

## Partners for Climate Protection

### Greenhouse Gas Reduction Initiative of the Month

#### Saanich Carbon Fund



#### Municipal Profile

Population: 114,140 (2010)  
PCP Member since: July 1996

#### Background

In 2007, the District of Saanich, BC established its innovative Carbon Fund (“the Fund”) to finance initiatives that lower the District’s corporate emissions. As a signatory to the Climate Action Charter, a joint initiative among the Province of BC, the Union of BC Municipalities and individual communities, Saanich developed the Fund as part of its Climate Action Plan and as a carbon offsetting alternative.

#### Implementation and Approach

As a member of PCP, Saanich prepared corporate energy and GHG inventories of all of its municipal operations in 2007. Using a recommended carbon price of \$15/tonne/GHG, Saanich then set aside \$90,000 (\$15/tonne x 6,000 tonnes) as the Fund’s first contribution. In 2009, Saanich updated the inventories and matched the province’s price for carbon (\$25/tonne/GHG), increasing the Fund to \$120,000. Each year thereafter, Saanich will set funds aside based on its current GHG inventories, ensuring a consistent funding source for carbon reduction initiatives. The District’s Sustainability Coordinator and Director of Finance lead the management the Fund and work with Saanich departments to identify appropriate projects.

“The Fund was a way to try something different,” says Mark Boysen, Saanich’s Sustainability Coordinator. “We broke the inventory down into departments so that we would have a carbon footprint for each of them. Now it is listed in each department’s annual budget.”

Saanich then experimented with how to allocate the Fund. “We have to use the Fund to reduce our carbon footprint, but there are cases where the Fund finances additional projects or is used as a revolving fund [where energy savings from a project are reinvested into the Fund],” says Boysen. “The overall goal is to ensure that all projects provide carbon reductions.”

For example, Saanich’s Recreation Department wanted to purchase a new electric Zamboni at a cost of about \$160,000 (*pictured at right; photo courtesy of the District of Saanich*).

“A new propane-powered Zamboni costs about \$100,000 and the department still has to come up with that amount from its own budget,” Boysen explains. The Fund will pay the additional \$60,000 because the new Zamboni reduces emissions and the Recreation Department will keep all of the energy savings from the new Zamboni. For small projects the Fund covers 50% of the costs, or departments may use the Fund as a bank loan, repaying the loan from the energy savings.



“We’re taking the financial burden off the cost of doing a green project so that departments are not discouraged from pursuing them,” says Boysen. “It’s relatively cheap to purchase carbon offsets at \$25/tonne, but directing the Fund money to local reductions has been identified as a better use of tax dollars.”

## Results

To date, the Fund has been used in several key projects including a solar thermal initiative at the Gordon Head Recreation Centre, the purchase of the Zamboni for Pearkes Arena, building heating upgrades at the Fleet Centre, and funding to pilot an electric vehicle for the municipal fleet (*pictured at right; photo courtesy of the District of Saanich*). For the solar thermal project, solar panels were installed on



Leading by Example



the roof of the recreation centre (*pictured at left; photo courtesy of the District of Saanich*) and the energy captured is used to heat water for the showers. The solar project, which cost \$60,000 and was covered by the Fund, will reduce GHG emissions by 15-20 tonnes annually. The new electric Zamboni, which arrived in January 2011, eliminates the use of propane and is expected to reduce annual emissions by about 10 tonnes. Results from the Fleet Centre heating system upgrades will be determined over the winter months.

“We’re also supporting local green companies this way,” says Boysen. “Instead of purchasing offsets from a corporation, we can lead projects that support our own local green economy.”

## Lessons Learned

Boysen says that explaining the difference between carbon fund reductions and carbon offsets is an ongoing challenge. “You need to communicate with all of your stakeholders to ensure that they understand how the Fund works, how their money is being kept in the community and how it differs from carbon offsetting,” he says. “The key issue to understand is that the Fund does not equate to carbon neutrality. Instead of purchasing the credits from a group that has developed the carbon reduction project, we are the ones leading the carbon reduction project. While this may mean more work for the municipality, especially in regards to new technologies, leading by example in the community encourages residents to consider these carbon and energy saving technologies.”

Boysen also says that having a Green Team—at least one representative from each department sits on the team—helps the District generate new project ideas. “Any municipality considering something similar should have each department look at their energy bills and encourage them to keep an open mind for opportunities to save. Each department knows best about what it needs in terms of equipment and they are in a good position to advise us how to best use the Fund.”

## Future Direction

In the future, the Fund could finance large-scale solar thermal projects or geo-exchange systems to support the large water and space heating demands at Saanich’s four recreation centres, “We also use oil-fired heating systems in a number of older buildings, so one of our priorities is to replace these high-carbon sources with more efficient systems,” says Boysen. “We are also considering how we can get more electric vehicles into our municipal fleet.”

## Further Information

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The Partners for Climate Protection (PCP) program is a network of Canadian municipal governments that have committed to reducing greenhouse gases and acting on climate change. PCP is the Canadian component of ICLEI's Cities for Climate Protection (CCP) network, which involves more than 900 communities worldwide. PCP is a partnership between the Federation of Canadian Municipalities (FCM) and ICLEI – Local Governments for Sustainability. PCP receives financial support from FCM's Green Municipal Fund.



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