



June 29, 2018

The Honourable Doug Ford
Premier
Government of Ontario
Main Legislative Building
Toronto, Ontario M7A LY7

Challenges and Opportunities Regarding GreenON & Carbon Pricing

Dear Premier Ford,

On behalf of Ontario's 87,000 professional engineers, the Ontario Society of Professional Engineers (OSPE) wishes to offer congratulations to you and the Progressive Conservative Party of Ontario on your victory in the provincial general election. After more than 15 years of Liberal governments, the people of Ontario voted decisively for change and now look to you and your team for innovative ideas and accountable leadership.

The purpose of this letter is two-part. First, we wish to communicate concerns we have regarding the recent decision to cancel the GreenON programs. Second, we seek to establish a dialogue to explore alternative strategies to responsibly combat climate change and reduce carbon emissions in Ontario. Under the *Professional Engineers Act*, engineers have a sworn duty to safeguard life, health, property, economic interests, the public welfare, and the environment.

It is our concern that the cancellation of GreenON without a ready alternative is disruptive and costly to participants who engaged with the previous government in good faith. Businesses can best adapt to changes in government policy when those changes are gradually phased-in and reflect robust stakeholder consultation. The sudden cancellation of GreenON without stakeholder consultation or a phase-out strategy stands to remove \$3 billion of programs from Ontario's economy—negatively impacting jobs and investment.

It is OSPE's view that policy stability is essential for the economic welfare and planning of all Ontario families and businesses. For example, GreenON program participants adjusted their investments in response to prior policy commitments. Participants purchased electric vehicles, installed energy efficient windows, and placed bids on GreenON contracts. Provincial money assisted program participants in making these investments, but it did not cover their full costs. GreenON program participants trusted that the Government of Ontario would continue to offer policy stability no matter who was in power.



To be clear, OSPE recognizes the government's legitimate authority to change policies. However, we also believe that policy changes should be done in a way that avoids unnecessary punishment for participants who joined existing programs in good faith. Ending GreenON without sufficient consultation and an adequate replacement plan has already caused some participants in the clean technology sector to reconsider their Ontario-based investments. It is OSPE's position that an alternative to GreenON should be immediately developed to ensure business confidence in current and future government programs as well as signal your commitment to improving Ontario's environment.

Ontario should be open to clean technology jobs and investment. The global market for low-carbon goods and services is currently worth \$5.8 trillion and is growing at a rate of 3% per year (source: CleanEnergy Canada). At home, our Ontario-based clean technology and environmental businesses employ 65,000 people and generate \$8 billion in annual revenue (source: Investinontario.com). If Ontario is going to capitalize on the future of global clean technology investment it is important to sustain and encourage the growth of our fledgling domestic sector.

Looking to the future, OSPE believes that significant opportunities exist in the development of alternatives to GreenON and the broader issue of responsibly reducing Ontario's carbon emissions without placing a price on carbon. Answers to both challenges will require the creativity, innovation, and world-class skills of Ontario's professional engineers. OSPE stands as their advocacy body and is ready to assist the government in finding the best possible outcomes.

Ontario's professional engineers are experienced at reducing carbon emissions in almost every sector of Ontario's economy, including the achievement of significant gains in Ontario's clean electricity system. Engineers are capable of leveraging their unparalleled knowledge and experience to inform legislation and regulatory amendments to achieve Ontario's national emission reduction targets without carbon taxes or a cap-and-trade system. To action this commitment, OSPE is offering to work with your government in an advisory capacity to demonstrate how our province can successfully achieve these objectives.

You campaigned on a promise to scrap the carbon tax and address human-made climate change by alternative means that are less costly to Ontario's economy. OSPE accepts this intention and hereby requests to be involved in the development of details to support this initiative. Many other options to reduce carbon and address climate change are possible, but none of these alternatives are free of costs. Ontario's professional engineers are world-class optimizers and problem solvers who understand how to develop efficient systems that most effectively combat climate change while respecting tax dollars, protecting jobs, and growing the economy.



OSPE supports decision-makers at all levels of government to advance evidenced-based, technically sound policy recommendations. We stand ready to work with the new Progressive Conservative government to deliver on your vision of growth, prosperity, and a cleaner environment for the benefit of all Ontarians.

We would welcome an opportunity to discuss these ideas with you at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Hack", with a horizontal line extending from the end of the signature.

Jonathan Hack, P.Eng., MBA
President and Chair
Ontario Society of Professional Engineers

A handwritten signature in black ink, appearing to read "Sandro Perruzza", written in a cursive style.

Sandro Perruzza
Chief Executive Officer
Ontario Society of Professional Engineers

Cc:

The Honourable Rod Phillips, Minister of the Environment, Conservation and Parks
Andrea Horwath, Leader of the New Democratic Party of Ontario
John Fraser, Interim Leader of the Ontario Liberal Party
Mike Schreiner, Leader of the Green Party of Ontario

Appendix A: OSPE's Official Statement on Climate Change

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OSPE's Official Statement on Climate Change

The science of climate change is clear: human activities, especially greenhouse gas emissions, are the dominant cause of the observed warming since the mid-20th century. For the warming over the last century, there is no convincing alternative explanation supported by the extent of the observational evidence.¹

Impacts from recent climate-related extremes already include alteration of ecosystems, disruption of food production and water supply, damage to infrastructure and settlements, morbidity and mortality, and consequences for mental health and public welfare. This is only the beginning. Future weather extremes beyond historical experience could cause system breakdowns of infrastructure networks and critical services such as electricity, water supply, and health and emergency services.²

The solutions are within reach. A range of technological, infrastructure, and behavioural measures can mitigate human interference in the climate system while supporting economic growth. Adaptation measures can contain the residual risks. The time for action is now. Delaying mitigation increases the challenges, reduces the options, and could substantially increase mitigation costs in the decades that follow.³ The adaptation choices made in the near term will affect the risks throughout the 21st century.

Climate change endangers the safety and welfare of the public. The world's societies must both mitigate and adapt to climate change if it is to effectively avoid harmful climate impacts. Engineers continue to play a critical role in carrying out both those missions with innovation and sound advice based on the best available science.

¹ USGCRP, 2017: Climate Science Special Report: Fourth National Climate Assessment, Volume I [Wuebbles, D.J., D.W. Fahey, K.A. Hibbard, D.J. Dokken, B.C. Stewart, and T.K. Maycock (eds.)]. U.S. Global Change Research Program, Washington, DC, USA, 470 pp., doi: 10.7930/J0J964J6.

² IPCC, 2014: Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part A: Global and Sectoral Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Field, C.B., V.R. Barros, D.J. Dokken, K.J. Mach, M.D. Mastrandrea, T.E. Bilir, M. Chatterjee, K.L. Ebi, Y.O. Estrada, R.C. Genova, B. Girma, E.S. Kissel, A.N. Levy, S. MacCracken, P.R. Mastrandrea, and L.L. White (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, 1132 pp.

³ IPCC, 2014: Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Edenhofer, O., R. Pichs-Madruga, Y. Sokona, E. Farahani, S. Kadner, K. Seyboth, A. Adler, I. Baum, S. Brunner, P. Eickemeier, B. Kriemann, J. Savolainen, S. Schlömer, C. von Stechow, T. Zwickel and J.C. Minx (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA.