

Coordinated Provincial Plan Review

Initial Comments

Ontario Stone, Sand & Gravel Association



June 2016

The Coordinated Provincial Plan Review – Initial Comments

Introduction

OSSGA has been participating in the Provincial Plan Review and has previously provided the Province a background paper and proposed recommendations for mineral aggregate resources in April 2015 (www.ossga.com/FutureofCloseToMarket). OSSGA is in the process of completing a review of the four Provincial Plans but has already identified some proposed revisions that will significantly impact the licensing of new aggregate reserves within the GGH.

The Province has identified that over the next 25 years, 2.5 billion tonnes of aggregate will be required in the Greater Golden Horseshoe (GGH), of which 1.5 billion tonnes is needed in the GTA alone. There is a documented shortage of high quality aggregate located within close proximity to the consumer and licensing new reserves within the GGH is not keeping up with production levels. Currently, the average haul distance to supply aggregate in the GTA is 35 km. In 2009, the Province examined the available supply of high quality crushed stone aggregates from different distances from the Vaughan Corporate Centre. The study concluded there was only 103 million tonnes of high quality crushed stone approved for extraction within 50 km. Since the completion of the study, within this area there has been another 50 million tonnes of high quality crushed stone extracted with no replacement licences established.

The current Provincial Plans pose a challenging planning regime for licensing new mineral aggregate operations and at the same time afford protection to agricultural, natural heritage and water resources. Without replacement of licensed aggregate reserves within close proximity to the consumer, the transportation distance from source to market will significantly increase causing an undesirable increase in the cost of aggregate and greenhouse gas emissions, all of which are contrary to Provincial objectives. Furthermore, additional infrastructure will be needed to transport aggregate further from market. The GGH is an essential aggregate supply area for the Province and in 2015 the GGH produced over half of Ontario's total aggregate production.

Issues of Concern to OSSGA

The following is a summary of the significant concerns we have identified to date:

1. Within the GGH, the Province is proposing to expand the provincial natural heritage system beyond the Greenbelt Plan, Oak Ridges Moraine Conservation Plan and Niagara Escarpment Plan. Within this area **the Province is proposing a policy regime that is much more restrictive for mineral aggregate resources than the current Provincial Policy Statement** which already provides significant protection for agricultural, natural heritage and water resources. Examples include:
 - Prohibiting new mineral aggregate within significant woodlands without consideration of the “no negative impact” test. This revision is also being proposed within the Niagara Escarpment Plan. This proposed change does not account for the ability of aggregate producers to replace woodlands through progressive rehabilitation consistent with the PPS whereby a net environmental gain is provided.

- Prohibiting new mineral aggregate operations within endangered and threatened species habitat without consideration of the provisions of the *Endangered Species Act*. This revision is also being proposed within the Greenbelt Plan and Oak Ridges Moraine Conservation Plan. The new Provincial Policy Statement was updated to permit development within habitat if the application results in an overall benefit to the species and the same approach should apply to all Provincial Plans. OSSGA and our members have worked closely with Ministry of Natural Resources & Forestry to ensure that species at risk are protected and managed in accordance with the *Endangered Species Act*.
 - Requiring immediate compensation for any habitat that would be lost from a site with equivalent habitat on another part of the site or on adjacent lands even if the habitat doesn't qualify as a key natural heritage or key hydrologic feature.
2. The Province is **proposing to discourage extraction within prime agricultural areas and require that operations be rehabilitated back to agriculture. This will prohibit below water extraction within these areas of the GGH.** Under current Provincial Policy, extraction is permitted within prime agricultural areas and rehabilitation back to agricultural is not required if certain tests are met. Maintaining access to these areas is essential, particularly taking into consideration the restrictive policy framework for natural heritage features and water resources. In areas of the GGH, significant amounts of aggregate resources are located below water. If extraction were prohibited in these areas, additional surface area would have to be disturbed to replace the lost aggregate located below water and this area may not be available due to development constraints and the availability of appropriate geologic conditions.
 3. The NEC is **recommending mapping and policy changes to the Niagara Escarpment Plan that will significantly restrict where new aggregate operations may be considered.** Currently new aggregate operations may only be considered within the Escarpment Rural Area. The NEC is proposing to reduce the Escarpment Rural Area by 35 %. The NEC indicate the mapping changes are based on the existing designation criteria using updated mapping. However, a review of the proposed changes to the Niagara Escarpment Plan indicates that the NEC has in fact changed the designation criteria that are being applied for Escarpment Natural Area and Escarpment Protection Area which causes significant increase in these two designations. It is misleading to suggest the designation criteria have not been changed when in fact they have. Upon review of the mapping, the NEC does not indicate which designation criteria resulted in the change and based on a review of a few sites that include an identified aggregate resource, there does not appear to be any rationale for the change. The NEC is also proposing to add 45,000 ha of land to the NEP that would then be subject to the prohibition / restrictive policies of the Niagara Escarpment Plan.

4. The Province is also proposing that **the new policies will apply retroactively to existing applications where a decision has not been made.** Due to the timelines required to make a final decision on aggregate applications, the proposed policy revisions could significantly impact existing applications that have been designed to comply with existing Provincial Policy and where significant financial investments have been made based on these existing policies. These policy revisions could require a significant redesign of a proposed operation, require additional land to be acquired for compensation, significantly reduce the proposed extraction area and in some cases make the application no longer viable.

Conclusion

Along with this brief, we are including a pdf document summarizing the main concerns with the proposed plans, supplemented with maps and charts, and we will continue to review these plans and provide additional comments in the weeks ahead. In the interim, OSSGA looks forward to having an opportunity to discuss these issues in greater detail with ministry officials and other stakeholders and look forward to ensuring access to this important resource while still protecting agricultural, natural heritage and water resources.

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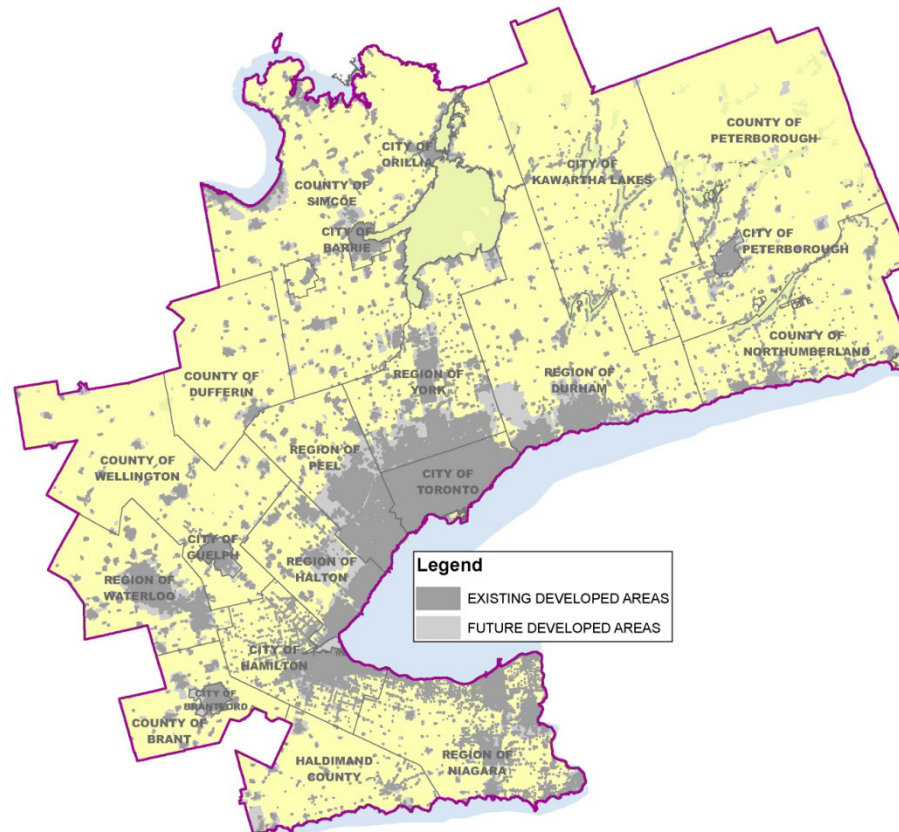
OSSGA is a not-for-profit association representing over 280 sand, gravel and crushed stone producers and suppliers of valuable industry products and services. Collectively, our members supply the majority of the 164 million tonnes of aggregate consumed, on average, annually in the province to build and maintain Ontario's infrastructure needs. OSSGA works in partnership with government and the public to promote a safe and competitive aggregate industry contributing to the creation of complete communities in the province.

The Future of Ontario's Close to Market Aggregate Supply

Proposed Plan Revisions Threaten Future Supply within GGH

Greater Golden Horseshoe (GGH)

- **70%** of Ontario's population is located within the GGH (9.1 million people).
- **4.4 million** additional people to be added to the GGH by 2041 for a total population of **13.5 million**.
- Requires more than **90-100 million tonnes** of aggregate per year (more than half of Ontario's total aggregate consumption). This is equivalent to over 5.7 million truck trips per year (35 tonne trucks/two way travel)
- **2.5 billion tonnes** of aggregate is needed over the next **25 years**.



- Replacement of licenced aggregate reserves is **not keeping up with consumption rates** in the GGH.
- There is a **documented shortage of high quality** close to market aggregate reserves.
- As the GGH intensifies, **higher quality aggregates are needed** to meet specification requirements.
- The proposed revisions to the Growth Plan, Greenbelt Plan, NEP and ORMCP threaten future supply within the GGH.

Proposed Revisions to the Provincial Plans Threaten the Future Supply of Close to Market Aggregates

Proposed Provincial Plan Revisions:

- Introduce **new prohibitions** to where new aggregate operations may be considered.
- Apply a **more restrictive policy framework** to a much larger geographic area.
- **Elevates the importance and protection of other rural resources** (e.g. agriculture, natural features and cultural heritage within the GGH) which **reduces the protection of aggregates**.
- **Apply the new policies to existing applications where a decision has not been made.**



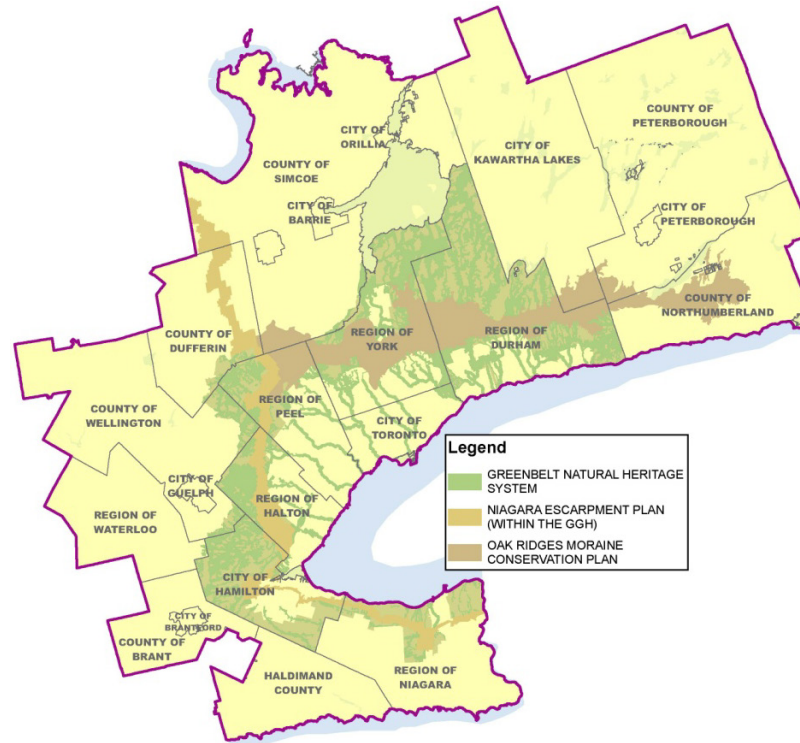
Collectively, these changes:

- Are **contrary** to the **longstanding Provincial Policy** requiring that as much aggregate as possible be located as close to market as possible.
- Will **significantly restrict** where new operations may be located within the GGH.
- **Force new supply further from market** (there is a lack of infrastructure to transport aggregate long distances). Adding trucks on lower capacity roads from distant sources will only exacerbate traffic congestion, safety, economic and environmental impacts.
- Are **contrary to the Provincial goal to address climate change** by reducing greenhouse gases and reliance on fossil fuels.
- **Force new supply further from market which has significant economic impacts** due to the costs to transport the aggregate and upgrade transportation systems.
- As the public sector purchases over half of aggregates used in the GGH, **increases in the price of aggregates** would result in **higher taxes** and/or **reduced infrastructure investment** or **supply of other government services**.

The following pages illustrate some of OSSGA's concerns with the proposed Provincial Plan revisions. Detailed comments will be provided under a separate cover.

A More Restrictive Policy Framework for Mineral Aggregate Operations will be Applied to a Much Larger Geographic Area and Existing Applications

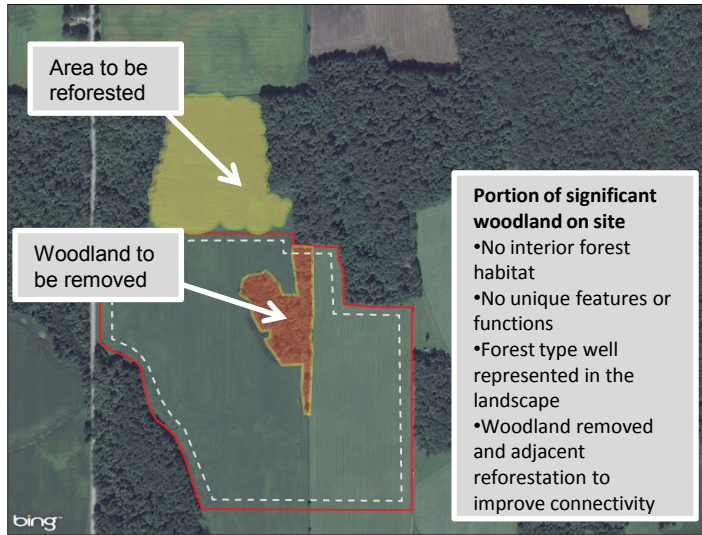
- Currently licensing new aggregate operations within the GGH is **difficult** and the **proposed policy revisions** will make it even **more difficult to find suitable properties**.
- The Province is **proposing to expand** the Greenbelt Natural Heritage System to cover the **entire** Greater Golden Horseshoe (excluding NEP and ORMCP which already have an NHS). Within the proposed **GGH NHS, a more restrictive policy approach will be applied** (e.g. similar to the existing Greenbelt Plan NHS policies).



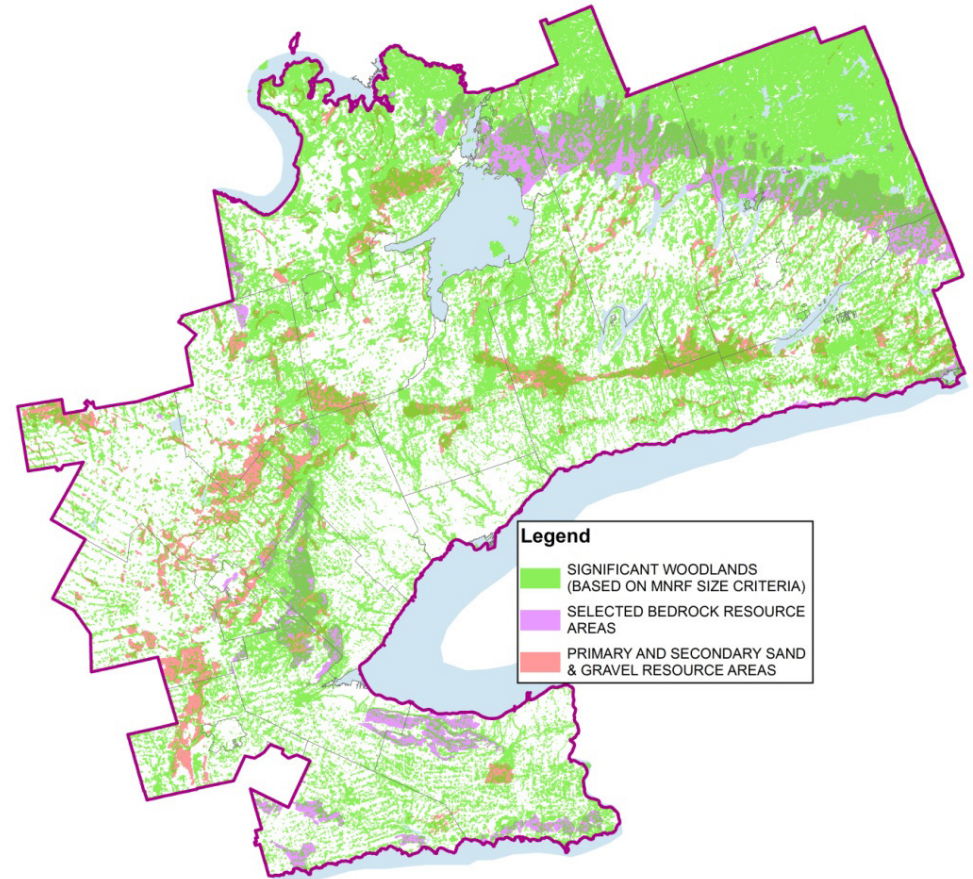
- **Outside of the GGH NHS, a more restrictive policy approach will be applied** (e.g. similar to existing Greenbelt Plan polices).
- The **other Provincial Plans** (NEP, Greenbelt Plan and ORMCP) also include **proposed revisions** that are **more restrictive** than current policy (e.g. extraction in prime agricultural areas).
- The Province is also proposing to **apply the new policies to existing applications** where a decision has not been made.
- It is **unreasonable to change the rules in the middle of an application**. The industry has made significant investment in applications based on the current policy framework.

New Mineral Aggregate Operations will be Prohibited within Significant Woodlands in the GGH

Current Policy Allows a Balanced Approach



- Currently within most of the lands in the GGH, new operations are not permitted within significant woodlands unless no negative impact is demonstrated. **Assessing no negative impacts takes into consideration rehabilitation and replacement** (see above photo).
- The proposed revisions to the Provincial Plan **expand the prohibition** for new mineral aggregate operations within significant woodlands (unless early successional habitat or young plantation) from the ORMCP and Greenbelt NHS to **now also include the Growth Plan NHS and the NEP Escarpment Rural Areas**.
- Within the GGH, **over 30%** of identified aggregate resource areas have overlapping significant woodlands. Other woodlands **severely fragment** remaining aggregate areas.



- Significant woodlands are **only 1 of more than 40** other social, environmental and agricultural constraints that must be considered when licencing a new mineral aggregate operation.

New Mineral Aggregate Operations will be Prohibited within Habitat of Endangered and Threatened Species within the Natural Heritage System of the GGH



Bobolink



Butternut

Province has identified 104 endangered species and 57 threatened species.



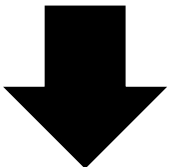
Barn Swallow



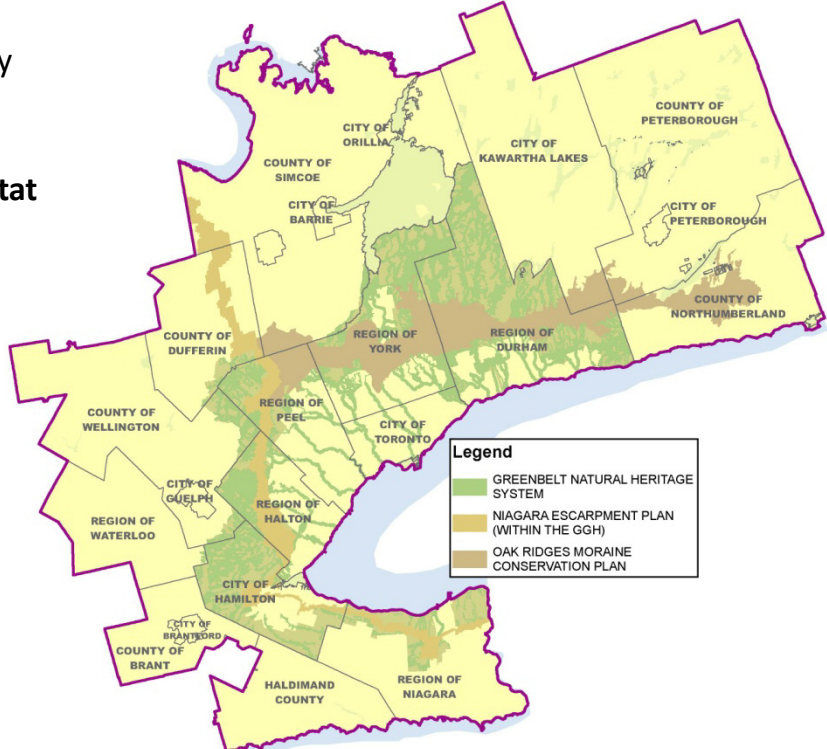
Little Brown Bat

- **Most new aggregate sites are dealing with species at risk**, and are permitted subject to the provisions of the Endangered Species Act. Any permitted development requires an overall benefit to the species.
- The proposed revisions to the Provincial Plans **prohibit new mineral aggregate operations within endangered and threatened species habitat** within the Greenbelt NHS, ORMCP linkage areas and Growth Plan NHS.
- This will eliminate overall benefit applications for species at risk and **significantly impact availability of sites** due to the number of species, transitory nature of species habitat and the expansive areas that are mapped as habitat, for example:

14 small wetlands with amphibian breeding habitat located in Halton Hills resulted in...



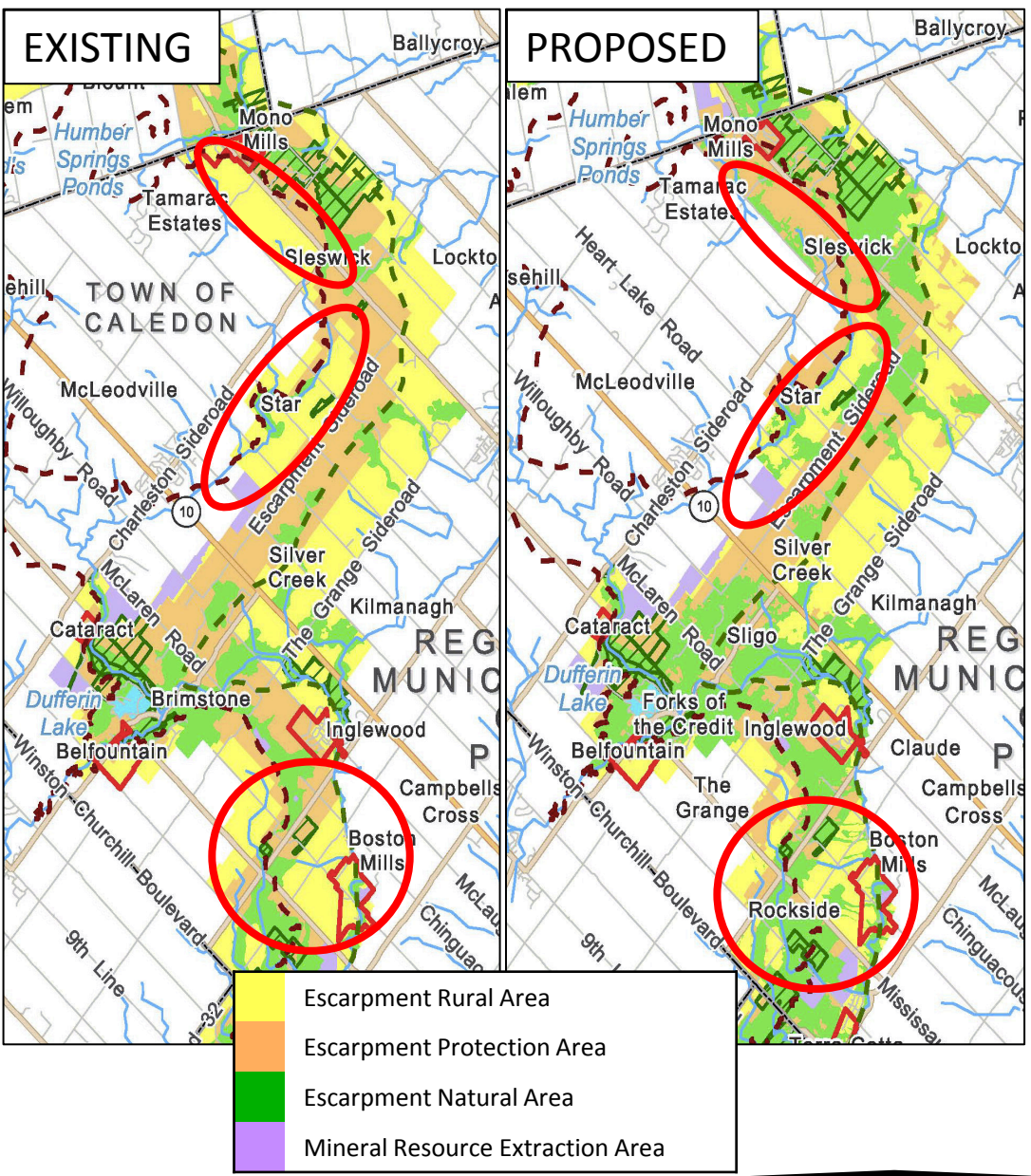
550 ha being mapped as endangered species habitat which is equivalent to the size of Downtown Toronto.



- In addition, **species could be added** during the review process for a new aggregate operation and three years into a process a proposed extraction area could now become prohibited.

Niagara Escarpment Plan

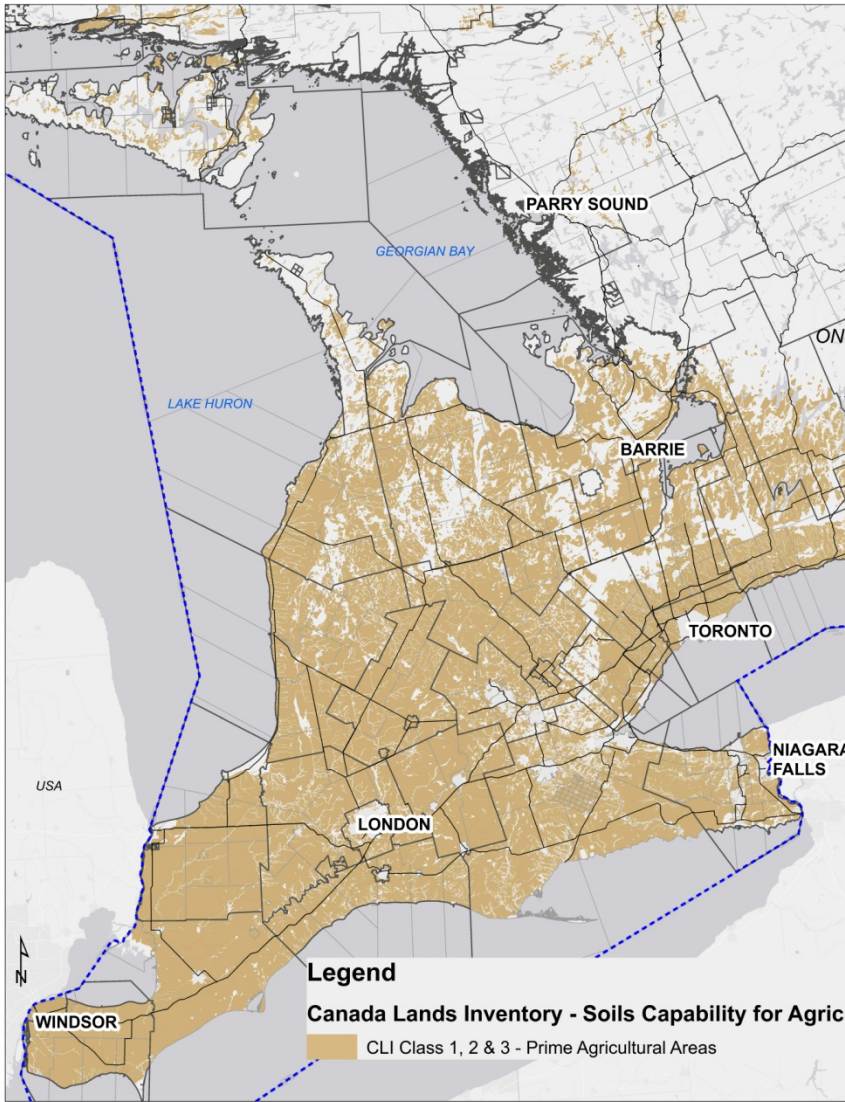
Restricting Close to Market Aggregate Supply through Updated and Expanded Mapping



- New aggregate operations are **currently prohibited** in the Escarpment Natural Area and Escarpment Protection Area which currently represent **over 70% of the NEP**.
- New aggregate operations **may only be considered** in Escarpment Rural Areas.
- The NEC is proposing to change Escarpment Rural Areas to Escarpment Natural Area or Escarpment Protection Area which **reduces the Escarpment Rural Area by 35%**. It is very misleading to suggest the designation criteria have not changed when in fact they have including new definitions related to the criteria.
- The NEC did not provide justification for these changes. Based on a review of some of the mapping changes, it is unclear why they are being proposed.
- In addition, the remaining Escarpment Rural Area will be **fragmented** by areas proposed to be designated Escarpment Natural Area and Escarpment Protection Area.
- Collectively, these mapping changes would make it **difficult to find a large enough site** designated Escarpment Rural Area that could support a new mineral aggregate operation particularly taking into account other policies in the NEP that must be addressed.
- The NEC also proposes to add over 45,000 ha of land to the NEP which **subjects a significant amount of land to the prohibition/ restrictive policies** of the NEP.

Proposed Revisions will Discourage Aggregate Extraction in Prime Agricultural Areas

Where is Aggregate Extraction Encouraged?



- Proposed revisions to Provincial Plans:
 - **Increase protection** of prime agricultural areas
 - **Discourages aggregate extraction** within these areas including **prohibiting below water extraction**
- Southern Ontario contains **4.9 million ha** of prime agricultural land.
- Currently, new mineral aggregate operations are **permitted** within prime agricultural areas based on 2014 PPS.
- **Only 0.7% of prime agricultural land has a licensed mineral aggregate operation** and many of these sites will be rehabilitated back to agriculture.
- All new mineral aggregate areas will either be located within an agricultural area or natural heritage system. Increasing protection to natural systems and now discouraging aggregate extraction in prime agricultural areas upends the current balance of provincial interests by elevating natural heritage and agriculture to the **disadvantage of aggregate resource development.**

Sand & Gravel and Selected Bedrock Resources data is compiled from various MNMND ARIP publications. This data is not reliable, and some areas may not be present due to mapping restrictions.