

ONTARIO'S CLIMATE CHANGE ACTION PLAN

Climate Change
Action Plan



Ministry of the Environment and Climate Change
Minden Hills Nesbitt Community Centre January 17, 2018

PRESENTATION OVERVIEW

1. Ontario's Climate Change Action Plan
2. Municipal GHG Challenge Fund
3. Municipal Action Planning
4. Provincial Guideline on Community Emission Reduction Planning
5. Next Steps





CLIMATE CHANGE ACTION PLAN



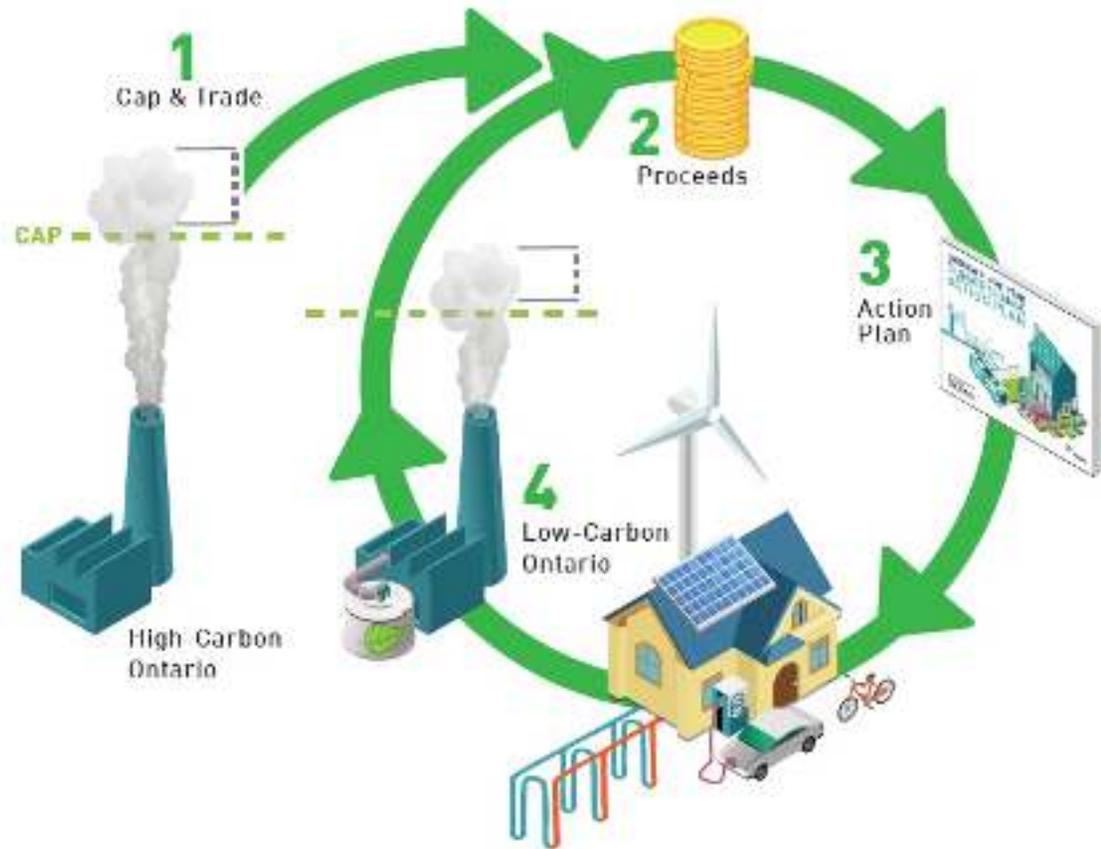
ONTARIO'S GREENHOUSE GAS (GHG) REDUCTION TARGETS

- Ontario has legislatively enshrined GHG targets as follows:
 - A reduction of **15** per cent by the end of **2020**
 - A reduction of **37** per cent by the end of **2030**
 - A reduction of **80** per cent by the end of **2050**
- **Ontario's Climate Change Strategy** (released in November, 2015) sets out Ontario's vision for combating climate change and establishes provincial targets for Greenhouse Gas (GHG) reduction.
- The ***Climate Change Mitigation and Low-carbon Economy Act, 2016*** enshrines the GHG reduction targets, and provides a strong legal foundation for Ontario's Cap and Trade program.
- **Ontario's Five Year Climate Change Action Plan (2016-2020)** (released in June, 2016) sets out specific actions, programs and policies to reduce GHG emissions and move toward a low-carbon economy.



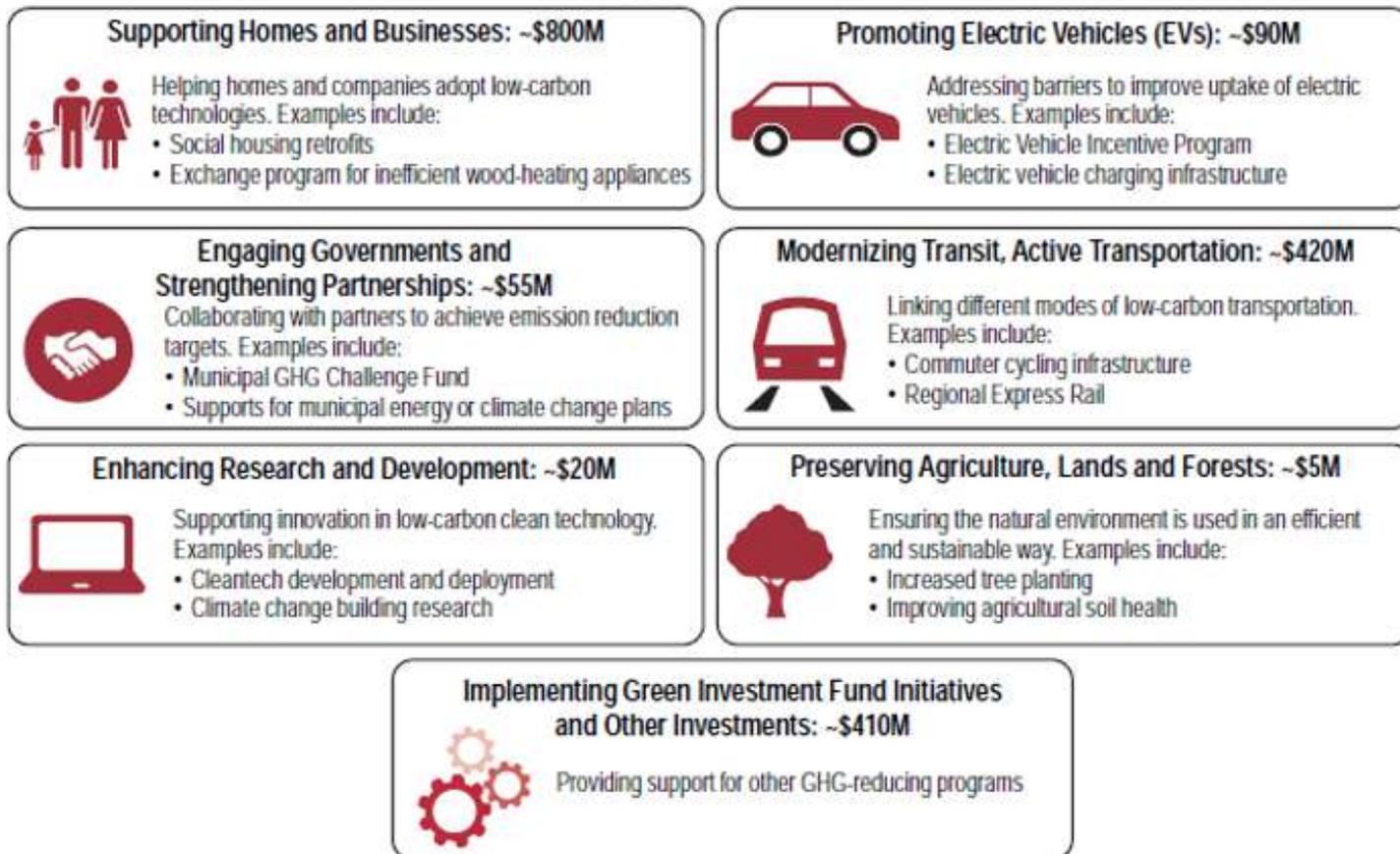
CLIMATE CHANGE ACTION PLAN (CCAP)

- The Action Plan lays out the specific commitments Ontario is making to meet its near-term 2020 emissions reduction targets, and establishes the framework necessary to meet its targets in 2030 and 2050.
- CCAP will complement the cap and trade program by guiding the reinvestment of proceeds to achieve GHG reductions and manage cost impacts.



REINVESTMENT OF PROCEEDS

- Priority investments according to the 2017 Ontario Budget:



MUNICIPAL CLIMATE CHANGE PROGRAMS

- The province recognizes that municipalities play a key role in helping Ontario meet its targets, and CCAP contains specific actions to enable municipal climate change mitigation.
- The Action Plan announced up to \$325 million to support municipal climate action.
- CCAP contains two funding programs for municipalities:
 - The **Municipal GHG Challenge Fund** is a competitive, application-based program. The province will fund up to 100% of the eligible costs for GHG emissions reduction projects proposed by municipalities.
 - **Municipal Action Planning** to help municipalities to develop or improve their GHG emission reduction plans, inventories and targets. Supports and programs like the **Municipal Energy Plan** program will help municipalities become eligible to apply for the subsequent rounds of the Challenge Fund.



Municipal GHG
Challenge Fund



PROGRAM GUIDE

Climate Change
Action Plan



MUNICIPAL GHG CHALLENGE FUND



MUNICIPAL GHG CHALLENGE FUND: THE BASICS

- **Program intake closed Nov 14, 2017 – Applications under review.**
- Municipalities could request up to **\$10 million** per project.
- The province will contribute up to **100% of eligible costs**
 - Higher scores will be given to applicants that leverage funds for up to 50% of eligible costs.
 - Projects currently underway are limited to requesting funding for up to 25% of eligible costs.
- Municipalities allowed to submit more than one application. Municipalities must complete separate applications for separate projects; however, a single project may have multiple sites.
- Municipalities may not stack funding from other CCAP programs funded through the GGRA or GIF (e.g. Ontario Municipal Commuter Cycling Program).
- At least 30% of funded projects will be located in **small / rural / northern** municipalities (population < 100,000 or areas north of, and including, the districts of Parry Sound and Nipissing).



MUNICIPAL ELIGIBILITY

- The eligibility requirements were **opened up** for the first round of funding, given the amount of interest generated by the Challenge Fund so far.
- All municipalities were eligible to apply, so long as applicants demonstrated a commitment to completing their community-wide GHG inventory, targets and plan within **18 months** through a council resolution. If approved for funding, the council resolution must occur before the transfer payment agreement is completed.
- In future rounds of funding, eligible applicants must have a council-approved:
 1. Community-wide GHG emissions **inventory**;
 2. Community-wide GHG emissions reduction **targets**;
 3. Community-wide **strategy/plan** to reduce GHG emissions; and,
 4. Up-to-date O.Reg. 397/11 CDM 5-year plans and annual reporting (mandatory for all municipalities).
- Municipalities may partner with other municipalities and community groups so long as the lead applicant meets the eligibility requirements.



VERY SMALL MUNICIPALITIES STREAM

- Municipalities with population less than **10,000** that did not have a community-wide GHG emissions inventory, reduction targets, and a plan, were eligible for the Very Small Municipalities Stream.
- For selected projects in this stream, municipalities would commit to developing plans, targets, and inventories **in parallel** with the implementation of their GHG reduction project.
- Applicants in this stream would apply using the same application form, but are not required to complete “*Section I – Alignment with GHG Planning*” .
- Applicants in this stream will be scored out of **90 points**, rather than 100.
- Municipalities with a population of less than 10,000 that have an inventory, target, and/or plan also have the option of applying to the **general stream** and will be scored out of 100 points.



PROJECT ELIGIBILITY

- **Eligible Projects:** Any kind of municipal project that reduces GHG emissions could be eligible for funding including in the buildings, energy supply, transportation, water, waste and organics sectors. Examples:
 - ✓ Renewable energy and energy efficiency retrofits to municipal facilities
 - ✓ Creating or expanding low-carbon district energy systems
 - ✓ Making energy-efficiency and renewable upgrades to water treatment plants
 - ✓ Collecting, processing and treating methane from landfills to produce energy
 - ✓ Building or modifying an anaerobic treatment system for municipal organic waste
 - ✓ Reducing GHG emissions in existing municipal fleets and transportation network.
- Projects must commence by **March 2019**. Projects that are already currently underway are only eligible if they were initiated after **June 1, 2016**.
- **Ineligible Projects:** Projects that do not directly reduce GHGs are not eligible, such as plans, studies, and research initiatives; education and awareness initiatives; granting programs; projects exclusively focused on adaptation



EVALUATION CRITERIA

- **Project Focus (10%)** - projects that aim to replace fossil fuels with clean, renewable energy and achieve net zero (or better) emissions buildings, transportation systems, and/or infrastructure.
- **GHG Emissions Reduction Assessment (40%)** - projects that result in significant and cost-effective GHG reductions. Greater weight will be given to projects that yield earlier GHG reductions.
- **Project Co-benefits (10%)** - projects that result in positive co-benefits, including economic, social, environmental, behavioural, innovation, low-income and vulnerable communities benefits.
- **Alignment with Municipal GHG Emissions Planning (10%)** - projects that align with a municipality's GHG emissions planning; municipalities that have a comprehensive GHG reduction plan that meets/exceeds the province's 2020, 2030 and 2050 targets.
- **Work Plan and Budget (30%)** projects that have a detailed, feasible work plan to achieve the project outcomes; projects that leverage funds for up to 50% of eligible costs (e.g., through federal/municipal governments, private sector, industry partners)



LEVERAGING

- The province will contribute up to 100% of eligible costs for projects. However, a higher score will be given to municipalities that leverage funds for up to 50% of eligible costs.
- Applicants are required to identify **all funding sources** in their project budget.
- Applications will be scored out of 100 points, based on the following criteria:
 - Project Focus (10 points)
 - GHG Emissions Reduction Assessment (40 points)
 - Project Co-benefits (10 points)
 - Alignment with Municipal GHG Emissions Planning (10 points)
 - **Work Plan and Budget (30 points)**
- To encourage leveraging, up to 10 points within the Work Plan and Budget section will be awarded based on the following table:

Leveraged Funds	Points
0%	0
10%	2
20%	4
30%	6
40%	8
50%	10



APPLYING TO THE CHALLENGE FUND

- All applications must be submitted electronically through Grants Ontario at www.grants.gov.on.ca.
- The deadline to submit an application was **November 14, 2017**. Late or incomplete applications will not be assessed.
- Successful applicants will be informed in writing by **February, 2018**.
- Funding agreements will be completed before the end of the 2017/2018 fiscal year.
- For questions about program requirements, eligibility, and evaluation criteria please email challengefund@ontario.ca



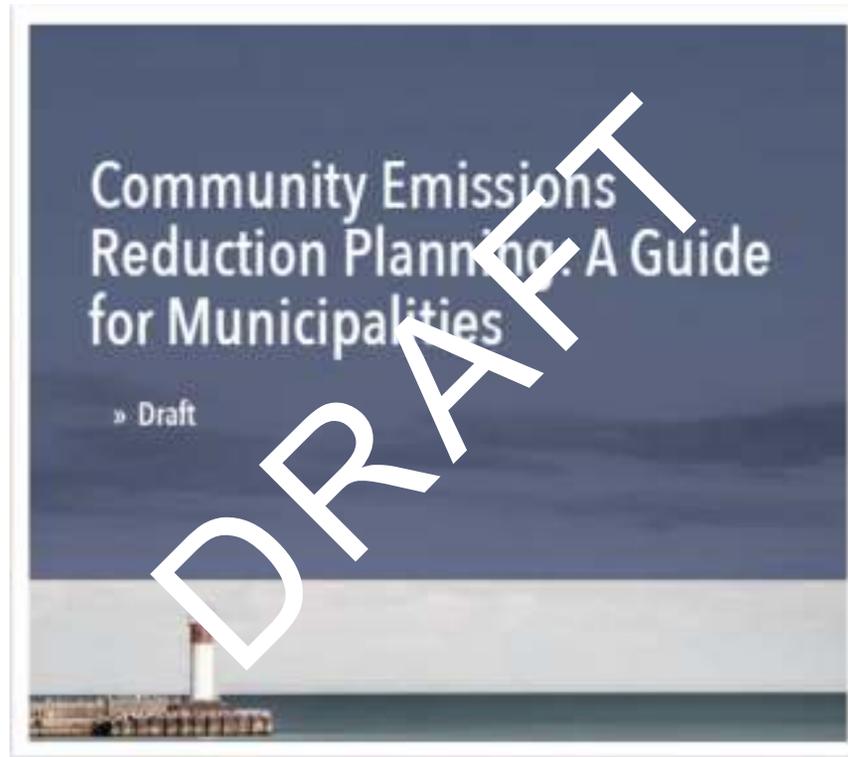
MUNICIPAL ACTION PLANNING



MUNICIPAL ACTION PLANNING

- Under the 2016 CCAP, Ontario committed to providing funding and guidance to municipalities for the development of community energy and emissions plans with greenhouse gas pollution inventories.
- An updated **Municipal Energy Plan** (MEP) program will be a key component (Next presentation).
- MOECC also procured consulting services to assist with the development of Guidelines. The Guidelines provide detailed instructions on *how to* successfully develop GHG inventories, targets, and plans.
- Guidelines have been posted on the Environmental Registry for comment until March 4, 2018.
- Other elements of Municipal Action Planning are under consideration.





GUIDELINE ON COMMUNITY EMISSIONS REDUCTION PLANNING

GUIDELINE ON GHG INVENTORIES AND COMMUNITY EMISSIONS REDUCTION PLANNING

- Supports GGH Growth Plan conformity and CCAP Actions:
 - Growth Plan for the Greater Golden Horseshoe, 2017 requires municipalities to incorporate climate change policies into their official plans, and also encourages municipalities to develop GHG inventories, emission reduction strategies, and related targets and performance measures
 - Guideline to provide MAPP funding recipients detailed instruction on how to successfully develop GHG inventories, set targets, and develop plans
- Informed by feedback from municipalities and other stakeholders
 - MOECC has been working with provincial inter-ministerial steering committee and municipalities and other practitioners to gather input.
- Guideline has been posted on Environmental Bill of Rights (EBR) registry until March 4, 2018.

GUIDELINE ON GHG INVENTORIES AND COMMUNITY EMISSIONS REDUCTION PLANNING

- The guideline :
 - Contains relevant methodology information on completing inventories, target setting, modelling and scenarios, and plans development;
 - Can be used for the development of community emissions reduction plans which will result in measurable GHG reductions
 - Clear connection between community emissions reduction plans and land use and infrastructure planning tools to ensure effective implementation (i.e. municipal official plans, zoning by-laws, corporate strategic plans, municipal asset management plans);
 - Details performance measures on achievement of intent of provincial land use policies and CCAP actions related to climate change; and
 - Outlines monitoring approaches, funding resources (i.e. connections to existing programs), municipal best practices, case studies, etc.

GUIDELINE ON GHG INVENTORIES AND COMMUNITY EMISSIONS REDUCTION PLANNING

TECHNICAL

Inventory emissions in the base year and project future emissions in the absence of an explicit plan for reducing them.

Adopt a target year and related target emissions level.

Use the inventory to identify and analyze the impact and costs of measures (i.e. changes in technologies and behaviours, relative to the baseline) required to meet the target; finalize a preferred plan.

Implement the measures.

Measure progress, report results, modify the plan accordingly.



PREPARATION



INVENTORY



TARGET SETTING



SCENARIOS & ACTIONS



IMPLEMENTATION



MONITORING & EVALUATION

Identify & establish the partnerships and working relationships needed to produce the emissions inventory, and involve the key influencer (of GHGs in the community) and stakeholders in generating the baseline outlook.

Engage the influencer /stakeholder community in the target setting exercise or, in the case of an externally established target, in the explanation of the rationale for the target.

Work with influencers and stakeholders to identify alignments and/or conflicts between their goals and aspirations and the measures for achieving a low carbon outcome.

Implement policies, strategic partnerships, bylaws and other identified opportunities for accelerating adoption of the measures in the plan through targeted support of the key GHG influencers

Work with stakeholders and partners to share data, assess progress, and continuously improve the plan.

HUMAN

NEXT STEPS

- Finalizing review of **Municipal Challenge Fund** applications, negotiation of transfer payment agreements.
- Energy consulting on modifications to **Municipal Energy Plan** program.
- Additional elements of **Municipal Action Planning** to be considered.
- Finalize the Guideline for **Community Emissions Reduction Planning** on based on feedback from the Environmental Bill of Rights (EBR) registry and consultations with Municipalities; release of final Guideline early 2018.
- New actions under the **Climate Change Action Plan** will continue to roll out in 2018.

THANK YOU!