Proposed AB 32 Voluntary Early Action Measure

Linking Policy to Action:

Small Business Toolkit for Climate-Friendly Action

April 24, 2009

California Environmental Protection Agency

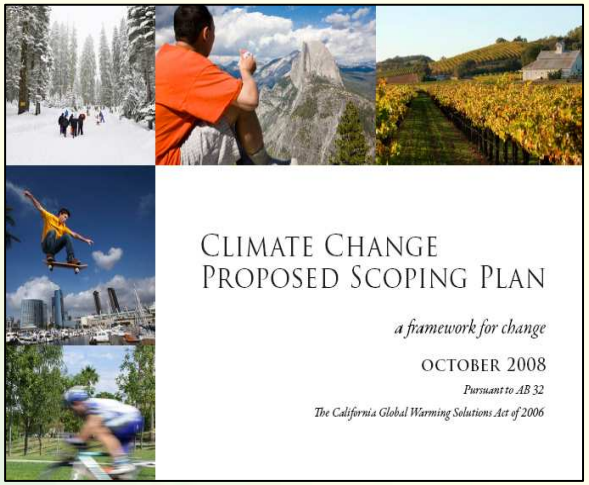
Air Resources Board

Importance of California Small Businesses

- **Profile**
  - 3.4 million small California businesses
  - Employ 13.8 million Californians
  - Small business income $149 billion in 2007
- **Key Drivers of California's Economy**
- **Business Leadership will play an Important Role in meeting AB32 Goals**

ARB's Small Business Efforts

- **Scoping Plan**
  - Ensure Small Businesses Benefit From and Play a Role in Achieving AB32 Goals
  - Develop a Small Business Toolkit



- **Extensive Partnerships**
  - Governor's OPR (Small Biz Advocate)
  - Chambers (Cal, Metro, Local)
  - Green Collar Jobs Council
  - State and local associations, alliances, campaigns, and programs

Resource Portal: CoolCalifornia.org

- CoolCalifornia.org
  - Small Business Toolkit
  - Local Government Toolkit
  - Individual Tools

CoolCalifornia.org Partners

Government, Academic and NGO partnership

- Next 10
- UC Berkeley Institute of the Environment
- Lawrence Berkeley National Laboratory
- California Energy Commission
- California Public Utilities Commission

PROUD PARTNERS INCLUDE:

California Environmental Protection Agency
Air Resources Board

Berkeley Lab

BIE THE BERKELEY INSTITUTE OF THE ENVIRONMENT
UNIVERSITY OF CALIFORNIA, BERKELEY

NEXT 10

STATE OF CALIFORNIA
PUBLIC UTILITIES COMMISSION

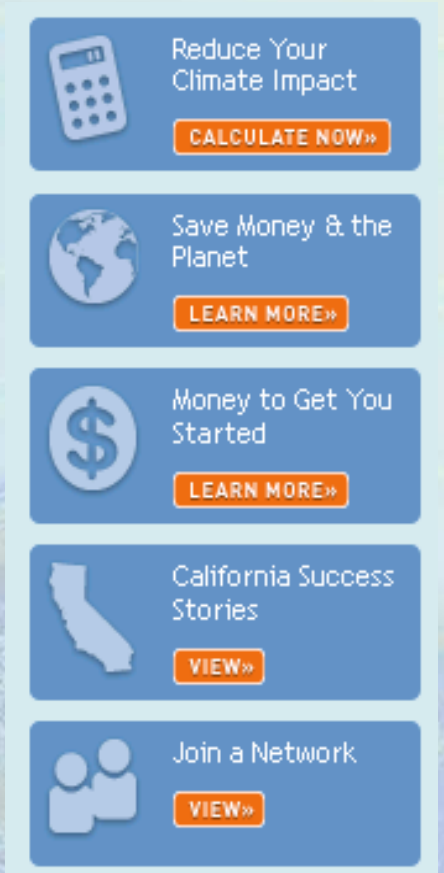
CALIFORNIA AIR RESOURCES BOARD | LAWRENCE BERKELEY NATIONAL LABORATORY | BERKELEY INSTITUTE OF THE ENVIRONMENT
CALIFORNIA ENERGY COMMISSION | NEXT 10 | CALIFORNIA PUBLIC UTILITIES COMMISSION

Engaging Stakeholders

- **Stakeholder Interaction**
  - Individual meetings with Small Business Leadership
  - Public Workshop (December 2008)
  - Conference Presentations

- **Technical Review Groups**
  - Air Districts
  - Bay Area Green Business Program
  - Business, Transportation and Housing Agency
  - CalEPA
  - California Energy Commission
  - California Public Utilities Commission
  - Department of Water Resources
  - Integrated Waste Management Board
  - Office of the Small Business Advocate
  - Others

Lessons from Stakeholders



- **Emphasize Cost-Savings**
- **Highlight Success Stories**
- **Describe AB32 Impact**
- **Provide Networking Opportunities**
- **Actively Distribute Toolkit**

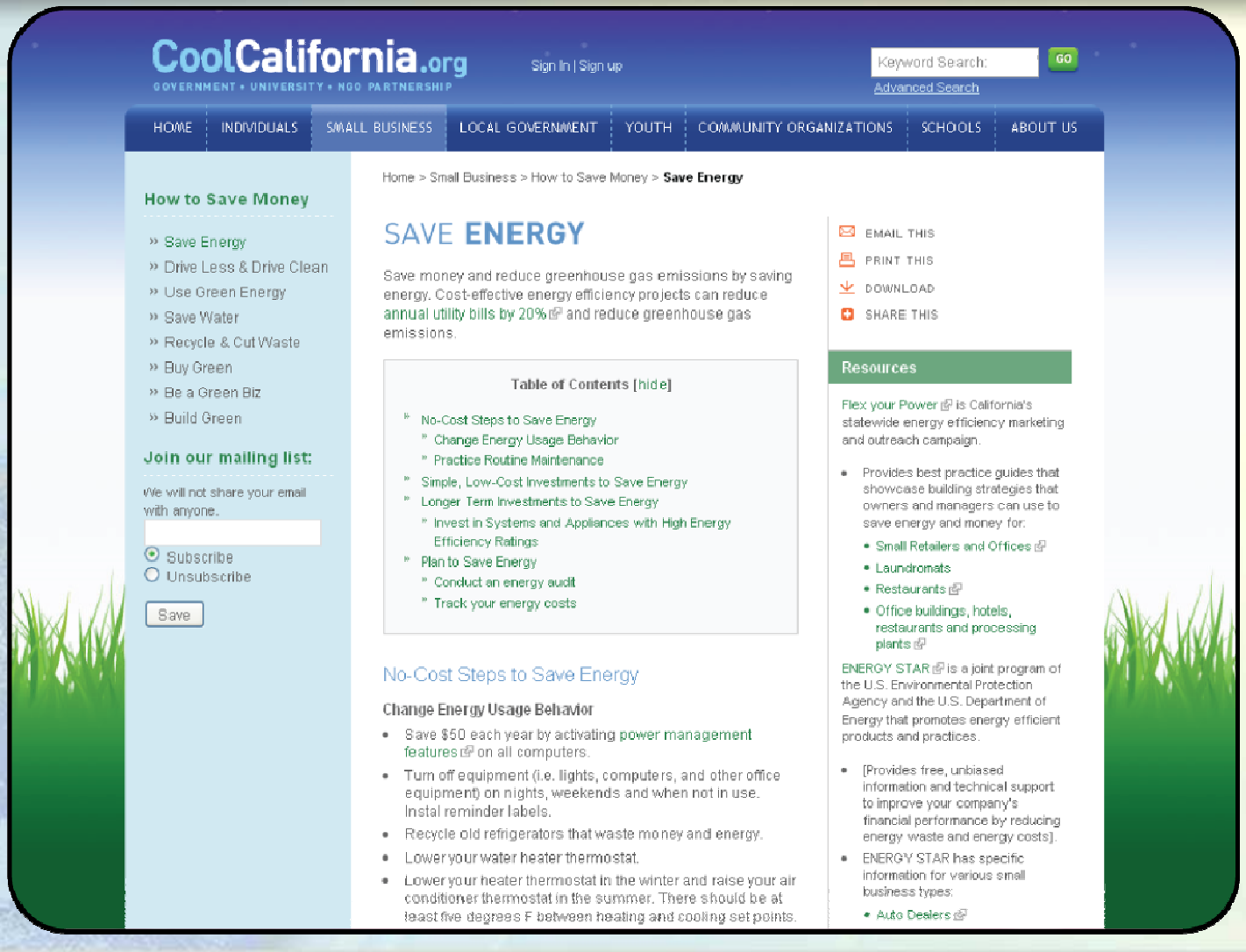
Review of Existing Programs

- California Utility Programs
- California Green Business Programs
- Flex Your Power
- EnergyStar
- Carbon Trust

Small Business Toolkit

*"One-Stop Shop" to save money & facilitate **voluntary** GHG reductions*

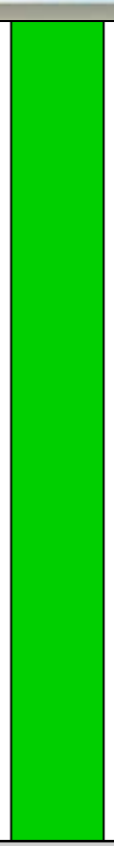
Toolkit Component: How To Save Money



Toolkit Component: Prioritized Checklists

No Cost Actions to Save Energy

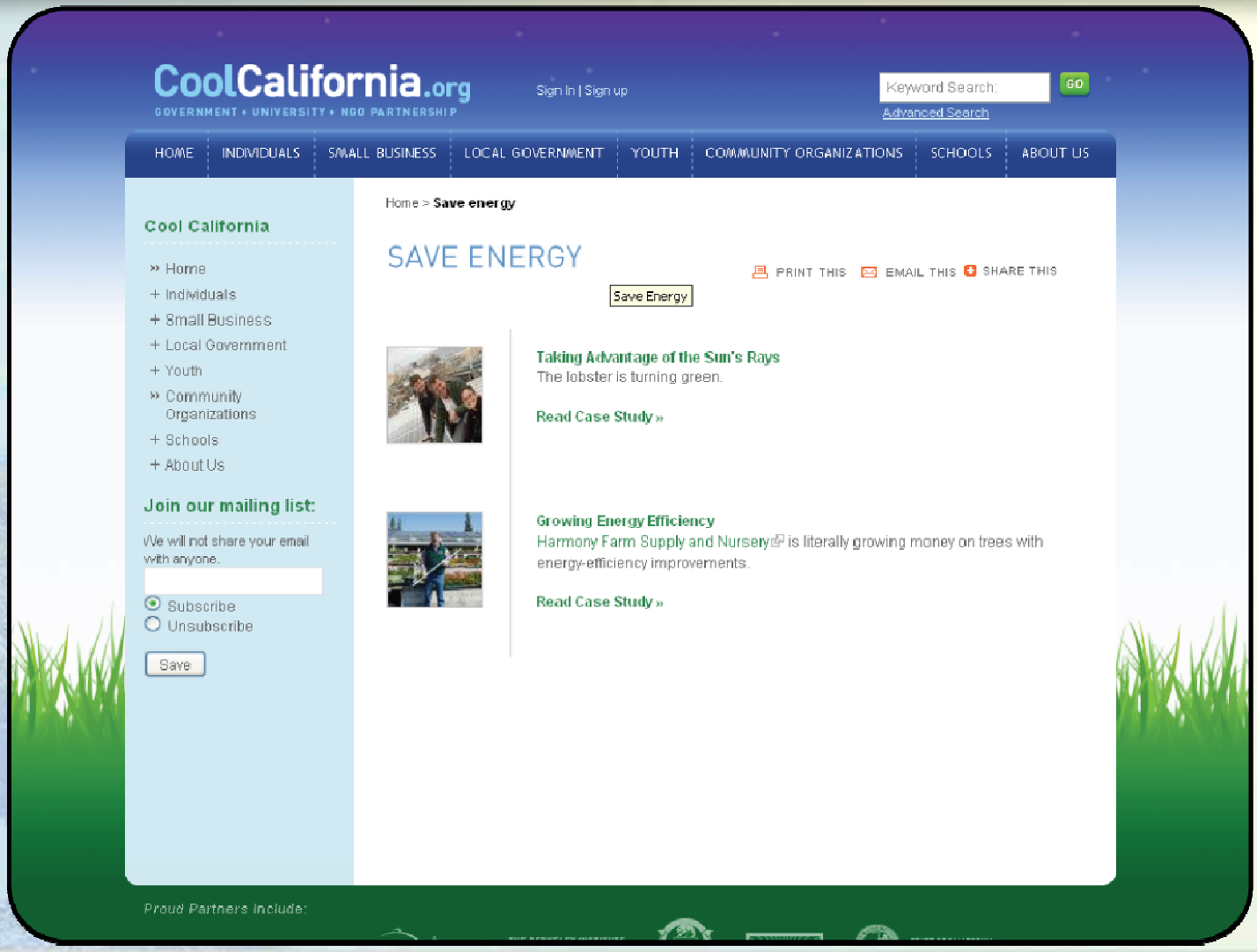
- ☐ **Change Energy Use Behavior**
  - Set computers and monitors to "sleep" when inactive for more than a few minutes.
  - Turn off office equipment at night, over the weekend, and on holidays.
  - Make double-side printing the default mode for copiers and printers.
  - Plug equipment into surge protectors and turn off when not in use.
  - Lower your heater thermostat in the winter and raise your air conditioner thermostat in the summer. Keep at least five degrees F between heating and cooling set points.
  - Lower your water heater thermostat.
- ☐ **Practice Routine Maintenance**
  - Ensure all automatic controls are set and operating correctly.
  - Clean all filters in your heating and cooling system monthly.
  - Check and regularly clean filters if you use exhaust fans.
  - Caulk or weatherstrip any drafty doors or windows.
  - Remove unneeded light bulbs or use lower wattage bulbs.
  - Adjust outdoor lighting timer controls to accommodate daylight savings time changes or install photocells to adjust automatically to changes in the season.
  - Regularly clean and maintain food refrigeration equipment where applicable.



Initial Investment			Annual Cost Savings			GHG Reduction Potential		
			$	$$	$$$	$\mathrm{CO_2}$	$\mathrm{CO_2}$	$\mathrm{CO_2}$
$0-30K	$31-150K	$151K+	$0-9K	$10-44K	$45K+	Low	Medium	High
1-5 Year Payback	6-19 Year Payback	20+ Year Payback						

Toolkit Component:
Money to Get You Started

Toolkit Component: California Success Stories



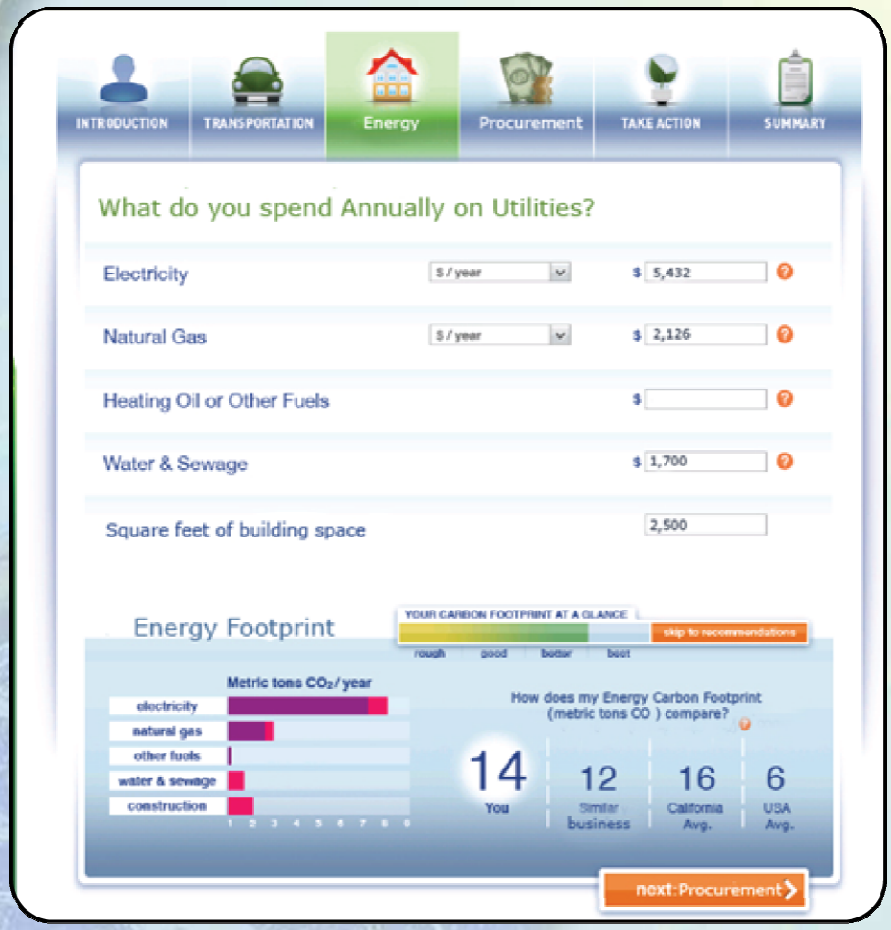
California Success Story:
Harmony Farm Supply and Nursery, Sebastopol

- **Business Snapshot:**
  - 8,000-square foot store, nursery and photovoltaic dealer

- **Energy-Saving Actions:**
  - Lighting retrofit
  - Heating and cooling systems upgraded with EnergyStar qualified programmable thermostat
  - Installed 37 kilowatt solar array

- **Results**
  - **Yearly Savings: $7000**
  - **Yearly GHG Reductions: 38 tons CO_2**

Toolkit Component:
Business Carbon Footprint Calculator



- Uses California Emission Factors
- Benchmarks to Similar Businesses
- Recommends Specific Actions to Reduce Carbon Footprint
- Developed by UC Berkeley

Toolkit Component: Small Business Award Program

- **Award Types**
  - CoolCalifornia Excellence Awards
  - CoolCalifornia Small Business of the Year
- **Categories**
  - Climate-Friendly Management Practices
  - Promoting and Communicating Climate- Related Success
- **Scoring**
  - Experts from state agencies, industry associations and the public and private sectors will score applications

Toolkit Distribution Strategy

- **Partnerships with Stakeholders**
  - Air Districts
  - ca.gov
  - Business Transportation and Housing
  - Work through existing networks

- **Community Forums**
  - Multiple forums across the State to introduce the Toolkit and facilitate connections to local resources

- **Presentations**
  - Conferences, trade fairs, individual

- **Marketing Strategy**

Vision for the Future

- **Initial Measures of Success**
  - Toolkit pilot testing
  - Web metrics
- **Long Term Measures of Success**
  - Interactive pledges and maps
  - Assess actual GHG reductions
  - Monitoring and evaluation activities
- **Short Term Improvements**
  - Develop printed version of the Toolkit
- **Long Term Improvements**
  - Functionality to upload complex media
  - Develop additional tools to facilitate reductions
  - Incorporate results from in-house research

In-House Research

- **Statewide Survey in Partnership with the Employment Development Department**
  - Climate-friendly practice implementation barriers
  - Resources necessary to achieve GHG emissions reductions
  - Perceived benefits of reducing GHG emissions
- **Small Business Intervention Study**
  - ~20-30 small businesses in Sacramento and Alameda counties
  - Development of a cost-effective action plan to reduce GHG emissions
  - Pre- and post- evaluation of environmental attitudes and practices

Conclusions & Recommendation

- **Small Businesses can improve their bottom line with Climate Friendly Actions**
- **Small Businesses can help the State reach its 2020 Goals**
- **ARB will continue to work with Small Businesses to improve and distribute the Toolkit**