

## Business Sector Round Table Discussion on Climate Change Summary

### Introduction

On October 3, 2007 the Climate and Green Initiatives Branch of the department of Science, Technology, Energy and Mines met with the members of Manitoba's business sector as part of the process for updating the current provincial Climate Change Action Plan. The meeting was co-chaired by Dr. Lloyd Axworthy, President of the University of Winnipeg and Mr. Charles Loewen, President and CEO of Loewen Windows.

The following presentations were made:

Climate Change Connection: The Science of Climate Change

Manitoba Government: Next Steps on Climate Change Action: Round Table on Business and Climate Change

### **Summary of the Province of Manitoba's presentation:**

#### Manitoba Actions

- Number one in energy efficiency (Power Smart saving \$36m/yr)
- North American leader in geothermal installations (\$25m in annual sales)
- North American leader in hybrid buses (2010 Olympic bid)
- Biofuel production from 10 M to 130 M litres and new community based biodiesel plants (\$58m in reduced outflows)
- Wind production from zero to 100 MW to 1000 in the next 10 years (St. Leon \$210 M capital investment)
- New green building standards (further efficiency savings)
- New incentives for efficient vehicles (more affordable vehicle technology)
- Recognized as an international leader on climate change action

#### Business Success

- Transport: New Flyer and Bison Transport
- Buildings: Prairie Architects – national and international green building design awards, window, door, building envelope manufacturers
- Energy: Ice Kube geothermal systems, St. Leon – Wind energy co-op
- Waste Management: New World Technologies – world class manufacturing facility for recycled products and Re-TRAC - exporting waste management software to 20 U.S. states

*While Canada as a whole has more to do, Manitoba is ahead in preparing for a low carbon economy.*

#### Transportation – Next Steps and Opportunities

- *Expanding biofuels production* = Less money spent on imported gasoline and more for the Manitoba economy as well as diversifying the farm income
- *Older Car programs, Vehicle Efficiency/ Emissions standard, Better trucking practices* = increased fuel economy across the private fleet and improved urban air quality
- *Expanding green vehicle technologies* such as the plug in hybrid vehicle =becoming a leader and lead exporter of low-emitting vehicle technologies

#### Agriculture- Next Steps and Opportunities

- *Renewable energy* = diversification & guaranteed annual income
- *Biofuels* = diversification & reduction of on farm fuel costs
- *Energy efficiency* = reduced on-farm energy costs
- *Timed applications, soil testing, nutrient management, forage crops* = reduced input costs

- *Marketing “Made in Manitoba” locally and sustainably grown products* = potential to expand local, national & international markets
- *Some of these practices may have the potential to be verified as offset credits*

#### Cross Sectoral Next Steps and Opportunities

- *Expanding Manitoba Hydro Power Smart programmes, Green Building Policy and Commercial Building Codes* = Further energy savings to be used against load growth and for export, lower energy costs for Manitoba businesses and homeowners
- *Expanding and diversifying Manitoba’s renewable energy portfolio* = Export opportunities and potential credits for reducing coal emissions, backup supply in drought years, local economic development
- *Manitoba Climate Action Portal* = Future carbon trading opportunities
- *Port of Churchill* = Longer term shipping opportunities

#### Opportunities for SMEs

*Actions should present opportunities for small and medium size businesses:*

- Fleet conversions
- Energy, waste, water efficiencies
- New green technologies
- Risk management
- Access to carbon markets

### **Summary of discussion**

The questions for discussion presented to participants included:

1. How can Manitoba lead a transition to a lower carbon economy? ie: reducing reliance on fossil fuels, increasing alternate heat and fuel sources, expanding sustainable practices in transportation and agriculture, promoting green technologies, carbon credits, etc.
2. How can public institutions better support small and medium sized businesses in making changes in their own operations ie: energy audits, fleet conversions, new technologies.
3. How can government and business work more strategically together ie: to identify actions and measures of success within a certain timeframe.

**Guided by the questions, several themes emerged from the discussion:**

#### **A. Leadership**

- Within the business sector there is a strong desire to address climate change through mitigation and adaptation approaches, both of which present business opportunities, but determining where Manitoba businesses can best place resources to leverage competitive advantage is critical.
- Participants felt that there is a “green wave” driving this issue forward and this could be used to identify the best business drivers to strategically advance shifts through greater proportions of the business population. Suggestions to drive this included:
  - A focus on best practices or made-in-Manitoba technologies
  - Financial instruments developed and provided by the financial industry to invest in “green” initiatives
  - A comprehensive strategy using a triple bottom line approach so the business community can measure its performance and supports economic growth
  - Balanced and appropriate incentive and regulatory approaches that drive shifts in corporate policy, rather than driving businesses to other jurisdictions
  - Ensuring government policies support innovative new practices, not initiatives the sector would have implemented regardless of incentives
  - Programs that look internationally to ensure strategic/competitiveness considerations extend beyond provincial borders

- Increasing efforts to promote new technologies and efficient production methods
- Increase in hydro rate tied to performance targets – if target hit then proportional reduction in payroll tax occurs.

## **B. Highlighting Successes/Creating Opportunities**

- There was considerable consensus amongst participants that highlighting the success of Manitoba companies working on environmental issues, especially those with climate change associations (energy efficiency, alternative energies, building materials, technology innovations) is critical in developing greater uptake within the sector. Members of the sector respond to concrete examples of best practices and success. By highlighting successes and developing a strategy that mobilizes the sector it will be easier to establish an international brand based on Manitoba's expertise and leadership that will help attract further investment in the province.
- It was noted that because some business decisions are made primarily for financial reasons, their environmental co-benefits are sometimes considered less valuable. The suggestion was made that environmental benefits need to be celebrated even if they weren't the primary driver for the action.

## **C. Engaging the Business Community – incentives, regulation and dialogue**

- The hoped for result of developing leadership positions, highlighting successes and creating opportunities is an engaged business community. It was noted several times during the discussion that the sector does not like regulation, but recognize that this may be part of an overall strategy, with incentives and other programs, to move business practices in more sustainable directions.
- However, there was a clear message that for business to develop a longer-term approach to climate change they needed to be engaged in, and leading, a meaningful process that creates a "strong social consensus and a solid plan for success." By having the business community lead the process it helps overcome some of the term limitations a government led process may encounter. The process would encourage the sector to engage in a dialogue that would generate momentum through information sharing, success stories and the crafting of a strategic approach to the issue, identification of barriers to success and establishment of realistic targets.

**The Province is undertaking a number of actions to address climate change in addition to what has been mentioned here. For more information, please visit <http://www.gov.mb.ca/stem/climate/index.html>**