

Policy Tools That Support Transition Into a Green Economy

September 2013

A number of policy tools are available to assist governments and other stakeholders pursue transition into a green economy. These briefing notes set the stage for our discussion by outlining some of the policy tools that are available to foster transition and to provide examples of how these tools have led to positive outcomes in other jurisdictions. In and of themselves, these tools do not create a green economy; rather, they help put the conditions in place for the transition to occur. The hope is that once these policies are in place, all Manitobans will choose to act in a more sustainable manner, creating the type of transition that we want. Note that these are not implied recommendations, but are examples of real case studies.

Institutional and Policy Processes to Support Reform

Institutional and policy processes (IPPs) to support reform are actions taken either formally or informally by an entity (e.g., government). These actions are designed to improve the entity's sustainable operations and practices, while simultaneously fostering green transition within the broader community. Examples of IPPs include policy mandates, sustainable procurement policies and measures to increase access to information, engagement, education and capacity building.

How Has This Worked Elsewhere?

Jurisdiction: Ontario

Policy/Action: Green Button program

Synopsis: The Green Button Program, introduced in 2012 in Ontario, is an effort to take advantage of modern technologies to allow energy users to take more control of their energy use. The goal is to take advantage of the shift to "smart home" technologies that will manage energy based on consumer preferences. Green Button is designed to provide users with direct, timely access to information required to make these shifts (e.g., electricity-use data), while respecting privacy. The move is also designed to accelerate the market for energy management solutions in the province.

Enabling conditions by government: Enhanced information access, capacity building and education

Results: Still in early stages, the first step is the adoption of the Green Button Download My Data (DMD) standard. This allows users to download their detailed energy use data by clicking a button on their utility's website. This option is now available to approximately 50 per cent of Ontario energy customers. The next phase, Connect My Data (CMD),

will allow users to connect their energy-use data to solution providers in the interest of managing their energy use more effectively and conserving energy. Pilot projects are expected for late 2013, with fuller rollout in 2014.

Further details:

<http://www.energy.gov.on.ca/en/ltep/making-choices/>

<http://greenbuttondata.ca/>

<http://www.marsdd.com/newsreleases/mars-partners-with-province-to-help-ontarians-better-manage-energy-use/>

Examining the Applicability of This Tool: Translating Success in the Manitoba Context

In Ontario, the commitment to the Green Button program in partnership with provincial energy providers is designed to encourage educated energy use and energy efficiency among Ontarians. A longer-term outcome will be reduced demand in the energy sector. The move exemplifies the type of change that can be pursued through policy and process changes that increase awareness. It also exemplifies the contributions that public-private partnerships can provide to the transition to a green economy transition. While the full results of the program remain to be seen, the potential benefits of the program are evident.

In general, IPPs can require the fewest formal changes to enact. For example, sustainable procurement is a very common approach across governments because of its ease of implementation (simple government mandate) and relatively small change in doing business (simply adding considerations for sustainability in procurement decisions). An example of this in Manitoba is the education and awareness conducted regarding idle-free zones in the province. Sustainable procurement is commonly seen as a way for a government to “walk the talk” with respect to desired change. Procurement is also a way to spur private sector change through the government actively purchasing goods and services that meet high standards of sustainability. Manitoba has its own sustainable development procurement guidelines¹ that take the characteristics of sustainable development in goods and services procurement into account.

While informality and ease of implementation are distinct advantages to institutional and policy processes, there are also some drawbacks to this approach. IPPs such as educational and capacity-building efforts (e.g., recycling, safe waste disposal, no-idling zones) can be quick and easy to implement; however, the impact is also generally lower than fiscal mechanisms or mandatory shifts such as standards and regulations, and it may take longer to see the benefits. This is as true in Manitoba as it is in other areas. Procurement is a way to lead by example, but the Government of Manitoba does not have enough market influence to drive green transition on its own. The key is balancing these tools with others in order to drive the transition to a green economy.

¹ See: <http://www.gov.mb.ca/mit/psb/green.html>