

POLICY STATEMENT AND REGULATIONS

Number: 200.3

CLIMATE ACTION – FUNDING THE REDUCTION OF GREENHOUSE GASES & CORPORATE CARBON NEUTRALITY

A) POLICY BACKGROUND

The District of Summerland recognizes the importance of greenhouse gas (GHG) emissions reduction initiatives. The District has signed on to the BC Climate Action Charter, committing to: becoming carbon neutral (in operations) by 2012; measuring and reporting GHG emissions; and creating more compact, complete, energy efficient communities. Further, through the Official Community Plan, the District has set targets for reducing community-wide GHG emissions to 33% below 2007 levels by the year 2020; and 80% below 2007 levels by the year 2050 (as measured by the Province's Community Energy Emissions Inventory [CEEI]).

In British Columbia, a carbon tax is levied on gasoline, diesel, propane, and natural gas. As a signatory to the Climate Action Charter, the District is eligible to receive an annual rebate via the Climate Action Revenue Incentive Program (CARIP) equal to its annual direct corporate expenditures on the carbon tax. To receive the rebate, the District is required to report its corporate GHG emissions, and undertake one of the following alternatives:

- (i) achieve carbon neutrality by reducing GHG emissions as much as possible then balancing outstanding emissions through community-wide reduction projects and/or by purchasing offsets from a credible provider; or
- (ii) advise the Province that the District is “making progress towards carbon neutrality.” This is intended to be a short term approach while a municipality builds capacity to become carbon neutral, and involves following the four key steps to carbon neutrality: Measure, Reduce, Balance and/or Offset, and Report.

B) POLICY OBJECTIVE

The intent of this policy is to ensure that dedicated Climate Action funds exist to support projects that aid the District in meeting its commitments to reduce GHG emissions generated in Summerland and to become carbon neutral in operations. These funds will be made up of: the annual CARIP payment from the Province; and an annual budget allocation for Climate Action initiatives. The policy will also give direction to never use these funds to purchase offsets, and instead to focus on local projects that allow the District to achieve carbon neutrality through reductions and balancing.

Further, this policy will ensure that emission reduction projects funded through the Climate Action funds are prioritized according to comprehensive criteria to ensure that the projects result in real emission reductions and encourage other environmental, social and economic 'co-benefits.'

C) POLICY

1. Annually, Council will allocate 0.001% of The District's annual operating budget to the Climate Action operating budget.
2. The Climate Action operating budget will be used for: operational expenses (such as the annual SmartTOOL subscription); funding projects that reduce GHG emissions in Summerland, according to the criteria outlined below; and to support public participation, education, and awareness initiatives related to climate action.
3. Each year, all monies received through the CARIP will be transferred to the Climate Action operating budget.
4. Each year, excess revenue over expense in the Climate Action operating budget will be transferred to the Climate Action Reserve Account.
5. Funds in the Climate Action Reserve Account will be used solely for the purposes of reducing GHG emissions in Summerland, according to the criteria outlined below, and shall not be allocated for any other purpose.
6. There shall be periodic reporting to the citizens of Summerland of the corporate and community-wide projects undertaken by the District to reduce local GHG emissions.

D) PROJECT PRIORITIZATION CRITERIA

- i) Corporate Emission Reduction Projects are First Priority (minimum 80% of available funds): Projects that either directly reduce corporate emissions or allow corporate emissions to be balanced should be considered first for allocation of funds.
- ii) Projects That Support Corporate Emission Reductions (maximum 10% of available funds): Projects that support corporate emission reductions but do not necessarily directly result in reductions, such as research and education, are Second Priority.
- iii) Projects That Support Community Emission Reductions (maximum 10% of available funds): Projects that reduce community-wide emissions will be considered as a Third Priority, where those projects fall within the scope of the District's CEEI profile.

E) EMISSIONS REDUCTION CRITERIA

1. Emission Reductions From The Project Must Be Real And Measurable:

Emission reductions must be real and measurable in accordance with CEEI and CARIP reporting methodologies, or any other methodology accepted by the Province.

2. Emission Reductions From The Project Must Be Permanent:

Emission reductions must be permanent so that the stored or avoided carbon is not released back to the atmosphere. Preference should be given to energy efficiency, conservation, and renewable energy technologies that result in a decrease in fossil fuel consumption.

3. Projects With High Emission Reduction Potential per Dollar Spent:

When comparing potential projects, priority should be given to projects that have the greatest potential to reduce emissions in absolute terms per dollar spent.

F) SOCIAL CRITERIA

1. The project should be acceptable to the local community. Staff should consider whether projects will be accepted by the general public and use public consultation processes where appropriate.
2. Priority should be given to projects that are easily replicated, and have a high potential for broader implementation.
3. Strategic priority will be given to initiatives that are highly visible – they set an example of energy conservation and/or greenhouse gas reduction, and seek to mobilize the public.
4. Projects must be in line with the objectives outlined in the District's Official Community Plan.

G) ENVIRONMENTAL CRITERIA

1. The Project Should Avoid Significant Environmental Harm:

Some renewable energy projects, while reducing GHG emissions, have significant effects on other aspects of the environment. All significant environmental benefits and drawbacks need to be considered.

2. The Project Should Have Environmental Co-Benefits:

Examples of environmental co-benefits include reduced air contaminants, climate adaptation improvements, improved water quality, and improved wildlife habitat.

H) FINANCIAL CRITERIA

1. Priority should be given to projects that can deliver the greatest emissions reductions and/or avoided cost-savings, per dollar invested.
2. Priority should be given to projects that have economic co-benefits. Ideally, an emission reductions project will have other co-benefits such as local job creation, economic development, and a reduction in community energy costs.
3. Priority should be given to projects that involve partnerships or have the potential to leverage additional funding from other sources.
4. Climate Action funds should support projects that go beyond business as usual. These are projects that would not otherwise be undertaken for a variety of reasons including lack of external grant opportunities.

I) POLICY EVALUATION

This Policy will be reviewed regularly for consistency with the District's overall climate and sustainability objectives; and for effectiveness in enabling the District to move towards its climate action goals.

Adopted: November 10, 2014

Amended: January 23, 2017