

Climate Action Q&As: Ministry of Education

1. Definitions

Q: What is the Climate Action Revenue Incentive (CARI) Charter?

A: The CARI Charter for Boards of Education was announced by the Premier at the September 2008 meeting of the UBCM. Boards were given the opportunity to provide feedback on the draft Charter in early 2009. Boards of Education that sign the Charter will be reimbursed annually for all of the **carbon tax** they paid in the previous calendar year. Boards need only sign the Charter once to receive the annual reimbursement – they do not need to re-sign every year.

Q: What is the **Carbon Tax**?

A: The carbon tax is a tax on GHG emitting fuels that was implemented July 1, 2008, and it applies to all individuals and organizations. It is a 'pay-at-the-pump' tax applied directly to bills for gasoline, diesel, natural gas, propane, etc. For more information on the carbon tax, go to:

http://www.fin.gov.bc.ca/scp/tp/climate/carbon_tax.htm

Q: What is a **Carbon Offset**?

A: A carbon offset is an amount paid per tonne of GHG emissions. Carbon offsets are what's paid by an individual or organization to become carbon neutral. For government and public sector organizations (including boards of education), these offsets will be paid to the Pacific Carbon Trust, beginning with the 2010 calendar year, to fund emissions reduction projects in BC.

Q: What is the Greenhouse Gas Reductions Targets Act (GGRTA)?

A: The GGRTA is the legislation that requires all of core government and all public sector organizations (health authorities, post-secondary institutions, boards of education, crown corporations) to become carbon neutral in the 2010 calendar year. In 2011, government and public sector organizations will pay offsets on their emissions from operations from the 2010 calendar year. (Note that school bus emissions must be measured and reported, but are exempted from offset payments).

http://www.leg.bc.ca/38th3rd/3rd_read/gov44-3.htm

Q: In the Charter, what is the definition of "Parties"?

A: Each Board signs their own Charter. In each case, the term "Parties" refers to the Provincial Government and the signatory Board of Education.

2. Existing Carbon Neutrality Programs

Q: Why doesn't the Charter recognize effective work currently done in schools?

A: This fact is recognized in section (2) (b). There is tremendous work being done in schools across the province to make our schools more sustainable. Many school districts have already realized significant savings in their energy costs in recent years by reducing their carbon footprints.

Q: Will districts that are already carbon emission conscious and have made significant reductions in recent years be penalized for being proactive?

A: No. The Climate Action Revenue Incentive (CARI) program is a direct reimbursement equal to the amount spent on carbon tax, so there is no penalty or reward for previous reductions. Districts that have been proactive in reducing their emissions will benefit from lower carbon offset costs beginning in 2010.

3. The Charter does not consider the diversity of school districts

Q: Why doesn't the Charter address the specific needs of rural and remote districts?

A: The Charter is simply a direct reimbursement of carbon tax paid by a district, regardless of the amount.

Q: Our district has a large school bus fleet and large distances to cover. Will we be penalized for that?

A: No. Boards that sign on to the Charter will be reimbursed fully for the carbon tax portion of their fuel purchases, no matter whether they have high or low fuel usage. Further, the Greenhouse Gas Reductions Targets Act (GGRTA) regulations exempt school bus emissions – Boards will be required to measure and report emissions from school bus operations, but Boards will not have to pay offsets on school bus emissions when they become carbon neutral in 2010.

4. Consequence/conditions of signing Charter

Q: By signing the Charter are Boards agreeing with the carbon tax?

A: By signing the Charter Boards agree that the carbon tax reflects that there is an environmental and economic cost to continued use of fossil fuels. See (1) (g).

Q: Is there a penalty for non-compliant Boards?

A: Boards who do not sign the Charter, or do not measure and report their carbon taxes paid, will not receive the carbon tax reimbursement.

5. Funding

Q: Grants arrive the year following the tax – won't delayed funding penalize some districts?

A: This year, districts whose Boards have signed on to the Charter should receive their reimbursement before the end of the school fiscal year. In future years, the reimbursement for the previous calendar year should be paid before the end of the government fiscal, March 31, provided that the Board reports their carbon tax expenditures soon after the end of the calendar year. For example, the 2009 carbon tax reimbursement should be paid to Boards before March 31, 2010.

Q: Are there any programs or incentives for districts to make emissions reductions through retrofits and equipment replacement.

A: The Public Sector Energy Conservation Agreement (PSECA) between BC Hydro and the Province provides an opportunity for all Boards of Education (as well as other public sector institutions) to submit emissions reductions retrofit project proposals for funding – see <http://www.gov.bc.ca/lcs/pseca/>. Many retrofits make sense financially anyway, as they save Boards money over time through reduced energy costs.

Q: Does the Charter facilitate a refund of the carbon tax paid or the emissions offset payments from the Greenhouse Gas Reductions Targets Act (GGRTA)?

A: Boards that sign the Charter will be reimbursed for **carbon tax** paid only, not carbon offsets.

6. Staffing

Q: Won't this Charter increase the amount of work needed to track carbon emissions and apply for grants?

A: Districts that maintain up-to-date records of their fuel purchase data will be able to easily meet this reporting requirement. The Ministry is providing a spreadsheet for Boards to populate with their data. In future years Boards will be using SMARTTool (see below) to collect this data, so it should be simple to report it for the CARI program as well.

Q: Can the CARI reimbursement be used to pay for staffing?

A: Boards are free to determine their own priorities for the funds received.

7. Measuring the current carbon emissions footprint

Q: Has a suitable and standard measurement tool been established? Are there any tools to help measure and report GHG emissions?

A: For reporting the 2008 calendar year, the Ministry has developed a spreadsheet for Boards to populate with their fuel purchase data. The Ministry of Labour and Citizens Services has developed a standard measurement and reporting tool for all of core government and public sector organizations. It is called SMARTTool and will be available to school districts in 2009.

Q: What is the baseline emission for calculation?

A: The amount of carbon tax paid can be derived from the amount of fuel purchased.

Q: What is the base year used for comparison in determining reductions already achieved?

A: There is no baseline year because there are no reductions targets for Boards – only the requirement to pay offsets on emissions. It's not about reaching reductions targets, it's about carbon neutrality – the lower you are now, the closer you are to being neutral. The only actual targets are for the province as a whole – to reduce GHGs by at least 33% below 2007 levels by 2020, and 80% below 2007 levels by 2050.

8. Energy Consumption Retrofits

Q: If the Charter provides a mechanism for refunding carbon tax paid by Boards of Education, why are retrofits discussed?

A: The Charter recognizes that many districts have already completed emissions reducing retrofits in recent years and that such projects will continue to be done, saving districts money and further reducing emissions in the long run.

Q: Do Boards use AFG funding or will there be new grants aimed specifically for emissions reductions projects?

A: Boards may continue to fund emissions reducing projects from their AFG. The Public Sector Energy Conservation Agreement (PSECA) is a program that provides funding for such projects, and Boards are strongly encouraged to submit proposals. <http://www.gov.bc.ca/lcs/pseca/>

9. Grants from Climate Action Revenue

Q: Where does carbon tax revenue go?

A: The carbon tax is revenue neutral. Revenue neutral means the revenues from the carbon tax are returned to taxpayers through reductions in other provincial taxes.

Q: Where does carbon offset revenue go?

A: Carbon offsets will be paid to the Pacific Carbon Trust, a crown corporation that will invest in BC projects that reduce or offset emissions, e.g. afforestation, clean energy, etc.

10. How is the grant calculated?

Q: How will the reimbursement be calculated for this year and for future years?

A: For 2008 and 2009, the reimbursement will be calculated from data reported by districts in a spreadsheet that has been provided by the Ministry. In future years the reimbursement will be calculated from the data that districts input into SMARTTool.

Q: Is there a total budget shared by municipalities and districts regardless of the calculated carbon tax amount?

A: No. Boards and municipalities that sign on to the Charter will be fully reimbursed for carbon taxes paid.

11. Clarity on Board responsibility in the broader community

Q: What is the expectation to develop strategies and take action outside of school district operations?

A: Schools and districts are key members of their communities. Boards are encouraged to participate in community-wide emissions reductions strategies.

One example might be anti-idling initiatives that involve schools, students, parents, public transit, and other members of the community.

12. Miscellaneous

Private Contractors

Q: We have a private contract for school bussing; will we be reimbursed for the carbon tax that might be passed on to us indirectly in that contract?

A: No. Boards will not be reimbursed for carbon tax paid by contractors, but they will also not have to pay offsets on emissions from those private contractors. This includes all private contractors, whether it is for bussing services, lawn maintenance, and so on.

Leased Space

Q: How does leased space apply?

A: Carbon tax paid at leased locations is reimbursable under CARI. Boards will also have to pay offsets on the emissions of that leased space in order to be carbon neutral in 2010.

Carbon Neutral Action Report (CNAR)

Q: What is a CNAR and when is it due?

A: Under the GGRTA each public sector organization (including Boards of Education) must submit a ***draft Report to the Minister by March 31***. The report covers the previous calendar year, so the Report due March 31, 2009, pertains to the 2008 calendar year. The CNAR template for public sector organizations is available on the ministry's Green Schools website at:

<http://www.bced.gov.bc.ca/greenschools/>

Q: What is included in a CNAR?

A: For 2008 and 2009, CNARs must describe actions undertaken to reduce emissions as well as plans for further reductions. From 2010 onwards, the Reports must also include the Board's statement of offsets paid to the Pacific Carbon Trust.