From:	"Levitt, Karen" <karen.levitt@vancouver.ca></karen.levitt@vancouver.ca>
To:	"Direct to Mayor and Council - DL"
Date:	8/23/2021 5:37:51 PM
Subject:	Memo - CleanBC 2030 Roadmap
Attachments:	Memo to Mayor & Council- CleanBC 2030 Roadmap.pdf

Dear Mayor and Council,

Please find attached a memo from the General Manager of PDS, Theresa O'Donnell, to brief you on the upcoming CleanBC 2030 Roadmap. This memo will support you in conversations with provincial representatives at upcoming events, such as UBCM, to assist you in supporting Vancouver's and BC's climate goals.

In summary:

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- The 2030 Roadmap is intended to close the gap between the 2018 CleanBC plan and the province's 2030 GHG targets.
- □ In order for BC and Vancouver to meet its targets the province must strengthen:
 - o the Carbon Tax,
 - o the Zero Emissions Vehicles Standard,
 - o the Low Carbon Fuel Standard,
 - o the Clean Portfolio Standard, and
 - funding support for cities, such as replacing the Climate Action Revenue Incentive Program (CARIP).

Any questions can be directed to Theresa O'Donnell at theresa.o'donnell@vancouver.ca.

All the best,

Karen

Karen Levitt, Deputy City Manager (she/her) karen.levitt@vancouver.ca

The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^wməθk^wəýəm/Musqueam, S<u>k</u>wxwú7mesh/Squamish and səlilwətai/Tsleil-Waututh nations



MEMORANDUM

August 23, 2021

- TO: Mayor and Council
- CC: Paul Mochrie, City Manager Karen Levitt, Deputy City Manager Katrina Leckovic, City Clerk Lynda Graves, Administration Services Manager, City Manager's Office Maria Pontikis, Director, Civic Engagement and Communications Anita Zaenker, Chief of Staff, Mayor's Office Neil Monckton, Chief of Staff, Mayor's Office Alvin Singh, Communications Director, Mayor's Office
- FROM: Theresa O'Donnell General Manager, Planning, Urban Design and Sustainability SUBJECT: CleanBC 2030 Roadmap
- RTS #: N/A

The purpose of this memo is to brief Mayor and Council on the upcoming CleanBC 2030 Roadmap in advance of conversations with provincial representatives at upcoming events, such as UBCM, to support Vancouver's and BC's climate goals.

The provincial government is in the process of developing an update to their climate plan, referred to as the CleanBC 2030 Roadmap (Roadmap). The government's intention is that the Roadmap will close the gap to BC's 2030 targets, and as a result it will be consequential for the City of Vancouver's ability to meet our Climate Emergency objectives. The Roadmap is expected to be released in advance of COP26 (the annual international meeting to advance implementation of the Paris Agreement) held in Glasgow, Scotland from November 1st to 12th of this year.

CleanBC was released in December 2018 and addresses important policies such as the Zero Emissions Vehicle Standard and a requirement for renewable gas to be included to reduce the carbon intensity of natural gas operations. According to the provincial government's 2020 Climate Change Accountability Report, the Province estimates that existing CleanBC actions will achieve between 56% and 72% of the reductions needed to meet their 2030 target. That's a gap of between 7.2 and 11.2 million tonnes of carbon pollution that the Roadmap will need to identify for reduction.



City staff have provided input to provincial staff throughout the Roadmap's development. Once released, staff will provide Mayor and Council a detailed assessment of the Roadmap in order to:

- Account for the remaining emissions gap,
- understand the specific policies proposed to close the gap,
- understand when those policies will be implemented/updated, and
- evaluate what those policies will mean for buildings and transportation in Vancouver.

The BC Climate Solutions Council (CSC) is an advisory body to the Minister of Environment and Climate Change Strategy, and they have been providing consensus advice on how the province should close the gap to their 2030 target. The CSC includes members from First Nations, environmental organizations, industry, academia, youth, labour and local government. The City's of Vancouver's Climate Policy Manager is a representative on the CSC.

This memo focuses on CSC's recommendation as they directly support Vancouver's climate goals.

The CSC has highlighted four provincial policies that the provincial government need to strengthen to reach BC's 2030 targets:

- the Carbon Tax,
- the Zero Emissions Vehicles Standard,
- the Low Carbon Fuel Standard, and
- the Clean Portfolio Standard.

The CSC has also provided advice on an improved program to support local government climate action (i.e. a CARIP replacement program). The CSC's advice on each of these policies and programs is described briefly below, and their full advice is available here: <u>https://www2.gov.bc.ca/gov/content/environment/climate-change/planning-and-action/advisory-council</u>.

Carbon Tax

The BC Carbon Tax establishes a price per tonne of carbon pollution that is applied to fossil fuels burned in the province. The CSC recommended that the provincial government use the Roadmap to commit to:

- Meeting or exceeding the national carbon price benchmark (\$170/tonne by 2030) that was announced by the federal government in December 2020.
- Increasing support for British Columbians who are less able to adjust to rising carbon prices due to their income, location, or other measurable factors.
- Addressing the competiveness challenges faced by emissions-intensive, trade-exposed industries while supporting emissions reductions.

Zero-Emission Vehicles Standard

The Zero-Emission Vehicles (ZEV) Standard requires that an increasing percentage of the light duty (passenger) vehicles that automakers sell in BC be battery electric, plug-in hybrid electric, or hydrogen fuel-cell electric vehicles. This requires that ZEVs comprise 10% of sales in 2025, 30% in 2030, and 100% of vehicle sales by 2040. The CSC recommended that the provincial government use the Roadmap to commit to:

- Increasing the ZEV sales target for 2030 from 30% of new light duty (passenger) vehicles to between 80% and 100%.
- Introducing ZEV requirements for medium- and heavy-duty vehicles (e.g. commercial trucks and buses) that are aligned with California's leading work, starting with models sold in 2024 and have an overall objective of 100% ZEV sales for medium- and heavy-duty vehicles by 2045.

Low Carbon Fuel Standard

The Low Carbon Fuel Standard (LCFS) requires fuel suppliers to reduce the carbon intensity of the fuels (gasoline and diesel) they supply in BC by a specified percentage below 2010 levels.

This requirement can be met with a mix of renewable fuels and switching to electric vehicles. The CSC recommended that the provincial government use the Roadmap to commit to:

Increasing the stringency of the LCFS to align with the CleanBC 2030, 2040, and 2050 province-wide and sectoral targets.

Based on economic modelling that informed the CSC's advice, the LCFS target would need to increase from a 20% reduction in life-cycle carbon intensity by 2030 to about a 40% reduction. Establishing this longer-term trajectory through the LCFS will help the private sector plan for the needed investments, and minimize the risk that investment is directed to fuels that might help with 2030 targets, but aren't sufficient for the reductions needed in 2040 or 2050.

Clean Portfolio Standard

The Clean Portfolio Standard (CPS) has not yet been implemented, and it will require gas utilities to reduce the carbon pollution that results from the natural gas they supply in BC. Those reductions could be achieved by increasing the amount of renewable gas in the grid, improving building and industry energy efficiency, and switching from gas to electricity. The CSC recommended that the provincial government use the Roadmap to commit to:

• Setting the CPS reduction requirements so that emissions from gas utilities are consistent with the province's 2030, 2040, and 2050 province-wide target and sectoral targets. Establishing this longer-term trajectory through the CPS will help gas utilities plan for the needed investments, maximize the role they can play in the CleanBC transition, and increase confidence in the role of renewable gas as a long-term solution.

Improved replacement program to support local government climate action

The provincial government has committed to developing a new program to support local government climate action to replace the CARIP program, which had supported local government climate action since 2010. The CSC recommended that the provincial government use the Roadmap to commit to:

- Developing the new program to support local government climate action with urgency so that funding is available in 2022 to avoid a gap when CARIP funding lapses.
- Incorporating the key strengths of CARIP in that new program, including ensuring that funding provides a high degree of flexibility in how local governments advance climate action, is predictable so local governments can plan their work in advance, and dependable so that local governments build their climate programs accordingly.

Any questions can be directed to Theresa O'Donnell at theresa.odonnell@vancouver.ca.



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