

Green Lights For Clean Energy: Federal Budget 2024 Updates On Nuclear



The recently-announced federal [Budget 2024](#) contained good news for nuclear energy in Canada. The most significant measures for nuclear are being implemented to advance the federal government's commitment to the principle of "one project, one review" for major project approval processes. Budget 2024 specifically set a new three-year target for nuclear project reviews, which will be achieved by working with the Canadian Nuclear Safety Commission and the Impact Assessment Agency of Canada to streamline the approval process and reduce duplication between the two agencies. Many large nuclear project reviews will be governed by the revised *Impact Assessment Act*, and according to the statements in Budget 2024, the federal government's amendments to the *Act* are intended to facilitate efficient project reviews.

Budget 2024 reiterates the federal government's [previous commitments](#) to invest in small modular reactors (SMRs) as a clean energy technology. The budget highlights:

- the Canada Infrastructure Bank's \$970 million investment in Ontario Power Generation's grid-scale SMR project;
- the Strategic Innovation Fund's \$94.7 million commitment to develop three different SMR designs;
- an updated Green Bond Framework that includes nuclear expenditures; and

- over \$194 million in government funding for SMR development and deployment in Canada.

Additionally, the investment tax credits announced in Budget 2023 for clean electricity, clean generation, and clean technology manufacturing are directly applicable to investment in nuclear generation, supply chains, and fuel production. For more information on these commitments, see our [Power Perspectives 2024](#) publication.

Two of the new initiatives announced in Budget 2024 are a proposed \$3.1 billion investment over eleven years in support of Canadian Nuclear Laboratories' work, and a proposed \$6.1 million investment over two years in support of the Clean Growth Hub. Budget 2024 also extends the federal government's commitment to work with the United States through the Canada-U.S. Energy Transformation Task Force for another year. Finally, the budget trumpeted the [COP 28 declaration](#) made by Canada and 21 other participating nations to commit to triple nuclear energy by 2050 and to mobilize investments in nuclear power, including through innovative financing mechanisms. These initiatives reflect the key strategic role of – and correspondingly significant investment in – nuclear as a clean source of energy.

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The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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