January 28, 2019



Nathaniel Aguda Environmental Policy Branch 40 St. Clair Avenue West 10th floor Toronto ON M4V 1M2

Re: 013-4208: Preserving and Protecting our Environment for Future Generations: A Made-in-Ontario Environment Plan

Dear Mr. Aguda,

Since 1984, Environmental Defence 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.

The proposed Made-in-Ontario Environment Plan sets a new course for Ontario's new government on environmental action, laying out priorities for protecting our air, lakes and rivers, addressing climate change, conserving land and greenspace, and reducing litter.

There are many good initiatives in the Environment Plan, however we are concerned that this new course signals a clear weakening of ambition at a critical time for environmental action. In particular, dialing back Ontario's ambition on climate change could have serious consequences for future generations. A lack of firm commitments and timelines in the plan could mean that even Ontario's weakened greenhouse gas reduction goals will not be met.

The guiding principles and broad goals outlined in the plan to protect Ontario's greenspace, water, and air have already been threatened by Bill 66, legislation introduced after the plan's release. We acknowledge that the government no longer plans to proceed with Schedule 10 of Bill 66, which is a positive development. However, the drafting and introduction of Schedule 10 is concerning all the same.

We urge the government to follow this plan with legislation and regulations to ensure that the environmental initiatives contained in the plan are indeed carried out. We have included a series of recommendations to help strengthen the plan and increase its ambition. We hope that you will carefully consider these measures to protect the health of Ontario's environment and its people.

Sincerely,

KIS

Keith Brooks Programs Director Environmental Defence



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Chapter 1: Guiding Principles

Ontario has set ambitious Guiding Principles to shape the various elements of its Environment Plan. But these principles are not adequately reflected in the proposed plan, and have been directly contradicted in subsequent legislation.

Ontario's Environment Plan lists "Clear rules – strong enforcement" as a guiding principle, committing to "ensure that polluters are held accountable with tougher penalties, while reducing regulatory burden for responsible businesses." But the plan as proposed contains no clear additional rules, penalties or accountability measures for polluters. It does introduce ideas that may eventually become accountability measures, for example, performance standards for large industrial emitters (similar to the federal carbon price for industrial emitters), or stronger on-road enforcement of emissions standards. But without clear targets for these programs or parameters for who will be held accountable, it is impossible to know whether the proposed ideas will have any impact on greenhouse gas emissions, air pollution, or water protection.

The sweeping exemptions for polluters proposed in Schedule 10 of Bill 66, introduced after the Environment Plan's release, clearly violate the "strong enforcement" principle. Under Bill 66's "Open for Business Planning Tool," which the



government has now promised to remove, polluters could be granted a free pass to violate important environmental regulations like the Clean Water Act, the Greenbelt Act, the Oak Ridges Moraine Act, Lake Simcoe Protection Act etc. These exemptions would be granted with no public consultation, directly contradicting another guiding principle in the Environment Plan, the commitment to "trust and transparency" by "providing Ontarians with the information and tools required to understand the current environmental challenges we face..."

Despite the proposed removal of Schedule 10 of Bill 66, the government's willingness to violate these principles directly after the release of the Environment Plan raises serious concerns about their commitment to these values.

Recommendations:

- To ensure clear rules and strong enforcement, clarify which proposed measures would include penalties for polluters, how stringent these penalties would be, who they would apply to, and how they would lead to emissions reductions, cleaner air, and cleaner water.
- To prevent future legislation from undermining the Plan's principles, enshrine the Environment Plan's principles in legislation including a clear and specific conflict provision stating that any regulations or exemptions would be void if they conflict with Ontario's Environment Plan.

Chapter 2: Protecting our Air, Lakes and Rivers

Throughout the Clean Water section of the Environment Plan, many proposed actions and statements have the potential to meaningfully and effectively protect clean water in Ontario. Environmental Defence was pleased to see mention of the importance of: source water protection activities, commitments to provincial-federal agreements such as the Canada-Ontario Agreement and the Lake Erie Domestic Action Plan, the implementation of the Lake Simcoe Protection Plan, and mention of the threats posed by certain contaminants like excessive road salt. However, the Plan does not go far enough. Each section requires specific and measurable actions including committed timelines and targets.

2.1: Source Water Protection Programs

The Environment Plan identifies two proposed actions that pertain to the *Clean Water Act* and specifically to drinking water source protection programs and policies.

1. To continue to protect and identify vulnerable waterways and inland waters, and to build on the Ministry's monitoring and drinking water source



protection activities to ensure that environmental impacts from road salt use are minimized.

2. To ensure sustainable water use and water security for future generations, and to ensure the knowledge gained through the drinking water source protection program helps inform our water management programs.

As the Environment Plan states, Ontario has gained significant knowledge of threats to our drinking water through source protection programs, committees and their associated actions across the province. There are currently 38 source protection areas that geographically cover 97 percent of Ontario's population, and 82 per cent of Ontarians are living in an area covered by a source protection plan¹. Source protection plans are keeping a large majority of Ontarians' drinking water safe at the source with watershed based actions to address the specific local drinking water threats. In the 2018 Environmental Commissioner of Ontario report, a comprehensive review of source protection committees' actions found that:

"The committees proved to be committed and capable arbiters of the wide variety of issues at play when deciding on which policy approach to apply. In particular, the committees demonstrated careful weighing of the financial consequences of imposing various requirements, without sacrificing the ultimate goal of drinking water safety." (pg. 18)

Source protection committees have applied local planning approaches effectively and all 38 source protection plans across Ontario are now at least half-way through the implementation phase. The progress made so far is a testament to the strength and effectiveness of local watershed based planning. It is absolutely essential to build on source protection activities and ensure that all committees are equipped for success in implementing various source protection plans across the province.

Recommendations:

The government should act immediately on its Environment Plan action items for clean drinking water by:

- Building on source protection activities
- Continuing to use knowledge gained through the source protection plans to inform water resource management going forward

2.1: The Great Lakes

The Environment Plan sets out a reasonable approach to protection of the Great Lakes, although Environmental Defence has several suggestions on how to

¹ https://docs.assets.eco.on.ca/reports/environmental-protection/2018/Back-to-Basics-Volume2-Ch1.pdf



strengthen the Ministry's commitments as proposed in the Plan. It is true that in a long-term outlook, the health of the Great Lakes has improved over past decades. However, according to the State of the Great Lakes technical report for 2017, the Great Lakes' health is generally categorized as fair and unchanging². For some indicators, namely Invasive Species, the Great Lakes are actually categorized as poor and deteriorating. The assessment becomes especially concerning when a lake by lake review is undertaken. Lake Erie, for example, was assessed as poor or fair, and in many indicators deteriorating in health. This assessment suggests that additional funding, resources and political will are required in order to bring all of the Great Lakes to good and improving health. Although improvements have been made over the long term, dedicated efforts are needed to ensure significant improvements in the short- and medium-term.

The Environment Plan sets out two main action items in regards to the Great Lakes:

- 1. To continue partnerships and negotiations with the federal government under agreements and plans such as the Canada-Ontario Great Lakes Agreement (COA), and the Canada-Ontario Lake Erie Action Plan (Domestic Action Plan).
- 2. To review and update Ontario's Great Lakes Strategy to continue to protect fish, parks, beaches, coastal wetlands and water.

Provincial-federal agreements play an especially important role in the short term, as COA is up for renegotiation this year, and the Canada-Ontario Lake Erie Action Plan (Domestic Action Plan) has reached a critical juncture between planning and implementation. The Environment Plan highlights the investment to date under COA. Environmental Defence strongly suggests that this funding be increased to ensure actions to improve Great Lakes' health are supported with financial resources. In addition, Environmental Defence expects that stakeholders will have opportunities to comment and participate in COA renegotiation, and in establishing an implementation plan for the Domestic Action Plan for Lake Erie.

Along with our partners, Freshwater Future and Canadian Freshwater Alliance, Environmental Defence has submitted expectations for the workplan development for the Domestic Action Plan to provincial and federal Great Lakes Water Quality Agreement, Annex 4 co-leads. We trust this will be used as a resource in order to make the above action items targeted and specific.

In the Domestic Action Plan, there is a commitment to develop a workplan by February 2019; a deadline that is quickly approaching³. Environmental Defence and our colleagues in other environmental organizations are interested in meeting with staff at the Ministry of Environment, Conservation and Parks to review the workplan expectations and provide stakeholder input to implementation of the Domestic Action Plan. We hope that the workplan is on track for the February 2019 deadline. If delays are expected, we request that the federal and provincial governments update stakeholder on the progress and projections for workplan completion. Lake Erie is in desperate need of intervention. Implementation must begin as soon as

² https://binational.net/2017/06/19/state-of-the-great-lakes-2017/

³ https://www.ontario.ca/page/canada-ontario-lake-erie-action-plan



possible in order to begin to make progress on the 40 per cent reduction in phosphorus loading target as set out by the Domestic Action Plan.

In terms of the Ontario Great Lakes Strategy, the Environment Plan reaffirms the importance of environmental protections for fish, parks, beaches, and coastal wetlands. The action item in the plan under this heading is broad and unspecific but generally positive.

Reducing phosphorus contamination in the Great Lakes to prevent excess or harmful algal blooms should be a top priority, as it remains a significant threat for most Great Lakes, and is an especially critical threat for Lake Erie. Environmental Defence agrees that plastic pollution and contaminants on our shorelines are a threat. The Great Lakes are burdened with approximately 10,000 tonnes of plastic pollution every year⁴. It is critical that the Great Lakes are included in national and provincial efforts to address plastic pollution in our environment. We were pleased to see road salt contamination addressed in this action item, and support the proposal to include protection from excess road salt in the Ontario Great Lakes Strategy.

Environmental Defence sits on a provincial Chlorides Working Group and along with our partners World Wildlife Fund Canada (WWF Canada) and Canadian Environmental Law Association (CELA) we have submitted a letter to the Ministry of Environment, Conservation and Parks asking that chlorides are added as a Provincial Water Quality Objective (PWQO)⁵. As outlined in the letter, by creating a PWOO for chlorides, the government can move to determine whether chloride levels in Ontario's water bodies are safe and can identify areas for remediation or stricter protections from road salt. We appreciate the response from the Ministry received on December 12, 2018 and sincerely hope there is more opportunity to discuss the addition of a PWOO for chlorides. It is positive to see that the Environment Plan acknowledges the significant threat road salt poses to the environment, freshwater ecosystems, to Ontario's infrastructure, and to drinking water. There is evidence that salt use in Ontario can be significantly reduced⁶, and steps must be taken to do so by, among other things, creating a PWQO for chlorides. Environmental Defence and our partners in the Chlorides Working Group are available to meet with Ministry staff to further discuss action items to address road salt contamination.

- Issue an update from the provincial and federal governments on progress for the Domestic Action Plan workplan, due February 2019.
- Consult with Great Lakes stakeholders and renegotiate COA toward stronger protections for the Great Lakes, and increased funding to ensure action items are implemented.

⁴ https://www.sciencedirect.com/science/article/pii/S0025326X1630981X?via%3Dihub

⁵ http://www.cela.ca/sites/cela.ca/files/1216-PWQO%20for%20chlorides-MECP%20letter%20and%20brief.pdf

⁶ https://docs.assets.eco.on.ca/reports/environmental-protection/2018/Back-to-Basics-Volume2-Ch2.pdf



- Review the Ontario Great Lakes strategy with the intent to strengthen protections of the Great Lakes by committing to addressing key contaminants: phosphorus pollution, road salt contamination and plastic pollution.
- Create a PWQO for chlorides so that contamination from road salt in the Great Lakes and in Ontario more broadly can be monitored and areas for remediation or stricter protections can be identified.

2.3: Inland Waters

There are several action items proposed in the Environment Plan with regard to the protection and identification of vulnerable waterways and inland waters. Most promising is the commitment to continue the implementation of the Lake Simcoe Protection Plan. Lake Simcoe has experienced some improvement in recent years; however the urgency and need for continued action cannot be overstated. Lake Simcoe's chief issue remains excessive phosphorus pollution which enters the lake from exposed soil and nutrients on farms, and from new developments. The Lake Simcoe Protection Plan, under the *Lake Simcoe Protection Act* sets out policies and a Phosphorus Reduction Strategy that aims to reduce phosphorus loads from approximately 85 tonnes per year to 44 tonnes per year, but not enough progress has been made on these goals⁷. According to the Phosphorus Reduction Strategy, the reduction targets rely on 'future innovation', meaning the targets have no room for risky developments in the Lake Simcoe Protection Plan⁸.

Other notable actions under the inland waters' section of the Environment Plan include the protection of the Lake of the Woods from phosphorus pollution and a commitment to build on source protection activities and addressing the threat road salt contamination poses to drinking water. Environmental Defence is supportive of these proposed actions.

- Continue to implement and improve the Lake Simcoe Protection Plan targets and policies where necessary.
- Uphold the Ministry's commitment to build on source water protection activities and ensure that the policies set out by source protection committees are upheld in any planning decision in Ontario.

⁷ https://rescuelakesimcoe.org/

⁸ https://www.ontario.ca/page/lake-simcoe-phosphorus-reduction-strategy



2.4: Water Security

The Environment Plan put forward a few main action items in regard to ensuring the sustainable use of water, and water security for future generations. Environmental Defence strongly supports the proposal to continue the review of Ontario's water taking policies, programs and science tools toward ensuring that vital water resources are protected and used sustainably. Water taking priorities in Ontario should be clear and well defined, prioritizing availability for drinking water and agriculture above corporate and industrial use.

Environmental Defence is supportive of the Ministry's recent decision to extend the moratorium on new and expanded water taking permits for water bottling in Ontario for an additional year, until the pending review can be completed. We have been active participants on the province's Water Quantity Working Group and look forward to the upcoming opportunities to review the BluMetric scientific findings. We also look forward to future meetings of the Working Group, and hope that multi-stakeholder input in regards to water taking remain the focus going forward.

This section of the Environment Plan once again reinforced and highlighted the knowledge gained through drinking water source protection programs and how they inform broader water management programs within the Ministry.

Recommendations:

- Make the scientific review of water taking and groundwater supplies in Ontario available to stakeholder members of the Water Quantity Working Group.
- Keep the focus and the mandate of the Working Group on fostering multi-stakeholder input for reviewing water taking policies and programs in Ontario.

2.5: Wastewater and Stormwater Management

Environmental Defence supports the proposed action items in regard to improving municipal wastewater and stormwater management and reporting; however, as with other action items, they require targets, timelines and funding commitments to be realistic. Increased transparency and real-time monitoring allows the public to be informed of sewage overflows and potential contamination in the lakes and rivers they frequent. Sewage overflows are also caused by blockages due to plastic and other debris. Transparency on the causes of such blockages and overflows should be accessible to the public. Furthermore, funding of the upgrading of the stormwater systems should be partially financed by the companies that are responsible for the debris under the Extended Producer Responsibility schemes that will be adopted in Ontario. Sewage overflows present a major source of dangerous



pathogens such as *E. coli* and can have ecosystem impacts as well as lead to closures across many beaches in Ontario.

In the Environmental Commissioner of Ontario's 2018 report, it was detailed that there are 55 combined sewer systems in 44 Ontario municipalities and in 2017-2018 Ontario had 766 combined sewage overflows⁹. Environmental Defence agrees with the recommendations made in the Commissioner's report: that combined sewer overflows can be stopped and impacts from overflows can be reduced by increasing capacity of sewage treatment systems, and by reducing the amount of storm water that flows into combined sewers. Although no new combined sewers are being constructed, the Ministry must ensure that municipalities exercise due diligence to comply with Ontario Water Resources Act and that existing combined sewers are phased out.

Sewer overflows and *E.coli* contamination can have serious impacts on recreation economies across Ontario, as they often result in beach closures and loss of tourism revenue. However, over the past 15 years many Ontario beaches have been recognized internationally for their water quality excellence through the Blue Flag program. The eco-certification program connects the public to up-to-date water quality results and rewards communities with safe swimming water beaches. This in turn incentivizes municipalities to prevent combined sewer overflows and prevent bacteriological contamination of beaches. Over the past 15 years, the Blue Flag program has helped municipalities address water quality issues and improve the swim-ability of their beaches. There are now 22 Blue Flag awarded beaches in Ontario, with an additional 3 beaches pursuing certification for 2019¹⁰. Environmental Defence is the National Operator for this international eco-certification, globally managed by the Foundation for Environmental Education.

In addition to the proposals in the Environment Plan to increase transparency of sewer overflow incidents, we propose that the Ministry support the Blue Flag program and highlight clean beaches in the province. This incentivizes municipalities to improve wastewater and stormwater management, and improve the recreational water quality of their coastal areas. Over the past 3 years the Blue Flag program has fostered a positive working relationship with Parks Ontario. In many jurisdictions, a memorandum of understanding between government agencies and the Blue Flag program has achieved an increase in Blue Flag Certified sites. The same arrangement between Parks Ontario and Blue Flag Canada would reaffirm the Ministry's commitment to clean parks, and would help to internationally recognize Ontario provincial park beaches as safe and sustainable tourism destinations.

Recommendations:

• Act on proposals in the Environment Plan to increase transparency of combined sewer overflows and their impact on recreational waters in Ontario.

⁹https://docs.assets.eco.on.ca/reports/environmental-protection/2018/Back-to-Basics-Volume2-Ch2.pdf

¹⁰ www.blueflag.ca



- Require municipalities to exercise due diligence to comply with the Ontario Water Resources Act and take steps to reduce the number of combined sewers in Ontario.
- Consider a memorandum of understanding between Ontario Parks and Blue Flag Canada to promote Ontario beaches and increase the number of Provincial Park beaches that are Blue Flag certified.
- Upgrade wastewater and stormwater management systems are partially financed by businesses responsible for the debris responsible for the blockage of the sewer systems under Extended Product Responsibility schemes.

Chapter 3: Addressing Climate Change

3.1: Weakening Ontario's Targets

The Environment Plan includes a new, weaker 2030 greenhouse gas emission reduction target for Ontario, and removes any commitment to a long-term 2050 target. This will lead Canada's most populous province to emitting about 30 additional mega tonnes of greenhouse gas emissions in 2030. For context, this would undo all of the emissions reductions achieved from Ontario's coal phase out.

Difference in ambition	-30 mega tonnes	
Ontario's new 2030 target	143 mega tonnes	30% below 2005 levels
Ontario's previous 2030 target	113 mega tonnes	37% below 1990 levels

Put another way, the new weaker targets are consistent with warming of about 4 degrees Celsius, while previous targets lined up more closely with 2 degrees of warming. Four degrees of warming would result in significant loss of human life and species extinction in Ontario and around the world. This is why scientists are asking governments to step up action to hold warming to 1.5 degrees Celsius to avoid the worst impacts of a warming planet. The IPCC's recent special report highlighted that to stay below this threshold, all governments need to cut global emissions in half by 2030, and down to net zero by 2050.

Ontario's new targets now line up with federal government's 2030 emissions reduction target. But the change comes just as the federal government is reviewing their targets in light of new scientific evidence showing they won't achieve Canada's Paris commitment to keep warming to well under 2 degrees Celsius. With the information we now have at hand, it is extremely troubling that Ontario plans to



significantly scale back efforts to fight climate change at a make-or-break moment for climate action.

The argument that Ontario has already done enough does not hold up under scrutiny. Scientists have redefined "enough" as taking all possible action to reduce emissions. Ontario should be increasing ambition on climate change, not walking back from prior commitments.

Recommendations

- Restore Ontario's previous 2030 GHG reduction target (37% below 1990 levels), which is fully achievable without compromising Ontario's economic growth.
- Add IPCC-recommended goal of net-zero emissions by 2050. A long-term target is key to making responsible long-term decisions.

3.2: Funding Climate Action

\$500 million has been set aside to fund Ontario's Environment Plan, with \$400 million bound for climate action. It is our view that this is an insufficient investment to achieve the level of action needed to address climate change in Ontario.

Previous government funding for climate action came from Ontario's price on carbon pollution through a cap-and trade system. This funding of almost \$2 billion per year was used exclusively to reduce greenhouse gas emissions in Ontario through the Climate Change Action Plan. In comparison, \$500 million over four years is a drastic funding cut for climate action.

MECP has not released updated figures on the funds remaining from cap-and-trade revenues, which had previously been set aside exclusively for climate action. It's estimated that \$1 billion remained when the new government took office, leaving up to \$500 million in extra funding for additional climate action. These revenues were collected from participants in the cap-and-trade program in good faith, who understood that, by law, the money was bound for action to fight climate change.

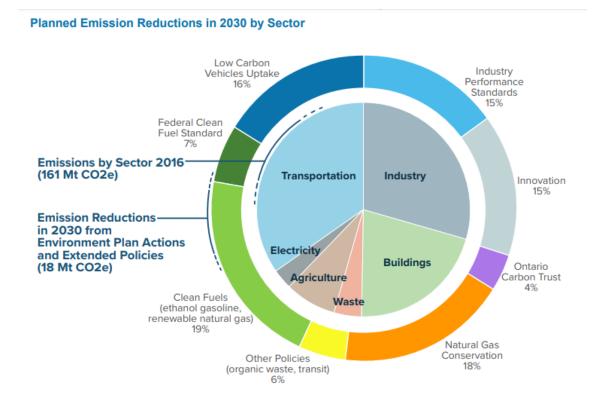
With increased funding the government could take broader action, and restore the most effective programs previously funded by cap-and-trade. This funding could help Ontarians transition to clean, energy-efficient homes, switch to vehicles that don't pollute, help municipalities and school boards retrofit aging buildings, and many more effective solutions to reduce carbon pollution.



Recommendations

- Honour Ontario's commitment to transparency by releasing updated information on how cap-and-trade revenues were spent, and how much of this funding remains
- Commit the entirety of these remaining funds, estimated to be up to \$1 billion, to climate action initiatives.

3.3: Planned Emissions Reductions by Sector



<u>Clean Fuels – 19%</u>

The bulk of the emissions reductions in this category come from a commitment to increase the renewable content requirement in gasoline from the current 5% up to 15% by 2025, and requiring natural gas utilities to implement a voluntary renewable natural gas option for customers.

This increase in the renewable content requirement in gasoline is a welcome step, as was the previous government's planned renewable content increase from 5% to 10%. But raising blending requirements should be seen as a transitional tool to reduce emissions from the transportation sector as we await implementation of a Clean Fuel Standard in Canada (CFS), which will set gradually decreasing targets



for the carbon intensity of fuels. The design of this planned increase in blending requirements should take into account CFS design details and align requirements wherever possible to eliminate creating a patchwork of overlapping requirements to achieve a similar purpose. Ontario's renewable fuel standard should also recognize the differing carbon intensities of fuels and reward them on that basis, rather than simply requiring a minimum ethanol content.

Ultimately, to achieve deep decarbonization there needs to be a broader shift in how people and goods are moved which far surpasses what is possible with blending requirements. To accelerate this shift, we would like to see equivalent effort go into investing in a fully integrated transit network, encouraging active transportation methods like cycling and walking, and helping more Ontarians shift to lower-carbon vehicles like electric vehicles. These alternatives will achieve much greater emissions reductions than adjusting renewable fuel content in gasoline. We acknowledge that the Environment Plan makes mention of more investments in transit. We would like to see the details of those investments laid out.

Recommendations:

- Align the design of any new renewable fuel regulations with federal programs to achieve similar results (i.e. Clean Fuel Standard) and reward the differing carbon intensities of different fuel blends
- Expand action to reduce GHG emissions from transportation to support a broader shift to alternatives like transit, electric vehicles, cycling, and walking

Natural Gas Conservation – 18%

Natural gas conservation is slated to be the second-largest source of all reductions by sector at 18% of all reductions. Analysis has shown that Natural Gas Conservation has huge potential to reduce emissions in Ontario while reducing costs to customers.

To comply with the goals in the Environment Plan, Ontario needs to take immediate and ambitious action to expand Demand Side Management (DSM) programs for customers as planned for 2019 and 2020. For example, the utilities need to begin program development and planning work now in order to ramp up DSM programs as required by the Environment Plan. In addition, the regulatory framework and schedule needs to enable that work.

The Ontario Energy Board (OEB) and utilities need to start working on this now to have a hope of achieving overall 2030 reduction targets.



- Immediately direct utilities to develop detailed programs and plans to achieve the increased gas conservation committed to in the Environment Plan
- Move forward the development of the next DSM framework by a year and aim for completion by the third quarter of 2019.

More details on proposed developments to expand programming can be found in <u>these recommendations</u> from Environmental Defence and the Green Energy Coalition to the Ontario Energy Board.

Low Carbon Vehicles Uptake – 16%

This is an ambitous estimate considering the recent cancellation of Ontario's incentive program for electric and hydrogen vehicles (EHVIP), which helped accelerate sales, as well as incentives for charging stations.

The cancellation of these incentives and actions will significantly lower EV uptake in Ontario in the near future. Changes to the amount of renewable energy in Ontario's electricity supply will also impact the GHG emissions created by EVs. We urge the Ontario government to outline the assumptions that have gone into this cacluation.

Have existing calculations for EV uptake taken these changes into consideration? How many EVs would need to be on the road in 2030 to meet this goal? What data was used to calculate emissions output from electricity use?

If these estimates assumed implementation of the previous government's Climate Change Action Plan and Long Term Energy Plan, the GHG emissions from EV uptake in Ontario will be less significant than projected in the plan. To address this, Ontario needs to either drastically step up action to drive up EV uptake, or find emissions reductions in other areas.

- Set clear and transparent targets for EV uptake in Ontario, and clarify how these targets will be met
- Invest in policies and programs to make electric vehicles more affordable for all Ontarians, ensuring electric vehicles are available for those who wish to purchase them in Ontario, and ensuring adequate charging locations are available to Ontarians driving electric vehicles



<u> Innovation – 15%</u>

Planned emissions reductions in this category will be from "potential advancements in energy storage and cost-effective fuel switching from high intensive fuels in buildings to electricity and lower carbon fuels." But with no specific policies or commitments listed to support these changes, it's still unclear as to why this category was included in a government action plan or how the GHG emissions reductions numbers were arrived at.

Recommendations:

• Clarify proposed government action to support the advancements mentioned in energy storage and fuel switching, and set timelines for implementation.

Industry Performance Standards – 15%

Since the federal government has already implemented their output-based pricing system for large emitters, any changes to regulations for heavy emitters will mean more red tape for participating businesses. These businesses have already invested time and resources into switching from cap-and-trade to a federal pricing system. New standards should aim to minimize disruption while still meeting clear, ambitious emissions reduction targets.

Based on the information available, it is extremely unlikely that these performance standards will begin reducing Ontario's greenhouse gas emissions beginning in 2019, as indicated in the chart provided. The plan promises "consultation with industry partners" - a process which has yet to begin. In addition, we question whether large emitters will welcome an Ontario performance standard on top of the federal OBPS.

Recommendations:

- Review goals, impact, and feasibility of implementing Ontario's own standards for large emitters now that federal system is already underway
- If Ontario moves forward with these standards, model around federal Output-Based Pricing System as much as possible to ensure consistency

<u> Ontario Carbon Trust – 4%</u>

This program is one of the few proposals in the Environment Plan with a clear funding commitment, at \$400 million. However, it's projected to achieve a very small sliver of the overal emissions reductions, at 4%. From the brief description



available, the focus of the fund appears to be on funding private sector efforts to develop clean technologies, not helping individuals make the shift to these technologies. We support the idea that public money can be efficiently used alongside private investment, but to achieve the planned emissions reductions Ontario also needs to fund a range of actions to fight climate change.

We recommend matching this funding commitment to the private sector with funding to help everyday Ontarians shift to clean, energy-efficient solutions in areas of highest emissions – for example, incentives for more efficient heating and cooling systems, electric vehicles, or renewable energy. With evidence showing that cap-and-trade revenues have not been entirely allocated to climate action, this funding could initially come from money set aside specifically for this purpose.

To maximize impact, OCT funds need to be planned and implemented strategically to address specific barriers holding back promising projects, rather than aiming for a simple cost per tonne metric. For example, this funding could support small-scale projects with greater difficulty accessing financing, but high potential for community benefits and climate action. Although large-scale, established projects may offer less risk, these projects would have a greater shot at finding private funding on their own, meaning this is a less strategic use of public dollars. The Ontario Carbon Trust should also offer a diverse range of funding through tools like loans, credit enhancements, grants and incentives. This will help support a wider range of potential projects and achieve broader impacts across Ontario's economy. Ontario also needs to establish and share clear rules for assessing projects including a requirement to demonstrate that the public funds will leverage significant private dollars.

The \$400 million commitment includes \$50 million for a reverse auction designed to attract lowest-cost GHG reduction projects. This appears to be modeled on an Australian approach which has been widely criticized as unsuccesful and a poor use of public funds, due to problems with additionality (i.e. projects which may have happened without public funding) and a lack of accompanying limits on large polluters, which effectively drowned out the emissions reductions achieved from the fund. We do not support implementation of a similar program in Ontario, and recommend rolling the planned \$50 million into the broader Ontario Carbon Trust where it will have greater impact.

- Match funding commitment to private sector with funding to help everyday Ontarians shift to clean alternatives
- Design OCT for impact rather than just cost/tonne
- Offer a range of funding types geared to projects at different scales, including loans, grants, incentives, and credit enhancements



- Consult on clear criteria for assessing which projects the trust can support
- Reallocate \$50 million for reverse auction into broader Ontario Carbon Trust

<u>Other Policies (organic waste, transit) – 6%</u>

We support the commitment to improve diversion of organic waste from landfills, which includes expanding green bin and similar collections systems in large cities, as well as developing a proposal to ban food waste from landfills. We need more details on the ambition, timeline, and scope of these policies to assess their impacts. How much is the Province aiming to expand collection services, and where will the funding come from to do this? When will a proposal arrive to ban food waste from landfills? These and many other questions need clarification.

There is also a commitment to \$5 billion more for subways and relief lines. This appears to be not technically included in the Environment Plan's total spending, but raises a few questions. Is this \$5 billion on top of what is already set aside in provincial coffers for these projects, or does it include dollars already committed to projects like GO expansion and new TTC stations? Will the plan to upload the TTC to provincial responsibility include this additional funding? Again, these questions need clarification.

3.4: What's Missing?

A few key areas of climate action are missing from the plan. These are missed opportunities for Ontario, and we recommend expanding Ontario's plans for climate action to include these important actions.

Building Code updates:

Heating and cooling our buildings is responsible for about 20 per cent of Ontario's emissions. To bring this down, Ontario needs tighter standards for new buildings as well as strong policies for existing buildings, most of which will stand for decades to come. The plan commits Ontario to reviewing the Building Code to support adoption of cost-effective energy efficiency measures, but does not commit to any specific measures or timelines for implementation. Updating the Building Code is a prime opportunity to ramp up energy efficiency standards across the province and set the stage for an inevitable, and necessary, shift to net-zero buildings. More details are needed on proposed improvements including timelines, proposed energy efficiency measures, and target dates for net-zero new buildings.



Heavy vehicle emissions:

As Ontario's economy grows, carbon pollution from freight vehicles and other heavy vehicles is growing rapidly. The plan includes a commitment to "redesign the emissions testing program for heavy-duty vehicles (e.g. commercial transport trucks) and strengthen on-road enforcement of emissions standards." It's good to see willingness here to take action, but there is no commitment to actually reduce emissions through this program. What scale of emissions reductions are being considered, and how will a testing program achieve this?

Support for municipalities:

Many previously funded municipal projects like social housing retrofits, bike lanes, and renewable energy systems were cancelled by the Province along with cap-andtrade. These projects helped municipalities tackle their own low-hanging fruit to achieve emissions reductions, and helped save money for cash-strapped municipalities while reducing emissions on a broad scale. We recommend reestablishing a fund to help municipalities implement these projects.

Chapter 4: Conserving Land and Greenspace

Land use planning supports the wise use and management of our resources. The Made in Ontario Environment Plan proposes to `improve coordination of land use planning and environmental approval processes by updating ministry guidelines to help municipalities avoid the impacts of conflicting land uses.'

It is very difficult to avoid conflicting land uses, but there are tools that help mitigate uses. When conflicting land uses can't be avoided in natural heritage or agricultural areas, it is important to maintain the function of the lands. Using the provincial agricultural systems mapping and natural heritage systems mapping provides the guidance municipalities need to avoid these critical areas.

Currently the Provincial Policy Statement 2014, section 2.0. outlines a planning framework for the wise use and management of resources. It requires the long term ecological function and biodiversity of natural heritage systems. In natural heritage areas, the goal should be maintaining ecological integrity of the feature and the connectivity of natural heritage systems.

Agriculture is a business and a top employer in Ontario providing 822,000 jobs and \$40 billion in GDP. With only 5% of the land in Ontario available for agriculture it should be protected for our long term prosperity. The 2014 PPS, the 2017 Growth Plan and Greenbelt Plan provide policies needed for a healthy agricultural sector. Agricultural impact assessments are an important tool to avoid land use planning conflicts while supporting the business of agriculture.



Recommendations:

- Help municipalities avoid conflicting land uses by following Section 2.0. in the 2014 PPS, the 2017 Growth Plan and Greenbelt Plan.
- Require Agricultural Impact Assessments and Environmental Impact Assessments
- Incorporate provincial agriculture and natural heritage system mapping when updating Official Plans through the MCR process.

Conclusion

The proposed Made-in-Ontario Environment Plan needs significant strengthening, consultation, and review before it is ready for implementation.

We are concerned that a weakening of Ontario's ambition on climate change could have serious consequences for future generations. In addition, a lack of firm commitments and timelines in the plan could mean that even Ontario's weakened greenhouse gas reduction goals may not be met.

We are also concerned that Ontario has already threatened the integrity of this plan with subsequent legislation and, though the most dangerous portion of that legislation is now going to be withdrawn, we remain concerned that elements of the plan could well be undermined by subsequent legislation or other government actions. The principles of the Environment Plan need to be enshrined in actual legislation.

We hope that after the consultation period closes, the province will carefully review feedback and release a more detailed action plan with clear and transparent timelines, adequate funding, and a recommitment to environmental protection.

As indicated in this submission, Environmental Defence would like to be consulted and participate in the development of many of the actions in the plan. We look forward to working with the Ontario government toward the long-term protection of Ontario's air, land, water and climate.