

### Ontario Medical Association

525 University Avenue Tel: (416) 599-2580 Suite 300 Toronto, Ontario M5G 2K7

Fax: (416) 599-9309 Inwats 1-800-268-7215

February 28, 2005

Mr. Murray Clamen Secretary, Canadian Section International Joint Commission 234 Laurier Avenue West, 22<sup>nd</sup> Floor Ottawa, Ontario K1P 6K6 By e-mail to: Commission@ottawa.ijc.org & clamenm@ottawa.ijc.org

Dear Secretary Clamen,

Thank you for the opportunity to comment on the Canada – United States Air Quality Agreement 2004 Progress Report. The Ontario Medical Association (OMA) was involved in the establishment of the Ozone Annex and remains engaged in Canadian and U.S. air policy developments. Upon review of this report we hereby submit to you a summary of our concerns about the progress being represented. As we are not fully satisfied that our concerns about the 2002 Progress Report have been addressed, you will find that some of these comments may echo those submitted two years ago.

What follows is a synopsis of some of OMA's key concerns by topic.

#### Measures of Progress

Part 1 of the Ozone Annex Agreement states that the objective of the Annex is to help "both countries attain their respective air quality goals over time to protect human health and the environment" and "the Parties' goal is that...atmospheric concentrations [of ozone] not exceed" the Canada-wide Standard and the National Ambient Air Quality Standard in the United States. Simply put, the purpose of the Ozone Annex is to reduce ozone concentrations to prescribed levels.

In the 2004 Progress Report there is no clear determination of progress toward this objective. To use a medical analogy, this report suggests that at least some of the prescription is being taken, but there is not enough information on whether this is having any effect on the illness. We have no way to gauge whether the emission reduction commitments that have been made, are working to clear the air. It would appear from our observations that they might not be, as there is no demonstrable improvement in ozone levels.

A clear picture of reductions in ambient pollution levels could help us to determine health benefits. Much less useful in this regard is the cataloguing of emission reductions initiatives, with no clear analysis of the net benefit (the reported reductions within the

OMA Comments on 2004 Progress Report February 28, 2005 Page 2

context of overall emissions). This report does not provide a transparent view of the whole emissions picture, and is of little benefit in the determination of whether we are on-track toward healthier air, or the Canada-wide Standards.

#### Health Tracking

The 2004 Progress Report concludes by stating, "Human health and the environment have benefited greatly from progress made under the U.S.-Canada Air Quality Agreement." (p. 42) Environmentally this may be the case with acid deposition, but in light of our comments above, the OMA is very concerned that little is being done to track health impacts. We are concerned that the measures in the current agreement may not be sufficient to improve the breathing health of our patients and strongly believe that the Parties must significantly improve health tracking.

In the "Summary of Ozone Annex Review Meeting" (p. 23) the report states, "Continued efforts in health and environmental effects tracking were described." Our recollection, as the health community's representative at that meeting, was very different. We clearly expressed our concern about the lack of sufficient health tracking, why this was essential to reporting real progress, and the need for more governmental resources to facilitate this tracking. Other members of both Parties' delegations echoed our concerns at that meeting.

## Progress Toward Specific Measures

#### Electricity Sector:

As the OMA stated in comments on the 2002 Progress Report, Ontario's emissions trading program confuses the issue of the province attaining its Ozone Annex commitments. The electricity sector  $NO_x$  emissions cap outlined in the Annex (39 kt in 2007) is a hard cap and cannot be achieved through emissions trading. The most recent inventory reported by Ontario for the PEMA is 74.2 kt. Regardless of Ontario's promise to phase out it's coal-fired power plants by the end of 2007, it is essential that a plan be presented that clearly shows how Ontario will achieve this 35 kt reduction and meet its Annex commitments.

#### **Emissions Trading:**

Ontario's emissions trading program is undergoing an expansion. Through the Industry Emissions Reduction Plan (IERP) there will be more sectors with emissions caps, but these caps vary widely from sector to sector. As well as trading allowances, the capped sectors will be able to purchase emission reduction credits (ERCs) from the U.S. and Canada to apply to their caps. As these ERCs do not ensure actual emission reductions, a clear picture of our emissions trajectory is hard to determine. Some of the emission reductions that Ontario is claiming in the 2004 Progress Report may be the result of emission credits and not actual emission reductions.

OMA Comments on 2004 Progress Report February 28, 2005 Page 3

# The "Measures for NO<sub>x</sub> and VOC Emissions to Attain Canada-wide Standards for Ozone" Section (p.12):

This section of the Progress Report suggests that the Canada-wide Standard for ozone will be achieved by undertaking (by 2005) measures to reduce NO<sub>x</sub> emissions for key industrial sectors. Within Ontario, Canada's most important border region from an Air Quality Agreement standpoint, five of these industrial sectors (i.e., Petroleum, Iron & Steel, Pulp & Paper, Glass and Cement) will only have to reduce NO<sub>x</sub> emissions by 1% from current levels by 2010-2014 (per the new Ontario Industry Emissions Reduction Plan - currently posted on the Environmental Bill of Rights Registry). As Ontario is currently not close to attaining the ozone standard by the 2010 compliance date, and has already presented its NO<sub>x</sub> emissions reduction plan, it would appear that this commitment will not be met.

#### Area-Specific Reductions (p. 16):

The report re-states that Ontario "has committed to reducing NO<sub>x</sub> and VOC emissions by 45% below 1990 levels by 2015 under the Anti-Smog Action Plan. Although this promise is a key part of Ontario's Canada-wide Standards commitments as well, this target is not binding. It is also not clear if this action plan is still in place, as neither the Anti-Smog Action Plan Operating Committee, nor the Steering Committee have met in several years. Although there has been a long-term Ministerial promise to accelerate this target to 2010, this promise has not been backed up by policy.

# Quantitative Emission Reduction Estimates (p.17):

Quantitative analysis of the overall emission reductions expected to result from the measures in the Air Quality Agreement is very important. The overall reductions expected (reported as 39% reduction in NO<sub>x</sub> and 35% reduction in VOC emissions by 2010 - based on 1990 emissions levels) are just estimates and not committed targets under the agreement.

- 1. There must be transparency in this claim. It is not clear how these reductions are to be achieved, what sector-specific reductions will be attained, what share of this reduction can be attributed to measures outlined in the Ozone Annex or even how successful attainment of these reductions will be determined. The fact that the estimated emission reductions attributable to the Ozone Annex have changed since 2000, but the measures themselves haven't been changed, is confusing.
- 2. In order to provide a clearer picture of emissions trajectories, such emission reduction targets should be codified into the agreement itself and detailed progress reports mandated. Such provisions must also be part of future Annexes, such as the proposed Particulate Matter Annex. This would allow for a better gauge of progress and overall impacts.

#### U.S. Commitments and the Impact of Proposed Policy Changes

This report shows significant  $NO_x$  emission reductions from the  $NO_x$  SIP Call that will likely be unchanged by any new U.S. legislation, but it is not clear whether other parts of this agreement could change. There is currently a proposal for Bill S. 131, commonly

OMA Comments on 2004 Progress Report February 28, 2005 Page 4

referred to as "The Clear Skies Act of 2005". It appears that this Bill will supersede parts of the U.S. Clean Air Act, including Titles I and IV and could have a significant impact on cross-border pollution flow. This is just one of a number of U.S. initiatives that has the potential to influence the attainment of Air Quality Agreement goals, and should be further investigated.

The Ontario Medical Association strongly believes that there is a need for ongoing efforts by Canada and the U.S. to improve air quality and reduce the health impacts of air pollution on our patients. We are grateful to have this opportunity to share our perspectives on The Canada-U.S. Air Quality Agreement 2004 Progress Report and would be happy to further discuss any of the points that we have made here.

Yours truly,

John Wellner

Director, Environmental Program

Jugar Likery .