



Staff Report

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Report To: General Government Committee

Date of Meeting: December 4, 2023

Report Number: CAO-021-23

Reviewed By: Mary-Anne Dempster, CAO

Resolution#:

File Number:

By-law Number:

Report Subject: Green Fleet and Equipment Policy

Recommendations:

1. That Report CAO-021-23, and any related delegations or communication items, be received;
2. That Resolutions #C-066-20 and #C-022-22 be replaced with the Green Fleet and Equipment Policy (the "Policy") attached to report CAO-021-23, as Attachment 1;
3. That Council approve the Green Fleet and Equipment Policy which will inform future replacement of Fleet and Equipment and inform asset management planning related to the electrification of Municipal Fleet and Equipment.

Report Overview

This Report provides an overview of the proposed Green Fleet and Equipment Policy and Decision-Making Framework (the Policy), which if approved will replace the motion to prioritize using low emissions vehicles in the municipal fleet (Resolution #C-066-20) and the Electric Vehicle Action Plan (EVAP) (Resolution #C-022-22). The Policy is a required course of action to guide staff on how to proactively plan for and prioritize low or zero-emissions Fleet and Equipment purchases to reduce greenhouse gas (GHG) emissions in the Municipality.

A Decision-Making Framework (Attachment 2) has been developed for management and staff to guide asset acquisition based on key considerations, such as infrastructure needs and reliability of the technology. The Framework will be included as an appendix to the Policy.

The Policy is a more flexible approach to support the Municipality's goal to be net-zero GHG emissions by 2050 while balancing the need to be adaptable, cost efficient and responsive to a rapidly changing industry.

1. Background

Context

- 1.1 The 2018 corporate GHG emissions inventory showed that Municipal Fleet vehicles were responsible for 13.8 per cent of the Municipality's GHG emissions.
- 1.2 The Electric Vehicle Action Plan (EVAP) ([PDS-001-22](#)) was created to guide the Municipality's corporate transition to EVs over five years (2022 to 2026). The EVAP maps out the Municipality's annual EV purchases and infrastructure needs and makes recommendations for the timing and locations for EV charging stations.
- 1.3 Based on the targets set in the EVAP, the Municipality should have 19 EVs in the Fleet, as well as installed 22 EV charging stations available for Fleet use and 25 charging stations for public use. To date, the Municipality has purchased 10 EVs and one hybrid vehicle and installed 25 EV charging stations for both public and Fleet use. To date, challenges have been experienced with availability and delivery of vehicles, which has resulted in a backlog of EV requirements.
- 1.4 As the Municipality continues to electrify its fleet and equipment, sufficient charging infrastructure will be required to put electric fleet and equipment into operational use. This will require an enhanced level of inter-departmental coordination to ensure all departments and divisions are appropriately engaged.

Previous Decisions

- 1.5 Since 2016, the Municipality of Clarington staff have participated in the Durham Community Energy Plan (DCEP) and the Durham Community Climate Adaptation Plan (DCCAP) with the Durham Region, other local area municipalities and local utilities. The DCCAP and DCEP contain actions to help the community prepare for climate change, reduce community GHG emissions and increase energy independence while promoting local economic development. Council endorsed the DCEP in 2019 ([Report CAO-014-19](#)).
- 1.6 In February 2020, Council passed a motion to prioritize using low emissions vehicles in the municipal fleet, reducing corporate GHG emissions contributing to climate change. ([Resolution: C-066-20](#)).
- 1.7 On March 2, 2020, the Municipality declared a climate emergency, highlighting its commitment to protecting the community and ecosystems from climate change by reducing greenhouse gas (GHG) emissions that are causing climate change ([Resolution: GG-083-20](#)).
- 1.8 In March 2021, Council endorsed the [Clarington Corporate Climate Action Plan \(PSD-018-21\)](#). The CCCAP sets a target to reduce corporate greenhouse gas emissions to 35% below 2018 baseline levels by 2030 and to achieve net zero emissions by 2050. The CCCAP calls for the creation of a plan to electrify the corporate fleet.
- 1.9 On January 24, 2022, Council approved [Resolution #C-022-22](#), endorsing the 5-year Corporate Electric Vehicle Action Plan (EVAP) to guide the electrification of the Municipal fleet and installation of electric vehicle (EV) charge stations on Municipal properties. Staff were directed to consult the EVAP to inform budget recommendations related to fleet electrification and EV charger installation.

2. Transitioning to the Green Fleet and Equipment Policy

Present Status

- 2.1 In the implementation of the Electric Vehicle Action Plan (EVAP), certain limitations were affecting the ability of staff to successfully carry out the Plan:
 - Projected Vehicle Costs: The Projected MSRP for the EV purchases did not account for market changes, inflation, or other contingency costs. This created problems when budgeting for EV purchases.
 - Operational Needs: The locations selected for Fleet EV Chargers in the EVAP do not adequately address the needs of operational needs of different departments and would cause operational inefficiencies.

- **Timelines:** The timelines for purchasing EVs did not account for supply chain disruptions, high demand or other factors that affect vehicle availability. This can lead to delays and increased costs, ultimately affecting the success of the plan.
- **Coordination:** the roles and responsibilities of staff in the implementation of the EVAP were not clearly identified. Further, EV purchases are now included as part of the 20-year Asset Management Plan (AMP) which creates a need for more flexibility.

Development of the Policy and Framework

- 2.2 The original EVAP was prescriptive and limited staff scope in looking for opportunities to support a move to EV's. The recommendation to move to this Policy structure, if approved, will incorporate more flexibility for staff to plan the transition of the Municipality's Fleet and Equipment.
- 2.3 To further support the electrification of our Fleet, staff reviewed the current method of planning for and replacing Fleet. As a result, the Management of Fleet was centralized in September. This allows for a more streamlined process of EV planning as well as all vehicle acquisitions. Public Works, Fleet is now responsible for the oversight and management of corporate fleet. The Climate Change Response Coordinator will support the plan and identify new trends to the team to inform opportunities.
- 2.4 Staff completed benchmarking of other municipalities, specifically the City of Mississauga, had a robust and proactive policy to address this issue. The Policy as presented took that benchmarking into consideration.
- 2.5 In consultation with Public Works, Planning and Infrastructure Services, Financial Services and Community Services, the Policy was adjusted to reflect the needs of the Municipality, the operations, and to confirm the roles and responsibilities of staff.
- 2.6 A Decision-Making Framework also is proposed to guide staff in the planning, identification, and acquisition of EVs. With an evolving industry, new technologies are regularly introduced. This decision framework provides the basis for staff to ensure opportunities to procure EVs versus traditional fossil fuel powered vehicles and equipment are not overlooked, while ensuring considerations are given to the infrastructure and budget requirements.
- 2.7 Staff will implement a Management Directive (MD) (to be approved by the CAO as per the Clarington Policy System (CP-001)). This MD will support the implementation of the Policy by clearly defining the responsibilities of staff and the process to ensure accountability and implementation of the transition of the Municipal Fleet and Equipment.

Benefits of a Flexible Approach

- 2.8 The Policy is a more flexible and proactive approach, which will allow for greater adoption of EVs in the Municipality for the following reasons:
- a. Changing Circumstances: The Policy allows for more adaptability in changing times, such as technology advancements, market fluctuations and evolving regulatory requirements.
 - b. Risk Mitigation: Unforeseen challenges can arise during the implementation of an EV transition plan. This Policy will help mitigate risks by allowing for alternative solutions and strategies when roadblocks are encountered.
 - c. Expansion to Equipment: The Policy is also expanded to Equipment that consume fossil fuels in its operations. Electric/battery-operated Equipment is coming to market and will help the Municipality meet its net-zero goals.

3. Financial Considerations

- 3.1 There are no specific financial impacts resulting from the Recommendations in this report. The policy acts as a framework for decision making on conversion of Fleet and Equipment. Any premiums associated with alternate Fleet and Equipment will be captured through regular capital and operating budget requests and will become part of the Asset Management Plan (AMP).

4. Concurrence

This report has been reviewed by the Director of Public Works, the Deputy CAO/Treasurer, and the Director of Community Services who concur with the recommendations.

5. Conclusion

It is respectfully recommended that Council approve the Green Fleet and Equipment Policy, as well as the Decision-Making Framework. The Policy provides staff with a proactive and flexible approach to evaluate the availability of new technology to ensure the Municipality remains adaptable, cost efficient and responsive to a rapidly evolving industry. With Council's approval, the Green Fleet and Equipment Policy will demonstrate the Municipality's commitment to reducing Corporate GHG emissions and will help the Municipality achieve its climate change goals and targets.

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Attachments:

Attachment 1 – Green Fleet and Equipment Policy

Attachment 2 – Decision-Making Framework

Interested Parties:

There are no interested parties to be notified of Council's decision.