

CAP AND TRADE IS COMING TO ONTARIO IS YOUR BUSINESS READY?

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As you may know, the Province of Ontario is introducing a Cap and Trade Program over the next few months to address climate change. If you own or operate a facility generating more than 10,000 tonnes of carbon dioxide emissions (CO₂) through the following activities: cement production; copper and nickel; glass; iron and steel; lead; petrochemical; pulp and paper; coal storage; electricity generation; general stationary combustion; operation of equipment for a transmission system or a distribution system (electricity); operation of equipment related to the transmission, storage and transportation of natural gas; and petroleum refining, you need to be aware of some very firm and imminent deadlines and their potential impact on your business.

Facilities generating more than 10,000 tonnes of emissions will need to submit detailed reporting to the Ministry of Environment and Climate Change for their annual emissions. Facilities generating more than 25,000 tonnes of CO₂ emissions annually will need to both report their emissions and register for the Cap and Trade Program by **November 30, 2016**. The Province will have a system of allowances for businesses which will determine how much CO₂ they may emit. Failure to adhere to these regulatory levels may result in increased costs to business, fines and penalties. Free allowances may be applied for until **September 1, 2016**. Beyond that date, businesses will have to purchase allowances to meet emissions which are not accounted for by the number of allowances they hold. An allowance equals 1 tonne of CO₂ emissions. Purchases of allowances will be available at auction or in the open carbon market. Auctions will be held 4 times a year starting in March 2017.

Fogler, Rubinoff LLP is ready to assist businesses with cap and trade issues. Please contact Stanley Berger, *Certified Specialist in Environmental Law* at 416.864.7626, or the lawyer you normally deal with at the firm.



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