

Hon. Rod Phillips, Minister of the Environment, Conservation and Parks
Ministry of the Environment, Conservation and Parks
Ferguson Block
11th Floor
77 Wellesley Street West
Toronto, ON M7A 2T5

November 16, 2018

Dear Minister Phillips:

We are writing to respond to your Ministry's consultation on the development of a made-in-Ontario climate change plan. The ONN is the independent nonprofit network for the 58,000 nonprofits in Ontario, focused on policy, advocacy and services to strengthen the sector as a key pillar of our society and economy. We work to create a public policy environment that allows nonprofits to thrive. ONN supports the government's move to respond to climate change in Ontario and would like to see our sector do its part to help conserve energy and reduce our greenhouse gas emissions.

We understand that your government is undertaking a broad consultation to inform the new made-in-Ontario climate change plan and we appreciate the opportunity to provide input. We would like to highlight the fact that the areas of focus identified in your consultation plan include households, communities, businesses, and industry but does not speak to the needs and priorities of the nonprofit sector. Consider for instance the cost of heating and air conditioning at recreation facilities, the need for energy retrofits at century-old churches and child care centres, and the precarity of volunteer-run Meals on Wheels programs in the context of rising fuel costs.

Our sector's business models and financing structures are different from the for-profit sector and these differences should be taken into account in designing a climate change plan that is truly long term in scope and brings all sectors on board to reduce greenhouse gas emissions.

Summary of recommendations:

- Support the nonprofit sector to implement energy efficiency initiatives by providing financial incentives in the form of a repayable loan fund or low-cost loans. Consider offering targeted streams of funding for building retrofits and for new buildings at levels suitable for both small and large projects.

- Apply a cross-government approach to supporting the nonprofit sector in energy management efforts. Most notably, ministries with transfer payment agreements should ensure that these arrangements reflect recent and increases in the cost of hydro.
- Ensure that the nonprofit sector is eligible to access the proposed emissions-reduction fund in order to invest in technology or other solutions as a part of their role in reducing emissions and responding to climate change in Ontario.

Introduction

The nonprofit sector is composed of 58,000 organizations in Ontario that work every day to build a dynamic and resilient province. We are economic drivers and solution builders, employing over one million full-time and part-time workers. Now is the ideal time to bring the nonprofit sector into long-term energy planning as the sector is keen to reduce energy expenses and reinvest those savings into Ontario's communities.

Nonprofits understand the inextricable link between environmental health and the health of the communities and individuals we serve. While our sector is eager to undertake energy efficiency initiatives, when it comes to delivering essential services to communities, organizations have very little latitude in their choices about energy consumption. In the context of strained budgets, nonprofits must prioritize community needs and that means little is left over for retrofits or other efficiency projects.

Targeted energy efficiency financial initiatives

In 2013, ONN conducted a survey of our members on goods and services procurement. The survey indicated that utilities are the highest reported procured expense for nonprofits. This survey finding highlights a key opportunity for government to work with nonprofits on energy efficiency to reduce energy costs and energy consumption.

In the cases where nonprofits do meet eligibility requirements for grants or loans, they are keen to take up these opportunities. For example, there are nonprofits which operate centres which encompass facilities for child care, employment programs, newcomer services, health, fitness and aquatics, among other programs. These nonprofits, and many others, would benefit from the immense cost-saving potential in energy efficient technologies; however, the upfront capital required to make investments in these technologies is often elusive. Upfront capital investment is critical to support nonprofits in their transitions to having energy-efficient facilities and systems.

Our recommendation is that the Ontario Government support the nonprofit sector to implement energy efficiency initiatives by providing financial incentives in the form of a repayable loan fund or low cost loans, specifically tailored to meet our unique needs. This would provide better opportunities for nonprofits to access energy efficient technologies and minimize our carbon footprint. We furthermore recommend offering separate streams for building retrofits and for new buildings at levels suitable for both small and large projects. It will be important to implement

programs that respond to the needs and realities of diverse nonprofits by ensuring flexibility in program design, funding parameters, and application processes.

Emissions-reduction fund

ONN is pleased that the Ontario government will create an emissions reduction fund to allow organizations to invest in technology-based and other solutions to reduce emissions in Ontario. We ask that the government ensure that the nonprofit sector is eligible to access or has a specific allocation in the design of the proposed emissions-reduction fund which would support energy efficiency projects in the sector. This will ensure the continued sustainability of our community infrastructure while reducing the carbon footprint of our sector.

Cross-government approach

Our third recommendation is that government take into account the impact of recent and anticipated energy cost increases in negotiating transfer payment agreements with nonprofits. It would be helpful if the Ministry of the Environment, Conservation and Parks would communicate with other ministries that manage transfer payment agreements with nonprofit organizations so as to support the nonprofit sector in its energy management efforts. In cases where nonprofit organizations are contracted by the government to provide services to the people of Ontario, their transfer payment agreements must better reflect the cost of electricity.

We thank you for considering the needs and priorities of the nonprofit sector in the development of a made-in Ontario climate change plan. Our sector is critical to the vitality and sustainability of Ontario's diverse communities, and we are ready to work with government to support the goal of decarbonization while continuing to serve our communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Cathy Taylor". The signature is fluid and cursive, with the first name "Cathy" being more prominent than the last name "Taylor".

Cathy Taylor
Executive Director