



Canadian
Environmental Law
Association
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Ontario Climate Policy Through a Climate Justice Lens

Theresa McClenaghan, Executive Director and Counsel

Barbora Grochalova, Student-at-Law

Canadian Environmental Law Association

Low Income Energy Network Annual Conference

March 23rd, 2016

Overview



Climate policy or climate acknowledgment?

Is it effective?

Is it just?

Mitigation - Efforts to reduce or prevent the emission of greenhouse gases

Adaptation - Building resilience to the adverse impacts of climate change

United Nations Environment Programme, www.unep.org

Impacts on Low-income and Vulnerable Communities

Human health - range of vector-borne diseases

- extreme heat
- air pollution

Food security - crop failure

- changing growing conditions

Water security - quantity and quality

Infrastructure damage due to extreme weather, melting of permafrost

Employment - farming

- forestry (forest fires, invasive species)
- guiding jobs

Global Recognition



- 195 countries signed the **Paris Agreement**:
keep climate change to well below 2°C, pursue efforts to limit increase to 1.5°C



Urgency of Climate Change: Carbon Budget

Carbon Brief 2014 analysis, using Global Carbon Project data

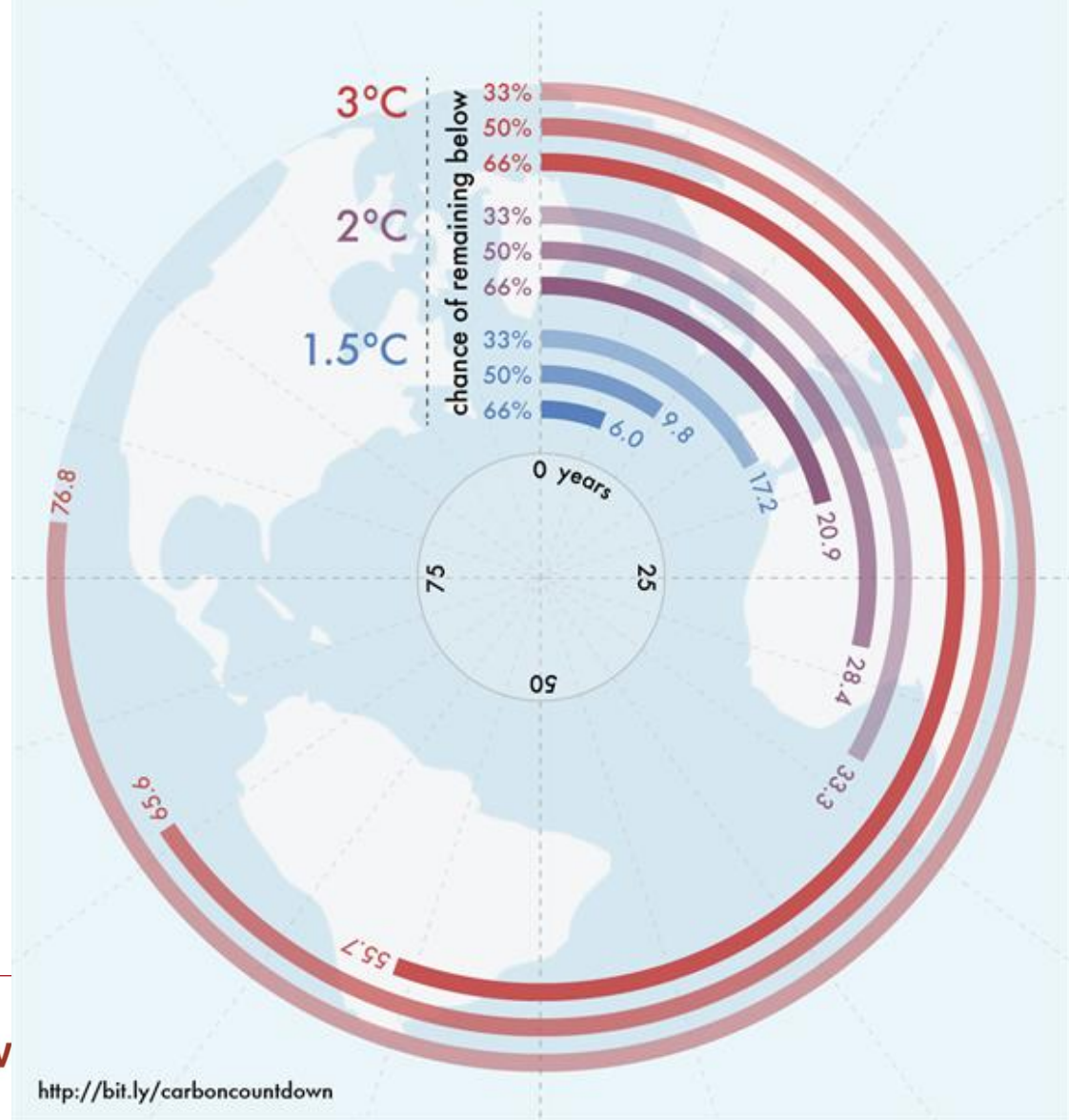
<http://www.carbonbrief.org/six-years-worth-of-current-emissions-would-blow-the-carbon-budget-for-1-5-degrees>



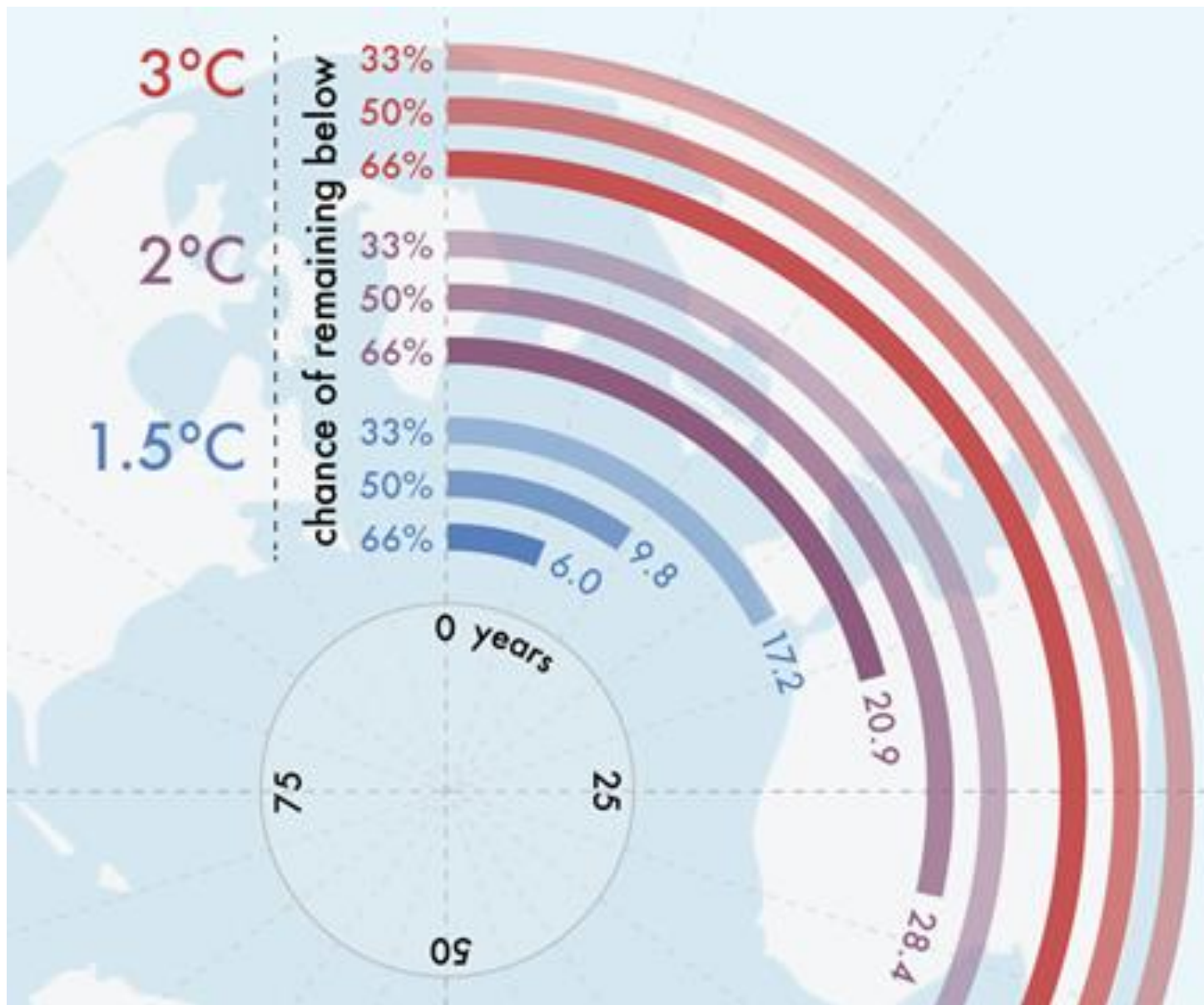
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Carbon Countdown

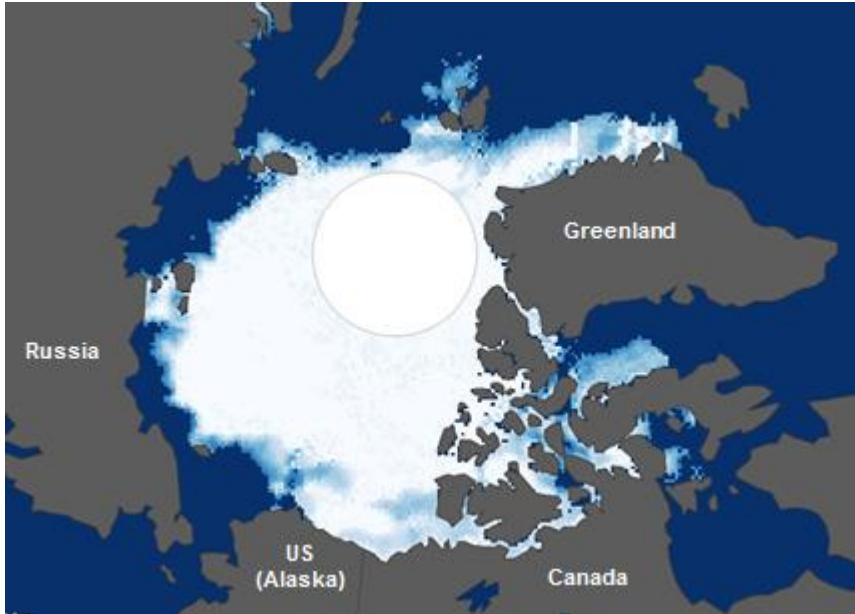
How many years of current emissions would use up the IPCC's carbon budgets for different levels of warming?



<http://bit.ly/carboncountdown>



Urgency of Climate Change: Positive Feedback Loops



Average September Arctic Sea Ice Extent
- 1984



Average September Arctic Sea Ice
Extent - 2012

Environment and Climate Change Canada - www.ec.gc.ca/

Canadian Commitments

- Canada: Vancouver Declaration Signed March 3, 2016.
 - Adopts existing target 30% reduction from 2005 baseline by 2020
- BC: carbon tax \$30 per tonne
- AB: currently intensity-based targets with a price \$20 per tonne over target
 - Carbon price \$20 in 2017, on-site combustion in oil and gas in 2023, product-based performance standard
- SK: 50% Renewable energy by 2030
- QC: WCI cap and trade program since 2012, covers 85% emissions
- MB: will join Western Climate Initiative (WCI) cap and trade

Ontario Commitments

Provincial emission reduction targets:
(1990 baseline)

- 15% by 2020
- 37% by 2030
- 80% by 2050

Cap and trade proposal announced February 24 and 25,
intention to join WCI

- *Climate Change Mitigation and Low Carbon Economy Act (Bill 172)* - EBR: 012-6844, Comments due March 25
- *Cap and Trade Regulatory Proposal* - EBR: 012-6837, Comments due April 10

Act Proposal Notice:

Title:
Climate Change Mitigation and Low-Carbon Economy Act, 2016

EBR Registry Number: 012-6844
Ministry:
Ministry of the Environment and Climate Change
Date Proposal loaded to the Registry:
February 24, 2016

Keyword(s): Air **Related Act(s):** Environmental Protection Act, R.S.O. 1990
Comment Period: 30 days: submissions may be made between February 24, 2016 and March 25, 2016.

Description of Act:

Climate change represents one of the most urgent issues of our time. To help mitigate climate change, Ontario is proposing to implement the Climate Change Mitigation and Low-Carbon Economy Act, 2016 (the Bill). The Bill intends to establish a long-term framework for climate action. It would provide a strong foundation for Ontario's cap and trade program, and require regular action plans that set out actions under a regulatory scheme designed to modify behaviour that will enable Ontario to achieve its targets for the reduction of greenhouse gas.

By taking action now, Ontario's households and communities, infrastructure, agricultural resources, natural areas and ecosystems, including the Great Lakes and the boreal forest, will be better protected for the benefit and enjoyment of all. Ontario will also be well positioned to take advantage of the low-carbon economy through local job creation, an expanding low carbon technology sector and other global economic opportunities.

All Ontarians have a role to play in addressing climate change, including understanding how Ontarians contribute to greenhouse gas emissions and changing their behaviour to reduce those emissions.

The Government of Ontario believes that the public interest requires a broad effort to reduce greenhouse gas and to build a cleaner and more prosperous Province. The Government intends to involve and engage individuals, businesses, communities, municipalities, non-governmental organizations and First Nation and Métis communities in the ultimate goal of fostering a high productivity, low-carbon economy and society in Ontario.

First Nation and Métis communities have a special relationship with the environment and are deeply connected spiritually and culturally to the land, water, air and animals. They may offer their traditional ecological knowledge as the Government of Ontario develops specific actions.

The Government of Ontario cannot address this challenge alone. As a leading sub-national jurisdiction, Ontario intends to participate in the international response to reduce greenhouse gas by establishing a carbon price. Through the cap and trade program, this Act establishes a broad carbon price that is intended to change the behaviour of everyone across the Province, including spurring low-carbon innovation. A cap and trade program in Ontario will allow Ontario to link to other regional cap and trade markets.

In addition to the carbon price signal and to further support the reduction of greenhouse gas, the Government of Ontario intends to pursue complementary actions that will support and promote the transition to a low-carbon economy.

Enabled and supported by the cap and trade program and these actions, the Government of Ontario envisions, by 2050, a thriving society generating fewer or zero greenhouse gas emissions. Businesses and innovators will be creating world-leading low-carbon technologies and products that drive new economic growth productivity and job creation. Ontarians will live, work and travel in sustainable ways in healthier and more liveable communities.

Contact:

All comments on this proposal must be directed to:

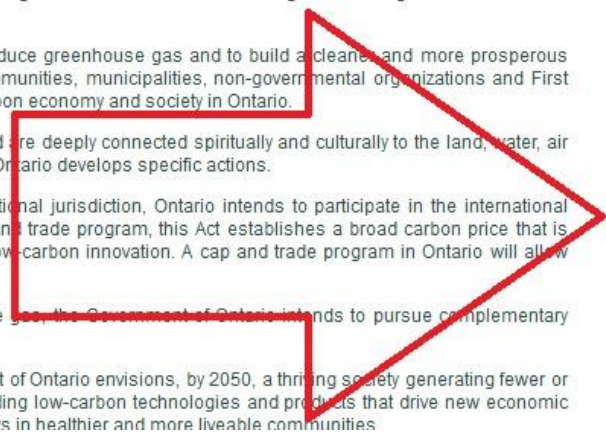
Melissa Ollevier
Senior Policy Advisor
Ministry of the Environment and Climate Change
Climate Change and Environmental Policy Division
Air Policy Instruments and Programs Design Branch
77 Wellesley Street West
Floor 10
Ferguson Block
Toronto Ontario
M7A2T5
Phone: (416) 212-4552

To submit a comment online, click the submit button below:

Submit Comment

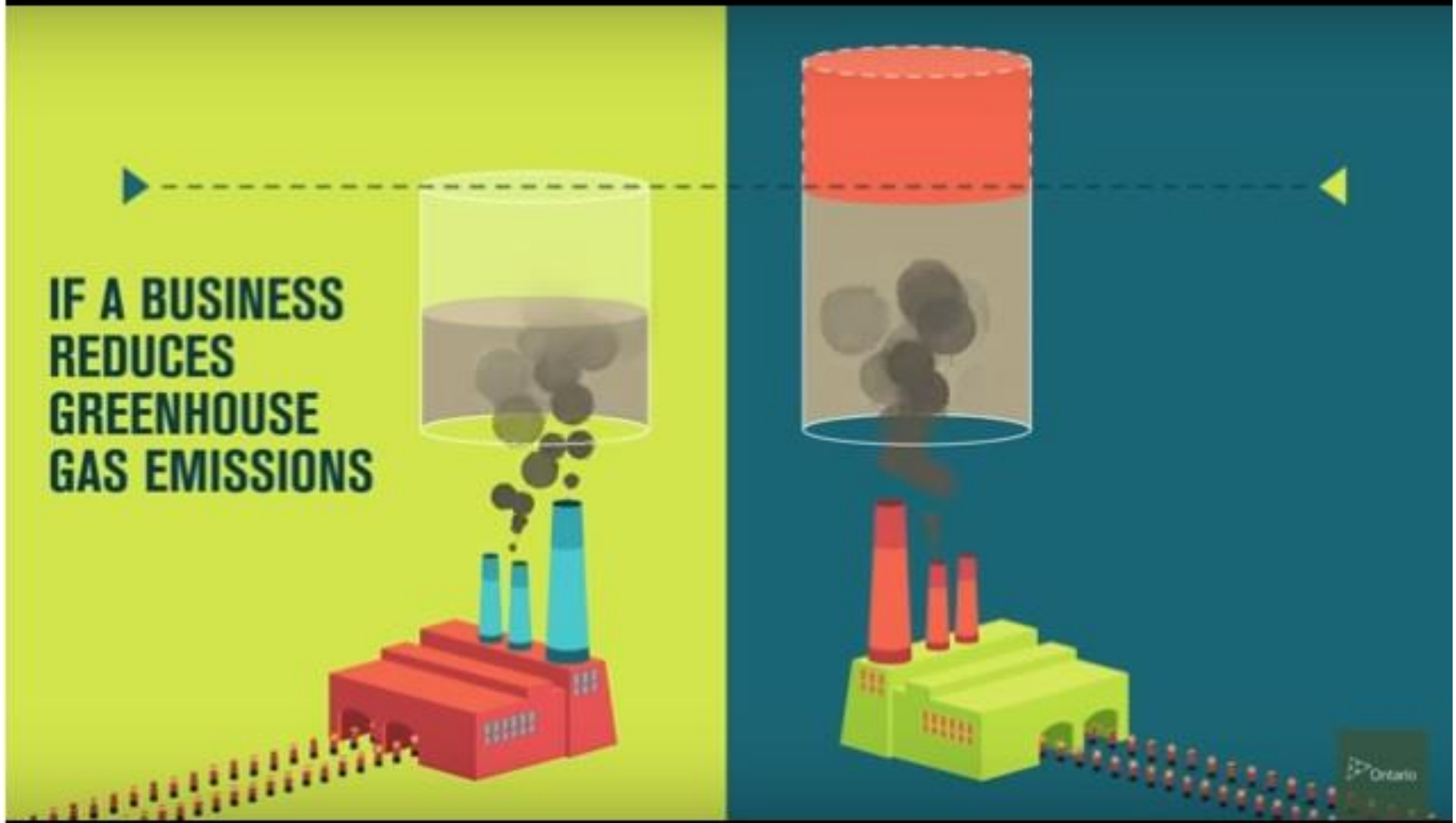
Additional Information:

The following government offices have additional information regarding this Proposal. To arrange a viewing of these documents please call the Ministry Contact or the Office listed below.



Cap and Trade

Cap and Trade in Ontario



Cap and Trade

- Program covers emitters over 25 000 tonnes CO₂e:
 - Large industrial, commercial and institutional emitters
 - Electricity imports, natural gas distributors, and petroleum suppliers
- 1 allowance = 1 tonne CO₂e
- Emitters can:
 - purchase allowances at auction
 - trade with other emitters
 - receive free allowances from government
 - use credits (Offsets, Early Reduction Credits)
- Complimentary measures funded by **Greenhouse Gas Reduction Fund**

Cap and Trade - Is it Effective?

It's only a proposal, difficult to draw conclusions. Some concerns include:

- Carbon price is too low
 - Expected \$17 per tonne CO₂e
 - Green Budget Coalition recommends \$50 per tonne by 2020
 - Researchers: \$100 - \$200 per tonne in 2020
- Too many allowances allocated for free
 - Emissions Intensive Trade Exposed - but leakage risks are overstated
 - Subsidy for large industrial emitters
 - Fuel distributors, electricity generation do not get free allowances
 - Transition timeline is not set

Cap and Trade - Is it Just?

- Estimated \$1.9 billion revenue in 2017
- No legislated commitment to supporting low-income and vulnerable communities
 - Such commitments are **standard** across jurisdictions with carbon pricing:
 - California legislated 25% of revenue to fund projects that benefit disadvantaged communities
 - AB, BC, QC all allow for funding for low income communities
- Free allowances to large emitters mean less revenue
- No free allowances for electricity generation and fuel distribution, which affects consumers directly

Other Programs for Low-income Communities

- Ontario Energy Support Program
- Ontario Energy and Property Tax Credit
- Low-Income Energy Assistance Program
- saveONenergy Home Assistance Program
- Home Winterproofing Program
- **\$92 Million to Retrofit Social Housing** - Investment from the Greenhouse Gas Reduction Account

But targeted programs allow too many vulnerable groups to fall through the cracks, don't address rising costs of food, consumer goods.

Conclusion

Ontario's cap and trade plan, as proposed, fails low-income and vulnerable communities:

- Cap is not strict enough to achieve the necessary reductions in the short timeframe we need
- Transition funding is directed at industry
- No legislated commitment to helping low-income communities transition

Pricing carbon is essential, but the impacts of climate change are already distributed unequally. Climate policy must protect vulnerable communities from bearing majority of the costs.





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Our Website



The screenshot shows the homepage of the Canadian Environmental Law Association (CELA). The header features the CELA logo on the left, which consists of four icons: a red leaf with a white 'C', a yellow sun with a white 'e', a green house with a white 'L', and a blue water drop with a white 'a'. To the right of the logo is the text 'Canadian Environmental Law Association' in a large, dark red font, with the tagline 'EQUITY. JUSTICE. HEALTH.' in a smaller, dark red font below it. In the top right corner, there is a search bar with a 'Search' button and a 'Subscribe to our mailing list' section with a text input field and a 'Subscribe' button. Below the search bar are social media icons for Twitter and Facebook. A horizontal navigation menu is located below the header, with links for 'HOME', 'ABOUT CELA', 'BLOG', 'E-BULLETIN', 'FRANÇAIS', 'LIBRARY', and 'CONTACT US'. The main content area is divided into three columns. The left column contains a vertical list of links: 'News', 'Publications', 'Our Services', 'Frequently Asked Questions', 'CELA in the Courts', 'Access to Environmental Justice'. The middle column features a large text block about CELA's mission, followed by a 'Staff Blog' section with a link to 'The Alternative Fuels Environmental Three-Step: One Step Forward, Two Steps Back' by Joseph F. Castrilli, dated 8 weeks 4 days ago. The right column contains a 'CELA's Lawyer Referral List' and a 'News and Events' section with a link to a 'Public Hearing on Leaking Landfill to Conclude with Parties' Final Argument' dated Jun 16 2015.



CELA's Recent Publications

- **Submission on Bill 172 (Climate Change Mitigation and Low-carbon Economy Act, 2016)(March 22, 2016)**
- **Blog: Ontario's proposed cap-and-trade plan gives too much away, fails vulnerable communities (March 4, 2016)**
- **Briefing note: Fair and Equitable Carbon Pricing: Comments on Ontario's Cap and Trade Program (February 2, 2016)**
- **Submissions on Cap and Trade Program Design Options (December 16, 2015)**
- **Submissions on Climate Change Discussion Paper (March 30, 2015 - co-authored with LIEN)**

Contact Us

www.CELA.ca

416-960-2284

1-844-755-1420

@CanEnvLawAssn

Theresa McClenaghan

Executive Director and Counsel

Theresa@cela.ca

@TheresaMcClenag

Barbora Grochalova

Student-at-law

articling@cela.ca

@baaarbora



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