

ENVIRONMENT COMMITTEE – SEPTEMBER 21, 2009

SMALL BUSINESS ENERGY CONSERVATION PROGRAM

Recommendation

The City Manager and Director of Economic Development recommend that:

1. This report be received for information purposes.

Contribution to Sustainability

The purpose of this program is to provide information on energy conservation, specifically geared towards the small business community in Vaughan. This program supports Objective 5.1 of Green Directions Vaughan: To share sustainable best practices and ideas between and among municipal staff and the community, as well as Objective 1.2: To promote reductions of greenhouse gas emissions in the City of Vaughan and Objective 4.3: To encourage the establishment of green businesses and sustainable business practices.

Economic Impact

There is no economic impact from the receipt of this report.

Communications Plan

A communications strategy for this project will be developed in conjunction with the Economic Development Department, the Vaughan Business Enterprise Centre (VBEC), PowerStream and the Toronto and Region Conservation Authority (TRCA). Information on the program and seminars will be made available through the City's website, online calendars, City Page online and through local media sources. VBEC, PowerStream and the TRCA will also distribute the information through their networks and to their clients.

Purpose

The purpose of this report is to provide an update and background information on the City of Vaughan's partnership with VBEC, PowerStream and the TRCA to deliver an energy conservation program designed for the small business community in Vaughan.

Background - Analysis and Options

In June 2009, Economic Development and VBEC staff met with PowerStream and the TRCA to discuss several existing programs, including the TRCA's "Greening Retail" program and PowerStream's conservation programs, the Electricity Retrofit Incentive Program (ERIP) and the Power Saving Blitz.

During this discussion, it became clear that given the composition of Vaughan's business community, that is 92% small businesses with fewer than 10 employees, programs geared towards larger companies with greater access to resources would not be a good fit. While there are several programs and resources available, continually Economic Development and VBEC staff hear from the business community that they do not have time to investigate these programs, preventing them from benefitting from the energy and cost savings. Given the current economic downturn, and pending changes in electricity pricing, there is a need to provide the small business community with concise and timely information on how to understand and manage energy costs. A partnership between Economic Development, VBEC, TRCA and PowerStream is ideal for addressing this need.

Beginning in August 2009, local distribution companies will begin to implement time of use rates. For many small businesses, this shift of electricity costs (to a higher rate during business hours) will create a significant burden on a sector that is already struggling in the current economic reality.

Working closely with VBEC, which already has a close connection to the small business community, a series of seminars will be developed and delivered with PowerStream and the TRCA. The first of these seminars "*Understanding your energy bill and how to reduce it*" will take place on October 27, 2009 and will be hosted by PowerStream. The seminar will focus on budgeting for energy costs (many small business owners significantly underestimate these costs according to PowerStream and VBEC), the best options for retrofits and upgrades and information on incentives. The second seminar will focus on the Feed In Tariff (FIT) program, part of the Green Energy Act, and alternative energy options for small business. A third seminar has also been discussed regarding water conservation. These seminars will also assist Economic Development in its continuing efforts to understand the needs of and outreach to local businesses.

As small business represents a significant market in York Region, PowerStream and the TRCA will be approaching this program as a pilot with the intention of expanding its delivery over its larger service territory.

Relationship to Vaughan Vision 2020

This initiative supports the City's Vision 20/20 objective to "Lead and Promote Environmental Sustainability".

Regional Implications

N/A

Conclusion

Small businesses, with twenty or less employees, account for the majority of businesses in Vaughan. As such, a program is being developed by the City of Vaughan and the Vaughan Business Enterprise Centre, in conjunction with PowerStream and the TRCA, to provide a series of energy conservation seminars to highlight resources and programs available. In the current economic climate, and the coming switch to time of use rates, these seminars will provide support for the small business community.

Report prepared by:

Rebekah McGurran, Economic Developer – Environmental Sector, ext. 8426
Shirley Kam, Manager of Economic Development, ext. 8874

Respectfully submitted,

Clayton D. Harris
City Manager

Tim Simmonds
Director of Economic Development