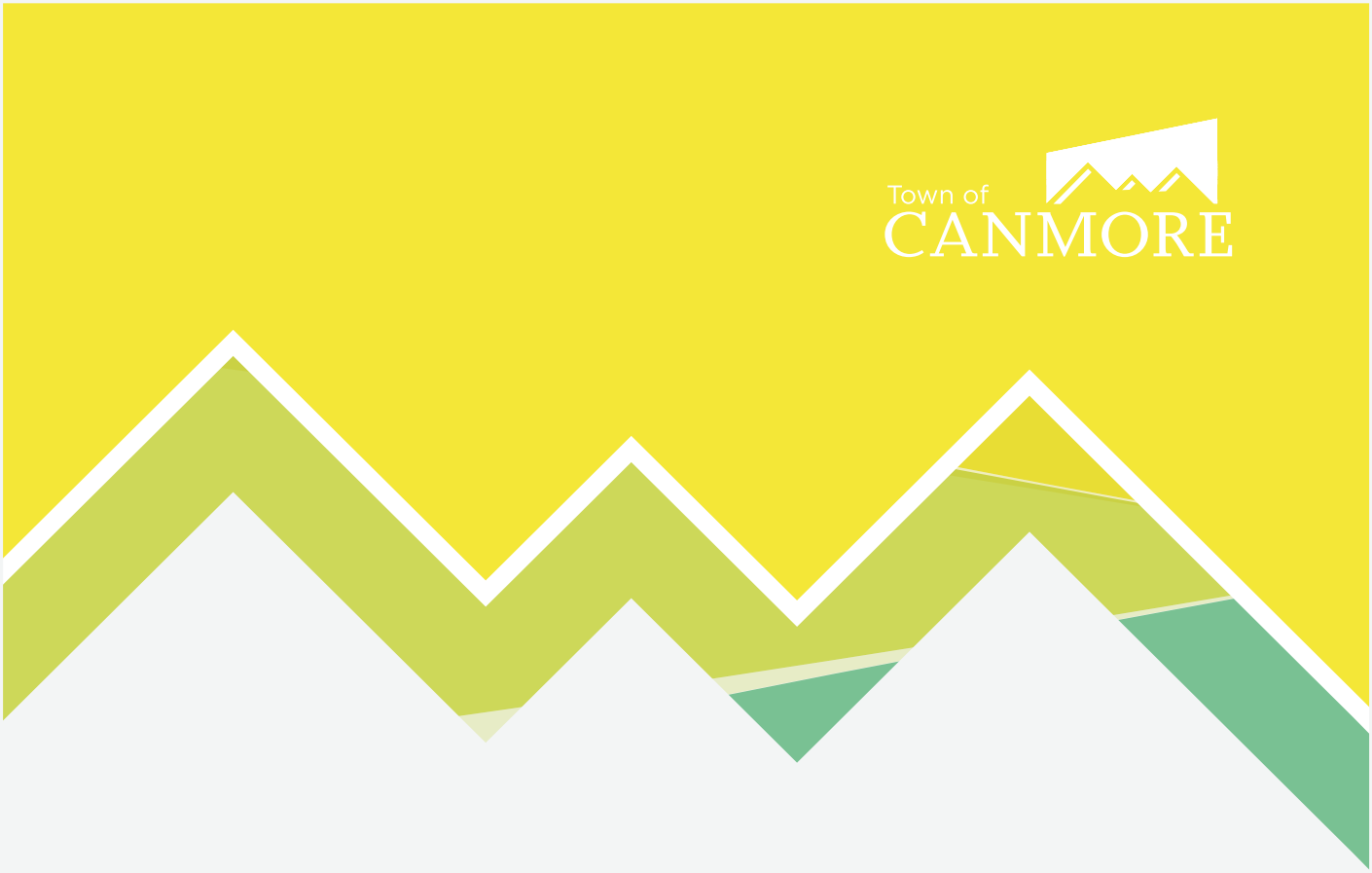


Town of CANMORE

Climate Emergency Action Plan

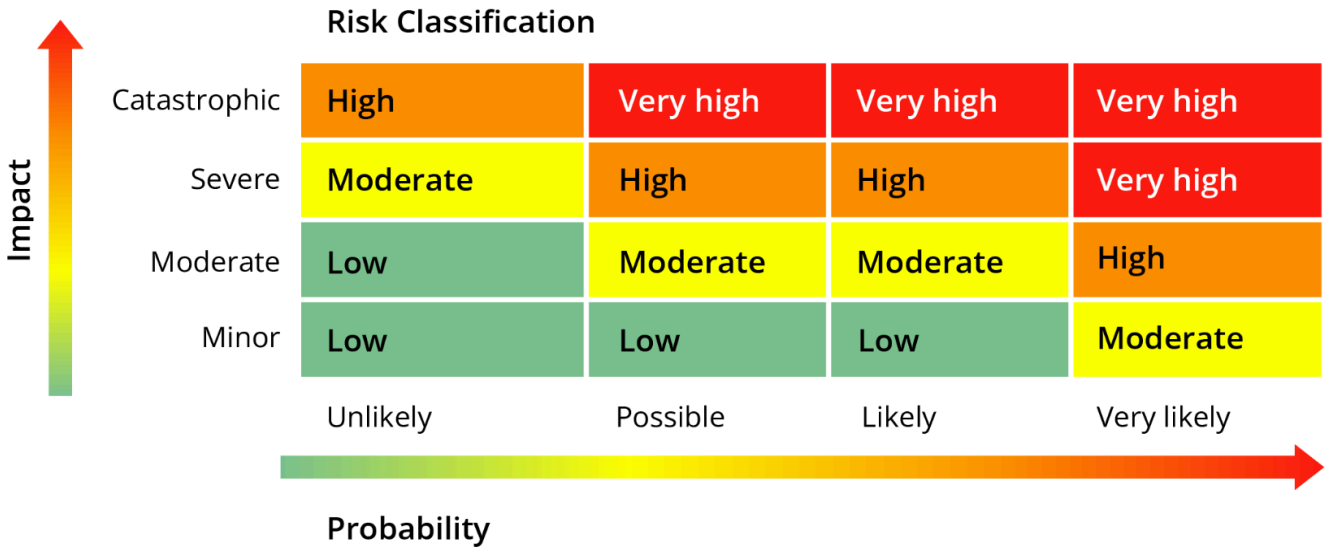
Implementation Risk Assessment

May 2024

Risk Classification

Implementation risks are inherent in strategies, policies, and actions. A risk is defined as "the effect of uncertainty on objectives" and describes the likelihood and impact of an event or trend that has the potential to impact an organization's objectives.[1] This section identifies some potential risks to the implementation of Canmore's climate plan as well as contingency strategies. Risks are classified according to the matrix in Table 1.

Table 1. Risk Classification



[1] Treasury Board Secretariat. (2011). Guide to Corporate Risk Profiles. Retrieved from: https://www.canada.ca/en/treasury-board-secretariat/corporate/risk-management/corporate-risk-profiles.html

Implementation Risk Assessment

The Risk of Doing Nothing

If the CEAP is not implemented, a business-as-planned scenario for Canmore would proceed. This status-quo scenario assumes the current trajectory of development patterns, the energy system, building design, transportation behaviour and technologies and waste management.

Table 2. The risks of doing nothing.

Risk	Description	Probability	Impact	Overall Risk
Stranded assets	The Town, businesses and residents continue to invest in fossil fuel-based infrastructure that must be replaced prior to the end of its useful life, either to meet its GHG reduction commitments or due to changing market conditions as a result of global climate action.	Very likely	Severe	**Very high**
Canmore's reputation	The Town's brand is damaged nationally and internationally as a preeminent outdoor destination.	Likely	Moderate	**Moderate**
Vulnerability to energy price shocks	The community is vulnerable to global fossil fuel prices, which will fluctuate in the future.	Very Likely	Moderate	**High**
Damage from extreme weather	There is increased damage to community and municipal buildings and infrastructure from increasingly extreme weather events, including floods and wildfires.	Very Likely	Catastrophic	**Very high**

Risk	Description	Probability	Impact	Overall Risk
Social impacts of extreme weather	Health and social impacts of severe weather events and displacement increase, disrupting businesses, services and social cohesion., Mental health impacts increase.	Very Likely	Severe	**Very high**
Affordability	In the long run, the BAU and BAP scenarios are more costly than the Low Carbon Scenario, forfeiting money that could be used for other purposes.	Very likely	Moderate	**High**
GHG emissions continue to increase	The community's GHG emissions will continue to increase, imposing a burden on future generations. While Canmore on its own cannot alter this trend, a successful global effort requires collective action.	Very likely	Moderate	**High**
Economic development	New business and employment opportunities associated with the energy transition are missed.	Likely	Moderate	**Moderate**
Operational costs increase	Opportunities to reduce operational costs are missed.	Very likely	Moderate	**High**
Legal risks	The Town faces lawsuits for failing to take action on climate change from impacted citizens or impacted businesses.	Likely	Moderate	**Moderate**
Health impacts	Health impacts from combustion of natural gas in home continue to impact vulnerable populations	Very likely	Moderate	**High**

Labour-Related Risks

The implementation of the CEAP is dependent on the availability, expertise and skill of professional services and contractor workforces.

Table 3. Labour-related risks.

Risk	Probability	Impact	Overall Risks	Mitigation	Contingency
Lack of skilled workers to implement actions in the plan (i.e. retrofits, renewable energy)	Very likely	Severe	**Very high**	The Town convenes a working group with nearby colleges and trade schools to identify requirements and programs	Workers are imported from other jurisdictions
Professional knowledge and approaches on climate change mitigation and adaptation are not mature or evolving quickly enough.	Likely	Severe	**High**	The Town develops and reviews specifications in its RFPs annually. The Town creates a professional task force to develop a commitment or standard of practice for Canmore, which is updated periodically	Canmore identifies and references standards such as AIA 2030 (buildings), Envision (landscape), and others.

Energy System Risks

Changes to electricity generation sources and in electricity demand will have associated risks for achieving GHG emissions reduction objectives (Table 4).

Table 4. Electricity-related risks.

Risk	Probability	Impact	Overall Risks	Mitigation	Contingency
The emissions factor for the Alberta electricity grid increases	Likely	Major	**High**	Behind-the-meter solar PV recommended on new and existing buildings. Local district energy systems and microgrids expedite the decarbonisation of the electricity system.	Purchase renewable electricity on behalf of the community.
Electrification reduces energy system redundancy, making operations more vulnerable to disruption in the event of power outages.	Likely	Major	**High**	Buildings and energy design for redundancy. Battery storage can be included in the building retrofit program. District energy and microgrids can be designed to increase resilience.	Retain back-up fossil fuel-based systems for outages.
Electrification increases peak electricity demand, increasing electricity consumption and costs.	Likely	Moderate	**Moderate**	An electricity flex strategy can be used to support off peak vehicle charging, shift the timing of heat pump usage and other flex strategies.	
Fossil fuel price decline, challenging the business case for low carbon/zero emissions investments.	Likely	Moderate	**Moderate**	Create incentives (financial and non-financial) for decisions that provide public benefits such as reduced GHG emissions.	

Risk	Probability	Impact	Overall Risks	Mitigation	Contingency
Policy uncertainty causes disruption in the market	Very likely	Severe	**Very high**	Coordinate with other municipalities on advocacy. Develop behind the meter renewable electricity generation.	Secure long-term contracts for renewable energy.

Governance and Policy Risks

Competing government priorities and timelines will affect CEAP implementation. Strong leadership and timely and consistent implementation by departmental staff are critical for success.

Table 5. Governance and policy-related risks.

Risk	Probability	Impact	Overall Risk	Mitigation	Contingency
Provincial policies are in misalignment with Town objectives.	Very likely	Severe	**Very high**	Collaborate with other municipalities on advocacy and programming	
Federal government revises carbon pricing regime.	Likely	Moderate	**Moderate**	Incorporate the social cost of carbon into municipal budgetary processes, cost-benefit analysis and policy decisions.	
Lack of leadership and follow through stalls implementation.	Likely	Severe	**High**	Create an external advisory committee that reports to Mayor and Council and the public on progress	

Risk	Probability	Impact	Overall Risk	Mitigation	Contingency
Internal concerns or capacity causes delays.	Possible	Moderate	**Moderate**	Ensure clear policies, job descriptions and evaluation processes	
Climate initiatives are deprioritised due to other priorities emerging.	Very likely	Severe	**Very high**	Ensure that climate is a cross cutting theme in all initiatives and identify where multiple objectives can be addressed with the same investment, measure or policy.	
Unforeseen events impact the Town's governance and operations.	Very likely	Severe	**Very high**	Build-back-better strategies are integrated into emergency management approaches.	


Town of
CANMORE