

February 19, 2019

BACKGROUND

CLEANBC

To put British Columbia on a path to a cleaner, better future, *Budget 2019* invests \$902 million over three years for CleanBC programming — making B.C. the leader in Canada in tackling climate change and protecting our clean air, land and water.

The CleanBC programs in *Budget 2019* will help B.C. achieve its target to lower our carbon pollution by 18.9 megatonnes by 2030 with \$354 million in operating funding, \$299 million for programs in development, and \$26 million in capital investments to help people and businesses reduce pollution.

Additionally, *Budget 2019* invests a further \$223 million over three years to increase the climate action tax credit in 2019, 2020 and 2021. Effective July 1, 2019, the maximum annual climate action tax credit is increased by 14% for adults and children, meaning low and middle-income families of four will receive up to \$400 this year. As a result of the annual increases, the climate action tax credit amounts on July 1, 2021 will be almost 70% higher than on July 1, 2017.

The B.C. government undertook consultations with the Green Party Caucus on *Budget 2019*, as committed to in the Confidence and Supply Agreement. The government is particularly appreciative of the Green Party Caucus' partnership in the development of CleanBC and the program reflects many months of collaborative work.

CleanBC Programs

The CleanBC plan is a pathway to achieve the Province's legislated climate targets of reducing greenhouse gas (GHG) emissions by 40% by the year 2030, based on 2007 levels.

Budget 2019 funds dozens of initiatives as part of government's CleanBC plan to tackle climate pollution, including:

- \$107 million to help British Columbians switch to cleaner transportation through point-of-sale incentives; funding for new charging stations; training and research; active transportation initiatives and a new Zero-Emission Vehicle (ZEV) standard.

- \$58 million in addition to capital funding to make buildings more energy efficient, including incentives for homes and businesses to install high-efficiency heating equipment and building envelope improvements.
- \$18 million to work with Indigenous and remote communities to move to cleaner energy sources.
- \$168 million over three years to assist large industry in reducing greenhouse gas emissions through an industrial incentive and clean industry fund to make their operations cleaner.
- \$3 million over three years to support the implementation and monitoring of CleanBC by the Ministry of Environment and Climate Change Strategy.

A detailed list of *Budget 2019* funding for programs to meet GHG targets follows.

Quick Facts:

- The investments in CleanBC will provide significant incentives and savings to British Columbians, such as:
 - Saving British Columbians up to \$6,000 on the purchase of a zero-emission vehicle, and approximately \$1,500 per year in fuel costs by switching to electricity.
 - Providing up to \$14,000 for homeowners to switch to high-efficiency heating equipment and to make building envelope improvements. People can receive \$2,000 to replace a fossil fuel (oil, propane or natural gas) heating system with an electric air-source heat pump; up to \$1,000 to upgrade their windows and doors to be better insulated; and up to \$700 toward a high efficiency natural gas furnace.
 - Providing a family of four up to \$400 this coming year through the enhanced climate action tax credit.

Learn More:

For more information on CleanBC, visit: cleanbc.gov.bc.ca

For CleanBC highlights, visit:

https://cleanbc.gov.bc.ca/app/uploads/sites/436/2018/12/CleanBC_Highlights_Report.pdf

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CleanBC Backgrounder Table: Budget 2019

INITIATIVE	DESCRIPTION	NOTES	BUDGET 2019 (\$ MILLIONS)	GHG Mt in 2030
CLEANER TRANSPORTATION				
Bring down the price of clean vehicles	Just over 20 years from now, every new car will be a zero-emission vehicle	<ul style="list-style-type: none"> • \$3 M - Implementation of new ZEV Standard 	3	1.3
	<ul style="list-style-type: none"> • Mandate 100% of new cars to be zero-emission vehicles (ZEVs) by 2040; 30% ZEV by 2030 and 10% ZEV by 2025. 			
	Help people to afford cleaner cars and save money on gas bills with zero-emission vehicle (ZEV) incentives	<ul style="list-style-type: none"> • \$42 M - Point of sale incentives • \$6 M - Support for light-duty fleets • \$1 M - Implementation and public outreach 	49	0.3
	<ul style="list-style-type: none"> • Continue to provide rebates for light-duty vehicles 			
	<ul style="list-style-type: none"> • Expand incentives for clean buses and heavy-duty vehicles 	<ul style="list-style-type: none"> • \$10 M - Incentives for medium and heavy-duty vehicles 	10	
	Make it easier to charge an electric car or fuel a hydrogen car	<ul style="list-style-type: none"> • \$20 M - Support for new public fast-charging and hydrogen fueling stations • \$5 M - Supporting home and workplace charging stations • \$5 M - Charging stations at highway rest areas and B.C. Government buildings 	30	
	<ul style="list-style-type: none"> • Expand the charging network with home, work and public fast-charging stations and additional hydrogen fueling stations • Enable private investment in charging and hydrogen fueling infrastructure to get more stations faster 			
Speed up the switch to cleaner fuels	Phase in more renewable fuels for the gas we use	<ul style="list-style-type: none"> • Make our fuel cleaner by increasing the low carbon fuel standard to 20% by 2030 • Increase the supply of cleaner fuels by ramping up new production in B.C. of 650 million litres of renewable gasoline and diesel by 2030 	–	4.0
	<ul style="list-style-type: none"> • Make vehicles run cleaner by increasing tailpipe emissions standards for vehicles sold after 2025 	<ul style="list-style-type: none"> • Legislation in 2019 		
		<ul style="list-style-type: none"> • Regulations in 2020 	–	0.4
Get to work on getting rid of gridlock	<ul style="list-style-type: none"> • Help people get around with a long-term strategy to increase active transportation and look at better commuting solutions. 	<ul style="list-style-type: none"> • \$6 M - Initiatives to support active transportation 	6	
IMPROVE WHERE WE LIVE AND WORK				
Better Buildings	Make every building more efficient	<ul style="list-style-type: none"> • Improve the BC Building Code in phases leading up to “net-zero energy ready” by 2032 • Adopt the model National Energy Code for existing buildings by 2024 • Increase efficiency standards for heating equipment and windows • Encourage the development of innovative and cost-effective low-carbon building solutions 	<ul style="list-style-type: none"> • \$3 M - Development of net-zero energy code and new energy standards 	3
	Support for Better Buildings	Focused investments in public housing and to use less energy at home	<ul style="list-style-type: none"> • \$14 M - Operating funding to support energy efficiency and emission reducing projects • \$26 M - Capital funding to support energy efficiency and emission reducing projects 	40
	<ul style="list-style-type: none"> • \$1.1 B for Capital Renewal fund for public housing to improve living conditions, energy efficiency, and reduce emissions • Retrofits for public buildings so they use less energy 	<ul style="list-style-type: none"> • \$41 M - Expanding energy efficiency incentives 	41	0.5
	<ul style="list-style-type: none"> • Incentives to make heat pumps affordable and make homes more comfortable through building envelope upgrades 	<ul style="list-style-type: none"> • Regulations in 2020 	–	
	<ul style="list-style-type: none"> • Improve building energy information available to buyers and renters 	<ul style="list-style-type: none"> • Regulations in 2020 	–	1.5
Support for Communities	<ul style="list-style-type: none"> • Help remote communities reduce their dependence on diesel • Support public infrastructure efficiency upgrades and fuel switching to biofuels with the CleanBC Communities Fund 	<ul style="list-style-type: none"> • \$15 M - Support for the new Remote Community Clean Energy Strategy • \$3 M - Support for the BC Indigenous Clean Energy Initiative 	18	

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CLEANER INDUSTRY				
Ramp up the clean growth program for industry	<ul style="list-style-type: none"> Direct a portion of B.C.'s carbon tax paid by industry into incentives for cleaner operations 	<ul style="list-style-type: none"> \$168 M - Support for regulated large industrial operations to reduce emissions with targeted incentives 	168	2.5
Improve air quality by cutting air pollution	<ul style="list-style-type: none"> Clean up air pollution in the lower mainland with a pilot project to test options to switch 1,700 freight trucks to natural gas and low or zero-carbon fuel by 2030 	<ul style="list-style-type: none"> In partnership with operators and ports 	–	
	<ul style="list-style-type: none"> Make heavy-duty vehicles more efficient with fuel efficiency improvements, education on best driving practices 	<ul style="list-style-type: none"> \$3M - New heavy-duty vehicle efficiency program 	3	
Reduce emissions from methane	<ul style="list-style-type: none"> Reduce methane emissions from upstream oil and gas operations by 45% 	<ul style="list-style-type: none"> Regulations in 2019 <i>Also includes up to \$60 M from the Clean Growth Infrastructure Royalty Program</i> 	–	0.9
Industrial electrification	<ul style="list-style-type: none"> Provide clean electricity to planned natural gas production in the Peace region 		–	2.2
	<ul style="list-style-type: none"> Increase access to clean electricity for large operations with new transmission lines and interconnectivity to existing lines 	<ul style="list-style-type: none"> In partnership with BC Hydro 	–	1.3
Carbon capture and storage	<ul style="list-style-type: none"> Ensure a regulatory framework for safe and effective underground CO₂ storage and direct air capture 	<ul style="list-style-type: none"> Regulations in 2021 	–	0.6
Cleaner fuels for industry	<ul style="list-style-type: none"> Make industrial natural gas consumption cleaner by putting in place a minimum requirement of 15% to come from renewable gas 	<ul style="list-style-type: none"> Regulations in 2021 	–	0.9
REDUCE WASTE				
Reduce waste and turn it into a clean resource	<ul style="list-style-type: none"> Help communities to achieve 95% organic waste diversion for agricultural, industrial, and municipal waste – including systems in place to capture 75% of landfill gas Waste less and make better use of it across all sectors of our economy, like forestry, agriculture, and residential areas, including renewing the B.C. Bioenergy Strategy and building out the bioenergy and biofuels cluster 	<ul style="list-style-type: none"> \$1 M - Initial investment to develop a waste reduction program 	1	0.7
HELPING PEOPLE GET THE SKILLS THEY NEED				
Make sure British Columbians can lead the clean transition	<ul style="list-style-type: none"> Develop programs like Energy Step Code training and certification, and Certified Retrofit Professional accreditation Expand job training for electric and other zero-emission vehicles 	<ul style="list-style-type: none"> \$6 M - Expand job training, research and commercialization for electric and other zero-emission vehicles <i>Further initiatives to be developed through the CleanBC Labour Readiness Plan</i> 	6	
MEASURING OUR PROGRESS				
Establish credible targets and a strategy to meet them, and stay accountable	<ul style="list-style-type: none"> Roll-out associated programs and enabling legislation for CleanBC 	<ul style="list-style-type: none"> \$3 M - Coordinate CleanBC implementation and reporting 	3	
Carbon pricing	<ul style="list-style-type: none"> Rebates for low and middle income British Columbians 	<ul style="list-style-type: none"> \$223 M - Enhancing the climate action tax credit 	223	1.8
CONTINGENCIES				
	<ul style="list-style-type: none"> In addition to funding for specific initiatives detailed in this table, government has allocated Contingencies funding over the fiscal plan to provide for future programming and new initiatives as they are developed 	<ul style="list-style-type: none"> \$299 M - Allocated for specific initiatives still in development 	299	
CleanBC Operational Funding and Contingency Funding			679	
Total CleanBC			902	18.9