

## DELIVERED BY EMAIL

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December 22, 2016

Re: Offsets Credits Regulatory Proposal, EBR Registry Number: 012-9078

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Mr. David Coates,

Please accept the following comments regarding the Offsets Credits Regulatory Proposal, EBR Registry Number: 012-9078.

### **Offset initiatives registered in Ontario should be undertaken within the province**

Since the passing of the *Climate Change Mitigation and Low-carbon Economy Act*, Ontario has legislated greenhouse gas reduction targets. The cap and trade program is expected to be the main regulatory tool relied on to achieve the target reductions. Allowing reductions from offsets to be located outside the province jeopardizes Ontario's meeting of the targets. Instead of offset protocols driving investment in alternative practices of Ontario's uncapped sectors, the resources will flow to other parts of Canada without reducing Ontario's emissions.

Ontario's capped emitters should not be able to meet their carbon allowance obligations through reductions outside the capped jurisdictions. The offset initiatives registered in Ontario must be required to be undertaken within the province.

### **Preventing additional environmental impacts**

The offset protocols approval process must also include a consideration of other environmental impacts the protocols may create. In addition to reducing greenhouse gas emissions, the Ministry of Environment and Climate Change must also prioritize the prevention of toxic chemicals from entering the environment, protecting species at risk habitat and other ecologically significant ecosystems, as well as protecting human health. The activities encouraged under offset protocols must be evaluated in accordance with these principles.

### **Meaningful consultation with the public**

The process of developing offset protocols must be based on meaningful consultation with all Ontarians, including Indigenous communities. This principle should be included in the proposed offset regulation. Public consultations should also be conducted regarding each protocol, including the timely publication of any assumptions made with regards risk factors and unintended environmental impacts.

### **Buffer Account and risk percentages**

The Buffer Account is an essential tool for mitigating the inherent uncertainty surrounding offset initiatives. The process for establishing the risk factor of reversal for sequestration initiatives must be transparent and subject to public scrutiny. Further, the amount of offset credits held in the Buffer Account must also be publicly available. The proposed offset regulation should include provisions that address the possibility of the Buffer Account becoming depleted.

Thank you for your consideration of this submission.

Yours truly,

CANADIAN ENVIRONMENTAL LAW ASSOCIATION

A handwritten signature in blue ink, appearing to read 'Grochalova', with a long horizontal flourish extending to the right.

Barbora Grochalova  
Counsel