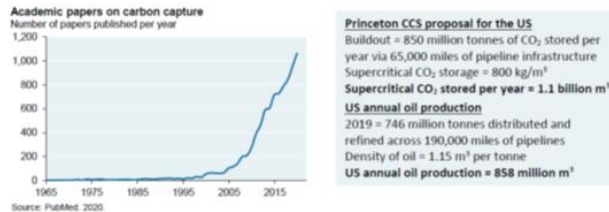
As a Professional Engineer who worked on one of the first CCUS projects⁵ in Canada, I am in a position to say that, while Canada’s expertise in this area is second-to-none, **CCUS will not address emissions reduction in any meaningful way.** In part, this is due to the proportionately small amount of carbon

⁴ <https://blog.friendsofscience.org/2022/06/09/royal-banks-netzero-decarbonization-estimate-is-severely-underestimated/>

⁵ [ZAMA ACID GAS DISPOSAL/MISCIBLE FLOOD IMPLEMENTATION AND RESULTS \(climatechangeandmusic.com\)](https://www.zama.com/acid-gas-disposal/miscible-flood-implementation-and-results)

dioxide that will be captured; in part because of the enormous volume of embodied emissions in building the proposed carbon pipeline.

As Robert Lyman reported in “Speed Bumps on the Road to NetZero,”⁶ referencing a report by JP Morgan’s seasoned energy analyst Michael Cembalist, that CCS/CCUS is most well-developed in the field of academic papers.



It should be noted that, after 20 years of planning, subsidies, and political promotion, by the end of 2020 carbon capture and storage facilities stored just 0.1% of global CO₂ emissions.

Mr. Carney has recently miscalculated embodied emissions in the “Blueprint...”⁷ plan that he and various parties put together, of which the federal government has adopted some 80% of the plan according to Mr. Carney’s public statements. The focus on “Blueprint...” was to impose NetZero standards on new builds with the stated objective of reducing greenhouse gas emissions. **The federal housing plan will dramatically increase Canada's carbon footprint.**⁸

“Even if embodied emissions are cut in half, such as in the [COP26 test home](#) the carbon footprint of a 3.9 million home build out would be huge. ... That's still 32 tCO₂ x 3.9 million homes = 124,800,000 tonnes of CO₂e emissions. This doesn't include infrastructure!”

The same will be true of CCUS capacity building. Likewise, if adopted, Robert Lyman has pointed out that CCUS will become a [long-term ‘trap’ for taxpayers](#).

Furthermore, the federal government, and presumably many of those backing NetZero objectives, are relying on a Canada Energy Regulator (CER) report, which the Canadian Centre for Policy Alternatives (CCPA) has found wildly overestimates the possibilities and wildly underestimates the costs. My colleague and fellow Professional Engineer, Ian Cameron, has written a summary report on “[Getting to NetZero](#)” comparing the CER’s vision versus the brutally realistic analysis by CCPA.

The key conclusions from the CCPA David Hughes’ report titled: *Getting to Net-Zero in Canada* (pp.62-63):

- Canada’s March 2023 policies would see only a 16% reduction in emissions below 2022 levels by 2050 and must be greatly strengthened.
- To offset the relatively large proportion of fossil fuels in **2050 end-use energy demand, the CER over-relied on CCUS (33 to 38-fold increase), and a thousand-fold increase in direct air capture.** This is a high-risk strategy. Instead, Mr. Hughes recommends reducing end-use demand for fossil fuels.

⁶ <https://blog.friendsofscience.org/2021/05/09/speed-bumps-on-the-road-to-decarbonization-part-1/>

⁷ <https://housingandclimate.ca/wp-content/uploads/2024/03/Blueprint-for-More-and-Better-Housing-Mar-2024-EN.pdf>

⁸ <https://www.prweb.com/releases/mark-carneys-economic-lookahead-lecture-becomes-unhinged-on-netzero-says-friends-of-science-society-302129250.html>

- The CER's Canada net-zero scenario assumed maintaining high levels of fossil fuel production for export in 2050, along with **carbon capture and direct air capture to offset emissions from producing oil and gas for export.**
- The CER over-optimistically assumed that hydrogen can grow from almost nothing to 11-12% of end-use energy by 2050.
- Electricity generation will have to increase from the CER's 39-41% share of end-use energy to a "more realistic" 55%.
- Tripling the sequestration capacity of Canada's forests, as assumed in the CER's two Net-zero scenarios, will require major improvements in forest management practices.

Senator Wallin and colleagues, I hope you appreciate that the NetZero climate targets set by the federal government and the methods for reaching them, which are supported by Mark Carney and proposed to be aided by the Senator Galvez Climate-aligned Finance Bill S-243 are simply impossible. As summarized, in Ian Cameron's work, fulfilling their government's net zero agenda will entail a quarter century of evermore energy and economic deprivation.

Likewise, it is unclear how the Senator Galvez bill would lead to more 'clean-energy' as the mining and manufacturing of wind and solar devices, back-up batteries, and related transmission lines require astronomical amounts of oil, natural gas, and coal! Prof. Emeritus Vaclav Smil explains that in this article, "To Get Wind Power You Need Oil"⁹ and he explains in more detail why there's no "Energy revolution? More like a crawl"¹⁰

Furthermore, as Robert Lyman has written in "*A Multi-Polar World At Risk: What About Energy Security?*"¹¹ these policies simply hand the competitive and energy security advantage to China.

A recent interview with Dr. Benny Peiser of the Global Warming Policy Foundation offers this insight – if the Net Zero objectives were really about climate change, wouldn't the West welcome cheap EVs from China, cheap solar panels and wind turbines? Obviously these will decimate Western economies as China can ruthlessly cut prices since it is not a free-market economy. Likewise, the more Canada subsidizes industry in the hope of creating or maintaining a market edge, a vicious cycle of subsidies sets in, as Dr. Peiser testified to US Congress in 2013.

The EU's unilateral climate policy is absurd: first consumers are forced to pay ever increasing subsidies for costly wind and solar energy; secondly they are asked to subsidize nuclear energy too; then, thirdly, they are forced to pay increasingly uneconomic coal and gas plants to back up power needed by intermittent wind and solar energy; fourthly, consumers are additionally hit by multi-billion subsidies that become necessary to upgrade the national grids; fifthly, the cost of power is made even more expensive by adding a unilateral Emissions Trading Scheme. Finally, because Europe has created such a foolish scheme that is crippling its heavy industries, consumers are forced to pay even more billions in subsidizing almost the entire manufacturing sector. -- Benny Peiser, [Testimony to the US Senate Committee on Environment & Public Works, 2 December 2014](#)

This sounds very similar to Canada today.

⁹ <https://spectrum.ieee.org/to-get-wind-power-you-need-oil>

¹⁰ <https://youtu.be/5guXaWwQpe4?t=387>

¹¹ <https://blog.friendsofscience.org/2024/04/25/a-multi-polar-world-at-risk/>

Another topic that Mr. Carney brought up was that of Contract for Differences, a policy he supports. It appears that in trying to implement this policy, the federal government is attempting to design it so that this policy can never be repealed, even if a new government took office.

Robert Lyman's report "*Turning Taxpayers Into Risk Takers: Contracts for Difference, the Eternal Subsidy*"¹² notes how this is simply a means of 'de-risking investment' in industries that cannot stand alone; so taxpayers (again) have to prop them up.

It should be noted that Mr. Carney's Brookfield Asset Management and Bloomberg are heavily invested in renewables. This is an apparent conflict of interest for him as an expert witness, allegedly on climate finance issues, in my opinion.

Lyman has pointed out in a number of reports and presentations that in addition to Canada's much-hated carbon tax, **there are in fact over 400 various climate regulations, incentives, subsidies, for which no audit has ever been done for effectiveness and no cost-benefit analysis.** Of CfDs he writes:

"Yet another way in which CFDs could be applied would be to insure investors in "clean energy" projects that, regardless of how either markets or policies may change, they will continue to receive financial benefits from taxpayers that approximate or equal the benefits that they now expect to receive from existing and announced federal subsidy programs. The number of these programs is very large; they include both direct expenditures and tax expenditures (e.g. credits, deductions, deferrals, exemptions and preferential tax rates)."

*"To date, the federal government has announced only one CFD. On December 20, 2023, Deputy Prime Minister Chrystia Freeland announced that the Canada Growth Fund had concluded an agreement with Calgary's Entropy Inc. **Freeland proclaimed, could reduce emissions by up to 9 million tonnes over 15 years. ...**"*

From the CBC article of Dec. 23, 2023: *"Under the terms of the deal, the Canada Growth Fund has agreed to purchase up to 185,000 tonnes of carbon credits from Entropy for a 15-year term at an initial price of \$86.50 per tonne."*

The CO₂ emissions abatement is 185,000 tonnes in the article.¹³ As such the math is: (185,000 tonnes x \$86.5 per Tonne + 200 e 6) / 185,000 tonnes = \$1,167.58 / tonne.

Robert Lyman continues in his report:

*"How can this be considered as justified? The alleged benefit of CFDs as applied to investments in many "clean energy" projects like CCUS or EV batteries is that it may accelerate the commercialization of new emissions reduction technologies. **One has to wonder what evidence there is that CFDs are needed, in addition to all the other measures in place, to do this.** Also, if the general public is to take on the economic risks, what benefits are there to compensate for this? The only benefits are the theoretical ones that may come from changes in global emissions and temperatures over which Canadians have little influence and no control."*

¹² <https://blog.friendsofscience.org/2024/05/13/turning-taxpayers-into-risk-takers/>

¹³ <https://www.cbc.ca/news/canada/calgary/carbon-capture-growth-fund-entropy-1.7065431>

Mr. Carney also supported the concept of cap and trade.

In Canada, Alberta was blindsided by Minister Guilbeault's announcement from COP28 in Dubai of the imposition of cap-and-trade legislation. One must ask **what role the unelected, unaccountable Trottier Family Foundation had in this**; apparently significant as the CEO of their charity writes in this report.¹⁴ The Trottier Family Foundation and many ENGOs are backing Senator Galvez Bill S-243, but one has to question the influence of foreign-funding to Canadian ENGOs and collaboration by Trottier with ClimateWorks and others. Some excerpts from the CEO's article:

The Trottier Foundation's many partners were present at COP28 to call out Canadian climate delayers. We were there with our "emissions caps" - baseball caps to show support for Canada's announcement of an oil and gas emissions cap framework.

Beyond fashion stunts to demonstrate support for Canada's new emissions cap framework, **COP is also an excellent venue to fast-track climate deals and develop new initiatives.**

For example, after attending a civil society gathering with Quebec's Minister of the Environment and Fight Against Climate Change about BOGA [Beyond Oil and Gas], our foundation started planning a new initiative on expanding BOGA membership to new Canadian provinces.

Second, **we promoted climate finance by hosting a panel with Senator Rosa Galvez, Ben Caldecott and Catherine McKenna** on how Canada can become a leader in this space. **Our foundation also partnered with a large financial institution on a new initiative that will be announced soon.**

Third, we participated in COP's first ever **Health and Climate Day.** We are the first funder attempting to **decarbonize Canada's healthcare system.**

Fourth, we collaborated with other funders and networks like **Bloomberg, the Open Society Foundation, C40 Cities, ClimateWorks, WINGS and the Canadian Philanthropy Commitment on Climate Change.**

Additionally, the Trottier Foundation was **funding the bulk of Canadian ENGOs attending COP,**
...

The push for cap-and-trade will do nothing to stop climate change. And as Robert Lyman writes in "Gaslighting Alberta Canada's Oil and Gas Methane Regulations"¹⁵

"As is typical of global and national commitments to reduce greenhouse gas emissions, there has been no published estimate of the costs and benefits of the actions involved. The federal government estimates that the proposed new regulations will cost Canadian industry about \$15 billion between 2027 and 2040."

¹⁴ <https://pfc.ca/good-cop-bad-cop-the-role-of-philanthropy-at-cop28/>

¹⁵ <https://blog.friendsofscience.org/2023/12/08/gas-lighting-alberta-canadas-oil-and-gas-methane-regulations/>

“One is left asking questions about the priority being placed on efforts globally and in Canada to reduce methane emissions. Fundamentally, why would Canada, a country whose methane emissions constitute 0.2% of the global total, decide to far exceed the methane emission reduction pledges made by other countries and to incur proportionately far more of the costs?”

“Canadians should demand answers.”

In the above excerpts of the Philanthropy for Change article by the CEO of the Trottier Family Foundation, we see that ClimateWorks Foundation of the USA is collaborating with a large Canadian philanthropy on climate and finance policies.

ClimateWorks partners have been working away at establishing global cap-and-trade systems for over 2 decades, apparently an extension of what Enron began before it collapsed in a heap of ashes and fraud. ClimateWorks partners like the Oak Foundation have been principal funders of the Tar Sands Campaign against Alberta (and other parts of Canada, like Ontario’s GEA).

Matthew Nisbet of Northeastern University has followed these parties for years and in this paper he wrote:¹⁶

“Significant funding was also devoted to mobilizing public opinion and to opposing the fossil fuel industry. Nearly a quarter of all funding, however, remained dedicated to promoting renewable energy and efficiency-related actions with comparatively little funding devoted to other low-carbon energy technologies.”¹⁷

(See chart below)

¹⁶ https://web.northeastern.edu/matthewnisbet/wp-content/uploads/2018/05/Nisbet2018_ClimatePhilanthropy_WIREsClimateChange_Final.pdf

¹⁷ https://web.northeastern.edu/matthewnisbet/wp-content/uploads/2018/05/Nisbet2018_ClimatePhilanthropy_WIREsClimateChange_Final.pdf

TABLE 1 Sources/availability of U.S. foundation grant information and other details

Funder	Source of grant info	Years available ^a	Other details
Bloomberg	990 tax forms ^b	2012–2013	Focus on limiting coal industry
ClimateWorks ^c	Database ^d	2011 and 2015	Regranting organization
Duke ^c	Database ^e	2011–2015	#15 environmental grantmaker
Energy Fdn ^c	Database ^d	2011–2015	Regranting organization
Ford	Database ^e	2011–2015	#12 environmental grantmaker
Hewlett ^c	Database ^e	2011–2015	#1 environmental grantmaker
Heinz	Web site ^f	2011–2015	Focus on natural gas “fracking”
Kresge ^c	Database ^e	2011–2015	#16 environmental grantmaker
MacArthur	Database ^e	2011–2015	#17 environmental grantmaker
McKnight ^c	Database ^e	2011–2015	#41 environmental grantmaker
Moore	Database ^e	2011–2015	#3 environmental grantmaker
Oak ^c	Database ^e	2011–2015	#20 environmental grantmaker
Packard ^c	Database ^e	2011–2015	#2 environmental grantmaker
Park	Web site ^f	2011–2015	Focus on fossil fuel (FF) industry
Rockefeller Bros.	Web site ^h	2011–2015	Focus on FF industry, #28 grantmaker
Schmidt	990 tax forms ^b	2011–2014	Focus on natural gas “fracking”
Skoll Global Threats	990 tax forms ^b	2011–2014	Focus on climate communication
Surdna	Database ^e	2011–2015	Focus on urban mitigation/resilience
Wallace Global	990 tax forms ^b	2011–2013	Focus on FF divestment

^a “Years available” reflects reporting as of Spring/Summer 2016 when data was gathered.

^b All U.S. relevant listed grants included.

^c Indicates member of the Design to Win Alliance.

^d Given climate- and energy-specific focus of foundation, all U.S. grants were included. The online database includes only grants from the year 2015. For 2011, data was retrieved from 2011 Annual Report. Data for years 2012–2014 not available.

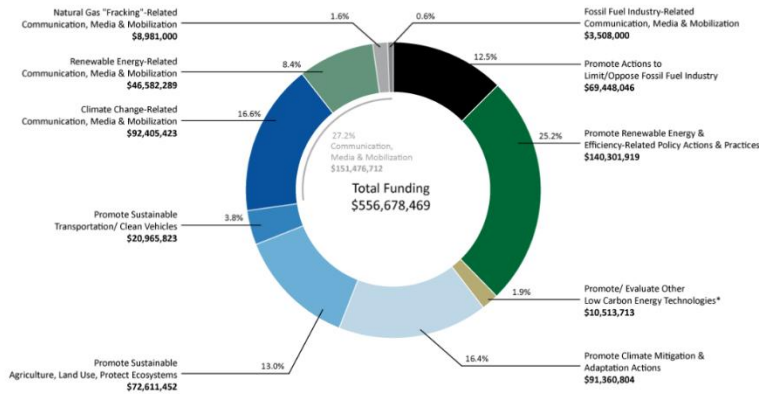
^e Relevant U.S. grants were identified using the search terms “climate,” “greenhouse gas,” “carbon,” “clean energy,” “renewable energy,” “solar,” “wind,” “geothermal,” “energy efficiency,” “nuclear,” “fossil fuel,” “coal,” “natural gas,” “fracking,” “carbon capture,” “geoengineering,” “deforestation,” “resilience,” “adaptation,” “Environmental Protection Agency,” “EPA,” “transportation,” and “clean air.”

^f Relevant U.S. grants retrieved from the Environment and Special Initiatives programs.

^g Relevant U.S. grants retrieved from the Environment and Media programs.

^h Relevant U.S. grants retrieved from the Sustainable Development, Democratic Practice, and Special Initiatives programs.

Major Focus Areas for U.S. Climate and Energy Foundation Funding, 2011-2015



Source: Nisbet (2018) WIRE Climate Change Design: Alexia Bajaj

Note: Based on analysis of 2,502 publicly reported grants available as of Spring/Summer 2016 which were distributed between 2011 and 2015 by 19 major environmental grant makers totalling \$556,678,469. *Low carbon energy technologies include funding to make natural gas generation cleaner/safer (\$8.3 million); to evaluate carbon capture and storage (\$1.3 million); and to promote the role of government in fostering innovation (\$673,000). No grants were focused on promoting nuclear energy, though \$175,000 in grants were devoted to opposing nuclear energy for cost and safety reasons.

Prof. Jessica Weinkle has been tracking the Conflicts of Interest that are rampant in the world of climate change.

These include the relationship between Mr. Carney and Mr. Bloomberg. Prof. Weinkle posits that the next financial sector melt-down may come from the melding of climate finance and climate science,

using models designed by parties who are effectively self-dealing to arrive at a catastrophic future prediction that is not found in the actual climate data.

Weinkle writes of the 2008 financial crash that a model was popularized with catastrophic effects.¹⁸

“MacKenzie and Spears showed that financial analysts knew the models were inaccurate but felt compelled to use them because common ways of compensating for its inaccuracies actively “performed” the market; the model created, shaped, and organized the phenomena it intended to describe. The Gaussian copula model created consensus. As one of the traders interviewed by the two researchers put it, “once everyone was using it, you have to use it as well, because it then becomes a good guide to prices.”

Pertinent to this discussion is the relationship between this and the establishment of the Task-force on Climate Related Disclosures, where Mr. Carney, then Governor of the Bank of England, appointed Mr. Bloomberg to lead that group.

“In their article, MacKenzie and Spears concluded that the financial crisis [of 2008] “was caused not by ‘model dopes’, but by creative, resourceful, informed and reflexive actors quite consciously exploiting the role of models in governance.” Their ability to do so underscores the extent to which financial markets are actively designed. Reflecting on the earlier 1987 stock market crash, in which models were also implicated, [MacKenzie mused](#) that “the design of financial markets is always implicitly political: it influences who will perform which transactions with whom and with what effects.” In turn, he explained, “it prompts a question: what sort of a world do we want to see performed?”

“This is a question Mark Carney, who was governor of the Bank of England and chair of the Financial Stability Board, could well have asked himself in 2015, when he [charged former New York Mayor Michael Bloomberg](#) with leading the Task Force for Climate-related Financial Disclosures (TCFD) to develop regulatory guidelines for treating climate change as a risk to financial stability such that they must be disclosed. At the time, a major politically oriented risk modeling [project](#) funded by Bloomberg and colleagues had just wrapped up. The project was [reportedly intended to](#) “mak[e] the climate threat feel real, immediate and potentially devastating to the business world.””

The organization I lead has written an Open Letter to the OSFI,¹⁹ several of them,^{20 21} and a report,²² rejecting the efforts to align finance with climate scenario models that are based on implausible assumptions. I believe that you and your committee should review these, as well as the material provided above.

For my part, as an individual I operate a website which provides data analysis rebutting the catastrophic claims of climate activists and people like Mr. Carney and Mr. Bloomberg. Those claims are built on

¹⁸ https://open.substack.com/pub/thebreakthroughjournal/p/performing-climate-risks-to-financial?r=f96qu&utm_campaign=post&utm_medium=email

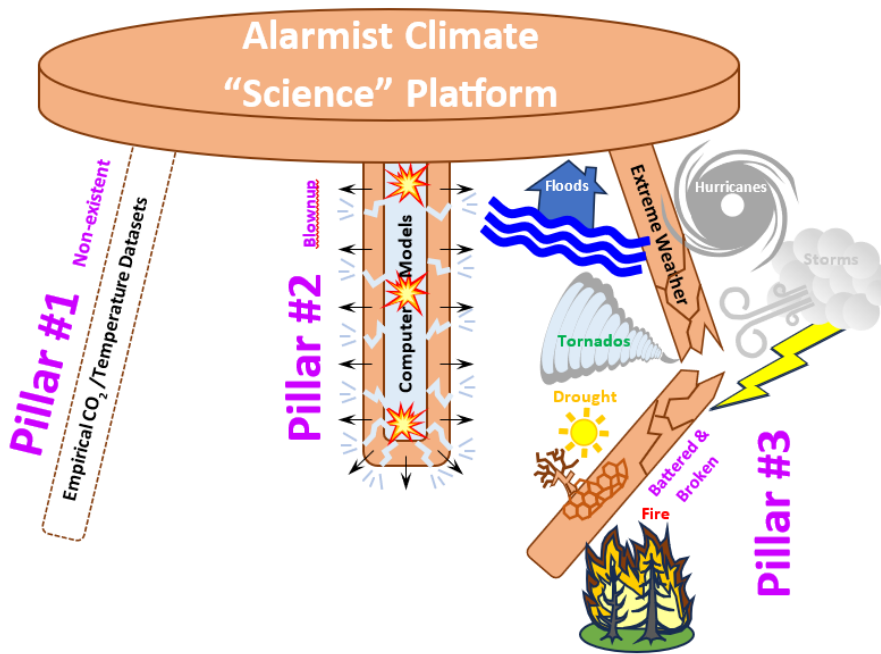
¹⁹ <https://blog.friendsofscience.org/2023/07/31/open-letter-to-office-of-the-superintendent-of-financial-institutes/>

²⁰ <https://blog.friendsofscience.org/2023/11/21/you-must-ensure-energy-security-for-all-canadians-osfi/>

²¹ <https://blog.friendsofscience.org/2024/01/21/osfi-boc-discrepancy-between-unfccc-cop-scenario-baseline-and-that-of-the-standardized-climate-scenario-exercise-scse/>

²² <https://blog.friendsofscience.org/2023/12/22/collapse-catastrophe-responding-to-osfi-on-scse-climate-scenarios-exercise/>

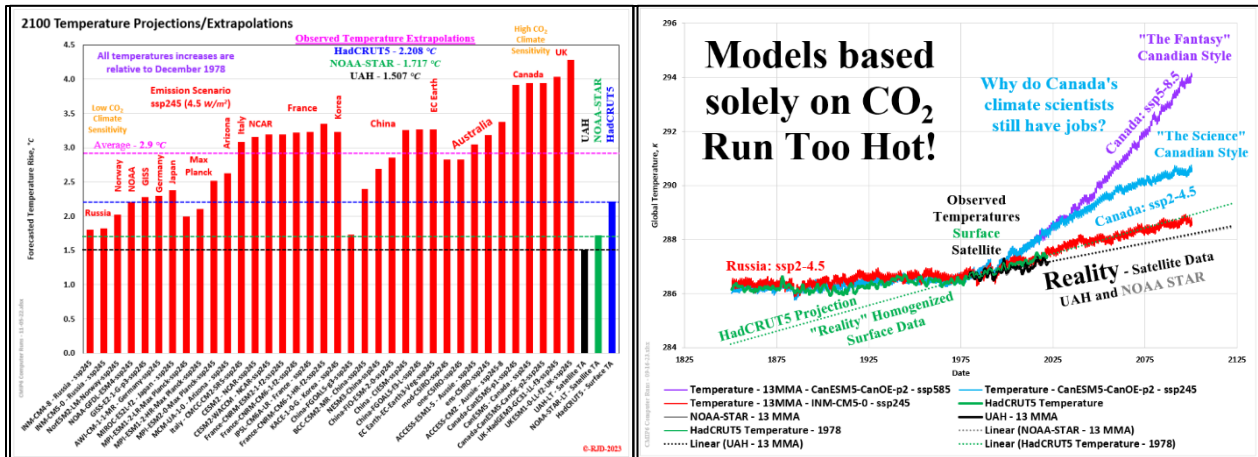
three basic principles. Those principles and their shortcomings are visualized below and discussed in more detail in my [OPPS-29 – Climate Change – “The Science”²³](#) post.



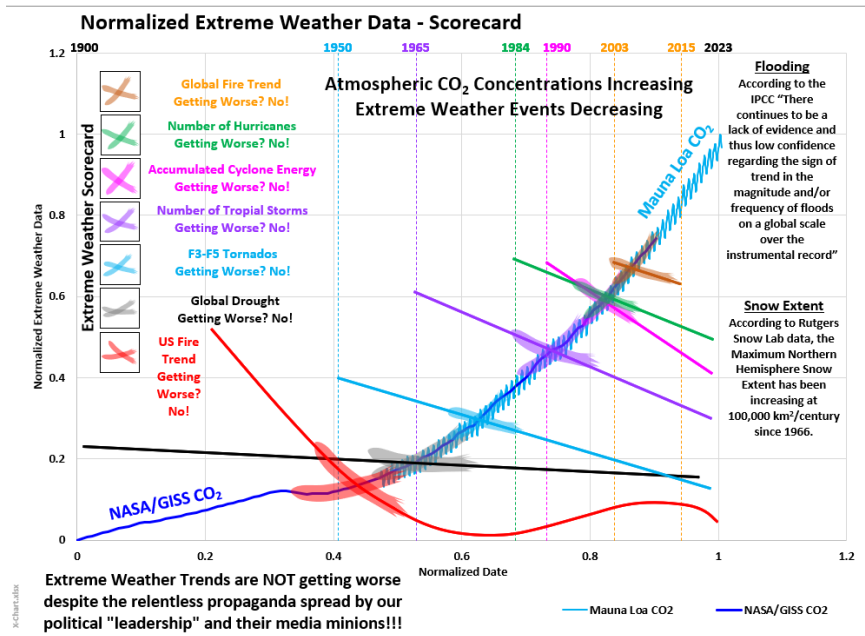
1. **CO₂ is responsible for the 1.07 °C warming (based on the IPCC’s 2021 AR6 SPM report) since the pre-industrial era (pre-1850).** That claim is not based on proper Scientific Method principles. There are no empirical CO₂/Temperature datasets (a basic Scientific Method requirement) that show CO₂ driving the climate on any statistically significant historical time scale. In addition, much of that 1.07 °C warming was not due to human emissions since 86%+ of our emissions were post-1950. Warming out of the Little Ice Age began centuries before CO₂ concentrations began increasing.
2. **Current computer models project a CO₂ induced catastrophic temperature rise,** what I call the All CO₂, All the Time (ACO₂AT) narrative. Every future projection and attribution study referenced in the literature (scientific, media, political arena, etc.) is based on computer models that are self-acknowledged to “run way too hot” and use implausibly high emission scenarios ([OPS-55 – The State of Climate Science²⁴](#)). All current policy decisions are based on computer models that the modeler’s have said are wrong, giving a whole new meaning to the basic modelling rule Garbage In, Garbage Out (GIGO). If the models cannot represent observed temperatures, they are useless for future projections and policy decisions.

²³ <https://climatechangeandmusic.com/climate-change-the-science/>

²⁴ <https://climatechangeandmusic.com/the-state-of-climate-science/>



3. **Extreme weather events are getting more frequent and stronger.** The empirical data says otherwise. Extreme weather event trends have been statistically flat or declining as CO₂ has been rising. Every flood, fire, drought, heat wave, hurricane, etc. is put forward as direct evidence of “climate change” or “climate change” is increasing the chance of the event happening (i.e. the attribution studies mentioned previously). Climate changes over decades, centuries, millennia, etc. What happens in any particular day, week, month, year (for example, Canada’s anomalously high fire season, 18.5 million hectares burnt) does not reflect “climate change”. For perspective, Canada’s 2020 fire season had a record low burn acreage (0.23 million hectares) with a long-term declining trend. CO₂ did not increase our burn acreage for 0.23 to 18.5 million hectares in 3 years.



I am not going to get into a detailed discussion on the science, but in a recent post (CSS-53 – CO₂'s Moneyball Moment), I did lay out empirical data (and associated discussion) that shows how little effect CO₂ (and humanity) are having (or can have) on our current climate. The basic premise of the post is laid out in the statement below.

“Moneyball was a movie about the Oakland Athletics (the A’s). In 2001, key members of their team had moved on to greener pastures (i.e.: teams like the New York Yankees had a lot more “green”). The A’s (a small market team) had to make do with less prominent (i.e.: cheaper) players and rely on more in-depth, less consensus statistical data than most teams relied on at the time. Their manager Billy Beane (played by Brad Pitt) is known for a lot of quotes that have been routinely adapted to many business and societal situations. One of his most famous, “If he’s a good hitter, why doesn’t he hit good?” can be easily adapted and applied to CO₂. If CO₂ is such a good climate driver, why doesn’t it drive the climate good?”²⁵

It has been clear to most of the scientific community since the 2013 Intergovernmental Panel on Climate Change (IPCC) report that carbon dioxide is not the control knob to control climate.

Box 9.2 | Climate Models and the Hiatus in Global Mean Surface Warming of the Past 15 Years

The observed global mean surface temperature (GMST) has shown a much smaller increasing linear trend over the past 15 years than over the past 30 to 60 years (Section 2.4.3, Figure 2.20, Table 2.7; Figure 9.8; Box 9.2 Figure 1a, c). Depending on the observational data set, the GMST trend over 1998–2012 is estimated to be around one-third to one-half of the trend over 1951–2012 (Section 2.4.3, Table 2.7; Box 9.2 Figure 1a, c). For example, in HadCRUT4 the trend is 0.04°C per decade over 1998–2012, compared to 0.11°C per decade over 1951–2012. The reduction in observed GMST trend is most marked in Northern Hemisphere winter (Section 2.4.3; Cohen et al., 2012). Even with this “hiatus” in GMST trend, the decade of the 2000s has been the warmest in the instrumental record of GMST (Section 2.4.3, Figure 2.19). Nevertheless, the occurrence of the hiatus in GMST trend during the past 15 years raises the two related questions of what has caused it and whether climate models are able to reproduce it.

Thus, the measures like Climate-aligned Finance Bill S-243, CCUS, CfDs, cap-and-trade, and attempts to reach Net Zero climate targets will do nothing to stop climate change, but they will devastate Canada’s economy, as I have shown you herein, and will hand the global competitive advantage to China. The ‘money’ in the carbon dioxide game all goes to green crony capitalists and comes from the pockets of taxpayers. If, as the Bank of Canada recently said it is time to ‘break the glass’ and declare an emergency on Canada’s productivity, then it is certainly time to break the death grip the climate finance community has on industrial development in Canada and the Western world.

The climate emergency only exists on paper and in self-dealing climate and finance models. The real emergency is that we are facing a Net Zero Tulipomania. Contrivances like Climate-aligned Finance Bill S-243 or the Compulsive Obsessive carbon molecule accounting programs like that of the International Sustainability Standards Board will only stave off the inevitable economic collapse of society. A society that ceases to be productive and spends much of its time, talent and actual energy counting carbon dioxide molecules is doomed to fail.

Please stop the climate catastrophe charade. Reject Bill S-243 and any other climate-finance legislation. Call for due diligence on climate change science and a moratorium on the use of the implausible RCP 8.5 scenario for policy purposes, by any government agency or government funded climate research unit.

Sincerely,
Ron Davison, P. Eng.
President, Friends of Science Society

²⁵ <https://climatechangeandmusic.com/co2s-moneyball-moment/>