



April 18, 2013

Mayor Rob Ford
City of Toronto

RE: EX 31.15 Revised Carbon Credit Policy and Revenue Opportunities

Mayor Ford,

I am writing in regards to the above-referenced staff report to be considered by the Executive Committee on April 23, 2013.

I am the CEO of Green Power Action Inc., a firm that specializes in the purchase of carbon offset credits for corporations and individuals interested in voluntarily reducing their carbon footprint. We manage the Greening Canada Fund, which is the first fund in Canada directed towards carbon offset credits on behalf of Canadian corporations that seek to voluntarily offset their carbon footprint. The investors in the Greening Canada Fund are all environmental leaders – Bank of Montreal, TD Bank, Stikeman Elliott and Deloitte. The Greening Canada Fund was established in 2009 by CivicAction's Greening Greater Toronto initiative, and we were selected by Greening Greater Toronto as managers of the Fund.

The Greening Canada Fund is distinctive in that it buys all its offset credits in Canada, and buys more than half its credits from community institutions such as municipalities, school boards, universities, hospitals and other public-sector and non-profit entities. The Greening Canada Fund has bought carbon offset credits from projects in five provinces in Canada, and has delivered 725 thousand tonnes of carbon offset credits to investors since its inception in 2009, the equivalent of offsetting the carbon impact of 193 thousand cars for one year. Perhaps more relevant for you is that two of the largest suppliers of credits to the Fund are Toronto District School Board (TDSB) and the City of Guelph, demonstrating our ability to conclude large transactions with entities you may be familiar with – total contracted purchases with TDSB and the City of Guelph together have a value in excess of \$3.8 million, more than half of which is with TDSB.

TDSB is a good example of how carbon offset credits can promote projects that reduce costs and carbon at the same time. The carbon offset credits that TDSB sold to the Fund resulted from energy efficiency projects undertaken by TDSB in 258 individual schools. These projects produced substantial reductions in annual energy costs for TDSB as well



as lower carbon emissions. The revenue earned by TDSB from the sale of the resulting carbon offset credits are also earmarked for TDSB's Environmental Legacy Fund, which will invest in similar projects, producing even more energy cost savings and further carbon emission reductions.

Having participated in the public comment process, we wish to affirm to you that there is a market in Canada for voluntary carbon offset credits and that, should the City proceed to sell some of its supply of carbon offset credits, we remain interested in further discussions about purchasing credits from the City of Toronto.

Yours truly,

A handwritten signature in cursive script that reads "Gerry Rocchi".

Gerry Rocchi

Copy to: Joe Pennachetti, City Manager (jpennac@toronto.ca)
Roberto Rossini, Deputy City Manager & CFO (rrossini@toronto.ca)
Josie Scioli, Chief Corporate Officer (jscioli@toronto.ca)
Jim Baxter, Director, Environment & Energy Office (jbaxter2@toronto.ca)
Clerk to the Executive Committee of the City of Toronto (exc@toronto.ca)