



The Atmospheric Fund
75 Elizabeth Street
Toronto, ON M5G 1P4

taf.ca | info@taf.ca
@AtmosphericFund
416-392-0271

Ministry of Government & Consumer Services
January 2nd, 2018
56 Wellesley St. W, 6th Floor
Toronto, ON
M7A 1C1

RE: Regulatory Proposal under the Condominium Act, 1998 (17-MGCS021)

This letter is submitted jointly by The Atmospheric Fund & Environmental Defence:

The Atmospheric Fund (TAF) is a public agency established in 1991 by the City of Toronto and endowed by the City and the Province of Ontario. TAF works closely with stakeholders across the Greater Toronto and Hamilton Area (GTHA) to test and advance innovative programs to reduce greenhouse gas (GHG) emissions and air pollution. However, the views expressed in this submission do not necessarily represent those of the City of Toronto, the Province of Ontario or other GTHA stakeholders.

Since 1984, Environmental Defence (ED) has been working to protect Canadians' environment and human health. We challenge and inspire change in government, business and people to ensure a greener, healthier and more prosperous life for all. Environmental Defence supports the Ontario government's commitments to develop and implement a climate change strategy. We recognize that reducing greenhouse gas emissions (GHGs) will bring many benefits, including cleaner air, improved public health, and more jobs and business opportunities in the clean economy.

TAF and ED were encouraged to see the Ministry of Government and Consumer Services (MGCS) put forward proposed regulatory changes to the Condominium Act, 1998 in support of the expansion of Electrical Vehicle (EV) charging infrastructure.

Converting to electric vehicles is an integral part of meeting our GHG reduction goals outlined in the Climate Change Action Plan. Transportation accounts for 35% of Ontario's GHG emissions, with road transportation making up a significant

portion of that 35%, and passenger vehicles in particular contributing the largest share of these emissions.¹ Furthermore, the province has committed to a zero emission vehicle adoption target of 5% of passenger vehicle sales by 2020.

While there are provisions in the new proposed Ontario Building Code for the required inclusion of EV charging station infrastructure, existing condominiums represent a significant percentage of residences in Ontario. Condominiums now represent one-third of all new dwellings built in Canada in the last five years, up from a mere 6% before 1980.² Considering this rapid rise in condominium uptake, regulations supporting the retrofit of existing parking spaces for the inclusion of EV charging infrastructure are essential to support consumer uptake of electric vehicles.

We would like to commend the MGCS for this policy initiative and offer the following comments:

Section 2: Lower the minimum consent requirement for condominium declaration amendments to facilitate the exchange of EV parking spaces

TAF and ED are supportive of lowering the access barriers for EV charging infrastructure, especially to allow for at home charging. Lowering the minimum consent requirement will help support the condo sector in making the transition to EVs. In order to further facilitate EV uptake, we encourage the MGCS to create a guidance document to help condo boards facilitate voluntary exchanges without being required to amend their condo declaration. At a minimum, we feel that no two owners should be unreasonably prohibited from exchanging parking spots for the purpose of facilitating EV charging if both consent to the change and notice is provided to the condo corporation.

Section 3: Eliminate notice and approval requirements to install EV chargers and related equipment

TAF and ED would like to suggest a modified version of this proposal. We recommend that the proposal eliminates approval requirements but retains provisions to provide notice of changes to condo owners. It is reasonable that other condo owners should be made aware of the changes happening in their building and are able to bring questions and/or concerns to the condo board. Additionally, by giving notice of the installation of EV charging infrastructure, it might encourage

¹ <https://www.ontario.ca/page/climate-change-strategy>

² <http://www.statcan.gc.ca/pub/11-627-m/11-627-m2017030-eng.htm>

other owners to coordinate their own charger installation, which could result in cost and energy efficiency gains.

Section 4: Require condo boards to approve the installation of an EV charging station by owners if certain conditions are met

TAF and ED are generally supportive of the requirements outlined in the proposed regulation. However, we feel that the final two conditions (“A requirement for a condo owner to obtain and pay for an electrical capacity audit, if needed, and if directed by the condominium corporation” and “A requirement for a condo owner to obtain and pay for a structural integrity assessment regarding the installation request, if needed, and if directed by the condominium corporation”) are too financially onerous for residents. The installation cost of an EV charging station in a condo is typically \$5,400+, which is a substantial upfront cost for condo owners.³ Adding additional financial requirements such as an audit or an assessment will further disincentivize individuals to install EV infrastructure and, therefore, transition to EVs.

Furthermore, it will not be necessary to conduct these types of assessments every time a resident would like to install an EV charging station in their parking space. It would be unfair to make the first condo owner who requests installation infrastructure to be forced to pay these costs, while following owners do not have to pay for these expenses. Therefore, we propose that structural assessments are only required when structural alterations are required for the installation (such as drilling through walls). And that the electrical capacity assessment is paid for by the condominium corporation since this assessment will be required for the reserve fund study outlined in section 5 and to inform each building’s strategy for incorporating EV charging infrastructure.

Finally, TAF and ED propose clarification to the following reasons under which a condo board could choose to reject a resident request to install an EV charging station in their parking space, regardless of meeting the stated conditions; “should the board determine that the installation would adversely affect the electrical capacity of the condominium property or assets of the corporation or if the installation would adversely affect the structural integrity of the condominium property or assets of the corporations”. Currently, these reasons are vague and open for a wide array of interpretations. This could result in condo boards rejecting reasonable requests, thereby undermining the purpose of these regulatory changes.

³ <http://www.plugndrive.ca/wp-content/uploads/2017/05/Enabling-EV-Charging-in-Condominiums.pdf>

We also recommend that if the Board rejects an owner's request for permission to install a level II EV charging station under these reasons, that they be granted permission for a level I charging station.

Section 5: Use of reserve funds to support EV charging installation

TAF and ED were pleased to see the inclusion of requirements to allow the use of reserve funds to pay for electrical capacity upgrades to support EV charging. Overall, this section presents some of the more crucial proposed changes to pave the way for increase large-scale EV adoption, since the changes aim to address the underlying capacity issues faced by both individuals and condominium boards who plan to install charging stations.

As a way to mitigate costs, we suggest consideration of Provincial funding to support the costs of the required reserve fund updates, electrical capacity audits, and/or electrical capacity upgrades.

Furthermore, we feel that condominiums may need more time to comply with the proposed requirements. We are concerned that the 12 month timeline to conduct reserve fund updates will create a backlog and drive up costs for completing this work. We propose that condominiums should be given at least 18 months to complete the reserve fund updates, and that work on the installation of EV charging infrastructure must begin by 2022 and be completed by 2025. This would allow condominiums the option of phasing in required electrical upgrades over several years to mitigate the financial impact on their reserve funds. Provincial funding could be phased to provide more generous incentives to those who complete installation by 2022 in order to encourage early adoption.

Generally, TAF and ED are supportive of including this proposal in both residential and commercial/industrial condominiums. The common argument against supporting the installation of EV charging in workplace parking over residential parking is that charging your vehicle during the day contributes to energy usage during peak hours and results in generally more "dirty" energy from the grid. However, charging in residences is usually done at night during off peak hours, resulting in cleaner energy from the grid.⁴ While TAF and ED recognize this point, we believe that increasing EV charging infrastructure in all building types will be the best way to increase EV uptake amongst consumers.

⁴ <http://www.plugndrive.ca/wp-content/uploads/2017/07/Electric-Vehicles-Reducing-Ontarios-Greenhouse-Gas-Emissions-A-Plugn-Drive-Report.pdf>

Section 6: Requirement to install Level-2 charging stations upon request of owners

TAF and ED commend MGCS for including a minimum level II charging station requirement.

We support an exemption to this requirement for condominiums with insufficient reserve funds to cover the expense immediately. Complying with this requirement could leave some condominiums with insufficient funds to cover critical repairs and replacements. Ideally, there should be clear criteria for such exemptions (e.g. if the estimated cost is greater than 50% of the current reserve fund balance), and the exemption should be time limited (e.g. 12 months).

Should this requirement not fit the needs of the condo corporations, we propose that this section only apply in situations where the board deems that electrical capacity or structural constraints will not permit the installation of EV charging stations in personal parking spots.

We appreciate the opportunity to provide feedback on this important policy to support EV consumer uptake. Please don't hesitate to contact us directly should you have any questions.

Sincerely,

Bryan Purcell
Director of Policy & Programs
The Atmospheric Fund

Keith Brooks
Programs Director
Environmental Defence

