Bill 172 An Act Respecting Greenhouse Gases

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Hello everyone my name is Louisette Lanteigne and I am a resident of Waterloo Ontario. I’ve been actively participating in public processes regarding environmental issues and policy formation for over 16 years assisting folks like Citizens Climate Lobby and the Grand River Environmental Network of which I am a founding member. Today I will relay concerns about Bill 172 using three categories.

1. The History of Cap and Trade
2. The Risks of Cap and Trade
3. Recommended changes
4. **The History of Cap and Trade**

The Smithsonian credits the founders of Cap and Trade as John B. Henry and C Boyden Gray. These two Republicans went for a walk at Maine's Acadia National Park in August in the 1980s when they came up with the scheme on cleaning up the environment by letting people buy and sell the right to pollute. Boyden Gray was a millionaire tobacco farmer in the US. And John Henry became a broker of emissions allowances.

Boyden Gray states the in-house debate "went very, very fast. We didn't have time to fool around with it." President Bush not only accepted the cap, he overruled his advisers.'

Source: Smithsonian <http://www.smithsonianmag.com/air/the-political-history-of-cap-and-trade-34711212/#RQq8E8h1ssuu4zG6.99>

So essentially it was a rushed policy and it fiscally benefit at least one of the two men who came up with this particular funding scheme.

1. **The Risks of Cap and Trade**

Continuous emissions monitoring aka CEM devices used for measurements can be recalibrated to give false readings. There is often inconsistent operation, supervision and a lack of quality control at power plants that are doing the monitoring. Some people with the right connections can bypass the rules.

This comes from Ruth Greenspan Bell who was part of a team that tried to set up a pilot sulfur dioxide emissions trading system in Taiyuan, China. She found China’s monitoring was so poor it would have been impossible to know whether emissions fell or went up, that there were huge disconnects between Beijing's pollution objectives and what was going on in the provinces and cities, and that reports of corruption raised legitimate concerns about the reliability of policies and rules.

Source: LA Times <http://www.latimes.com/opinion/op-ed/la-oe-greenspan-china-cap-and-trade-20151001-story.html>

Under Ontario’s plan, the larger organizations will receive exemptions over the first four years which the government dubs “transitional assistance,” This is in sectors like cement. petro chemicals, steel and mining. Companies include Petro­Canada Lubricants in Mississauga, Imperial Oil in Sarnia, Vale Canada’s Nickel refinery in Sudbury, and Brampton Brick in Brampton and Hanson Brick in Burlington.

Source: Toronto Star <http://www.thestar.com/news/queenspark/2016/02/25/liberals-spell-out-permissible-carbon-emissions.html>

Who used discretionary powers to single these folks out? What economic reports exists to justify their exclusion and is that report public? How much do taxpayers lose for the delay of their compliance and can we place a levy on the losses when they do get online to cover the lost costs plus interest? I am not a fan of giving these folks a break when other sectors have to pay. I fail to understand why Ontario residents should take a loss to facilitate them when it’s their own corporate choice to create the pollution to begin with.

In 2007 in the Journal Nature, Stanford law professor Michael Wara showed how the Kyoto Protocol­based emissions trading system was being distorted to achieve huge profits while thwarting the policy objectives of reducing greenhouse gas emissions.

Source: Nature <http://law.stanford.edu/wp-content/uploads/sites/default/files/child-page/138945/doc/slspublic/wara.pdf>

 Such was the case in Quebec where green funds were used for pipelines.

In 2011, Texas based oil refiner Valero Energy received a $6 million grant from the Ministry of Transport for its Valero-Ultramar pipeline project. According to the Journal de Montreal, the government paid that grant using the Green Fund. The 243 kilometre pipeline runs from Montreal to Levis. It was supposed to remove 37,000 of emissions by offsetting trains but it didn’t stop the fact that the Quebec City refinery produced 1.4 million tonnes of green house gas. Levis is where Line 9 oil is being refined today.

 $800,000 of the same fund went to Air Canada to add a new tail in on a Boeing 767. $700,000 was spent to implement an automated phone alert system for people vulnerable to heat and smog. S15 million to a program that adapts taxis and buses for people in wheelchairs. How does that reduce emissions?

Source; CJAD <http://www.cjad.com/cjad-news-quebec-beyond/2016/02/03/green-fund-used-to-help-finance-oil-pipeline>

Ontario’s laws have no regard for cumulative impacts of industries condensed in the same area. Even if all firms work to code, the collective impacts can kill people and that’s exactly what it is doing to the people of Aamjiwnaang. They have the lowest birth ratio boys to girls in the world. 40% miscarriage rates and high rates of cancer, cardiovascular and respiratory diseases. The endocrine issues are seen in fish and turtles as well and yet right now, more petrochemical expansion is taking place in on territorial lands without prior and inform consent or crown consultation.

Cap and Trade reduces emissions in certain areas but it won’t cap growth that can compromise actual carbon reduction. If BC were to proceed with the approval of Pacific NW LNG it would negate all the carbon reduction that has taken place as a result of their fee and dividend system. How can any level of government give social license for that? It violates the public’s trust and completely disregards their collective efforts to reduce emissions.

Source Vancouver Observer: <http://www.nationalobserver.com/2016/03/16/analysis/decision-time-trudeau-climate-commitments-or-lng-legacy>

The current Cap and Trade model negates particulates and emissions of other sectors like quarries, agricultural sectors, construction activities, livestock or landfill methane etc. Once particulates hit moisture in the air it’s heading to the ground not the sky. Are we taking the time to monitor the water’s pollution too?

Silica isn’t on the list of particulates but it contribute to smog too. If it harms a human, measure the discharge.

The accidental leak of natural gas in California discharged the annual emissions of nearly 600,000 cars worth of greenhouse gasses. How did that impact their Cap and Trade targets? Will that harm the public perception of their program when the public realizes that in spite of their efforts, emissions got worse regardless? What is the political impacts from that?

Source: Reuters <http://www.reuters.com/article/us-usa-gas-taskforce-idUSKCN0WY5JU>

Right now 80% of Canada’s infrastructure is reaching end of life. Ontario is riddled with unmarked improperly capped gas wells that predate provincial registration protocols. There is no solid guarantee our efforts will actually achieve results either. Cap and Trade is far more costly a framework than fee and dividend and less fiscally risky in my view both scientifically and politically.

I was a delegate of the Line 9 National Energy Board hearings so I know for a fact there is no independent regulatory bodies governing the decisions being made when it comes to fossil fuels in Canada. Boards of Governance have fossil fuel and investment reps in media, academia, banking and Governance. Even corporate regulators such as the Competitions Bureau of Canada is mandated to share its data with the Alberta Government as noted in a Message of Understanding published on February 27, 2014. With that said it is still very difficult to achieve meaningful enforcement with so many conflicts of interest.

Source: Competitions Bureau: <http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/03672.html>

In Canada it is difficult to invest in green energy without it being linked to fossil fuel sectors. The fossil fuel industry has it’s hand in everything and we need strong policy to stop this because they’ve gone too far.

Exxon is under investigation for Climate Change Denial and Deceit.

Source: The Vice <https://news.vice.com/article/exxonmobil-is-increasingly-being-singled-out-for-its-role-in-climate-change-deceit>

Canada knew about climate change since the 1970’s.

In 2013 the World Bank’s Blacklisted companies revealed that Canada was #1 for blacklisted companies owning 117 of the 600 companies listed.

Source: <http://www.huffingtonpost.ca/2013/09/18/world-bank-corrupt-companies-canada_n_3948280.html>

Of the 117 companies in Canada, 115 were either SNC Lavalin or its subsidiaries according to the Financial Post.

Source: <http://business.financialpost.com/executive/canada-now-dominates-world-bank-corruption-list-thanks-to-snc-lavalin>

SNC Lavalin along with Enbridge’s Norvoco owns Hydro Quebec. SNC Lavalin has exclusive engineering rights to all our nuclear plants. TransCanada owns reactors at Bruce Nuclea so oil and nuclear are linked. Now SNC is looking to acquire Ontario Hydro. How can it be deemed reasonable and in the public interest to allow an internationally blacklisted, criminal corporation like SNC Lavalin to manage Canada’s nuclear power plants and energy distribution networks in two provinces?

What on earth is the Province and Federal Government doing work with a firm like this? This is a National Security Risk! It is outrageous.

To close up the section on Cap and Trade Risks I end with this concern

Directorate for Investigating Organized Crime and Terrorism (DIICOT) was contacted after two accounts at Holcim were opened and ten unauthorized transactions took place at the National Register of Green House Gas Emissions that transferred 1.6 Million certificates worth 15 Euros each, nearly 24 Million Euros worth.  Holcim Romania accounts have been broken into by an international criminal ring which has most likely also broken into CO2 registers in Austria, the Czech Republic and Greece. The robbers of the virtual accounts used the users’ personal data. “ The money was traced to Italy. 600,000 certificates transferred into the accounts of an Italian company have been recovered. However, the remaining 1 M certificates worth 15 M Euros vanished without a trace, Data suggests the funds were transferred into an account in Liechtenstein, from where they were traded and re-traded , to eventually get into accounts in the UK, France and the Czech Republic, and, most likely, further away.

On Jan. 19, the European Commission suspended for a week almost all the transactions with CO2 certificates, after about 2 M CO2 certificates have been stolen from the National Registers of Greenhouse Gas Emissions in Austria, the Czech Republic and Greece, Bloomberg.com reports. According to ‘Romania Libera’ daily newspaper, Greek police allegedly learned that the IPs of the computers used by hackers to break into the Greek accounts allegedly originated from Romania and called on the Interpol to step in.

Source: Nine O’clock Romania <http://www.nineoclock.ro/holcim-accounts-broken-into-by-international-organized-crime-ring/>

1. Recommended Changes

**Preamble**

2nd paragraph states: To prevent dangerous climate change, the global community has identified the objectives of holding the increase in the global average temperature to well below 2 degrees Celsius above pre-industrial temperatures and pursuing efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial temperatures.

Change the word prevent to mitigate. At this point it is scientifically impossible to prevent dangerous climate change at this point.

4th paragraph

By taking action now, Ontario’s households and communities, infrastructure, agricultural resources, natural areas and ecosystems, including the Great Lakes and the boreal forest, will be better protected for the benefit and enjoyment of all.

Change the word protected to the word prepared and end the sentence there. We cannot reasonably protect anything from the impacts of climate change. We can only prepare. This policy isn’t designed for the enjoyment of anyone so strike that passage. It’s a shameful disgrace that we even need such a policy. It exists because industry use our environment as a dump.

Scrap Cap and Trade the game is rigged, it can be used to launder money and there is no reasonable system for accountability or to secure actual carbon emissions reductions.

Go full on with fee and dividend, implemented fully and quickly. It’s cheaper and more equitable across the board without preferential treatment or discrimination by sector which makes it less prone to Nafta challenges and issues of corruption and money laundering.

I want the tax going back to the people not for pipelines or other oil subsidies. They have taken more than their share already. Instead, I want you to support municipalities to convert to solar because it saves taxpayers money over the long term. Help us reclaim power from sewage to power water treatment plants. Reclaim energy from dumps. In Waterloo we’re reclaiming 4000 homes worth of energy from our landfills. Help smaller towns do the same. Use food wastes and farm debris for power instead of seeking sources of gas that have to be extracted and transported by aging pipelines from miles away.

Water is an essential commodity to support so we built homes where there is groundwater or surface water Energy is an essential commodity too yet it is transported in from Prairie Provinces to Ontario or from nations half a world away. This is highly inefficient, costly and unnecessary. Every community has the potential to generate their own power with renewable energy. Renewable is do-able and it’s time.

I support exemptions for farming sectors because it is time Ontario recognizes the value they provide by way of protecting our aquifers and local food economies. The carbon sequestration they provide along with flood controls and healthy sols play a key part in sustaining lives in Ontario. It is an asset worth protecting for the long term.. Farming and food systems require long term protection and support.

Thank you kindly for your time.