



Global Compact Cities Programme



City of San Francisco Innovating City 2017 Communication on Engagement Report

BC3 - San Francisco Business Council on Climate Change

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

January 23, 2017

To Whom It May Concern:

On behalf of the City and County of San Francisco, I am pleased to reaffirm our support of the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In our Communication of Engagement, we detail actions that our city has taken to support the UN Global Compact, particularly through the launch and continued operation of the San Francisco Business Council on Climate Change.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Edwin M. Lee".

Edwin M. Lee
Mayor



BUSINESS COUNCIL ON
CLIMATE CHANGE

San Francisco Business Council on Climate Change

Report on 2016 Programs and Activities for the United Nations Global Compact to satisfy San Francisco's "Innovating City" Communication on Engagement

01/08/2017

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Overview: About the Business Council on Climate Change

The Business Council on Climate Change (BC3) is a network of private sector companies and the City and County of San Francisco dedicated to collaborating to achieve shared climate goals. Instead of establishing a new coalition to support each new climate initiative in our community, members of the BC3 network work together over time to build a stronger, greener San Francisco.

In June of 2005, the City and County of San Francisco hosted United Nations World Environment Day, at which Mayor Gavin Newsom signed on to the UN Global Compact Cities Pilot Program. San Francisco was one of 12 cities participating globally in the Program and the only participant in the United States. The Program's fundamental aim was to improve the quality of urban life through the effective use of local cross-sector partnerships between business, government and civil society.

For its participation in the Program, San Francisco chose to address greenhouse gas emissions in the commercial and residential sectors. The Bay Area Council, the San Francisco Department of the Environment (SF Environment), and the UN Global Compact embarked on a new initiative to foster efforts to reduce greenhouse gas emissions in the Bay Area's commercial sector. BC3 was conceived through this partnership to take a position of leadership on the issue of climate change.

BC3 was launched on March 1, 2007 with a press conference at San Francisco City Hall. In its early years, BC3 had more than 100 member organizations and 20 partner organizations, of varying sizes and description. BC3's work focused primarily on inspiring Bay Area business



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leaders to sign on to a set of Principles on Climate Change Leadership. Since then BC3 has evolved through several iterations.

Today, BC3 is an independent, fiscally sponsored non-profit project of the 501(c)(3) organization Community Initiatives. Funding for BC3's work comes from a mixture of dues paid by member companies, a fee-for-service program focused on accelerating adoption of residential solar in the San Francisco Bay Area, and a mix of state, federal, and foundation grants. BC3's offices are located at SF Environment and SF Environment is in turn recognized as a critical member of BC3's cross-sector network. BC3 has a paid staff of two and a nine-member Advisory Board composed of representatives from member organizations.

BC3's current programming focuses on engaging San Francisco's large corporate sector in helping to establish San Francisco as a global model for local climate solutions. This engagement takes the form of spreading best practices across the San Francisco business community and facilitating collaborative projects that address challenges that no single business or economic sector can tackle alone.

Who We Are (Our Network)

Over the past four years, BC3 has pursued a strategy focused on forging connections across sustainability teams at major corporations headquartered in San Francisco and between City government and San Francisco's large corporate sector. BC3's current dues-paying membership includes the City and County of San Francisco (represented by SF Environment) and 14 major corporations. These corporations collectively represent more than \$220 billion in annual revenue and employ more than 750,000 people.

Additionally, BC3 works with a wide range of partners on specific projects. For instance, BC3's 2016 Bay Area SunShares program (described below) brought together 40 local governments and large corporations to offer discounts and free education on residential solar and electric vehicles to their residents and employees.

2016 BC3 Corporate Members include:

Adobe, Arup, Autodesk, CH2M Hill, Blue Shield of California, Genentech, Google, PG&E, Recology, Salesforce, United Airlines, Webcor Builders, Wells Fargo, and Whole Foods Market

Goals and Approach

BC3 has aligned its work with California's long-term goal of reducing greenhouse gas emissions by 80% by 2050 (over 1990 baselines). In the near term, BC3 is focused on accelerating progress toward the "0-50-100-Roots" goals laid out in San Francisco's Climate Action Strategy:

- Send 0 waste to landfill
- Achieve a 50 percent "sustainable" trip rate in San Francisco (this includes trips taken by walking, biking, public transit, or other non-private auto means), while electrifying remaining private auto trips



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- Achieve 100% renewable energy
- Plant trees, improve soils, expand urban green spaces, and create native habitat

BC3 works to accelerate progress toward San Francisco's "0-50-100-Roots" goals in the following ways:

- **Connecting:** At regular events and online, BC3 facilitates the flow of information across institutions that are critical to reaching San Francisco's climate goals, helping our members understand emerging issues and implement best practices within their own organizations. We also provide a safe space where leaders from the local private and public sectors can discuss and debate potential new climate policies.
- **Aligning:** BC3 organizes its business network to provide public support and occasional grant support for environmental initiatives developed by the City and County of San Francisco or other organizations with a local focus. We also help businesses access government expertise and partners that can aid in the implementation of corporate sustainability projects.
- **Producing:** BC3 identifies areas in which our members can move faster toward shared goals via collaboration. In these cases, we launch Working Groups focused on developing collaborative projects, programs, and products. BC3's current Working Groups are focused on accelerating corporate progress toward 100% renewable energy and engaging employees in climate action.

2016 Program and Impact Review

In 2016, BC3 focused its programming in three priority areas:

- Supporting BC3 members in carrying out, advocating for, and/or funding tangible collaborative projects via BC3's Energy and Carbon Leadership Group (ECLG)
- Building a network of individuals empowered and motivated to take action on climate via BC3's Employee Engagement Working Group (EEWG)
- Bringing together the BC3 community and other stakeholders to think through future action on climate via BC3's Ideas Hub.

The ECLG was BC3's flagship working group and focused on developing collaborative projects that will help to accelerate the decarbonization of San Francisco's energy system. The ECLG is facilitated by Arup and engaged sustainability directors from 15 major companies in 2016.

Outcomes from the ECLG included the following:

- Launched Bay Area Sunshares, a group buying program offering discounted residential solar and electric vehicles to residents and employees of 40 Bay Area corporations and city governments. The 2016 program resulted in 783 kW of new residential solar to be



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installed across the Bay Area, and sales of 25 electric and hydrogen fuel cell vehicles. More than 500 people attended free educational workshops organized through the program. BC3 has participated in three previous rounds of the SunShares program but 2016 was the first year in which BC3 directly administered the program. Solar installations achieved through all BC3 SunShares programs to date total nearly 5 MWs.

- Partnered with the Rocky Mountain Institute’s Business Renewables Center to continue work developing an aggregated Virtual Power Purchase Agreement (VPPA) model for corporate renewables procurement. Many corporations are interested in investing more directly in renewable energy but lack the scale necessary to use the VPPA model pursued by companies like Apple and Google. By aggregating demand across companies, BC3 and RMI aim to prove the feasibility of a new model that will accelerate renewable energy investments among mid-sized companies. BC3 is also helping companies understand a shifting renewable energy investment and utility landscape within California.
- Provided a joint corporate grant to the Marin Carbon Project. The grant was matched by the Bay Area Air Quality Management District and used to launch pilot projects aimed at proving the viability of a soil amendment approach to increasing carbon sequestration potential in Bay Area rangelands. BC3 members supported this project because of the potential it holds to create regional carbon sequestration opportunities at scale.
- Provided a joint corporate grant to support the San Francisco Green Film Festival’s Climate Action Film contest, which engages youth and adult San Franciscans in using film to tell stories about how they are taking action on climate.

In addition to the ECLG, BC3 continued to organize an Employee Engagement Working Group in 2016. The EEWG brought together “Green Team” leaders (volunteers dedicated to organize grassroots employee campaigns at their companies) from 10 companies to share best practices and collaboratively produce programs and products. In 2016, the EEWG produced:

- A series of cross-company employee volunteer days and learning events
- A cross-company bike to work challenge that inspired employees of 6 organizations to bike over 20,000 miles in the month of May.

Finally, BC3 continued to spread good ideas through its Ideas Hub. BC3’s Ideas Hub serves BC3’s basic function of connecting sustainability leaders across different San Francisco companies and economic sectors. In 2016, BC3’s Ideas Hub took the form of a series of deep-dive events and reports focused on COP 21, Reaching Zero Waste, and Sustainable Mobility. Additionally, BC3 hosted its first annual Member Priorities Forum, which brought together our growing network to plan for 2017.