

Report to / Rapport au:

**OTTAWA POLICE SERVICE BOARD
LA COMMISSION DE SERVICE DE POLICE D'OTTAWA**

23 June 2025 / 23 juin 2025

Submitted by / Soumis par:

**Chief of Police, Ottawa Police Service / Chef de police, Service de police
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SUBJECT: RESPONSE TO INQUIRY I-25-07

OBJET: RÉPONSE À L'ENQUÊTE I-25-07

REPORT RECOMMENDATIONS

That the Ottawa Police Service Board receive this report for information.

RECOMMENDATIONS DU RAPPORT

**Que la Commission de service de police d'Ottawa prenne connaissance du
présent rapport à titre d'information.**

INQUIRY

The City of Ottawa recently reported that after the federal government eliminated the consumer carbon tax effective April 1, 2025, the City's updated 2025 budget projections indicate this could result in an overall savings of \$10,596,183, broken down as follows:

- \$1,524,000 in savings on fuel for municipal fleet and facilities
- \$7,172,183 in savings on fuel for transit fleet and facilities
- \$1,900,000 in savings on natural gas for all municipal facilities.

What is the anticipated savings to the Ottawa Police Service as a result of the elimination of the consumer carbon tax in 2025?

RESPONSE

The Ottawa Police Service has estimated annual budget savings of approximately

\$401,000 resulting from the elimination of the federal consumer carbon tax. However, for 2025, the projected savings are \$295,000, as the tax removal did not take effect until April 1, 2025. These estimates are based on budgeted consumption amounts for 2025 and will be realized through two channels: fuel for OPS vehicles and natural gas from heating OPS facilities.

For OPS Fleet fuel and based on an estimated annual consumption of 2,114,200 litres, the removal of carbon tax at 17.6 cents per litre would equate to approximately \$372,000 in annual savings. With the April 1st, 2025 effective date, savings would be \$279,000 in fiscal year 2025.

Table 1: Estimated 2025 OPS Savings Breakdown

Area	Annual Savings	2025 Estimated Savings (April–Dec)
Fleet fuel (2.1M litres)	\$372,000	\$279,000
Facility heating (natural gas)	\$29,000	\$16,000
Total	\$401,000	\$295,000

The heating budget for OPS Facilities is \$190,000. If savings of 15.5% are factored in per the Ontario Energy Board (OEB) approved pricing formula as of April 1, 2025, this would equate to approximately \$29,000 in annual savings. Due to the seasonality of the heating expenditures for buildings and the timing of the tax cancellation, City staff estimate that the OPS will see \$16,000 in savings in 2025.

CONCLUSION

The Ottawa Police Service anticipates savings of approximately \$295,000 in 2025 due to the removal of the federal consumer carbon tax, including \$279,000 from vehicle fuel and \$16,000 from facility heating. Savings will be used by the Service to absorb some of the known pressures being experienced in year. Figures are based on estimated consumption and will be monitored through ongoing financial reporting to the Board. While the change did not affect Q1 2025 financials, its impact will be reflected in future upcoming updates to the Board.