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Re: Comments on the Ontario Cap and Trade Program: Offsets Credits Regulatory Proposal (EBR Registry Number: 012-9078)

The Green Infrastructure Ontario (GIO) Coalition strongly supports the Province's leadership in pricing carbon, and applauds the Government's efforts of developing a carbon offset market that will eventually support green infrastructure. We are pleased to provide comments on the Ontario Cap and Trade Program: Offsets Credits Regulatory Proposal (EBR 012-9078).

The Coalition supports the proposed approach of legislating an offset market as potentially offering new opportunities for ecosystem-based carbon sequestration related activities. Ontario's forests, both urban and rural, will play a significant role in both mitigating and adapting to climate change.

We offer three specific suggestions below which we hope the Ministry will consider as it finalizes the Offset Credits Regulation.

1. Urban forest projects should be recognized their multiple benefits

In addition to sequestering carbon, urban trees provide a multitude of benefits that help cities mitigate and adapt to climate change. On a per-tree basis, urban trees provide more benefits to society than rural trees through air pollution removal, urban heat reduction, stormwater management, UV protection, and other social, economic, mental and health benefits. Urban trees have other advantages as offsets because they are more likely to become long-term fixtures beyond the offset requirement timeline, and determining leakage with urban forests is more straight-forward¹.

Urban forest offset projects will have difficulty competing with the significantly larger forest tracts in other parts of Ontario and Canada. We hope that the regulations will take co-benefits in to consideration when assessing the value of offset credits and expect that Ontario's Climate Action Plan and other legislation will compensate

¹<https://static1.squarespace.com/static/57fd78d18419c2d82f727dca/t/58178d038419c25c3b5c8309/1477938435593/UF+Tree+Planting+Protocol+110116.pdf>

for this by providing additional non-market oriented investment support that recognizes the significant co-benefits of trees in urban forests.

2. Municipal governments, educational institutions, utilities, and Conservation Authorities should be eligible to act as offset project operators or sponsors

Municipal governments, educational institutions, utilities, and Conservation Authorities (CAs) have the potential to play a role in bringing high-quality ecosystem based offsets to markets, however it is unclear whether these agencies are eligible to act as offset project operators or sponsors. Offset projects led by municipalities, educational institutions, utilities, or CAs are likely to provide additional benefits as outlined above and provide appropriate, long-term habitat and ecosystem services. We recommend that the regulations clarify the potential roles that these entities might be able to play and that those roles include acting as offset project operators and/or sponsors.

3. Consider Urban Forest Management Plans to be eligible for carbon offset credits

In California, Urban Forest Management Projects designed to increase carbon sequestration through planting and conservation are granted carbon offset credits. These projects can only be submitted by municipal governments, educational institutions, utilities and large forest owners. We recommend that consideration be made for the inclusion of Urban Forest Management Plans and how they may be supported through this regulation.

Green Infrastructure Ontario Coalition Background

Over the last seven years the GIO Coalition has been successfully promoting the implementation of green infrastructure across Ontario. With over 140,000 people working full time in the industry, from nurseries to designers to contractors, GIO provides a united voice for the sector. The green infrastructure we promote includes both natural vegetative systems and green vegetative technologies located in urban, suburban and rural areas. These include: urban trees, forests and woodlots; bioswales, wetlands, waterways and riparian zones; meadows and agricultural lands; green roofs and green walls; and parks, gardens and landscaped areas. These features of our buildings, yards and neighbourhoods play a fundamental role in the network of infrastructure that supports our quality of life in Ontario. However, just as for any other infrastructure, this green infrastructure requires support in the form of funding and active maintenance.