

Metro Vancouver 2021 Clean Air Plan: for Climate and Health

Pembina Institute comments and recommendations

by Tom-Pierre Frappé-Sénéclauze, and Karen Tam Wu | August 13, 2021

Summary

- The Pembina Institute supports the vision outlined in the Metro Vancouver Draft 2021 Clean Air Plan
- Significant funds will need to be invested in buildings and transportation, but this will result in reduced catastrophic losses, health-care costs, and human suffering, and in increased economic activity in the region.
- Policies aiming to improve air quality and decrease carbon pollution can be designed such that they improve the well-being of the most vulnerable in the region while returning greater quality of life for all.
- We support the suggestion to accelerate adoption of electric vehicles, and note that through a paired roll out of electrification and energy efficiency, the building sector could exceed its target.
- We encourage the Metro Vancouver board to advance its own policy on regulating carbon emission from buildings.

Context

The Pembina Institute supports the vision outlined in the Metro Vancouver Draft 2021 Clean Air Plan.¹ Residents of the Lower Mainland, like people all over the world, have experienced first-hand the impacts of 1.2C of anthropogenic warming: heat dome, forest fires, irregular precipitation patterns and cold snaps. Despite previous climate plans and targets, our national and provincial greenhouse gas emissions have barely decreased: we are on track for upward of 4C of warming. Unless we rapidly change tack, these extreme weather events will become more intense, more common, and likely irreversible. In this moment of climate emergency, governments at all levels must take decisive action to alleviate and mitigate climate impacts to

¹ <http://www.metrovancouver.org/services/air-quality/engagement/clean-air-plan/Pages/default.aspx>

protect the long-term safety and prosperity of current and future populations. The Climate Plan outline some early policies needed to drive the needed changes.

As the Metro Vancouver board reviews the draft plan, we would like to draw your attention to some considerations for its success and prompt implementation. Our comments below focus primarily on the sections of the document related to transportation and buildings, though some of these comments could apply equally to the industry and agriculture sections.

Cost of action and cost of inaction

There is no way around it: decarbonizing our buildings, industry, and transportation will be expensive. In some cases, the cost can be borne by residents or businesses with reasonable means, and mitigated by long term savings; for example, requiring all new vehicle sold to be electric will create net savings for buyers. In other cases, high costs will be borne by all — including people who struggle to access basic needs — and might not return significant savings to the owner in the long term (though they generally return significant collective savings, in the form of savings in health care cost, emergency response, etc.). In these cases, we will need programs in place to redistribute these costs equitably; for example, through taxation.

These costs are significant — for example, we estimate that the cost of refurbishing residential buildings in B.C. to get them near zero carbon by 2050 will average \$2.8 billion per year, in addition to the normal cost of replacement cycles.² These upgrades will also make these building more resilient to climate change.

The fact is that the policy outlined in the Clean Air Plan will require residents and governments to invest significant funds in buildings and transportation: in assets directly managed by Metro Vancouver (Metro Vancouver Housing corporation, fleets and operations), and in private assets. This is something with which the elected officials represented on the board of Metro Vancouver need to be comfortable. These benefits of these policies, however, lie in reduced catastrophic losses, health-care costs, and human suffering, and in increased economic activity in the region through energy costs savings and additional demand for retrofit services and components. B.C.-wide, renovating our building stock by 2040 would create over 26,000 long-lasting well-paid jobs and \$6.4 billion of annual GDP growth³ — the majority of which will be in the Metro Vancouver area. Protecting our people and our climate will cost money: taking this emergency seriously requires spending what it takes, but will pay important dividends.

² Kennedy, Madi and Tom-Pierre Frappé-Sénéclauze. *Canada's renovation wave: A plan for jobs and climate*. (Pembina Institute, 2021), 18. <https://www.pembina.org/pub/canadas-renovation-wave>

³ Ibid, 18.

Affordability, equity, and durability

Proponent of the status quo may assert that these costs will exacerbate issues of affordability in our region. The reality is that all of these policies aiming to improve air quality and decrease carbon pollution can be designed such that they improve the well-being of the most vulnerable in the region while returning greater quality of life for all.

Housing affordability, a key problem in the region, is a distinct problem with different roots. As discussed above, the policies proposed in the Clean Air Plan will require significant investments in the housing sector. Some of these investments may be supported by public dollars raised through taxation, or via utility program funded by rate-payers — and some will need to be covered by private owners. It is inaccurate to say these costs will be passed on to renters, or make home ownership unattainable. High rents and the difficulty of buying a first home are primarily driven by demand and supply, not by the cost of construction or operation or climate policies that dictate standards of construction and operation.

Sectoral targets

It is very helpful to set specific targets for different sectors of the economy; we commend the Clean Air Plan for including a breakdown of how each sector is expected to contribute to the 45% reduction by 2030. We note however that we are somewhat skeptical on the capacity to reduce passenger vehicle emissions by 65% in eight years. We support the suggestion to accelerate adoption of electric vehicles beyond the pathway to 100% electric vehicle sales by 2040 set in the *B.C. Zero Emission Vehicles Act*, but stress that accelerating this adoption, alongside with a modal shift to active transportation and public transit to that extent, will require large and rapid investment.

We support this ambition, but remark that savings in the building sector could exceed the set target of 35% reduction in GHGs by 2030 through a paired rollout of electrification and energy efficiency. We believe the relative efforts between the two sectors might be somewhat skewed, and that greater gains can be achieved in the built environment than implied by this target.

Regional vs provincial governance

We will need to regulate carbon emissions from buildings to reduce their emissions — and we encourage Metro Vancouver to use its jurisdiction over air pollutants to do so, as outlined in the Clean Air Plan.

We would argue that the question, which sometimes arises, of whether this is best done at a provincial or regional level is a distraction: both jurisdictions can, and should, enact regulations to reduce carbon pollution. The Lower Mainland's high real estate values and world-leading pool of building professionals would enable it to move ahead of more rural areas

in B.C. A regional approach, rather than a patchwork adoption of provincial opt-in regulation, would significantly simplify the work of building professionals and enforcement officials. The key is coordination between regional and provincial policies to ensure they use similar tools and platforms to show compliance, thus avoiding duplication of effort for compliance purposes. A regional approach will help smaller municipalities in the region benefit from the higher standards of construction and renovation being rolled out in Vancouver and the other larger cities.

We therefore encourage the Metro Vancouver board not to wait for provincial requirements, but to advance its own policy, leveraging the research and capacity-building advanced in the City of Vancouver and coordinating with the Province on enforcement.

We recognize that this will require the Metro Vancouver board to expand beyond its historical focus on water and waste management. It will be important for the success of the Clean Air Strategy to increase budgets for the departments responsible for climate strategy and asset management (housing, fleets, civic facilities, etc.) and to look for important synergies between the enforcement of regional, municipal, and provincial regulations. This is particularly the case for building sector, where building inspection offices are in charge of the enforcement of provincial code. Whether it is to respond to regional or provincial regulations, capacity building will be needed for municipal building officials.

Conclusion

Regional governments, like Metro Vancouver, have a unique capacity to bring cohesion in this approach. We applaud the Metro Vancouver staff and board for shaping the vision for collective action outlined in the Draft 2021 Clean Air Plan, and we encourage the board to adopt its vision, invest to develop the policies it outlined through engagement with local stakeholders, leverage learnings from jurisdictions having already adopted similar policies, and promptly move towards implementation.

The Pembina Institute looks forward to collaborating with Metro Vancouver on the development and implementation of the Clean Air Plan. We are already working closely with Metro Vancouver Housing Corporation (MVHC) on advancing deep retrofit demonstration projects as part of the Reframed Initiative (reframedinitiative.org). The carbon reduction target set by the board for MVHC as well as the internal price on carbon were a key driver for this collaboration, and we commend the board and the MVHC staff for their leadership. We also work regularly with members of the Climate and Air Quality team on policy dialogues and engagement, and value greatly their expertise and commitment to climate action and the well-being of residents. We hope that the board will continue to support their efforts and give them a clear mandate to develop the policies outlined in the Draft Clean Air Plan.