Ottawa's "Climate" Plan



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The City's War on

Drivers
Homeowners
and Business

By Robert Lyman ©2022



OTTAWA'S WAR ON DRIVERS, HOMEOWNERS, AND BUSINESS

IS THIS WHAT YOU WANT?

- The end of the single detached home in new Ottawa residential developments.
- Conversion many existing streets into car-free zones
- Prohibition of "automobileoriented land uses" within the downtown core
- Prohibiting surface parking,
- Eliminating requirements that developers provide parking spaces for new residential and commercial developments,
- Prioritizing walking, cycling and transit.

Image: <u>lezumbalaberenjena</u>

In 2020, Ottawa City Council approved a "climate plan". The plan was given very little coverage in the media, aside from the standard comments that welcome each new "green" policy initiative. The only substantial critical commentary on the plan was offered by the International Climate Science Coalition - Canada (ICSC-Canada) an Ottawa based not-for-profit corporation comprising scientists, engineers and economists. The Coalition published a report that included a thorough critique of the rationale for the plan and of the major elements in it. The ICSC-Canada critique also received little attention in the print and broadcast media. As a result, very few residents of Ottawa are aware of the main components of the plan or of the specific measures to which the City is committed.

To find these out, one has to read the plan itself and Energy Evolution, the "Community Energy Transition Strategy" published by the City of Ottawa Planning, Infrastructure and Economic Development staff based on analysis conducted by a consultant.

This paper will focus on the proposed or planned actions that are documented in those documents, with special emphasis on those that may have large adverse effects on the public. The plan seeks to completely eliminate residents' use of oil and natural gas and place heavy emphasis on electricity generation by wind and solar energy.

About the Author

Robert Lyman is a retired economist. He has 37 years of experience as an economist, policy advisor and manager working on energy, transportation and environment policies. Since retiring, he has written extensively on energy and climate issues and has served as a consultant to federal and provincial governments on these matters. He is a resident of Ottawa.



IS THIS WHAT YOU WANT?

CITY DESIGN

The plan seeks to:

- Vastly increase the concentration of buildings within the city limits, fitting 194,800 new private households within the existing borders. This will require limits on housing size, and compacting development so that there is a minimum density of 36 units per hectare. Traditionally, most Canadian cities had densities of 15 to 20 residential units per hectare, so this plan essentially calls for the end of the single detached home in new Ottawa residential developments.
- Convert many existing streets into car-free zones
- Prohibit "automobile-oriented land uses" within the downtown core (i.e. the area bounded on the north by the Ottawa River, on the south by the 417 Highway, on the east by the Rideau Canal, and on the west by Bronson Ave.); this includes prohibiting surface parking, eliminating requirements that developers provide parking spaces for new residential and commercial developments, and prioritizing walking, cycling and transit.
- Prohibit the use of artificial turf for residential, commercial and industrial uses
- Change building standards to require the use of expensive but low-emissions technologies (this may increase building costs by

The plan seeks to completely eliminate residents' use of oil and natural gas and place heavy emphasis on electricity generation by wind and solar energy.

Image: <u>lezumbalaberenjena</u>



IS THIS WHAT YOU WANT?

Require over 50% of commuters to travel by public transit, walk or cycle by 2030 (the figure is now about 25%)

Image: <u>Jamie McCaffrey</u>

TRANSPORTATION

The plan seeks to:

- Restrict sales of new personal vehicles so that 90% are electric vehicles (EVs) by 2030 and 100% are EVs by 2050
- Impose restrictions so that **40% of heavy trucks operating in Ottawa by 2030 are "zero emission"** (i.e. mainly EVs) by 2030 and 100% are zero emission by 2040
- Convert Ottawa's entire public transit fleet of vehicles to "zero emission" by 2030; this means retiring several hundred diesel-powered buses long before the end of their useful lives and replacing them with vehicles that cost two to three times as much. Specifically, Ottawa will spend \$986 million to roll out 450 new 40-foot battery-powered buses over 5 years (by 2027) and, according to the October 2021 Climate Change Master Plan 2021 Status Update, transition to a "fully zero emission bus fleet by 2036 (based on funding availability and operational needs)." The City of Ottawa Auditor General has complained that no pilot study has been done to test the performance of electric buses in Ottawa winter conditions.
- Require over 50% of commuters to travel by public transit, walk
 or cycle by 2030 (the figure is now about 25%)
- Make the Byward Market and most of the downtown core carfree by 2030, largely by eliminating parking and imposing taxes and other charges on drivers entering these areas
- Rapidly "transition" all commercial vehicles, including light and heavy-duty trucks, vehicles for hire (taxi, car share, ride share, delivery services, car and truck rental, etc.) to zero emissions, starting in 2022 with 40% of all commercial fleets zero emission by 2030.



IS THIS WHAT YOU WANT?

Increase Ottawa's windgenerated electricity production capacity to 1,609
MW by 2030, and 3,218
MW by 2050. The current
cost of installing a wind turbine is conservatively estimated to be about \$2,500
per kW. So, the capital cost
of 1,609 MW would be
over \$4 billion and the cost
of adding 3,218 MW would
be over \$8 billion.

Image: <u>Jamie McCaffrey</u>

ELECTRICITY

The plan seeks to:

- Convert Ottawa Hydro to all-renewables electricity generation and distribution. This would effectively make Ottawa a separate jurisdiction from the provincially owned and regulated generation and transmission utilities; it is not clear that this is legal. Regardless, it would sharply increase electricity costs, perhaps doubling or tripling them, and forcing much business out of Ottawa. In addition, it would significantly reduce the security and reliability of electricity supply to consumers, increasing the probability, severity and duration of brownouts and blackouts.
- Increase Ottawa's residential use of solar photovoltaic equipment from 72 kW (see p. 18 Technical Paper 2020) today to 174 MW by 2030, a 241,567% increase, and to 320 MW by 2050, a 444,344% increase. The City documents do not explain how this is to be achieved; i.e., by passing regulations, by subsidies or by taxes that make the alternatives far too expensive.
- Increase the commercial solar power equipment installations from 584 kW today to 400 MW by 2030, a 68,393% increase, and to 740 MW by 2050, a 126,612% increase.
- Increase Ottawa's wind-generated electricity production capacity to 1,609 MW by 2030, and 3,218 MW by 2050. The current cost of installing a wind turbine is conservatively estimated to be about \$2,500 per kW. So, the capital cost of 1,609 MW would be over \$4 billion and the cost of adding 3,218 MW would be over \$8 billion.
- Add 310 MW of bulk electricity storage by 2030 and 612 MW by 2050. The cost of bulk electricity storage in the United States was \$625 per kWh in 2018. Using the latter cost yields a price tag of \$382,500,000 for 612 MW storage.



IS THIS WHAT YOU WANT?

Require a "deep retrofit" of 27% of Ottawa's building stock by 2030 and 98% of Ottawa's building stock by 2040. Studies of the costs of retrofitting residences to meet net-zero requirements in the United Kingdom show that the costs can average over \$150,000 per unit.

Buildings

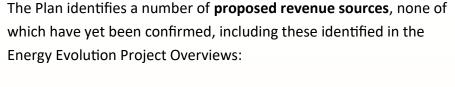
The Plan seeks to:

- Impose an "energy retrofit standard" so that an applicant for a building permit (both for new buildings and renovations to existing buildings) must meet stringent and costly new energy efficiency requirements
- Require a "deep retrofit" of 27% of Ottawa's building stock by 2030 and 98% of Ottawa's building stock by 2040. Studies of the costs of retrofitting residences to meet net-zero requirements in the United Kingdom show that the costs can average over \$150,000 per unit. Many homeowners cannot afford such an expense, so forcing it by regulation would provoke a strong opposition, and paying for it with taxpayers' dollars would be prohibitively expensive.
- Ban new natural gas furnaces and appliances

FINANCIAL

The total estimated cost of the plan is in the range of \$52 billion to \$57 billion by 2050, or \$52,000 to \$57,000 for each current resident of

Ottawa. These costs do not include any of the expenditures planned by the city before the approval of the Climate Change Master Plan. They also do not include the costs that will be imposed on Ottawa's residents as a result of the plan measures. Most of the funding would come from taxes imposed on Ottawa residents or on transfers from the federal and Ontario governments.



- Road tolls upon entering city limits (\$20 per entry), possibly yielding
 \$1.3 billion per year
- Congestion charges for cars coming within the Greenbelt of \$20 per weekday, possibly yielding \$204 million per year
- Congestion charges for cars entering the downtown (\$20 per weekday), possibly yielding \$16 million per year
- Road user fees of one cent per kilometre travelled in Ottawa, possibly yielding \$106 million per year
- Increasing metered parking fees by 3% per year indefinitely, possibly yielding \$86,000 per year in the first year
- Introducing an Ottawa vehicle registration fee of \$118 per vehicle per year, possibly yielding \$6 million per year
- Imposing a private parking levy varying by city sector from \$17 to \$47, possibly yielding \$8 million per year
- Increase residential parking permits to include the whole city, possibly yielding \$2.6 million per year
- Introduce a parking sales tax of 24% on all private parking revenues, possibly yielding \$2.3 million per year
- Introduce demand-based parking fees that vary by time of day, possibly yielding \$1.9 million per year
- Increase parking fees in city-owned lots by 3% per year indefinitely, possibly yielding \$1.6 million in the first year
- Introduce High-Occupancy Toll Lanes 4,000 permits issued per year at \$180 per permit would yield \$720,000
- Add to development charges, possibly yielding \$234 million per year
- Introduce utility local access fees for natural gas, possible yielding \$66 million per year
- Introduce a property tax climate levy of 2%, possibly yielding \$32 million per year
- Introduce an Empty Buildings Tax of 1% of the assessed value of the buildings vacant, possibly yielding \$24 million per year
- Introduce a Land Transfer Tax to encourage intensification, possibly yielding \$130 million per year
- Impose a fine ranging from \$200 to \$5,000 for placing organics in the garbage (no estimate of revenue yield)



CONCLUDING COMMENTS

It is important to note that the City plan and background documentation contains no analysis of the costs per ton of the carbon dioxide emissions avoided. So, there is no way to know whether the proposed expenditures are cost-effective compared to other options, or make sense in terms of the alleged value of the emission reductions.

Also missing from the City of Ottawa's Climate Plan is a realistic statement of the alleged benefits of eliminating oil and gas use. The City is relying on the proposition that any initiative that can be labeled as "green" will automatically have public support, regardless of the harm or cost. While the costs of implementing the plan could be about \$57 billion, the complete elimination of all carbon dioxide emissions from the City (about 6.4 million tonnes in 2019) would reduce annual global emissions by only 0.014%. In the context of a world in which emissions are constantly rising due to economic activity in Asia, the benefits of Ottawa's enormous economic sacrifice would be too small to measure.

Implementing such a plan constitutes dangerously foolish and futile environmentalist symbolism.

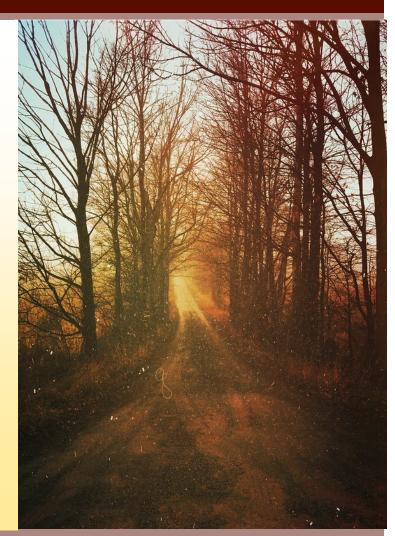


Image: <u>Ioel Bedford</u>

Robert Lyman

blyman417@hotmail.com