

Cap-and-trade withdrawal threatens to derail municipal climate progress across Ontario

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Windsor - The Urban Climate Alliance - a coalition of five city-level Ontario environmental organizations - has researched the potential impact of provincial withdrawal from cap-and-trade and found that cities are facing a massive funding gap. Hundreds of millions of dollars of cap-and-trade revenues have already been directed to projects in Hamilton, Oakville, Ottawa, Toronto and Windsor that will help fight climate change, with even more money anticipated for planned projects. The province's withdrawal from the cap-and-trade program, with no clear alternative funding stream identified, threatens to derail municipal climate progress across Ontario.

"Windsor has already received over \$1.6 million for cycling infrastructure and has sought additional funding to electrify vehicles," said Derek Coronado, Executive Director of Citizens Environment Alliance of Southwestern Ontario. "The loss of provincial cap-and-trade funds will damage Windsor's efforts to mitigate and adapt to climate change."

The province's cap-and-trade withdrawal leaves Ontario cities in a difficult position. With such a large funding gap, cities would struggle to continue ambitious climate program commitments using their limited tax base. The Urban Climate Alliance researched where funding from carbon pricing has gone so far in Hamilton, Oakville, Ottawa, Toronto and Windsor. Already, money has been directed to a wide range of climate programs, including:

- The development of community energy plans;
- Upgrading energy efficiency in municipal buildings;
- Retrofitting social housing to modernize the building stock while reducing greenhouse gas pollution;
- Purchasing electric buses and low-emissions vehicles;
- Building more pedestrian- and cycling-friendly streets; and
- Scaling up the use of renewable energy.

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For further information or to arrange an interview, please contact:

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