

AMO Policy Update – Pre-Budget Key Messages for Use at ROMA Delegations, Conservation Authority Fees, Energy Supply and Distribution Plans, Environmental Bill

Pre-Budget Key Messages for Use at ROMA Delegations

Ontario's municipalities are strongest when they speak with one voice, highlighting issues that are important to communities across the province and consistently asking for the same fix from the province.

The 2025 ROMA Conference provides an important opportunity to link local examples to what municipalities are saying province-wide on key priorities. AMO asks that you consider incorporating AMO's <u>pre-budget key</u>

messages into your conversations with Ministers at ROMA. Messages focus on the need for:

- new ways to fund housing-enabling infrastructure
- the province to reduce its reliance on municipal tax dollars, to help municipalities to focus on rising costs of core municipal responsibilities like policing
- the province to make significant and comprehensive investments in income support, mental health and addictions services as well as community and supportive housing to address homelessness

In addition to these key priorities, we know that many ROMA members plan to raise concerns with *Provincial Offences Act* administration. Recently, AMO

wrote to Minister Downey calling for a third-party review of the system to address ongoing challenges. You may wish to consider key messages from the <u>letter</u> as part of a consistent, sector-wide ask.

Conservation Authority Fee Freeze

The Ministry of Natural Resources and Forestry recently provided direction to Conservation Authorities that it will be freezing conservation authority fees for another year, until the end of 2025. The freeze was originally put in place on January 1, 2023 to help the province build 1.5 million homes by 2031. This will mark the third year that the freeze is being extended.

Conservation Authorities provide key services that benefit municipalities by protecting residents, safeguarding infrastructure, and enhancing the overall quality of life within the community. AMO will continue to advocate for:

- The ability of conservation authorities to set fees that accurately reflect the value of their services. These fees should be transparent, defensible, and publicly available.
- A fee structure that establishes a reliable, long-term funding model for conservation authorities. This would mitigate potential financial risks for municipalities while addressing concerns about strained staffing capacity within these crucial environmental organizations.

Province Expanding Energy Procurements

The Minister of Energy and Electrification <u>has announced</u> direction to the Independent Electricity System Operator (IESO) to increase energy procurements by:

- Expanding the amount of new electricity generation infrastructure being procured under the Second Long-Term Procurement (LT2) by 50%. IESO will award contracts annually between 2026 and 2029
- Developing options for additional procurements to:
 - Get "long-lead resources" such as hydroelectric and longduration energy storage, and
 - Re-contract existing and get new small-scale electricity generation such as small solar installations

AMO anticipates that this expanded approach to energy procurement will lead to an increase in requests for municipal approvals on proposed energy projects within their communities. AMO continues to collaborate with the IESO and the province to ensure municipalities have the necessary support to make informed decisions on energy projects. This includes AMO's development of a municipal toolkit, which will be launched in the New Year.

OEB New Connections for Housing Development

AMO provided comments to the Ontario Energy Board (OEB) on proposed changes to the Distribution System Code. These changes aim to lower the upfront costs for homebuyers in new developments by directing electricity companies to recover the costs of building new 'last mile' power lines over a longer period. This could spread costs across a larger pool of residents, making housing more affordable. AMO continues to advocate for a solution that ensures the cost and risk shift away from homebuyers without burdening municipalities or local distribution corporations.

Response to Environmental Bill

AMO <u>provided comments</u> on Environmental Registry postings related to Bill 228, Resource Management and Safety Act, 2024. Comments addressed a range of environmental proposals, including:

- Advocacy for the province to absorb any new costs associated with a new wildland fire modernization framework
- Support for the province's plan to reduce oil and gas well hazards, and
- Support for the province's efforts to mitigate climate change through the development of a commercial carbon storage framework.

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