

September 20, 2011

# Energy, climate and the 2011 Ontario election

## A review of three parties' platform commitments

The Pembina Institute has examined the energy and climate commitments of Ontario's three main political parties — PC, Liberal and NDP — in order to help voters better understand where each party stands with respect to these issues. Commitments and positions examined in this report were drawn from the parties' platforms along with official communications, statements reported in the news media, and related policy documents.

The scope of the analysis is confined to energy, transportation and climate policy — issues for which the Pembina Institute holds established perspectives and has made policy recommendations. We developed a four-star classification that evaluates a combination of measures in each category in order to better evaluate the proposals of each party.

★★★★★	<p>The proposed measures meet the Pembina Institute's recommendations and are realistic. These policies will lead to significant environmental benefits and emissions reductions.</p> <p><i>Examples: Committing to additional rapid transit beyond the full Metrolinx Plan and redirecting planned investments in highway expansion to transit; maintaining and strengthening the Green Energy Act (GEA) or feed-in tariff (FIT).</i></p>
★★★★	<p>The proposed measures almost meet the Pembina Institute's recommendations. They either commit to continue progressive programs or offer progressive new promises but without sufficient detail to confirm their feasibility.</p> <p><i>Examples: Maintaining the GEA/FIT; committing to the full rollout of the Metrolinx Plan.</i></p>
★★★	<p>The proposed measures offer some progress on issues or continue with positive current policies.</p> <p><i>Examples: Continuing involvement in Western Climate Initiative but with no details.</i></p>
★	<p>No new measures are introduced to either improve or weaken the status quo from a climate and clean energy standpoint.</p> <p><i>Examples: Making no stated commitments or policies for cleaner vehicles; no stated intention to repeal or degrade the GEA.</i></p>
○	<p>Policies would take a step back from the current situation and would lead to increased greenhouse gas (GHG) emissions and other negative environmental consequences.</p> <p><i>Examples: Repealing the GEA; introducing gasoline subsidies; increasing highway construction.</i></p>

The chart on the next page summarizes the score each party received for its proposals. It is followed by a description of the importance of each measure, the basis of our recommended policies and how we assessed the parties' commitments. Finally, each section contains an in-depth breakdown of the party policies and how we evaluated them.

Our analysis is limited to parties that currently have representatives in the Legislative Assembly; they are listed in alphabetical order. We have attempted to fairly represent the commitments made by each party in relation to the Pembina Institute's recommended policies. Any errors or omissions are the sole responsibility of the Pembina Institute.

## Summary of policy ratings

	Liberal	NDP	PC
<b>Green energy</b>			
1. Implementing effective policies for developing renewable energy	★★★★	★★	O
2. Phasing out non-sustainable sources of energy	★★	★★★★★	★★
3. Pursuing all cost-effective energy conservation measures	★★★	★★★★	O
<b>Sustainable transportation</b>			
1. Regulating and encouraging cleaner vehicles, including electric vehicles	★★★	★	O
2. Investing in expanded rapid transit infrastructure	★★★	★★★★	O
3. Reducing traffic congestion and providing relief from gas prices through policies that reduce fuel consumption and provide commuting options	★★★	★★	★
<b>Climate action</b>			
1. Making a plan to reach Ontario's GHG reduction targets	★★ <sup>1/2</sup>	★★	★
2. Putting a price on GHG pollution	★★	★★	O

## GREEN ENERGY

## Greening Ontario's electricity supply

<b>Why this is a priority</b>	Ontario has demonstrated leadership on a North American scale by committing to phase out coal-fired electricity in 2014 and by building green energy capacity in the province. Since almost half of today's power plants will need to be replaced or rebuilt in the next 10 to 20 years, Ontario faces a choice: continue to burn fossil fuels and build nuclear plants, or expand the transition to a cleaner, more sustainable electricity system.
<b>Commitments ranked</b>	Party platforms were ranked on the credibility and effectiveness of their commitments to these three key actions: <ol style="list-style-type: none"><li><b>1. Implementing effective policies for developing renewable energy</b></li><li><b>2. Phasing out non-sustainable sources of energy</b></li><li><b>3. Pursuing all cost-effective energy conservation measures</b></li></ol>
<b>Basis for our perspective and the policies we assess</b>	The Pembina Institute has authored and co-authored many studies on the cost and feasibility of a transition to green energy in Ontario, including <i>Plugging Ontario into a Green Future: A Renewable is Doable Action Plan</i> , <i>Ontario's Green Energy Plan 2.0</i> , and several other reports available online at <a href="http://www.renewableisdoable.com">http://www.renewableisdoable.com</a> . We also recently completed a study entitled <i>Behind the Switch: Pricing Ontario Electricity Options</i> , which examined the choices for replacing the Green Energy Act in Ontario with non-renewable energy, and the impacts that would have on consumer electricity prices. This body of research and analysis supports the achievability and affordability of a green energy transition for Ontario.

## GREEN ENERGY

### 1. Implementing effective policies for developing renewable energy

#### Pembina Institute perspective

Since almost 50 per cent of Ontario’s generating capacity is scheduled to be replaced or refurbished within the next 20 years, Ontario needs to set conditions to maximize the deployment of green energy sources. The Pembina Institute has consistently supported the development of FITs for developing renewable energy,<sup>1</sup> which has been demonstrated to be the most efficient and cost-effective policy to procure renewable energy. It has been found that “feed-in mechanisms achieve larger deployment at lower costs”<sup>2</sup> than other policy mechanisms such as quotas, direct incentives or voluntary goals. FITs have also largely been credited for supporting green job creation in Europe.<sup>3</sup> To foster the urgently needed transition to clean energy, the Pembina Institute has recommended a FIT system with prices differentiated by technologies and set according to reasonable return on investment, with 20-year contracts, no caps on project size, and facilitated access to the grid. Ontario passed the Green Energy and Economy Act, which implements North America’s first comprehensive FIT, and the Pembina Institute has supported the key aspects of this policy. Our official submission to the Legislative Assembly concerning the Act described it as “arguably the most progressive renewable energy policy in North America in the past 20 years.”<sup>4</sup>

#### Liberal

- Continue to implement the Green Energy Act and proceed with the FIT approach to procuring renewable electricity generation.
- Implement Ontario’s Long-Term Energy Plan, increasing the supply of renewable power to 10,700 MW by 2018.
- Continue to invest in the Smart Grid.



**Explanation for rating:** The Green Energy Act and its FIT program have made a ground-breaking effort in North America to develop renewable energy. Some issues remain to be sorted out, but the investments and number of projects mobilized as a result of the Act are on track to deliver a significant increase in renewable energy capacity while developing green jobs and investment in Ontario.

#### NDP

- Require a full environmental assessment for the Ontario Long-Term Energy Plan.
- Commit to current contracts under the FIT but restrict future contracts to small and community-based projects.
- Aim to generate 10,700 MW of renewable energy by 2018 by moving towards public ownership of new larger



<sup>1</sup> Pembina Institute (2008) *Feeding the Grid Renewably: How feed-in tariffs maximize the benefits of renewable energy*, [www.pembina.org/pub/1598](http://www.pembina.org/pub/1598)

<sup>2</sup> Stern Review on the economics of climate change, [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)

<sup>3</sup> German Ministry for the Environment, Nature Conservation and Nuclear Safety (2011), *Renewable Energy Sources in Figures*, [http://www.bmu.de/files/english/pdf/application/pdf/broschuere\\_ee\\_zahlen\\_en\\_bf.pdf](http://www.bmu.de/files/english/pdf/application/pdf/broschuere_ee_zahlen_en_bf.pdf)

<sup>4</sup> Pembina Institute (2009) *Submission to the Standing Committee on General Government Re: Bill 150 The Green Energy and Green Economy Act*, <http://pubs.pembina.org/reports/submission-std-comm-oea.pdf>

	<p>renewable projects, with an additional 5,000 MW by 2030.</p> <p><b>Explanation for rating:</b> The NDP plan would drastically alter the principal means of procuring renewable energy in Ontario (the FIT), including scaling it back only for community-based projects. A recent study by the Pembina Institute supports the notion of increasing the involvement of community-based green energy projects;<sup>5</sup> however the opportunity for community participation is available in both the current and the proposed scaled-back FIT. The proposed shift to public ownership represents a drastic change in the structure of the FIT program, and its procurement process is likely to introduce major uncertainty to the market and the investment that has begun to successfully take root in Ontario.</p> <p>While the Pembina Institute supports the goal of increasing long-term renewable energy targets, an abrupt and major deviation from the established and successful procurement structure of the FIT program runs the risk of dissuading green energy investment and development.</p>	
PC	<ul style="list-style-type: none"> <li>• Cancel the FIT and repeal the Green Energy Act.</li> <li>• Focus will be on natural gas, hydroelectric and nuclear power options instead of renewable energy.</li> <li>• Some [unspecified] renewable energy will be procured via an “open and fair process for alternate energy sources like solar, wind, and biomass that demands affordable prices and respects local decisions” — but the PC platform is short on details about how this process would work.</li> </ul> <p><b>Explanation for rating:</b> The PC position is a significant step backwards from where we are today. Cancelling the Green Energy Act will halt much of the progress made in Ontario to develop renewable energy by destabilizing the market and slowing clean energy projects at a time when new clean generation is badly needed.</p>	O

<sup>5</sup> Pembina Institute (2011) *Harvesting clean energy on Ontario farms*, [www.pembina.org/pub/2230](http://www.pembina.org/pub/2230)

## GREEN ENERGY

## 2. Phasing out non-sustainable sources of energy

### Pembina Institute perspective

Coal is the single largest source of GHG emissions globally, in addition to being a major source of air pollution and smog precursors. Ontario has begun the laudable steps of phasing out its entire coal fleet by 2014. Given the negative air and climate impacts of coal, the Institute has recommended phasing out coal as quickly as possible. All of Ontario's nuclear plants will require refurbishment or replacement by the year 2025. Nuclear energy's presence in the electrical system will eventually limit the growth of sustainable energy development in Ontario. The province should avoid building new nuclear plants, and replace retiring nuclear generating capacity with a green energy portfolio consisting of renewable electricity generation, energy conservation and combined heat and power.<sup>6</sup>

<b>Liberal</b>	<ul style="list-style-type: none"> <li>• Continue phase out of coal by 2014.</li> <li>• Maintain nuclear power at 46% of generating supply.</li> </ul> <p><b>Explanation for rating:</b> The Liberal commitment to complete the coal phase-out is laudable and will reduce GHG emissions and improve air quality. Maintaining a commitment to nuclear generation is likely to be more expensive than expanded clean energy, and may eventually limit the space available for expansion of renewable energy.</p>	★★
<b>NDP</b>	<ul style="list-style-type: none"> <li>• Not build any new nuclear reactors and shift investment to conservation efforts.</li> <li>• Assess the need for further nuclear refurbishments.</li> <li>• Immediately put coal-fired electricity generation on emergency standby and completely phase it out by 2014, while assessing ways of powering the plants using biomass.</li> <li>• Encourage combined heat and power generation, setting a target of 5,000 MW within the next 10 years.</li> </ul> <p><b>Explanation for rating:</b> Overall, the NDP's proposed shift away from nuclear power, the increase in renewable energy targets and the encouragement of combined heat and power generation are all positive steps.</p>	★★★★★
<b>PC</b>	<ul style="list-style-type: none"> <li>• Continue with the coal-phase out by retrofitting old coal plants to burn biomass and natural gas.</li> </ul> <p><b>Explanation for rating:</b> The PC commitment to continue the phase-out of coal is an important and commendable one that will reduce GHG emissions and improve air quality. However, replacing currently forecast renewable energy capacity with natural gas is less sustainable and only marginally less expensive in the short term, and likely more expensive in the long run.<sup>7</sup></p>	★★

<sup>6</sup> Pembina Institute (2008) *Plugging Ontario Into a Green Future*, <http://pubs.pembina.org/reports/plugging-in-ontario-report.pdf>

<sup>7</sup> Pembina Institute (2011) *Behind the Switch, Pricing Ontario's Electricity Options*, [www.pembina.org/pub/2238](http://www.pembina.org/pub/2238)

<b>GREEN ENERGY</b>	<b>3. Pursuing all cost-effective energy conservation measures</b>	
<b>Pembina Institute perspective</b>	<p>Energy efficiency and conservation are the cleanest, most affordable, and fastest ways to secure our energy supply and reduce air emissions. Yet Ontario uses approximately 44 per cent more electricity per capita<sup>8</sup> than our neighbours in New York State.<sup>9</sup> The Ontario Power Authority's studies show that 10,000 MW of cost-effective energy savings are achievable by 2020 through conservation and demand management initiatives. The most recent Integrated Power System Plan aimed to achieve 6,300 MW by 2027.<sup>10</sup> The Pembina Institute has already recommended maximizing all cost-effective opportunities for conservation and demand management; as such the Ontario Power Authority should be directed to pursue deeper energy efficiency savings.</p>	

<b>Liberal</b>	<ul style="list-style-type: none"> <li>• Continue to implement the target in Ontario's Long-Term Energy Plan to save 7,100 MW by 2030.</li> <li>• Support the Ontario Power Authority's conservation programs.</li> </ul>	★★★
<p><b>Explanation for rating:</b> The Liberal commitment to support the Ontario Power Authority's conservation plans and set energy savings targets is a positive first step, however more cost-effective conservation and energy efficiency measures are possible to reduce base load demand as well as peak load.</p>		
<b>NDP</b>	<ul style="list-style-type: none"> <li>• Explore ways to make use of Smart Meters (e.g. instant feedback on electricity usage for consumers) and more effective supports and incentives to reduce peak demand.</li> <li>• Offer rebates of up to \$5,000 per household for home retrofits.</li> <li>• Offer grants of up to \$5,000 for lower-income homeowners and tenants for home retrofits.</li> <li>• Offer up to \$10,000 in low-interest loans that can be paid back on home hydro bills.</li> <li>• Remove the HST from home hydro and home heating costs, reducing the incentive for families to cut back on their energy consumption.</li> </ul>	★★★
<p><b>Explanation for rating:</b> Home retrofit grants and rebates can be successful in securing energy savings, and combined with on-bill financing, are excellent policies that could help Ontario meet its full potential for conservation. However, removing tax from energy costs is counterproductive to conservation and could lead to increased consumption overall — offsetting some of the gains made by other conservation programs.</p>		

<sup>8</sup> ON's total 2010 electricity demand: [http://www.ieso.ca/imoweb/media/md\\_demand.asp](http://www.ieso.ca/imoweb/media/md_demand.asp)  
 ON's total population: <http://www40.statcan.ca/l01/cst01/demo02a-eng.htm>  
 NY's kWh per capita: [http://energyalmanac.ca.gov/electricity/us\\_per\\_capita\\_electricity-2010.html](http://energyalmanac.ca.gov/electricity/us_per_capita_electricity-2010.html)  
<sup>9</sup> <http://www.statcan.gc.ca/daily-quotidien/100929/t100929b2-eng.htm>; [http://energyalmanac.ca.gov/electricity/us\\_per\\_capita\\_electricity-2010.html](http://energyalmanac.ca.gov/electricity/us_per_capita_electricity-2010.html)  
<sup>10</sup> The Pembina Institute (2008). *Plugging Ontario into a Green Future: A Renewable is Doable Action Plan*.



<p>PC</p>	<ul style="list-style-type: none"> <li>• Remove the HST from home hydro and home heating bills, providing incentive for Ontarians to use more electricity.</li> <li>• End mandatory time-of-use pricing, increasing the strain on our electricity system during peak periods.</li> <li>• Take steps to make government buildings more efficient.</li> </ul>	<p>O</p>
	<p><b>Explanation for rating:</b> Making government buildings more efficient is a laudable goal, but its effect would be more than negated by a province-wide removal of taxes from home hydro and heating costs, and ending time-of-use pricing, which is counterproductive to energy conservation.</p>	

TRANSPORTATION	Helping Ontarians get to work and use less fuel
<p><b>Why this is a priority</b></p>	<p>One-quarter of Ontario’s GHG emissions come from the transportation sector, and Ontario spends more than \$13 billion dollars each year to import oil, most of which is used for transportation fuel.</p> <p>Reducing our dependence on gasoline is the most effective way to insulate Ontarians from high gas prices, reduce pollution from vehicles and tackle GHG emissions. To reduce gasoline dependence in the long-term, the province needs to invest in clean transportation technology, manufacturing and infrastructure — giving Ontarians more alternatives to driving and incentives to use cleaner, more efficient vehicles.</p> <p>Ontario has some of the worst gridlock in North America, because of the high volume of vehicles crowding the roads in the Greater Toronto Area, which comprises 40 per cent of Ontario’s population and employs nearly 50 per cent of the provincial labour force.</p>
<p><b>Commitments ranked</b></p>	<p>Party platforms were ranked on the credibility and effectiveness of their commitments to these three key actions:</p> <ol style="list-style-type: none"> <li><b>1. Regulating and encouraging cleaner vehicles, including electric vehicles</b></li> <li><b>2. Investing in expanded rapid transit infrastructure</b></li> <li><b>3. Reducing traffic congestion and providing relief from gas prices through policies that reduce fuel consumption and provide commuting options</b></li> </ol>
<p><b>Basis for our perspective and the policies we assess</b></p>	<p>Personal vehicles are responsible for the majority of GHG emissions and fuel consumption from the transportation sector, although freight trucks are not far behind. However, at this time Pembina’s policy perspective on heavy-duty trucks is for the federal jurisdiction only, so we do not have a provincial perspective against which to measure party platforms on freight policies. The Pembina Institute currently does not have a stated perspective on fuel quality for Ontario.</p>

TRANSPORTATION	1. Regulating and encouraging cleaner vehicles, including electric vehicles	
<b>Pembina Institute perspective</b>	<p>Ontario needs to invest in plug-in infrastructure and electric vehicle technology, and offer incentives to encourage the production and purchase of these vehicles. Regulation and incentives are needed to require charging infrastructure in new condominiums, in urban areas and at the workplace, along with implementing time-of-use pricing.</p> <p>Incentives are equally needed to encourage the development and purchase of more fuel-efficient gas-powered vehicles, which continue to comprise the vast majority of our vehicle stock.</p>	

<b>Liberal</b>	<ul style="list-style-type: none"> <li>• Commit to increasing the number of electric vehicles on Ontario's roads to one in 20 by 2020; would invest \$80 million in the charging stations and infrastructure required to support these vehicles.</li> <li>• Continue current incentives for the purchase of electric vehicles, including rebates and the green licensing program and support for manufacturers (i.e. Magna, Electrovaya, Dana Holding Corp. and Toyota<sup>11</sup>).</li> <li>• Continue with the Drive Clean program.</li> </ul> <p><b>Explanation for rating:</b> The Liberal platform includes very positive actions to encourage more electric vehicles, but no stated policies to encourage the manufacture and uptake of more fuel-efficient gas-powered vehicles.</p>	★★★
<b>NDP</b>	<p>--</p> <p><b>Explanation for rating:</b> The NDP platform includes no commitment to invest in electric vehicle infrastructure or technology and no incentives to encourage the development and purchase of more fuel-efficient and plug-in electric vehicles.</p>	★
<b>PC</b>	<ul style="list-style-type: none"> <li>• Plans to cancel the Drive Clean program for vehicles would mean that heavily polluting vehicles could stay on Ontario roads longer.</li> </ul> <p><b>Explanation for rating:</b> The PC platform includes no stated investment in electric vehicle infrastructure, technology and incentives, and no incentives to encourage the development and purchase of more fuel-efficient and plug-in electric vehicles. The PC's only stated policy on clean vehicles goes in the wrong direction.</p>	○

<sup>11</sup> John Goddard, Canadian Press, "Driving Green," *The Toronto Star*, Aug. 29, 2011, <http://www.thestar.com/business/companies/magna/article/1046601--driving-green>

## TRANSPORTATION

### 2. Investing in expanded rapid transit infrastructure

#### Pembina Institute perspective

Ontario needs to commit to the full implementation of the Metrolinx “Big Move” transit plan for the Greater Toronto and Hamilton region, as well as improved transit service throughout the province. The Pembina Institute’s modelling in two 2010 reports shows that the Metrolinx transit plan, if fully implemented, can reduce greenhouse gases and fuel consumption from Ontario’s personal transportation sector more than any other current policy. Investment in current highway expansion plans should be redirected to rapid transit infrastructure along those corridors.

<p><b>Liberal</b></p>	<ul style="list-style-type: none"> <li>• Continue with the Metrolinx “Big Move” transit plan.</li> <li>• Continue with plans for light rail transit (LRT) in Waterloo and Ottawa; for Toronto, continue the Eglinton-Scarborough Crosstown LRT and the Air Rail Link connecting Pearson Airport and Union Station.</li> </ul> <p><b>Explanation for rating:</b> The Liberals’ continued commitment to the Metrolinx transit plan and expanded transit plans in the Greater Golden Horseshoe is positive. However, major highway expansion plans are still underway.</p>	<p>★★★</p>
<p><b>NDP</b></p>	<ul style="list-style-type: none"> <li>• Move forward with current transit expansion plan (assume this to be the Metrolinx transit plan).</li> <li>• Expect that taking on half the cost of municipal operation of transit would help municipalities with expanded capital investments</li> </ul> <p><b>Explanation for rating:</b> The NDP has committed to moving ahead with an important transit policy (the Metrolinx transit plan) and relieving municipalities from high costs of transit operations that could otherwise lead to service cuts. No mention of redirecting highway investments.</p>	<p>★★★</p>
<p><b>PC</b></p>	<ul style="list-style-type: none"> <li>• No stated commitment to implement the Metrolinx transit plan.</li> <li>• Commit to permanently increase the dedicated revenue from the provincial gas tax to transit, roads, and other infrastructure projects, and increase the number of municipalities who receive this funding.</li> <li>• Prioritize the building of the Mid-Peninsula highway linking Hamilton and the Niagara Peninsula, which is currently on long-term hold.</li> </ul> <p><b>Explanation for rating:</b> Under the PC plan, dedicated funding distributed to municipalities for transit would be made available for roads and highways and other infrastructure, instead of just transit. Shifting investment from transit to roads, as well as the prioritization of the Mid-Peninsula highway, would lead to increased transportation-related GHG emissions.</p>	<p>0</p>

TRANSPORTATION	3. Reducing traffic congestion and providing relief from gas prices through policies that reduce fuel consumption and provide commuting options	
Pembina Institute perspective	Ontario should provide practical options and incentives to encourage commuters to leave the car at home, telecommute, spend less time behind the wheel and opt for transit or active transportation. Improved transit service and incentives for active transportation and carpooling are needed, but there is also an increasing need to introduce road-pricing policies to reduce congestion and raise funds for transit infrastructure.	
Liberal	<ul style="list-style-type: none"> <li>• Spend \$6.8 billion to expand Go Transit train service to deliver all-day two-way service along all corridors.</li> <li>• Continue with the Smart Commute program that helps municipalities implement commuter programs to drive less, carpool and cycle.</li> </ul> <p><b>Explanation for rating:</b> The Smart Commute program provides good incentives to reduce driving, and expanded Go train service would reduce auto trips. However, Ontario still requires road-pricing policies to combat congestion and generate much-needed funds for the Metrolinx plan.</p>	★★★
NDP	<ul style="list-style-type: none"> <li>• Freeze transit fares by taking on half the operating cost of municipal transit systems, making transit more affordable to riders.</li> <li>• Commit to regulating and investing in cycling safety and infrastructure, making it law that drivers have to stay at least one metre away from cyclists on the move, creating “complete street” cycling infrastructure for new roads, and creating a province-wide cycling infrastructure fund for investments in bike lanes, bike storage and bicycle tourism.</li> <li>• Require major new developments to be accessible by transit and other active transportation.</li> <li>• Remove one percentage point off the HST from gasoline each year for the next four years.</li> <li>• Instruct the Ontario Energy Board to set a gas price ceiling every week for northern drivers.</li> </ul> <p><b>Explanation for rating:</b> The NDP’s policies to encourage more active transportation and freeze transit fares would help maintain some feasible commuter alternatives to driving. However, these benefits are undermined by policies to cut taxes from gasoline, which would lead to an increase in driving, traffic congestion and related pollution while reducing funding available for needed investment in transit infrastructure. A longer-term solution to high gas prices for northern residents (and all Ontarians) who have no option but to drive would be to invest in incentives for those who purchase more fuel-efficient vehicles. Doing so could help reduce the cost of driving while also reducing fuel consumption.</p>	★★

PC

- Stated objective to reduce congestion by building new road and transit infrastructure.

**Explanation for rating:** The PC platform allows funding to be shifted from transit to roads, and includes no stated policies to reduce the number of vehicles on the roads or provide commuter options.



CLIMATE	Doing Ontario's part to cut GHG emissions
<b>Why this is a priority</b>	Ontario is responsible for 23.9 per cent of Canada's total GHG emissions. Ontario has an opportunity to play a leadership role in Canada by setting stringent, science-based GHG reduction targets and implementing a credible plan to meet those targets. Renewable energy, conservation and transportation policies all contribute to meeting our climate targets, but are not re-assessed in this section to avoid overlap. Also, certain policies and platform commitments — for example, forest protection — may contribute to meeting Ontario's climate commitments. However, those areas are outside the scope of the Pembina Institute's work and since we have not made previous policy recommendations pertaining to those issues, we have not taken them into account in this analysis. Our analysis in this section is confined to each party's plan to set and meet GHG reduction targets (rather than the individual policies that will help to reduce emissions) as well as each party's carbon pricing commitments.
<b>Commitments ranked</b>	Party platforms were ranked on the credibility and effectiveness of their commitments to these two key actions: <b>1. Making a plan to reach Ontario's GHG reduction targets</b> <b>2. Putting a price on GHG pollution</b>
<b>Basis for our perspective and the policies we assess</b>	Climate change policy is shared jurisdiction between federal and provincial governments, and within the provincial government it extends across many policy areas including industrial production, electricity generation, transportation, agriculture and so on. To be effective in all policy areas, Ontario needs clear targets and a comprehensive, economy-wide plan, including putting a price on carbon, to ensure the province's GHG reduction initiatives and investments add up to Ontario's fair share of real emissions reductions.

CLIMATE		1. Making a plan to reach Ontario's GHG reduction targets	
Pembina Institute perspective	Ontario should implement a plan that works to meet Ontario's GHG reduction targets of at least 6 per cent below 1990 levels by 2014; 15 per cent below 1990 levels by 2020; and 80 per cent below 1990 levels by 2050. The Ministry of Environment anticipates that initiatives currently underway, including the coal phase-out, will bring the province approximately halfway to its 2020 goal; <sup>12</sup> Ontario needs further action to reach its targets for 2020 and 2050.		

Liberal	<ul style="list-style-type: none"> <li>Commit to meeting current GHG targets and proceeding with Ontario's current climate change plan, including participation in the Western Climate Initiative (WCI).</li> </ul> <p><b>Explanation for rating:</b> The Liberals have a detailed climate plan for which they carefully measure yearly progress toward meeting these targets. They get half marks for planning, execution and transparency; however, their own transparent reporting reveals that current initiatives are expected to only get Ontario just over halfway to its 2020 emissions reduction goal.</p>	★★★ <sup>1/2</sup>
NDP	<ul style="list-style-type: none"> <li>Commit to strengthening Ontario's 2020 emissions target to 20 per cent below 1990 levels by 2020 (promising deeper emissions reductions than the current goal of 15 per cent below 1990 levels by 2020) and to developing a plan within the first year of government to meet the 2020 target.</li> <li>Would work with other jurisdictions on a coordinated climate change strategy, continuing to push the federal government to move forward with a national plan.</li> </ul> <p><b>Explanation for rating:</b> A more stringent target is encouraging, but the NDP platform lacks detail on how the party's policies would meet this target and whether those measures would be adequate.</p>	★★
PC	<ul style="list-style-type: none"> <li>Promise to work with other provincial governments, the federal government, and our international partners to ensure Ontario is doing its part to combat climate change.</li> </ul> <p><b>Explanation for rating:</b> Assume continuation of current policy, with no statements to reverse current progress.</p>	★

<sup>12</sup> Climate Progress: Ontario's Plan for a Cleaner, More Sustainable Future. 2011.  
[http://www.ene.gov.on.ca/stdprodconsume/groups/lr/@ene/@resources/documents/resource/stdprod\\_085413.pdf](http://www.ene.gov.on.ca/stdprodconsume/groups/lr/@ene/@resources/documents/resource/stdprod_085413.pdf)



CLIMATE		2. Putting a price on GHG pollution	
Pembina Institute perspective	Ontario should institute a price on GHG pollution, through a carbon tax and/or cap-and-trade system. Either system should be broad-based (cover at least 80 per cent of Ontario's emissions) and result in a price that is high enough to promote significant investment in clean energy solutions while protecting low-income households. Carbon revenues (from allowance auctions or carbon tax) should be primarily used to support emission reduction activities, to protect low-income households and industries subject to demonstrable competitiveness impacts.		
Liberal	<ul style="list-style-type: none"> <li>• Ontario joined the WCI in 2008, and the current cap-and-trade legislation already commits to re-invest cap-and-trade revenues in emission reductions.</li> <li>• Remain committed to the WCI, applying new mandatory GHG reporting requirements.</li> <li>• Continue to collect data and consult with stakeholders in the development of a cap-and-trade system, although its implementation has been delayed.</li> </ul> <p><b>Explanation for rating:</b> The Liberals remain committed to moving ahead with a cap-and-trade system, but have delayed its implementation, preferring to wait for commitments from other jurisdictions. B.C. however has moved ahead with a carbon tax, and Quebec is close to implementing its cap-and-trade regulations.</p>	★★	
NDP	<ul style="list-style-type: none"> <li>• Commit to joining the WCI cap-and-trade system and plan to reinvest revenues in reducing emissions.</li> </ul> <p><b>Explanation for rating:</b> The NDP's commitment to continue participating in the WCI and to implement a cap-and-trade system is a good sign, but the platform lacks detail on timing, how stringent the system would be or how much revenue it would generate.</p>	★★	
PC	<ul style="list-style-type: none"> <li>• Stated objection to a carbon tax,<sup>13</sup> but no clarification on whether this means the PCs would reject all forms of carbon pricing, including cap-and-trade.</li> </ul> <p><b>Explanation for rating:</b> It remains unclear whether or not the PCs would end participation in the WCI or reverse progress toward implementing a cap-and-trade system. However, the next government must be open to carbon pricing in general, understand the potential of all approaches to putting a price on carbon, and be willing to implement at least one of them. (For instance, B.C. is implementing both cap-and-trade and a carbon tax.)</p>	O	

<sup>13</sup> Martin Regg Cohen, "Legislature united against road tolls and carbon taxes" *The Toronto Star*, June 9, 2011, <http://www.thestar.com/news/canada/politics/article/1005133--cohn-legislature-united-against-road-tolls-and-carbon-taxes>