

Memorandum

November 6, 2020

To: Mayor Iveson and Council

From: Energy Transition Climate Resilience Committee (ETCRC), Co-Chairs
Chelsea Donelon and Shafraaz Kaba

Subject: **CR_7576 Revised Community Energy Transition Strategy -
Accelerated Actions and Draft Strategy**

**Agenda Item 6.14 - Executive Committee City Council Meeting,
November 9, 2020**

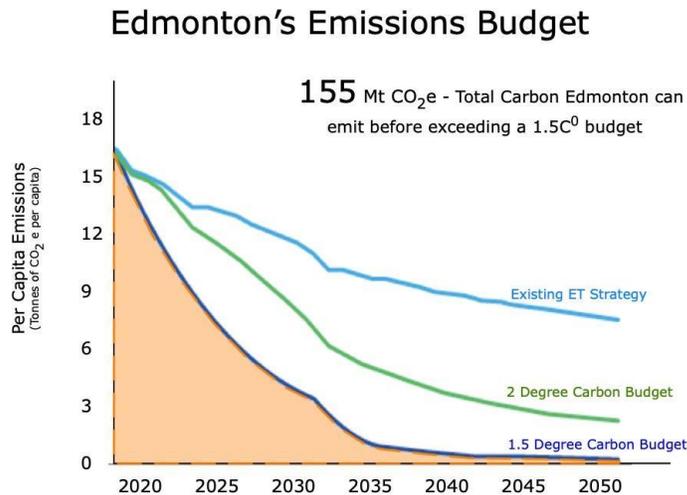
Dear Councillors,

We are heartened by Edmonton's commitment to stay within a 1.5 degree climate as expressed in the Edmonton Declaration. The work City Administration has done to model and show feasible pathways to live within our carbon budget is outstanding. The deep integration of the City Plan with the Community Energy Transition Strategy provides administration with policy alignment and a clear pathway forward on urban planning.

However, the plan cannot overstate the urgency of the Energy Transition. Extreme weather events remind us that we are already living in a world that has warmed over 1 degree Celsius since 1980. The \$7 billion dollars a month flowing into ESG funds globally state clearly that finance has heard the climate crisis and is redirecting its capital to deploy solutions and avoid stranded assets. The COVID-19 health crisis halted our economy and 35% of Albertans have still not returned to work. The pathway out of the triple crises we face must be through the energy transition. In a time of economic challenges, we must focus on solutions that unlock co-benefits and leverage the opportunity to access capital,

diversify and build back better. The revised Community Energy Transition Strategy encapsulates this well: the attraction of 50 next generation energy companies by 2030. Robust economic recovery will be achieved through the energy transition.

The action curve must be steeper than the carbon curve or we will fall even further behind. The figure below shows the level of reductions that need to be achieved. It is clear that the failure to act immediately will make staying within our carbon budget impossible.



We are alarmed that the proposed revised Community Energy Transition Strategy shifts substantive action too far into the future and has no accountability for immediate results. A plan that waits until 2023 for substantive action and 2031 for transformational action not only fails utterly; it also fails to grasp the opportunity of this moment: the opportunity to access low-cost capital to get Edmontonians back to work and jumpstart a new innovation and energy economy. This will require allocating budget to actions with co-benefits and high economic multipliers. To remedy the misalignment, we recommend the following:

Priority Recommendation: *The updated Community Energy Transition Strategy must include serious actions that start immediately. Council must direct administration to move up key actions to 2021/2022 and use energy transition as a key pillar for post-COVID Reimagine work. (We are deeply concerned that early drafts of Reimagine have no meaningful mention of energy transition and economic diversification).*

Priority Recommendation: *Council should fully fund the accelerated actions proposed by administration (Council Report 7576, Attachment 1).*

Priority Recommendation: *Demonstrate clear direction to citizens, local businesses, and administration. Establish an interim 2025 goal consistent with the 135 MT carbon budget and begin immediately to implement actions consistent with that goal.*

While City Administration has continued to refine its GHG accounting, City Council requires detailed analytics on a program by program basis in order to inform strong decision making in these tough times. Evidence-based decisions need to be made considering implications to metrics including: GHGs reduced, carbon abatement costs per tonne, jobs created, investment multipliers, etc.

Recommendation: Direct administration to quantify, report, and present the following metrics on all project funding decisions City-wide: GHG emissions impact, carbon abatement costs per tonne, social cost of carbon, jobs created, investment multipliers, etc.

A binding carbon budget aligned with the 1.5 degree pathway needs to be a foundational element of the updated Community Energy Transition Strategy. Some national and provincial governments have made commitments to comparable binding, evidence-based targets. This is another area for the City of Edmonton to demonstrate exceptional leadership. However, here again the timeline in the proposed strategy is not nearly fast enough: 2026 for full implementation. A carbon budget should be piloted immediately and fully implemented by the end of 2021. We can learn and refine over time but we must begin now.

Recommendation: Direct administration to implement carbon accounting across the organisation by the end of 2021.

We are deeply concerned that the City of Edmonton appears to be giving up key tools to incent action - including not regulating building emissions reductions. This is a foundational action for change that has proven highly effective in other cities and which we would strongly encourage the City to utilise. This includes the current zoning bylaws work which should be accelerated and moved up for Council approval.

Recommendation: Direct administration to explore and use its full regulatory power to reduce all emissions including building and transportation.

Recommendation: Direct administration to engage in regulatory and advocacy processes supporting the energy transition

Recommendation: Direct administration to bring forward the zoning bylaw review as soon as possible.

Finally, there must be a culture of change at the City of Edmonton from the top down. The ability to lead Edmonton through an ambitious climate leadership should be a key requirement when hiring a new City Manager. City leadership should undergo training to understand and implement energy transition and climate adaptation principles. ETCRC would be happy to begin this training by hosting introductory lunch and learn sessions.

Recommendation: Include the ability to lead a climate transition as a key requirement in hiring the new City Manager.

Recommendation: Direct administration to implement mandatory energy transition and climate adaptation implementation training for all senior leadership and management.

We are proud of Edmonton's climate action initiatives so far - the Community Energy Transition Strategy and Edmonton Declaration. However, these inspiring words mean nothing if Council and administration do not commit to implementation with all available tools – culture, regulation, and budget. This must occur in this economic recovery, not the preverbal next boom, not the next decade. Today. Here. Now.

Sincerely,

Chelsea Donelon, Co-Chair
Shafraaz Kaba, Co-Chair
Camille Jasper-Fabiyi, Member
Chris Vilcsak, Member
Daniel Grist, Member
Geoffrey Wagner, Member
Grant Pearsell, Member
Gregory Caldwell, Member
Jacob Komar, Member
Kate Rich, Member
Klaas Rodenburg, Member
Marc Huot, Member
Michael Fleischauer, Member
Peter Amerongen, Member
Sheena Wilson, Member