

Costs Associated with Signing the ACUPCC

The ACUPCC is designed to be concrete and effective, and at the same time flexible and feasible.

It is a commitment to a climate action planning process in which institutions figure out how they will get to climate neutrality. Signatories have two years to create these plans, and complete autonomy in determining their own targets and timetables, ensuring that actions are feasible, cost-effective, and achieve real reductions over the long-term.

Target dates for achieving climate neutrality will be different for each institution – fast enough to role-model the solutions needed to avoid the worst impacts of climate change and at the same time realistic enough to ensure a feasible pace that will maximize benefits while minimizing costs. Most signatories will likely develop a plan with many incremental steps, including provisions for revising the plan as circumstances change, typically over a 10-40 year time period.

Overall costs associated with signing the ACUPCC can vary widely depending on institution type and size, location, available energy supplies, and many other factors. The following are the main costs that can be expected, along with some strategies that ACUPCC signatories are using to handle them:

- **Fees and dues:** Most signatories have agreed to voluntarily pay dues of \$1,000-\$3,000 based on institution size to cover a portion of the operating expenses of the supporting organizations. These contributors are recognized in the ACUPCC Annual Report.
- **Implementation Profiles:** ACUPCC institutions agree to report their implementation profiles within two months of their implementation start-date. Profiles include an identified “Implementation Liaison” who is responsible for the reporting process and a committee formed to create and carry out the climate action plan. This involves some staff time for the committee members to meet, decide which two of the seven tangible actions to pursue, and develop a process for completing the greenhouse gas (GHG) inventory, creating a climate action plan, and implementing that plan. Again, this time commitment can vary widely, with some committees meeting as often as every week, while others may only meet once or twice per quarter. The process of submitting this report online is very straight forward.
- **GHG Inventories:** The cost of completing a GHG inventory and updating it at least every other year can range from free – for example, if it is completed by students as part of a class project – to several thousands of dollars, if an outside firm is hired to complete it. Clean Air – Cool Planet has developed a Campus Climate Action Toolkit, which has been developed in partnership with colleges and universities, includes a comprehensive GHG calculator module, and is free for download from their website, www.cleanair-coolplanet.org.
- **Climate Action Plans:** The cost of developing the climate action plan (CAP) will vary based not only on the size and characteristics of the institution, but also on the level of detail to which it is developed. CAPs can be designed to be iterative, so more detail on certain components and actions can be developed over time, through subsequent updates to the plan. Many institutions are also engaging students in the CAP process to keep costs down, and also provide a valuable educational experience. Other institutions have used this as an

opportunity to raise funds. For example, Cornell University received a \$425,000 grant from NYSERDA to develop a comprehensive plan, which will include detailed feasibility studies of various emissions-reduction activities.

- **Implementing the CAP:** The costs associated with implementing the CAP, and achieving climate neutrality will also vary widely. ACUPCC institutions will undertake a variety of emissions-reduction activities to eliminate net-emissions from transportation, electricity generation, heating and cooling, etc.
 - Many of these investments will pay for themselves over time. For example, many efficiency retrofits and upgrades will have very quick payback periods – of months or 2-3 years. Others, such as renewable energy projects could have longer payback periods, in the range of 5-20 years.
 - In some cases activities will not cost any more than a business-as-usual scenario, and will save the institution money immediately. For example, if a campus needs to renovate a building, green design characteristics that do not add a premium to the capital costs can reduce operating costs.
 - In many cases, institutions are establishing new systems for accounting for capital investments that yield long-term savings, so that short-term cost-cutting in capital budgets does not hurt the institution in the long-term. For example, more schools are developing revolving loan funds, where cost-savings from projects are used to pay back loans to the fund, which can then be used to finance more projects and generate more savings.
 - Carbon offsets can be used as a way to meet emissions-reductions targets and to achieve climate neutrality, however they are not required to be part of the CAP.
 - Some ACUPCC institutions are using their social and political capital, instead of or in addition to their financial capital, to meet their goals. For example, many schools are meeting with their local utilities and lobbying them to invest in carbon-free electricity generation technologies.
 - Because the ACUPCC represents such a large collective group, the network is able to generate new opportunities that would not necessarily be available to institutions working in isolation from one another. For example, the Clinton Climate Initiative is working with the ACUPCC to promote attractive financing models for energy efficiency projects. ACUPCC institutions are also exploring opportunities to create purchasing consortia and establish joint loan funds.
- **Progress Reports:** ACUPCC Signatories agree to submit progress reports on their GHG Inventories and CAPs every other year. This process will require ongoing staff time on the part of the Implementation Liaison and committee members to update the reports and submit them on the online reporting system.

Financial benefits of signing the ACUPCC

There are many tangible and intangible benefits associated with joining the ACUPCC network and implementing a comprehensive, strategic CAP that can help improve an institution's financial situation. For example:

- *Signing the ACUPCC improves each campus's competitive position.* Signatories are demonstrating the leadership on this critical issue that is providing an advantage in recruiting top students, faculty and staff, attracting new sources of funding, developing new research initiatives, and fostering the support of alumni and local communities.
- *Emissions-reduction initiatives are investments* in the future of the institution (in terms of capacity, reputation, lower operational costs, etc.) and society (in terms of producing the research and graduates to address this great challenge). The value in creating a CAP, starting with the end goal of climate neutrality in mind, is to create a strategic framework within which to evaluate actions in order to optimize the likelihood of reaching the goal of climate neutrality.
- *Strategic climate action planning will generate cost savings.* There are many case-studies that demonstrate attractive return on investment for emissions-reduction activities. As these techniques and technologies are brought to scale through the ACUPCC, these rates of return are likely to improve.
- *The ACUPCC provides a community-wide framework and strategic perspective* that connects existing climate action activities and inspires new ones, without which, ad hoc efforts in academics and operations may cost more and be less effective. The ACUPCC provides an effective framework and a coordinated way for benchmarking and learning about best practices from peer institutions, operating within the same framework.
- *ACUPCC resources* such as the Online Reporting System, the Implementation Guide, the Carbon Offset Protocol, the CAP manual and wiki, and other guides and publications developed for ACUPCC institutions represent a significant value for signatories.
- *New opportunities for financing sustainability projects are stemming from the ACUPCC.* Due to the size and visibility of the ACUPCC network, new programs are emerging to support ACUPCC signatories and other institutions, as a direct result of its existence. For example, the Kresge Foundation has provided \$1.2 million to fund the Advancing Green Building in Higher Education initiative, which will support under-resourced institutions in building green on their campuses. Available to all under-resourced institutions, this support is a direct result of the activities of the ACUPCC network. Each school that joins the network contributes to this momentum and helps create these types of new opportunities.
- *The ACUPCC helps institutions avoid risks and associated costs.* With a cost on carbon already being levied in Europe and parts of the US, energy costs growing more volatile, and prospective students increasingly demanding education on climate issues and sustainability, the potential costs of delays and inaction are far greater than any opportunity costs associated with foresighted, proactive planning and investing today.