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To: Bill White

Subject: AMO Policy Update - Ontario Climate Change Action Plan

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AMO Seeking Clarity on Ontario Climate Change Action Plan

Municipal governments in Ontario and beyond have been strong advocates of environmental quality and climate action for decades. Municipalities know that climate change has resulted in more frequent and intense storms that wreak havoc on our infrastructure systems and the economic prospects of residents and our communities and have taken local action to reduce their own emissions and increase resilience.

However, recent reports in the news media, purportedly from the government's proposed Climate Action Plan, have raised important questions for municipal governments, particularly as they relate to natural gas. Seemingly leaked documents have suggested that one major aspect of the province's Climate Action Plan will be to no longer provide natural gas as a heating source in new buildings starting in 2030, which then triggers concerns and questions about the current expansion of natural gas services.

Many communities in Ontario are looking to the expansion of natural gas and the \$200 million provincial program that enables it, as a welcome economic opportunity to reduce consistently high electricity prices for these communities and support economic development in a meaningful way. Municipal governments are working to put their financial resources to work for the expansion and for some this may include taking on debt. The media reports of a substantial increase in price along with what appears to be a change in direction are confusing our membership.

Because the Climate Action Plan has not been made public, we cannot confirm its details. However, AMO has called on the government to fully clarify the policy intent for natural gas expansion. We have called upon the Premier and the Minister to do this sooner than later. Municipal governments, rural or urban need to understand how Ontario's energy system will support and attract local economic development. Energy costs are sited as a barrier. Reducing greenhouse gas emissions is a requirement for our environmental and economic security. But we need to transition in a way that supports a vibrant economy and one with a solid foundation.

Given today's passage of the *Climate Change and Low Carbon Economy Act* (Bill 181), we are not aware of any barriers to the release of the Climate Action Plan, along with the full analysis of all the impacts. AMO has written to the Premier and the Minister requesting this action. Clarity is needed now.

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