



Partners in Project Green – Green Purchasing Team Meeting

Agenda – Tuesday, February 15, 2011 @ 1:00 p.m.

Conference Call

Call in number: 416-343-4997

Conference ID: 5614029

1. Greening Greater Toronto Green Purchasing Commitment
2. Green Procurement Team - 2011 Focus
3. Rooftop Solar Update
4. SR&ED Request for Proposals
5. Waste Procurement
6. Other Business

ITEM 1

TO: Members of the Partners in Project Green - Green Purchasing Team

FROM: Chris Rickett, Senior Project Manager, Partners in Project Green

**RE: GREENING GREATER TORONTO – GREEN PROCUREMENT
CORPORATE COMMITMENT**

KEY ISSUE

To obtain feedback from the Green Purchasing Team on the launch of the Greening Greater Toronto - Green Procurement Corporate Commitment and to obtain feedback on the Green Procurement Corporate Commitment Companion Guide.

BACKGROUND

The purpose of the Greening Greater Toronto (GGT) Green Procurement Program is to develop a program to accelerate corporate procurement of greener products and services and help drive the success of Ontario's green sector. Greening the purchasing choices of business, governments and non-profit organizations can dramatically reduce waste, energy consumption and carbon emissions, and help to make the GTA the greenest region in North America.

The expected results of the Green Procurement Corporate Commitment includes additional procurement of green products and services within the GTA; improved environmental performance for companies in the GTA; and, additional jobs and local economic activity due to increased green procurement.

GGT GREEN PROCUREMENT CORPORATE COMMITMENT

The Green Procurement Corporate Commitment will shine a spotlight on the best practices and policies of individual organizations, and provide a forum and vehicle to advance the progress and impact of these organizations. The commitment will build on each member's environmental profile with employees, customers and stakeholders, and ultimately create economies of scale and generate cost savings through shared learning and action.

The Green Procurement Corporate Commitment will:

- Seek commitment of the members to the program;
- Provide flexibility for each organization in terms of setting objectives and targets that best suit individual needs, and accommodate the range of businesses involved, their impacts on the environment and opportunities related to green procurement;
- Define the scope of application of individual targets within each organization; and,
- Track progress against milestones.

GREEN PROCUREMENT COMMITMENT COMPANION GUIDE

The purpose of this document is to provide guidance to those who sign on to the commitment. The document is proposed to be structured as follows:

- A. Overview – an overall summary of the purpose of the document in relation to the commitment, including:
 - a. Introduction and Objective
 - b. Contributing Organizations
 - c. Definitions - including 'green purchasing', 'total cost', 'life cycle', etc.
 - d. Participant Commitment
- B. Strategy / Policy – the development and maintenance of enterprise-wide procurement governing documents. This section will include:
 - a. Primers covering the following issues:
 - i. How to create a green procurement policy / strategy
 - ii. Building the business case for green procurement
 - iii. Drivers for green procurement
 - iv. Governance and ongoing stewardship
 - b. Complementing these elements, there will be case studies highlighting how companies have addressed each of these areas.
 - c. To assist companies using the guide, the case studies will then link to actual procurement documents that they use.
- C. Implementation – this will cover the issues surrounding various purchasing areas a company may green. This section will include:
 - a. Primers cover the following issues:
 - i. How to decide what buying areas to focus on – i.e. a heat map with value, easy wins, risks, etc.
 - ii. Then based on specific buy areas, primers will be developed to include:
 - 1. Sample sets of environmental concerns, questions and issues for each buy area
 - 2. Identifying suppliers
 - b. Complementing each buy area, there will be case studies highlighting how companies have addressed each of these areas.
 - c. To assist companies using the guide, the case studies will then link to actual procurement documents that they use for those product areas.

Case Studies

As detailed above, the case studies and their associated documents form the foundation of the guide. A great number of guides provide high level primers, but the value of this document is seen in highlighting what companies are actually doing and then connecting them to example language and policies that they can then use for their green procurement programs.

These case studies will be based on companies that have had particular success with their green procurement programs. Each organization will be asked to provide answers to the following question and the supporting documentation.

A. Strategy/Policy

- a. Provide overview of your green purchasing commitment / strategy? (100 words max).
- b. What were your drivers for developing a green purchasing program (i.e. cost reductions, risk mitigation, etc.)
- c. What were the barriers to its development?
- d. How is organization engaged in compliance of the procurement program (i.e. internal communication, education and compliance reporting)?
- e. How does the organization engage its suppliers in its green procurement program (i.e. standards, reporting, training, etc.)?
- f. What have the achievements been from the green purchasing program?

B. Implementation

- a. Identify Major Buy Areas (check boxes)
- b. For each of your Major Buy Areas, please provide the following:
 - i. Rationale behind green purchasing for that product / service (50 words)?
 - ii. How are environmental factors incorporated for that product / service (50 words)?
 - iii. Are there any tools used to help measure those factors?
 - iv. Barriers to engaging that product / service for your green procurement program? Your typical annual purchase size for this product / service (drop down list with ranges)

C. Continuous Improvement

- a. Overall, how is the performance of the program measured?
- b. What kind of reporting is used for the overall program within the organization?

NEXT STEPS

Based on the input of the Green Purchasing Team, TRCA staff will work with GGT staff to finalize the commitment and its companion guide. The results of which will then be shared with the team.

Report prepared by: Jennifer Taves, extension 5570

For more information contact: Chris Rickett, extension 5316

Date: February 9, 2011

ITEM 2

TO: Members of the Partners in Project Green - Green Purchasing Team

FROM: Chris Rickett, Senior Project Manager, Partners in Project Green

RE: GREEN PROCUREMENT TEAM 2011 FOCUS

KEY ISSUE

To establish the 2011 priorities of the Green Purchasing Team.

RECOMMENDATION

THAT this staff report be accepted for information purposes;

AND FURTHER THAT the Green Purchasing Team finalize and endorse 2011 focus areas.

BACKGROUND

In 2010, the Green Purchasing Team developed and implemented a number of successful develop and implement green procurement opportunities for businesses in the Pearson Eco-Business Zone. These include the following:

- *Clinton Climate Initiative Purchasing Alliance (CCI PA)* – this ongoing program engaged 33 companies engaged in green procurement and saw 8 procurement projects completed.
- *Green Energy Marketing Partnership* – this ongoing program has resulted in 30,000 Mwh of renewable energy procured to date.
- *Online Green Business Directory* – this project has been completed, and will continue to grow. The directory can be access at www.partnersinprojectgreen.com/resources/green-business-directory
- *Rooftop Solar Procurement Group* – this ongoing project is scheduled for completion in 2011. To date, 71 companies have been engaged in two procurement information events and 5 companies have been engaged in a procurement group.

2011 FOCUS AREAS

Possible areas the Green Purchasing Team could focus its efforts in 2011 include:

- *Green Purchasing Group* - building on the success of the CCI PA and Green Energy Marketing Partnership, the team could look to develop further product discount opportunities for Partners in Project Green members. This could include purchasing groups for sustainable products such as office supplies.

- *Procurement Teams* - as specific interest arises in a specific green product, the team could organize a group purchase of a product. This would follow the model of the Rooftop Solar Procurement Group.
- *Procurement Tools* - develop and deploy procurement tools, like template Request-for-Proposals, purchasing policies, etc.
- *Education* - deliver procurement related events and training, such as the Waste Procurement Workshop, Rooftop Solar Workshop, and Product webinars.
- *Consultant Roster Support* - support other teams in developing consultant rosters.

NEXT STEPS

Following the direction of the team, staff will work to create 2011 programs that center in the focus areas.

Report prepared by: Jennifer Taves, extension 5570

For more information contact: Chris Rickett, extension 5316

Date: February 9, 2011

ITEM 3

To: Partners in Project Green – Green Purchasing Team
From: Chris Rickett, Senior Project Manager, Partners in Project Green
Re: **ROOFTOP SOLAR PROCUREMENT FACILITATION**

KEY ISSUE

To provide the Green Purchasing Team an overview of the rooftop solar procurement process.

RECOMMENDATION

THAT members of the Green Purchasing Team receive the staff update on the Partners in Project Green rooftop solar procurement initiatives.

AND FURTHER THAT an update be brought back to the Green Purchasing Team.

BACKGROUND

In order to achieve Partner's in Project Green's goal of sourcing 10 per cent of energy required in the Pearson Eco-Business Zone from renewable energy by 2015, new modes of energy generation need to be explored and implemented. Rooftop solar photovoltaic installations were identified of interest by Partners in Project Green stakeholders.

Barriers and Solutions

To help companies in the Pearson Eco-Business Zone implement rooftop solar opportunities, TRCA worked with its partners to identify the barriers and solutions to rooftop solar in the Pearson Eco-Business Zone. The results of this study were reported to the Building Performance Team on March 12, 2010 and highlighted barriers in four broad categories: technical, economic, legal and policy, and institutional knowledge and capacity. The team proposed the following next steps:

1. Investigating a community power pilot project
2. Conducting educational outreach
3. Creating a template rooftop solar lease for smaller property owners and management companies

INFORMATION SESSIONS

On June 1st, 2010, Partners in Project Green, in partnership with Canadian Manufacturers and Exporters, Supply Chain and Logistics Association, Automotive Parts Manufacturers Association, and Enersource Corporation, hosted an information session for local businesses: "Understanding the Economic Opportunity from Rooftop Solar: Getting Your Project Underway and Installed".

The event was filled to capacity with over 100 people in attendance and addressed some of the major barriers identified in the report. It included a discussion of community power projects, an overview of the FIT program and connection process, technical insights, lessons learned from

vendor selection, and local case studies featuring both leased rooftop and tenant installed and operated solutions.

A second rooftop solar information session is scheduled for March 8th, 2011.

PROCUREMENT WORKING GROUPS

At the completion of the June 1st information session, Partners in Project Green suggested creating working groups to help businesses move forward with their procurement of a rooftop solar solution. TRCA staff held information sessions on August 24th and 25th, 2010 to discuss the idea with 26 interested businesses. Of these a working group of 5 businesses was formed in fall 2010.

The procurement process for a rooftop solar system can be daunting for facility owners. The procurement group is intended to benefit businesses with access to shared knowledge, the confidence of having robust procurement tools at minimal cost and effort for individual businesses, as well as potential to reduce costs and/or increase lease revenues by working together.

Requests for Proposals

The initial goal of the group is to develop Request for Proposal (RFP) templates for:

1. Facilities wishing to lease their roof space to a rooftop solar PV developer; and
2. Facilities wishing to purchase and install a rooftop solar PV system.

Two draft RFP templates were developed in fall 2010 by surveying several rooftop solar RFPs that had been released in Ontario in 2010 and adapting them to meet the needs of industrial facilities. They were reviewed by members of the Green Purchasing Team in November 2010. Comments from the team were incorporated into the draft discussed presented to the rooftop solar procurement group on November 17th, 2010. The procurement group helped to refine the documents, and asked that additional clauses be added to further address maintenance and operation of the system, and early exit clauses. A revised copy of the RFPs is currently with the procurement team for review, and has been sent to several rooftop solar vendors and developers for comments before finalizing.

Although RFPs have been developed for both facilities wishing to lease their roof space and for facilities wishing to purchase systems to operate themselves, the majority of facilities are looking to lease their roof space.

Joint Procurement

In late February 2011, the procurement group will meet to decide on next steps. They may include:

1. Adapting and releasing the RFP's individually along the timelines of each participating business.
2. Jointly releasing the RFP's and evaluating responses. This will provide group members with the benefit of shared expertise in addition to TRCA's technical expertise in rooftop solar. The members would be free to select the vendor of their choice and would enter into individual contracts. By positioning the release of the RFP's as a Partners in Project

Green initiative, this option may be able to leverage the size of our broader membership and potential for future business to encourage preferred rates from vendors.

3. Selecting a winning vendor as a group to negotiate preferred rates for the individual procurement group members.

RFPs Available to the Broader Membership

The template RFP's are developed so that individual businesses can modify them to meet their specific requirements. Once complete, the templates will be made available to purchase from Partners in Project Green.

NEXT STEPS

1. TRCA and the rooftop solar procurement group will finalize the RFP Templates in spring 2011. TRCA will make them available for purchase on the Partners in Project Green website.
2. The rooftop solar procurement group will decide on an approach to individual or joint procurement in spring 2011.

Report prepared by: Dennis Braun, extension 5594

For more information contact: Dennis Braun, extension 5594

Date: February 9, 2011

ITEM 4

TO: Members of the Partners in Project Green - Green Purchasing Team

FROM: Chris Rickett, Senior Project Manager, Partners in Project Green

RE: **SCIENTIFIC RESEARCH AND EXPERIMENTAL DEVELOPMENT FOR SUSTAINABILITY RELATED PROJECTS WORKSHOP**

KEY ISSUE

Development of Scientific Research and Experimental Development (SR&ED) for sustainability related projects workshop for Partners in Project Green members.

BACKGROUND

The SR&ED program is a federal tax incentive program to encourage Canadian businesses of all sizes and in all sectors to conduct research and development (R&D) in Canada that will lead to new, improved, or technologically advanced products or processes. The SR&ED program is the largest single source of federal government support for industrial research and development.

The SR&ED program gives claimants cash refunds and/or tax credits for their expenditures on eligible R&D work done in Canada. Claimants can apply for SR&ED investment tax credits for expenditures such as wages, materials, machinery, equipment, some overhead, and SR&ED contracts. The CRA is responsible for administering the SR&ED program, while the Department of Finance is responsible for the legislation that governs it.

SR&ED WORKSHOP DEVELOPMENT

Partners in Project Green has begun to deliver Eco-Business Breakfasts on a monthly basis. Given the interest by local companies in financing sustainability related projects, TRCA staff are looking to deliver a breakfast on SR&ED and how it can be used to fund sustainability related process and product improvements.

To deliver this workshop, we would look to work with companies that deliver SR&ED services for businesses. However, given that these SR&ED service providers typically will provide financial incentives back to organizations who provide referrals, input from the Green Purchasing Team is requested on how best to handle this process. The following are a number of options that could be utilized:

1. **Option 1 - SR&ED Sponsorship** – one or more SR&ED service providers could be requested to sponsor the event and, in exchange, could have one of their clients share their experience on how they utilized SR&ED for their sustainability related project. The sponsor(s) could then have a booth on site as part of the event to talk to potential clients.
2. **Option 2 - Sole SR&ED Partnership** – the other option would be for TRCA staff to release a RFP to the market to secure a sole partnership with a SR&ED service provider. This provider would be promoted as part of the Eco-Business

Breakfast, but would then agree to provide a finders' fee for any business arising from the session – or any future referrals.

The following are the pros and cons of each approach:

Option 1	
Pros	Cons
Multiple presenters can be solicited thus getting a wide range of knowledge and input on the subject.	Short term financial returns.
Provides multiple solutions for participating companies.	Risk of perception of providing consultant pitches rather than education.
Administratively simple.	
Option 2	
Potentially provides a longer term revenue stream for Partners in Project Green.	Administratively complex.
Single presenter may be able to go more in depth on topics presented.	
Greater financial returns in short-term and long-term.	

Next Steps

Based on input from the team, staff will begin development of the workshop as well as the vendor selection process.

Report prepared by: Jennifer Taves, extension 5570
For more information contact: Chris Rickett, extension 5316
Date: February 9, 2011

TO: Members of the Partners in Project Green - Green Purchasing Team

FROM: Chris Rickett, Senior Project Manager, Partners in Project Green

RE: **WASTE PROCUREMENT WORKSHOP**

KEY ISSUE

Development of a Waste Procurement Workshop for Partners in Project Green members.

BACKGROUND

Businesses within the Eco-Business Zone have consistently commented on their interest in learning ways to reduce their waste management costs. This interest is understandable given the ever rising costs of waste management coupled with increasing regulatory control and complexity. For many manufacturers, waste management costs can represent up to 20% of controllable operational costs and major sources of long term liability.

It is proposed that a specialized half day training workshop be developed. This workshop will provide Eco-Business Zone businesses with practical knowledge of the waste management industry as it relates to the procurement of related services.

Waste Procurement Training Course Outline

1. Provide a brief overview of current regulatory requirements for management and disposal of hazardous and non-hazardous wastes.

Ontario's 3Rs Regulations (Regulation 102) governing non-hazardous solid waste from residential, industrial, commercial and institutional (IC&I) sources became law in March 1994. Designated industrial, commercial and institutional (IC&I) organizations are now required to implement waste audits, waste reduction work plans and source separation programs. Contacts are provided in handout if you require more information.

2. Overview of requirements of Regulation 102:
 - a. Waste Audits
 - b. Waste Reduction Work Plans and organizations required to comply
 - c. Source Separation Programs and Organizations required to comply
 - d. Packaging Audits & Reduction Work Plans and Organizations required to comply

Section handout – listing of major waste regulatory requirements and resources for where to obtain more information.

3. Introduction to waste management in Ontario – current players in the industry and an overview of available services and markets.
4. Highlight better practices in waste management related contract tendering and contract management. Note, this cannot be a detailed contracts/purchasing training course due to time and liability constraints. It will be an overview of some basics/starting points for what to look for in waste contracts and provide discussion on weight vs. volume based contracts, performance clauses, advantages of cooperative contracting.

Section handout – sample of a waste management contract and resources for where to obtain more information

5. High level summary of best practices to minimize costs and liability

Section handout – summary overview of better procurement practices and resources for where to obtain more information

6. Provide case study analysis and opportunities for break out discussions within the time available

Section handout – sample case study

7. Session Wrap Up

Section handout – Evaluation form and comment form

Next Steps

Following the direction of the team, staff will work to refine and develop the Waste Procurement Workshop.

Report prepared by: Jennifer Taves, extension 5570

For more information contact: Chris Rickett, extension 5316

Date: February 9, 2011