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Re: Canada Gazette, Part I, Volume 160, Number 33: [Regulations Amending the Passenger Automobile and Light Truck Greenhouse Gas Emission Regulations](#)

The Atmospheric Fund (TAF) is a regional climate agency serving the Greater Toronto and Hamilton Area (GTHA). We work closely with public and private partners to advance practical urban climate solutions that support affordability, equity, resilience, and long-term prosperity.

TAF submits the following response to the proposed amendments to the Passenger Automobile and Light Truck Greenhouse Gas Emission Regulations. The proposed repeal of the Electric Vehicle Availability Standard (EVAS), without new tailpipe emission standards in its place, has direct implications for infrastructure investment, local air quality, public health, household affordability, and Canada's climate objectives.

If EVAS is repealed, replacement measures must be implemented without delay, deliver comparable or greater emissions reductions, and be evaluated based on their full costs and benefits, including impacts on Canadians' health. Delaying annual increases in greenhouse gas emission standards until 2029 would undermine Canada's goal to achieve 75% electric vehicle (EV) sales by 2035.

The Cost of Repealing EVAS Without a Replacement

TAF recognizes the challenging economic and political context facing the federal government, including ongoing trade disruptions, tariff pressures, affordability concerns, energy security considerations, and the need to strengthen Canada's economic resilience. We also recognize that the [U.S. Environmental Protection Agency's \(EPA\) rescission](#) of the 2009 Endangerment Finding and repeal of all U.S. vehicle greenhouse gas standards, effective April 20, 2026, means Canada can no longer rely on alignment with U.S. EPA rules. A made-in-Canada approach is now a necessity, not a choice.

The decision to repeal the EVAS without simultaneously introducing a replacement framework carries major economic, climate, and public health consequences. The reported delay in implementing replacement tailpipe standards until 2029 locks in avoidable emissions and would forgo near- and long-term benefits that EVAS was designed to achieve. The prolonged absence of a federal mechanism to drive EV supply also undermines investment in charging infrastructure and related grid upgrades.

The Government's own Regulatory Impact Analysis Statement (RIAS) shows that the costs of this decision are substantial. From 2026-2050, the proposed repeal would result in:

- \$53.8 billion in forgone fuel and energy savings for Canadian households;
- 326 megatonnes of forgone greenhouse gas emissions reductions, valued at \$94.2 billion in climate-induced damages;
- A net cost to society of \$90.3 billion, even before health impacts are counted; and
- By 2050, light-duty vehicle emissions that are 19% higher for PM2.5, 98% higher for NOx and 112% higher for VOCs than they would have been under EVAS.

These impacts are significant, and they still understate the true cost; the RIAS counts the rise in air pollutants but does not quantify the costs to Canadian's health. **TAF's analysis, using Health Canada's benefits-per-tonne methodology, shows that the original EVAS would have delivered approximately \$92 billion in health benefits through 2050 and helped avoid up to 11,000 premature deaths.** These gains come from cleaner air and reduced exposure to pollutants linked to asthma, lung cancer, and cardiopulmonary disease.

Delaying this transition comes at a cost to Canadians. Removing EVAS will slow electric vehicle adoption, increase pollution in cities and suburbs, compromise Canadians' health, and reverse progress on the climate and affordability goals it had set to advance.

Historic reductions compared to new standards

Historically, Canada's greenhouse gas emissions standards for vehicles have been ineffective in reducing emissions, achieving only 1% fleetwide reductions since 2011. If strengthened vehicle emissions standards are to achieve comparable climate and health benefits to the EVAS, a new and more ambitious approach is clearly needed. Strengthened standards will serve as a regulatory signal to ensure widespread EV availability across a full range of price points and regions.

Analysis from the [Pembina Institute](#) and [International Council on Clean Transportation](#) conclude that achieving the federal government's target of 75% EV sales by 2035 would require a vehicle emissions standard in the range of approximately 40-60 g CO₂/mile by 2035. Both studies suggest that the federal government's proposed trajectory, including a reported target of 74 g/mile by 2035, is unlikely to deliver the intended level of EV uptake.

The new tailpipe emission standards should include annual, legally binding stringency steps from model year 2030, with an interim target of 42% sales no later than 2031 to meet the 75% goal in 2035, so that supply keeps pace with demand and Canada stays on track. Emission reductions work like compound interest: a vehicle sold in 2026 stays on the road for well over a decade. Reductions that are backloaded into 2030 cannot make up for the years lost, and the cumulative emissions and health damage from delay are permanent.

Regulatory certainty for a competitive market

The RIAS describes the repeal as "a necessary initial step" toward more ambitious, Canada-unique greenhouse gas emission standards. TAF supports a strong made-in-Canada standard but repealing EVAS before a replacement framework is established introduces considerable risk.

EVAS gave automakers a clear, predictable trajectory to plan around. The repeal of the EVAS without an immediate replacement has created uncertainty for consumers, automakers, utilities, charging providers, and investors. Canada needs long-term policy certainty to attract investment, expand charging networks, and ensure that Canadians have access to the full range of affordable EV models being produced for global markets.

In an increasingly uncertain North American policy environment, regulatory stability can be a competitive advantage. Canada can offer what the U.S. cannot: a standalone standard that holds steady from one election to the next. With no federal mechanism to drive EV supply beyond model year 2026, investment decisions by automakers, utilities, charging providers, and other market participants will be delayed.

TAF also recommends the government look beyond the U.S. and widen access to EVs built for other markets. Now that alignment with the U.S. EPA is no longer a viable regulatory approach, Canada should measure its new standard against leading jurisdictions such as the European Union.

Specifically, Canada should permit the sale of EVs that meet European safety and environmental standards, which would make an additional [21 EV models under \\$40,000](#) CAD available to Canadian consumers. Canada should also build on its [recent decision](#) to allow a limited number of Chinese-made EVs into the market by expanding access to these vehicles over time, helping increase consumer choice and competition in the EV market.

Shift to beneficial electrification of transportation

The RIAS summarizes stakeholder concerns about low demand, affordability, insufficient charging infrastructure, and grid readiness. These are real issues, but evidence shows they are being overcome, and that supply-side certainty is part of the solution.

Concerns about slowing EV adoption in Canada should be considered within a broader global context. According to [Ember](#), EV sales continue to grow rapidly worldwide, with many jurisdictions reaching record levels of adoption. In Europe, [EV sales increased by 70% in September](#), accounting for 30% of the market share. Recent Canadian sales data shows EVs accounted for 13% of new vehicle sales in August, a 47% increase compared to the same month a year earlier. Previous temporary fluctuations in the Canadian market should not be mistaken for a long-term decline in demand.

[Clean Energy Canada estimates](#) that a typical EV driver saves \$23,000 to \$32,000 over ten years, largely through lower fuel costs. The RIAS reaches a similar conclusion: over a vehicle's lifetime, energy and maintenance savings generally outweigh higher upfront costs, and the energy savings forgone through repeal outweigh the upfront costs avoided.

Investment in charging infrastructure depends on predictable EV uptake. An established demand curve allows investments in charging infrastructure to keep pace with the supply of EVs on the market. This helps avoid investment in charging infrastructure too early, when it may be costly and underused, or too late, when insufficient capacity can constrain EV adoption and leave existing drivers facing long charging lines. EVAS also allowed automakers to earn compliance units by funding charging; the RIAS acknowledges that repeal removes this incentive. Repealing EVAS without a replacement policy risks weakening investment in charging infrastructure precisely when Canada needs to accelerate deployment to meet its new EV targets.

The RIAS estimates EV charging would have represented only about 6% of national electricity demand in 2035 under EVAS (3% without it), rising to 11% by 2050. This growth is gradual and can be planned for, particularly with managed and off-peak charging. To generate the appropriate scale of new demand, new policies and programs must accelerate, not just support, Canadians' adoption of EVs. A clear and durable pathway for vehicle electrification would help utilities, municipalities, charging providers, and investors anticipate future electricity demand and invest in the infrastructure required to serve it.

Transportation electrification also strengthens Canada's energy security. By shifting transportation energy demand from imported petroleum products to domestically generated electricity, Canada can reduce its exposure to fuel price volatility, trade disruptions, and geopolitical risks.

The cost of delay is measured in health impacts, not just emissions

The regulatory analysis acknowledges that repealing EVAS will lead to significantly higher emissions. But it does not quantify the health consequences of increased air pollution. The RIAS projects that by 2050, light-duty PM_{2.5} emissions will be 19% higher and NO_x 98% higher than under EVAS, yet it treats the resulting harm only in qualitative terms. Leaving this out understates the true cost of the proposal.

The health stakes are well established. [Health Canada attributes](#) roughly 1,200 early deaths annually to pollution from on-road vehicles and estimates the yearly health toll of traffic-related air pollution at \$9.5 billion (in 2015 Canadian dollars). [Research from McGill University](#) further estimates that cutting traffic-related ultrafine particles in Toronto and Montreal could avoid over 3,600 early deaths between 2021 and 2040, with neighbourhoods along major roads standing to gain the most.

Health Canada's published "benefits-per-tonne" (BPT) methodology was developed specifically to enable cost-benefit analysis of transportation related air pollution reduction policies and regulations. Its primary input is avoided emissions of key air pollutants – figures Environment and Climate Change Canada is already producing for the RIAS. The methodology links emission reductions and air pollutant concentrations to health outcomes like avoided mortality, morbidity, and hospitalizations, and assigns a monetary value to those avoided outcomes. Applying these established BPTs to the emissions estimates of the next tail pipe regulations will provide a more accurate cost benefit analysis in the RIAS for Canada Gazette I when it is introduced. TAF has included an appendix, *Guide to Estimating Health Benefits of Tailpipe Emission Regulations*, demonstrating how Health Canada's benefits-per-tonne methodology can be applied to future vehicle emissions regulations.

Air pollution is not experienced equally and municipalities understand this firsthand. Residents living near highways, major arterials, and freight corridors – often lower-income and racialized communities – bear the greatest burden. Every year without a strong vehicle-emissions standard means more preventable illness and deaths, more strain on local health systems, and higher costs for families and governments.

The RIAS's own Gender-based Analysis Plus notes that children, seniors, people with health conditions, and lower-income households and renters near busy roads will keep carrying these burdens. Repeal also engages the right to a healthy environment under CEPA and its principle of non-regression, which cannot be credibly assessed without putting numbers on the health impacts.

On behalf of a group of health, air-quality, and climate organizations, we urge the Government of Canada to explicitly include the monetized health benefits from Health Canada's 'benefits per ton of emissions reduced' in the regulatory impact analysis statement (RIAS) for the forthcoming tailpipe emission standards.

Conclusion

EVAS was designed to give Canadians reliable access to affordable EVs, cleaner air and a predictable path to a zero-emission vehicle market. Repealing it without a replacement leaves Canada with no federal signal of EV supply after model year 2026, at a cost the Government's own analysis puts at \$90.3 billion before health impacts are counted. Canada needs a transportation strategy that reflects today's economic realities while recognizing that transportation electrification can strengthen Canada's long-term competitiveness, affordability, energy security, public health, and climate resilience.

TAF would welcome the opportunity to meet with Environment and Climate Change Canada and Health Canada officials to share our analysis and methodology.

Sincerely,

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Appendix

[Tailpipe Emissions Health Estimation Guide v2.dotx](#)