



# **Evolution of the MCEA:**

# A Workshop to Improve this Vital Process





## About RCCAO

#### **Our Mission**

- To address major challenges related to infrastructure investment and renewal in Ontario.
- To offer solutions to governments and others with one voice.

#### **Our Research**

- 46 commissioned reports since 2006, five of which are related to environmental assessments.
- Visit <u>rccao.com/research</u> for access to reports discussed today and the full archive on multiple topics.





### About MEA

#### **Our Mission**

• To provide unity and focus for licensed engineers employed by Ontario's municipalities through addressing issues of common concern and by facilitating the sharing of knowledge and information.

#### Author and Host of the MCEA Manual

• The MEA has advocated for effective and efficient environmental assessment processes since the early 1980s.

• The MEA has the responsibility for maintaining the MCEA manual and providing training for its use.





## MCEA Process: More than 26 months

The MCEA process is a compulsory step mandated by the *Environmental Assessment Act*, for the construction, improvement, replacement, operation,

maintenance and repairs to a broad range of municipal infrastructure, including roads, bridges, drinking water distribution systems, cycling lanes, culverts, walkways and wastewater treatment plants.

Since the inception of the MCEA process in 1987, the average time taken to complete the MCEA process, for most Schedule 'B' and Schedule 'C' projects, has grown to **more than 26 months.** 







#### **MCEA Process (contd.)**

The costs for environmental reports, required for Schedule 'B' and Schedule 'C' projects, also has grown substantially over the past 10 years:

from an estimated in 2008-'09 average
cost for each infrastructure project of less than \$115,000



to more than \$380,000 by 2012/13.
Other provinces require environmental assessments for major infrastructure

projects, but Ontario requires assessment studies for a much broader class of municipal projects, including:

- → Road Widening projects
- → Bridge replacements
- $\rightarrow$  Sewer collection system expansions





#### MCEA Process (contd.): Part II Orders

• Additional delays in the MCEA process are caused by 'Part II Order' or 'Bump-Up' requests.

• A Part II Order is an order for a more comprehensive environmental assessment process that may include lengthy hearings.

• A Part II Order can be made in writing by anyone, anywhere in the province for the construction or maintenance of virtually any municipal infrastructure project.

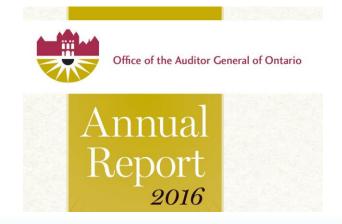
• The mere filing of a Part II Order request instantly stops a municipal infrastructure project – it cannot resume unless and until the Minister provides his or her written approval.





#### **Recent Developments**

On Nov. 30, 2016, Ontario's Auditor General (AG) released its 2016 Annual Report which included a 48-page chapter on environmental assessments, including the MCEA process, as part of the Value for Money (VfM) audit initiative.



The AG's 2016 report listed 12 separate recommendations consisting of 20 specific actions, to address deficiencies uncovered through the audit.

Within VfM, the MOECC has acknowledged that it will consider the recommendations, but to date has not yet published any formal schedule to implement each of the recommendations.





On Feb. 3, 2017, **RCCAO** and **MEA** applied to the Environmental Commissioner of Ontario for a review of the MCEA process.



Environmental Commissioner of Ontario

Your Environment, Your Rights

The requested review of the *Environmental Assessment Act*, certain regulations and various policies related to the MCEA process is urgently needed to allow municipalities to complete this process in a more timely and efficient manner.





The Application for Review was supported by 13 stakeholders, including:

- Ontario Good Roads Association (OGRA)
- Building Industry and Land Development Association (BILD)
- Ontario Construction Secretariat (OCS)
- Ontario Society of Professional Engineers (OSPE)
- the Regional Municipality of Peel





In less than a week after the Application for Review was filed, the ECO's office reviewed the application, which was approximately 1,000 pages, and determined that it was appropriate to forward to the Ministry of the Environment and Climate Change.





The Application identified the following elements as requiring a review:

- a) Availability of Part II Order Requests for more than Schedule 'B' and Schedule 'C' projects.
- b) Need to delegate Minister's Authority to Respond to Part II Order Requests.
- c) Mandatory use of prescribed Part II Order request form.
- d) Ensuring that Part II Order requests are bona fide.
- e) Posting of Part II Order Requests and Orders on EBR Registry.





- f) MCEA Process Transparency and Stakeholder Access.
- g) Harmonization and Integration of the MCEA and *Planning Act* processes.
- h) Focused scope of Reports and Studies.
- i) More Timely MOECC Responses to Proposed MCEA process changes proposed by MEA.





On April 13, 2017, the Ministry released its decision that, for the reasons cited in the application, "the Ministry will be undertaking this review in parallel with commitments made to implement recent recommendations of the Auditor General and other initiatives to modernize the environmental assessment program."

The Ministry also stated that completion of the review is expected by the end of December 2018.







#### **ReNew** Canada magazine ad

# Ministry will review Municipal Class Environmental Assessment process

Late in 2016, Ontario Auditor General Bonnie Lysyk tabled her annual report which contained a chapter on ways that the environmental assessment process could be "modernized and aligned with best practices in Canada and internationally." Two months later, the Residential and Civil Construction Alliance of Ontario (RCCAO) and the Municipal Engineers Association (MEA) also made the case for EA reform by jointly submitting an Application for Review to request that this issue be addressed on a priority basis.

RCCAO's research has shown that there are growing delays to study the impacts on core municipal infrastructure projects through the Municipal Class Environmental Assessment (MCEA) process. These assessments take more than two years on average to complete and hold up important infrastructure investments which help us to build better communities. When a Part II Order or "Bump-Up" request is made to the Minister of the Environment and Climate Change, the review process can be slowed down ever further.

On Feb. 3, RCCAO and MEA submitted the application to Dianne Saxe, Environmental Commissioner of Ontario, concerning MCEAs, pursuant to section 61 of the Environmental Bill

The application calls for a review of changes that may be needed to the Environmental Assessment Act, various regulations under that statute, and all policies and guidance documents related to the MCEA process. It also includes why it is in the public interest to do so.

Among the requests:

Expediting the response process for Part II Orders or Bump-

Supporting changes to better integrate and harmonize the MCEA process with processes under the Planning Act. 3 Reducing the scope of MCEA reports and studies to reduce duplication with existing public processes and decisions made under municipal Official Plans and provincial legislation.

In April, the ministry advised RCCAO and MEA that "completion of the review is expected by the end of December 2018."

The application was supported by Ontario's broader construction industry and the municipal sector. RCCAO and MEA are grateful for the support of these 13 organizations.

Saxe's office responded to our application within a week and forwarded the application to MOECC. In April 2017, the ministry advised RCCAO and MEA that a comprehensive review will be underway in the coming months, and that it is scheduled to be completed by December 2018.

We will strive to ensure that this review will lead to meaningful changes to the MCEA process in Ontario.

In her annual report, Lysyk pointed out that an EA Advisory Panel had made recommendations in 2005 which called for "new procedures that would support a more efficient process for reviewing bump-up requests, but the Ministry has not acted on this recommendation." Twelve years is an unacceptable length of time to wait for meaningful reform and helps to explain the growing frustration of the municipal sector and other stakeholders.





#### The Evolutionary Path Forward for the MCEA Process

While a number of senior Ministry staff have recently hosted meetings with RCCAO and MEA representatives, the Ministry has not yet published or announced a consultation plan for the review of all elements, including the statute, regulation as well as policies.

More than seven of the 20 months to complete the review have elapsed. With only 13 months until the deadline, we still do not know how the Ministry intends to conduct the review or what opportunities, if any, will be available for stakeholder feedback.





#### The Evolutionary Path Forward for the MCEA Process (contd.)

The Ministry commissioned an Advisory Panel to undertake a thorough review of the environmental assessment process in 2005.

The Advisory Panel's report included 42 recommended changes, many of which would have improved the MCEA process. However, a substantial number of the recommendations from 2005 have still not been implemented.

Consequently, stakeholders are concerned that the commitments made by the Ministry to the Auditor General in 2016 and to RCCAO and MEA in 2017 might not result in a full review on a timely basis.





#### The Evolutionary Path Forward for the MCEA Process (contd.)

RCCAO and MEA believe that it is in the best interests of all stakeholders, including the Ministry, to initiate and maintain an open dialogue. This workshop is just a small step in an evolutionary journey.

While RCCAO and MEA may have filed the application for review and set up this workshop, it is up to its participants to identify opportunities, alternatives and priorities to make improvements to the MCEA process.

The Ministry has committed to **<u>complete</u>** a review of the MCEA process over the next 13 months. It is up to all of us to ensure that the Ministry is fully informed of the strengths and weaknesses of the current process.





### Let the evolutionary journey begin ...

# **Thank You!**