



**CLIMATE WISE PROGRAM**  
**ANNUAL PROGRESS REPORT**

Prepared for:

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**TABLE OF CONTENTS**

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Executive Summary .....	3
Background and Goals .....	5
Grant Administration .....	6
Partner Recruitment .....	7
Action Plan Development .....	8
Peer Group Exchange Forums .....	10
Marketing & Communications .....	12
Program Collaboration .....	14
Program Development .....	15
Appendices .....	16

**Executive Summary**

In 1997, the City of Seattle (herein referred to as City) signed an agreement with the International Council for Environmental Initiatives (ICLEI) to administer the *Climate Wise* program in the Seattle area, and participate in ICLEI’s *Cities for Climate Protection* campaign. Climate Wise is a voluntary government-industry partnership program offered nationally by the United States Environmental Protection Agency (EPA). The program is offered through Seattle City Light (City Light), Seattle’s municipally owned electric utility.

The issue of global climate protection is taking on new importance in the Seattle and Puget Sound region. The City is presently developing a climate protection action plan that will identify strategies for implementation in 2000 and years to come. Continued emphasis on energy efficiency and reducing emissions from our generation resources will be cornerstones of this effort. Throughout the region, local governments, industry and non-government organizations are beginning to recognize the climate protection challenges and opportunities that lie ahead.

The City has exceeded its 1999 goal for Climate Wise company partner recruitment and met its 1999 goal for Action Plan completion. Partnership Agreement and Action Plan accomplishments are summarized in the table below.

	Partnership Agreements	Action Plans
Total Reported 6/98	12	7
1999 Goal	3	8
1999 Accomplishments	8	8*
Total Reported 12/99	20	15
2000 Goal**	6	6

\* Includes Boeing’s Action Plan, submitted in July 1998.

\*\* Subject to increase contingent upon funding.

Two highly successful *Peer Group Exchange Forums* were offered in 1999 to provide a networking opportunity for companies involved in, or interested in climate protection activities. Over 135 persons attended the two forums held at Boeing Longacres in July and Recreational Equipment, Inc. (REI) Seattle in December. The forums are modeled on peer exchange meetings that have taken place in other states and serve as a technical exchange, and also as a program marketing and communications tool. Local and regional service providers representing energy, water, waste and transportation programs attend to network and offer customized assistance to Climate Wise Partners.

City Light continues to market Climate Wise locally and regionally by direct outreach to customers, working with media, collaborating with related program services and through web-based communications. The program is marketed as an integral service of the Commercial & Industrial Section of City Light’s Energy Management Services Division, and takes advantage of free energy and resource assessments, and financial incentives for

qualifying efficiency projects. In the region, City Light collaborates with program *allies*, including utilities, governmental agencies and other non-government organizations. Allies assist in promoting Climate Wise, provide a variety of services to industry, and participate in peer exchange forums. By association with City Light's 20-year program of successful energy efficiency gains, Seattle's Climate Wise program can provide the foundation for more ambitious climate protection actions in the years to come.

## **Background and Goals**

The City has long supported efforts to preserve and protect the environment, and has established environmental stewardship as one of Seattle's four core community values. A recent guest editorial-opinion column on global warming written by Seattle Mayor Paul Schell and Bullitt Foundation President Denis Hayes and published by the *Seattle Times* newspaper clearly states the City's view on climate protection issues (Appendix A). The City recently committed to developing a climate protection action plan that builds upon existing energy and resource conservation efforts.

The City has a strong record of leading and influencing conservation actions within the community at large. Seattle's municipally owned electric utility, Seattle City Light (City Light), is well suited for this role. For over two decades, City Light has provided financial incentives and technical assistance to customers to reduce energy use.

Investing in efficiency provides the utility with a reliable and emissions-free power resource at lower cost than wholesale purchases on the open market. Conservation continues to meet a significant portion of City Light's growing service demand. Assuming the utility's power purchases are derived from natural gas-fired turbines, electricity savings from City Light program participants since 1977 account for 239,000 metric tons of CO<sub>2</sub> avoided in 1998 (@0.392 MT CO<sub>2</sub> per MWh saved).

The City actively supports voluntary federal environmental initiatives. Since 1995, City Light has annually reported greenhouse emission reductions as part of the United States Department of Energy's voluntary *Climate Challenge* program. In 1997, the City signed an agreement with ICLEI to administer *Climate Wise* and participate in ICLEI's *Cities for Climate Protection* campaign. *Climate Wise* is a voluntary government-industry partnership program offered nationally by EPA but primarily implemented at the local level through state and local allies.

The purpose of these efforts is to support city and utility goals for environmental performance, build awareness, add value to customer services, and achieve measurable results. Efficiency programs directly benefit the local economy by redirecting investment from wasteful to more productive uses. As stated, the overall goal of *Climate Wise* is to turn environmental performance into a corporate (*or community*) asset.

All *Climate Wise* program goals have been met or exceeded to date. Goals for the first year were recruitment of 12 industrial partners, completion of 6 Action Plans, and improvements in the energy efficiency of municipal facilities. Second year goals were recruitment of an additional 3 partners, completion of 8 more Action Plans, and program integration with local and regional service providers. In 1999, the City accepted a new goal to develop *Climate Wise* peer group exchange networks.

Goals for 2000 include recruitment of 6 more partners and completion of 6 more Action Plans with emphasis on transportation efficiency actions. The program will continue to seek program integration efficiencies and regional participation.

### **Grant Administration**

Climate Wise is administered by a temporary full-time program manager in the Commercial-Industrial Section, Energy Management Services Division of City Light. This fosters associations with over 20 energy management field staff that work directly with commercial and industrial customers implementing energy efficiency projects.

The program manager is responsible for meeting grant goals and coordinating available Climate Wise services for company partners from within and outside the utility. To enhance Climate Wise benefits, the program manager cultivates working relationships with program *allies*, defined as service providers from the utility, government and non-government sectors that work collaboratively in support of Climate Wise goals. An example is the Washington Department of Ecology that promotes Climate Wise as part of environmental management roundtables they host for industrial clients.

### History of Agreements with ICLEI

The City's original Local Government/Industrial Partnership grant agreement with ICLEI was signed in August 1997. A program administrator was hired to coordinate and fulfill the City's first year Climate Wise and municipal program commitments. The original agreement termination date was later extended from May 31, 1998 to August 31, 1998 (Amendment 1).

In December 1998 the grant was amended for continued Climate Wise company recruitment and action plan development (Amendment 2). A new program administrator was hired to fulfill these commitments.

Early in 1999, the agreement was amended for the purpose of developing peer group exchange networks (Amendment 3, effective June 1999). In addition, this amendment extended the project termination date to September 30, 2000.

The grant agreement was most recently amended in December 1999 to continue administering Climate Wise, with no break in activities, through December 1, 2000 (Amendment 4).

### **Partner Recruitment**

In the first year of the program, 40 companies were contacted resulting in 12 companies signing participation agreements. Sources of leads cited in the June 1998 annual report were existing energy management program participants, especially those known to support environmental goals, tradeshow and expositions. Articles, announcements and advertisements in trade journals and other published formats, generated little interest in the program from private companies. These types of communication have been found to be more effective in creating awareness among potential program resources and allies.

In 1999, 43 companies, including 8 companies previously approached and 35 new ones, were contacted with information about Climate Wise. Eight more companies (including two previously approached) signed as partners for a total of 20 companies recruited and served by the Seattle program. Independent of the Seattle program, another 9 companies in Washington State participate in Climate Wise, for a current state total of 29 companies.

Successful recruitment is largely attributed to conducting Peer Group Exchange Forums (see section below) and collaborating with the Washington State Department of Ecology (Ecology). Forums support recruitment efforts and add credibility to the program by providing short presentations on company accomplishments and quality networking time.

Ecology field staff has worked directly with many regional industrial and manufacturing companies on environmental management plans. These contacts proved highly valuable as Climate Wise leads and demonstrate the value of professional government-industry relationships nurtured by dedicated program staff over time. As the year drew to an end, key contacts with Washington electric and gas utilities, and related technical assistance providers, including the Puget Sound Clean Air Agency and Pacific Northwest Pollution Prevention Resource Center, have resulted in potential new allies in marketing Climate Wise to broader constituencies.

City Light 'co-marketing' of Climate Wise and free on-site *Operations and Resource Assessments (ORAs)* resulted in two local industrial leads. We plan to take advantage of further opportunities to jointly market Climate Wise and ORA services in 2000.

### Action Plan Development

The City met its Action Plan goals for 1999 and seven companies completing action plans were recognized by City Councilmember Richard Conlin at the December Peer Exchange Forum. Following a site survey and based on follow-up discussions with company contacts, City Light typically provides a draft Action Plan to the company for review. Climate Wise companies then finalize their plan, which is formally submitted by City Light to the Climate Wise Clearinghouse in Washington, D.C.

For companies that choose to develop broad or detailed Climate Wise goals and strategies, this process may take several iterations before all company staff involved approve a final document. As account representative, City Light coordinates all partner and regional program ally involvement in completing Action Plans.

One prerequisite for completing an Action Plan is an understanding of how a facility uses energy and other resources. The free City Light, Operations and Resources Assessment (ORA) service is available to Seattle companies. ORAs are provided by City Light Energy Management staff and consultants, and cover all energy sources, water and waste management measures. City Light financial incentives are available for qualifying electricity saving projects.

Seattle Climate Wise Company Partner *Agreements* and *Action Plans* completed to date are summarized in the table below.

Climate Wise Company Partner	SIC	Agreement	Action Plan
Kelly-Moore Preservative Paints	2851	7/31/1997	
The Boeing Company	3721	10/17/1997	7/10/1998
Blaser Die Casting Co.	3364	12/3/1997	5/13/1998
ACE Galvanizing	3479	12/9/1997	3/16/1998
Total Reclaim	5093	1/23/1998	2/8/1999
Skills	3728	1/29/1998	
Essential Foods	2099	3/12/1998	5/28/1998
The Essential Baking Co.	2051	3/12/1998	6/9/1998
West Point Treatment Plant	4952	3/16/1998	9/2/1999
Great Harvest Bread Co.	2051	4/21/1998	5/19/1998
North Star Casteel Products	3325	5/6/1998	5/18/1998
MacPherson Leather Co.	3199	5/8/1998	5/22/1998
Lafarge Corporation, Seattle Plant	3241	5/3/1999	7/30/1999
Starbucks Coffee Company	2095	5/14/1999	11/30/1999

Climate Wise Program Annual Progress Report, 1-20-00

Rudd Company	2851	6/2/1999	11/8/1999
Naval Submarine Base Bangor	9711	7/6/1999	
Canyon Creek Cabinet Co.	2434	7/14/1999	12/1/1999
HYTEK Finishes Company	3471	8/2/1999	11/23/1999
Trace Engineering	3679	10/17/1999	
Tyee Aircraft		12/7/1999	

## **Peer Group Exchange Forums**

Peer Group Exchange Forums are designed to provide a networking opportunity for companies involved in, or interested in climate protection activities, and are modeled on Climate Wise Peer Group meetings organized in other states. Local and regional service provider allies representing energy, water, waste and transportation programs participate as well, to help coordinate and customize assistance to Climate Wise Partners. Two peer exchange forums were provided in 1999.

Our first forum was co-sponsored and hosted by The Boeing Company and was held at Boeing's Longacres facility on July 14, 1999 from 7:30 a.m. to 11:30 a.m. Boeing provided food service for the meeting. Representatives from Boeing, Starbucks and Essential Foods, and ICLEI, were featured speakers. The program included a 45-minute session for small-group discussions on what issues were important to business. More than 65 persons including local and regional program resource staff attended the forum. A 45-minute optional tour of Boeing's facility and a presentation on the new Climate Wise Action Plan and Emissions Tracking software by EPA followed the forum. A direct result of the forum was the signing of two new Climate Wise participants. An article in the *Puget Sound Business Journal* captured the excitement generated by the event (Appendix B).

Our second forum was on December 7, 1999 at the Seattle Flagship store of Recreational Equipment, Inc. (REI) from 9:30 a.m. to 1:00 p.m. This resource efficient store showcases attractive state-of-the-art meeting room facilities. Representatives from Seattle Climate Wise companies Total Reclaim and Lafarge Corporation, and a principal of Mithun Architects, responsible for the REI store design, provided case studies of their company's resource conservation efforts. Staff from City Light Commercial/Industrial Energy Management Services facilitated the forum.

The December forum included five concurrent breakout group discussions on the topics of cost-effective energy management strategies (three utility facilitated groups), emissions reporting, and green power development. Outlines of the energy management and emissions tracking breakout sessions are attached (Appendices C & D). Lunch and door prizes were provided to the 70 participants.

Like the first forum, local and regional program resources for coordinating and customizing assistance to Climate Wise Partners were in attendance. One new company signed a partnership agreement during the event. Another company that joined Climate Wise in January 1998 but had not developed an Action Plan, found the December 1999 forum a way to renew program ties and expressed interest in receiving an energy and resource efficiency assessment.

Professional services were retained to assist City Light in the planning, promotion and management of the forums (Muir Public Relations and Marketing), that proved to be a valuable addition to City Light in-house resources. Starbucks, an active supporter of Climate Wise and peer exchange forums, provided coffee for both events. July and December 1999 forum agendas are provided at the end of this report (Appendices E & F).

We plan to deliver a third Peer Group Exchange Forum on behalf of the City of Seattle and regional Climate Wise community in 2000. Depending on the level of interest, smaller meetings on specific topics could provide additional networking, educational and program assistance opportunities in the coming year.

## Marketing & Communications

Early each year, the Energy Management Services Division prepares a marketing plan for its programs, including Climate Wise. For 1999, the marketing plan included analysis of strengths, weaknesses, and opportunities, a review of goals and target audience, a summary of primary benefits, and an outline of year-long marketing activities. Tasks included attending and making presentations at business meetings, placing articles and ads in local print media, conducting peer exchange forums, recognizing Climate Wise partners, and expanding webpage coverage of global warming issues and the Climate Wise program.

Progress was made on all these fronts in 1999. The Energy Management Division produced a program marketing flyer for Climate Wise that compliments other energy management program flyers (Appendix G). A *Seattle Post-Intelligencer* newspaper article about Essential Foods, a leading Climate Wise partner, helped create awareness of the Climate Wise program (Appendix H). A long-term goal of City Light is to find ways to institutionalize climate protection as part of ongoing energy management programs.

Of all marketing activities, the most successful company recruitment methods over the past year have been development of regional peer exchange forums and engaging new regional program allies. These are more fully described in other sections of this report (Partner Recruitment, Peer Group Exchange Forums, and Program Collaboration). One marketing approach that has not been pursued but may be tested in 2000 is the 'recruitment team' concept recommended in EPA's *Climate Wise Outreach Guide*. A team of program allies could meet regularly to plan, direct and implement recruitment and marketing goals.

The July Forum received good media coverage by the *Puget Sound Business Journal* (Appendix B). The Journal editor indicated interest in covering new activities in 2000. Seattle City Light's employee newsletter, *Network*, featured the Climate Wise program and forums on two separate occasions (Appendices I & J). A July news release announcing Climate Wise participation by Starbucks (Appendix K) and November releases on the December forum and national Climate Wise Special Recognition Award for Essential Foods, were widely circulated to local media.

The December media pieces are included in a full notebook of Climate Wise December Forum *Key Correspondence*, prepared by Muir Public Relations and Marketing (available separately). The notebook includes a copy of electronic correspondence thanking forum organizers from Seattle Councilmember, Richard Conlin, who attended the December forum and awarded certificates to eight Climate Wise companies. A facsimile of one of these awards is attached (Appendix L).

City Light's conservation webpages feature a description of the Climate Wise program and recognition of Climate Wise Partners,

[http://www.ci.seattle.wa.us/light/conserves/business/cv5\\_cw.htm](http://www.ci.seattle.wa.us/light/conserves/business/cv5_cw.htm)

Web additions in 1999 include a page on Global Warming,

<http://www.ci.seattle.wa.us/light/conserves/GlobalWarming/>

## Climate Wise Program Annual Progress Report, 1-20-00

and a page on Customer Achievements that lists Seattle Climate Wise Partners and provides a link to the Climate Wise program page,

<http://www.ci.seattle.wa.us/light/conserve/business/customerachievements/>

The Climate Wise Partners and Global Warming pages provide links to ICLEI. A recent copy of the Customer Achievements page is included as a reference at the end of this report (Appendix M).

City Light has initiated an informal electronic newsletter for Climate Wise and related information posting, and online registration for Climate Wise Forums.

EPA Region 10 developed an educational compact disk (CD) on sustainability that highlights achievements of several Climate Wise companies from the Northwest.

### **Program Collaboration**

Key to the success of any Climate Wise program are allies that are able to provide essential services to Climate Wise company partners. In 1999, the Seattle program made significant progress in cultivating effective partnerships with a number of government and non-government ally organizations. Some allies lend primarily marketing support while others offer technical and/or financial assistance.

The Climate Wise Program Manager and Commercial/Industrial (CI) Energy Management Analysts provide primary support to company partners from within City Light. Marketing, communications, and account executive staff familiar with and supportive of the program provide additional support. Many individuals from the CI Energy Management Section were responsible for the success of the December Peer Exchange Forum. Direct company support in the areas of water and waste management is available from Seattle Public Utilities and the Business & Industry Recycling Venture program of the Seattle Chamber of Commerce.

For the past year, the Washington State Department of Ecology has promoted the economic and environmental benefits of energy efficiency and Climate Wise to regional industry contacts with remarkable success in recruiting new company partners. This underscores the importance of enduring customer relationships, and outreach experience as ingredients for program marketing success.

To provide assistance to Climate Wise company partners located outside of City Light service territory requires coordination with other Washington electric and gas utilities. Washington's largest private utility, Puget Sound Energy (PSE) has been very supportive. PSE Engineers have participated in two recent energy surveys of Climate Wise company facilities and have introduced Climate Wise to several large customers in western Washington including Intel in DuPont. City Light has reached out to two other public utilities that are now supportive of Climate Wise: The City of Tacoma Public Utilities and Snohomish County PUD #1, located directly south and north of Seattle, respectively.

Some new organizations that have volunteered to partner on Climate Wise are the Pacific Northwest Pollution Prevention Resource Center (P2RC) and the Puget Sound Clean Air Agency (CAA). Both organizations can help market Climate Wise services to industries they serve as they help educate professionals and the public on the relevance of the global warming issue.

## **Program Development**

Since 1997, Seattle City Councilmembers on the Energy and Environmental Policy (formerly Utilities and Environmental Management) Committee have been highly supportive of continued City – ICLEI agreements and involvement in Climate Wise. Seattle Mayor, Paul Schell recently co-authored with Bullitt Foundation President, Denis Hayes, a newspaper editorial on global warming and the City's role in addressing the issue. Over the next year, the City will administer Climate Wise in a promising new energy era shaped by regional and world trends as well as by local government fiscal realities.

Deregulation of the electric power industry, new opportunities for adoption of 21<sup>st</sup> century energy technologies, and growing awareness of global warming, are predicted to influence greenhouse emissions reduction activities in the Northwest. While hydropower provides most of Seattle's electricity needs, the City purchases fossil (carbon) derived electricity during peak demand periods each year. City Light conservation acquisition, arguably the most aggressive program in the U.S., reduces emissions by avoiding fossil purchases, yet meets only a portion of current and predicted utility load growth. Shifting from fossil to green energy stops global warming cold.

The largest growing source of emissions in Washington State is from the transportation sector. The City will continue to work with Climate Wise companies and regional allies on ways to manage travel demand, improve transportation efficiency, and reduce transportation sources of greenhouse emissions. By collaborating with organizations like the Puget Sound Clean Air Agency, which is responsible for air emissions permitting and public air quality announcements, and the Puget Sound Clean Cities Coalition, which promotes cleaner fuels for government and private fleets, the City hopes to articulate the connection between transportation choices and greenhouse emissions.

Climate Wise fosters productive partnerships in support of regional environmental and economic sustainability goals. Increasing industry focus and leadership in the areas of clean energy development and transportation emissions reduction compliment Climate Wise participation and provide recognition for company actions. Climate Wise can benefit from increased co-marketing of City Light energy management services and linkages to related service functions such as the Account Executives Office, Environment & Safety Division, and Office of Communications & Public Affairs. Continued outreach and collaboration within the region can lead to the critical mass necessary to establish a sustainable peer exchange network and adoption of stronger climate protection commitments.

In 2000, City Light will sponsor one more regional forum, and partner with a wide range of organizations to help plan and support conferences on global warming and clean energy. Some of these partners include utilities, U.S. EPA, local and state agencies, elected officials and non-governmental organizations, like the American Cultural Exchange, Climate Solutions and the Northwest Council on Climate Change. City Light will increase efforts to promote awareness of the program, develop Climate Wise case studies in recognition of customer achievements, and produce joint regional marketing materials.

## Appendices

- A. Schell-Hayes guest op-ed in *Seattle Times* newspaper, December 29, 1999
- B. Article on July Forum in *Puget Sound Business Journal*, September 10-14, 1999
- C. Energy Management Breakout Session Notes, December 7, 1999 Forum
- D. Emissions Tracking Breakout Session Notes, December 7, 1999 Forum
- E. July 14, 1999 Forum Agenda
- F. December 7, 1999 Forum Agenda
- G. City Light Energy Management Services – Climate Wise Program Flyer
- H. Article on Essential Foods Company in *Seattle Post-Intelligencer* newspaper, July 30, 1999
- I. Article on Climate Wise program in *Network*, City Light employee newsletter, April 1999
- J. Article on Climate Wise Forum at Boeing in *Network*, City Light employee newsletter, September 1999
- K. News release on Starbucks Coffee Company Climate Wise participation, July 1999
- L. Facsimile of Award Certificate presented to companies at December Forum
- M. Copy of City Light Webpage on Customer Achievements