LOCAL GOVERNMENT
CLIMATE ACTION PROGRAM

TRADITIONAL SERVICES BOUNDARIES AND SCOPE GUIDANCE

APRIL 2024

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This guide was prepared by the Green Communities Committee (GCC) and updated by the Climate Action Secretariat, based on input and feedback received from B.C. local governments as part of the ongoing collaborative process to determine the common approach to traditional services energy and greenhouse gas emissions inventory measurement and reporting.

Contents

The Local Government Climate Action Program 4
Local government and Modern Treaty Nation traditional services 4
What traditional services emissions are included? 5
Service Area – Administration and Governance 5
Service Area – Drinking, Storm and Waste Water 5
Service Area – Solid Waste Collection, Transportation and Diversion 6
Service Area – Roads and Traffic Operations 6
Service Area – Arts, Recreation, Parks and Cultural Services 6
Service Area – Fire Protection 7
Calculating emissions for proportionately consolidated organizations: default approach 7
Guidance in relation to subsidiaries: default approach 7
Guidance in relation to subsidiaries: alternative approach 8
How do we begin tracking emissions? 8
Guidance in relation to contracted services 8
Data collection 9
What if one energy account provides energy to more than one service? 9
Getting started 9
Service Areas and FAQs 10

The Local Government Climate Action Program

The Local Government Climate Action Program (LGCAP) is a commitment within the CleanBC Roadmap to 2030 and provides predictable, annual, and long-term funding for B.C. local governments and Modern Treaty Nations to take on climate action aligned with provincial and local climate objectives.

To have been eligible for funding under LGCAP for year one of the Program (reporting for the 2022 calendar year), local governments were not required to report their traditional services greenhouse gas (GHG) inventories, however, program participants were encouraged and supported to do so on a voluntary basis. For year two, emissions reporting was required for local governments with populations exceeding 15,000 residents. For year three of the Program, local governments with populations exceeding 10,000 residents will be required to report their traditional services inventory, using an established reporting framework of their choosing (CDP, GHG Protocol for Cities, etc.), including the LGCAP scope and boundaries described in this document. Contracted emissions must be accounted for regardless of which protocol local governments employ. Modern Treaty Nations are not required to report on their traditional services greenhouse gas inventories for LGCAP but are encouraged and supported to do so on a voluntary basis.

There is no requirement to achieve carbon neutrality in traditional services operations under LGCAP. This means that offsets and reduction credits are not accounted for under the Program and therefore all in-scope emission sources must still be included. Resources are still available on the LGCAP website, including options for local governments and Modern Treaty Nations to balance their traditional services emissions to zero through investments in local emissions reduction projects and/or by purchasing offsets.

Local government and Modern Treaty Nation traditional services

Local governments and Modern Treaty Nations deliver services that consume energy and produce GHG emissions as part of their daily operations—for example to heat buildings, run vehicle fleets, and manage waste and water. These are the local government's or Modern Treaty Nation's traditional services emissions. At the same time, residents, businesses and industry in the community are creating GHG emissions as part of their daily lives as they drive around, heat and cool buildings, wash dishes, etc. These are referred to as community-wide emissions.

In-scope services under LGCAP are those services most commonly provided by the majority of local governments and where local governments have direct influence and control over reducing emissions. We will refer to these common services as "traditional services". Modern Treaty Nations may look to incorporate some or all of the same traditional services into their inventories as well, based on their individual levels of service delivery. The emissions boundaries described are based on the operation and maintenance of the following traditional local government services:

- Fire protection;
- Solid waste collection, transportation and diversion;
- Arts, recreational and cultural services (provided by the local government);
- Road and traffic operations;
- Drinking, storm and waste water; and

- Administration and governance.

By focusing the definition of operations on a traditional services model it ensures that the vast majority of local governments and Modern Treaty Nations are counting the same emissions. Different carbon accounting systems measure carbon emissions based on different principles. A fundamental principle for the traditional services model is equity. As a result, the traditional service definition focuses less on who delivers the service and more on what service is delivered.

Please see the Scope Summary for Traditional Services Greenhouse Gas Emissions for a high-level overview of the LGCAP traditional services reporting scope.

What traditional services emissions are included?

Within the traditional service sectors not all emissions will be captured. Any emissions related to the operation and maintenance of traditional services are included. Emissions related to new construction, business travel, employee commuting, and materials (indirect emissions) are not included.

For many organizations, dealing with small emission sources can be challenging. If an emissions source is difficult to collect **and** is expected to comprise less than 1% of the local government's or Modern Treaty Nation's total emissions inventory, it is considered out of scope.

Service Area – Administration and Governance

This service category includes the buildings used for administration, governance, planning and economic development, as well as activities associated with the provision of these services. For example, the energy used to execute a regulatory responsibility, such as travel required to conduct building inspections, would be included.

Buildings and Other Structures
In this category it is necessary to capture energy consumption data from the buildings where administration, planning, governance and economic development staff are housed.

Vehicles, Equipment and Machinery
The vehicles included in this category include those used by parking commissionaires, building inspectors and other vehicles used by administration staff, and any vehicles used by staff working for subsidiary organizations. For most local governments the vehicles in this category are most likely small municipal vehicles such as cars and small trucks.

Service Area – Drinking, Storm and Waste Water

In this category it is necessary to capture energy consumption data related to the operation and maintenance of drinking, storm and waste water systems including, but not limited to:

- Water intakes, wells, reservoirs and dams,
- Water treatment facilities,
- Water distribution systems,
- Wastewater collection systems,
- Wastewater treatment systems, and
- Stormwater collection and treatment systems.

Buildings and Other Structures
This service area will include buildings and other structures as well. The energy consumption of all buildings and structures utilized for the operation and maintenance of the drinking, storm and waste water systems must be captured. For example, record the amount of energy used to provide heat and/or light for pump stations.

Vehicles, Equipment and Machinery
The vehicles, equipment and machinery included in this category include those used in the operation and maintenance of the drinking, storm and waste water systems. This would include vehicles used for site inspections, water meter readers, heavy machinery for maintenance or repair, and watershed monitoring. Equipment used for the storage, disinfection and treatment of drinking, storm and waste water treatment is included as are emergency power generators.

Service Area – Solid Waste Collection, Transportation and Diversion

In this category capture energy consumption data related to the collection, transportation and diversion of solid waste. This includes composting but does not include recyclables (please refer to GCC Communique from January 2018) and the operation of landfills and disposal sites.

Buildings and Other Structures
The buildings associated with the collection, transportation and diversion of solid waste include buildings used to house vehicles and staff as well as transfer stations and buildings at yard and garden waste stations.

Vehicles, Equipment and Machinery
The vehicles included in this category include heavy machinery, dump trucks, garbage and leaf collection vehicles, and other vehicles associated with the provision of these services. Some of the equipment and machinery that may be included are compactors, chippers, and crushers.

Service Area – Roads and Traffic Operations

In this category capture energy consumption data related to the operation and maintenance of roads and traffic operations. This service area includes operation of roads, trails, street lights and signals, bike lanes, sidewalks and parking lots as well as maintaining these facilities (including such things as routing repair, maintenance, and snow removal etc.).

Buildings and Other Structures
The buildings associated with the operation and maintenance of roads and traffic operations include buildings used to house vehicles and staff; as well as traffic lights and signals and structures related to traffic lights and signals and their controls.

Vehicles, Equipment and Machinery
The vehicles included in this category include snow removal vehicles, all-terrain vehicles, road sweepers, salting/sanding vehicles, vehicles used for line painting, patching and other road maintenance activities. Equipment and machinery could include, but is not limited to, lawn mowers, hedge trimmers, and weed eaters.

Service Area – Arts, Recreation, Parks and Cultural Services

This category includes parks, swimming pools, recreations centres, arenas, art galleries, museums, planetariums, cemeteries (grounds), conference centres, libraries and theatres. Capture all the energy consumption data related to the operation and maintenance of these services.

Buildings and Other Structures
The buildings associated with the arts, recreation and cultural services include buildings such as swimming pools, recreations centres, arenas, art galleries, museums, planetariums, conference centres, libraries and theatres as well as any structures used to house equipment and vehicles related to these services. For services shared with another jurisdiction, refer to the example in the text box on page eight for guidance on how to distribute emissions.

Vehicles, Equipment and Machinery
This category includes vehicles such as zambonis, bucket trucks, fleet vehicles, lift trucks and all-terrain vehicles. The equipment and machinery include lawn mowers, hedge trimmers, park maintenance equipment, and equipment required to maintain pool facilities or arenas.

Service Area – Fire Protection

This category includes fire suppression, inspection, education, and outreach. Capture all the energy consumption data related to the provision of fire protection services and maintenance related to the services. If a voluntary fire department is operating a fire protection service on behalf of the local government then emissions from that service would also be included.

Buildings and Other Structures
The buildings associated with fire protection include fire halls and other buildings and structures used to house equipment and vehicles related to fire protection services.

Vehicles, Equipment and Machinery
The vehicles included in this category include fire trucks, water trucks, inspection and education vehicles and any other vehicles used in the provision of fire protection services. The equipment and machinery include pumping for hydrants, water storage and auxiliary power generation.

Calculating emissions for proportionately consolidated organizations: default approach

A recreation centre is jointly owned by three local governments: Red, Blue and Purple. The Recreation Centre is included in each of their financial statements. As a proportionately consolidated organization the ownership is divided so that 10% shows on the financial statement of local government Red, 40% on local government Blue, and 50% on local government Purple.

As a result, local government Red is responsible for 10% of the emissions, local government Blue is responsible for 40% of the emissions, and local government Purple is responsible for 50% of the emissions. The local governments are proportionately responsible for the ownership of the organization and its emissions.

Guidance in relation to subsidiaries: default approach

The emissions related to a traditional service operated by many subsidiary organizations of a local government are also included. For these purposes, a subsidiary organization is an organization that, under Generally Accepted Accounting Principles, is included in the local government's financial statements, through full or proportional consolidation or through consolidation on a

modified equity basis. A local government's financial statements will typically identify these subsidiary organizations, and the basis of consolidation for each[1].

Emissions for traditional services operated by subsidiary organizations that are fully consolidated or that are consolidated on a modified equity basis are included in the local government's traditional operations.

For those organizations that are included in the financial statements on a proportional consolidation basis, the local government would include a proportionate share of the emissions related to a traditional service operated by the organization, using the same proportion for emissions as are used for financial statement purposes.

Guidance in relation to subsidiaries: alternative approach

Local governments may choose to follow the default approach for reporting GHG emissions from subsidiary organizations as outlined above. Alternatively, local governments may create their own agreement on how they will share the emissions related to the subsidiary organization. However, the agreement must be unanimous amongst the participating local governments and must result in 100 percent of the GHG emissions being reported.

How do we begin tracking emissions?

- Understand what the Traditional Service Areas are and what services your local government or Modern Treaty Nation provides;
- Gather information from your energy providers and assess which energy accounts (for example BC Hydro, FortisBC, Pacific Northern Gas accounts) are providing energy to a traditional service area;
- Identify which subsidiary organizations provide traditional services and request energy consumption data from these organizations on the amount of energy used to provide the service;
- Identify which emissions from contracts providing traditional services are included and request energy consumption data from these service providers (for example the gas consumption of vehicles used to collect solid waste); and
- As you negotiate new contracts or enter into renewal discussions on existing contracts, consider including clauses in the contract with respect to emission reductions and provision of consumption data by the contractor.

Guidance in relation to contracted services

Some emissions for services operated on behalf of local governments or Modern treaty Nations by contractors will be included in the traditional services emissions profile. This will apply to new contracts or upon contract renewal. The types of contracts which would be included would be those which have reasonably identifiable energy consumption associated with the delivery of a traditional service. For example, emissions from road maintenance contracts would be included but emissions related to consultant services such as planning would not.

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[1] A **subsidiary organization** is one that is controlled by a local government and acts on its behalf. Examples include North Vancouver's Lonsdale Energy Corporation, the Housing Corporations in Invermere and Tofino, or an Economic Development Commission such as the one that reports to the Regional District of Central Okanagan.

The intention is to capture emissions from sources directly related to the traditional service being provided by the contractor. If a local government or Modern Treaty Nation has a snow removal contract the emissions from the vehicles clearing snow would be captured, but the emissions related to the contractor's corporate office building would not. Similarly, if a partner organization were operating a recreation centre on behalf of a local government the emissions from the recreation centre would be captured, but the corporate offices of the partner organization, and any vehicles used to travel to and from the corporate office to the recreation centre, would not be included.

Please see the Contracted Emissions Guidance for more information on how to appropriately account for contracted emissions and for guidance on drafting contracts to include energy consumption criteria.

Data collection

This document is formatted to allow local government and Modern Treaty Nation staff to think about each of the traditional services individually; however, it is **not** necessary to collect data for each service sector separately. Each local government or Modern treaty Nation receives information from its energy providers. However, what is included within a single energy account may differ. For example, one local government may have a single BC Hydro account for its primary administration building and another local government may have several Hydro accounts for a similar building. What is important is not how the information is made available but if the energy or fuel used is part of a traditional service.

This guidance includes descriptions and examples of the six traditional service sectors for the purpose of explaining the kinds of infrastructure or activities that would be included in each of the services. See the *Service Area Descriptions* and the *FAQs*.

What if one energy account provides energy to more than one service?

This may be the case for smaller communities in particular. For example, a local government may have the administration and recreation staff located in one building. If the building has one BC Hydro account for the provision of heat and light for the building, then only count the emissions once.

Getting started

To get started, begin by gathering all of your energy and fuel data. Next, identify what consumption is related to the delivery of traditional services. Some local governments or Modern Treaty Nations may find that calculating or excluding small "non-traditional" energy consumption is not worth the time required. If that is the case it may be easier, and more cost-effective, to capture all consumption information.

Eventually, in order to ascertain what your local governments' or Modern Treaty Nations' emissions are, the energy consumption data that you collect will need to be converted into GHG emissions. Local governments and Modern Treaty Nations are not required to do any calculations or conversion of energy consumption themselves as this can be done by a data collection tool. An inventory tool will automatically convert energy consumption into GHG emissions which must be reported as tonnes of carbon dioxide equivalents or tCO2e. The calculated CO2e value of the emissions produced by a local government or Modern Treaty Nation is what is often referred to as a "carbon footprint". Understanding the sources of emissions is an important part of identifying and planning where to reduce emissions. The Province has provided a traditional services inventory

reporting tool and a contractor services estimation calculator for local governments and Modern Treaty Nations to employ to develop their traditional services inventories.

Service Areas and FAQs

This section of the document provides answers to frequently asked questions on LGCAP traditional services operations scope and boundaries.

Service Area – Administration and Governance

Q Is a tourism centre considered part of "economic development"?
A Yes, a tourism centre is considered part of economic development and therefore is within the traditional services boundaries and must be counted.

Q Energy used to execute a regulatory responsibility is included. What does this mean?
A Fuel consumed by a vehicle used to execute a regulatory responsibility such as bylaw enforcement would be considered in scope and that fuel would be counted.

Q If staff are using their own cars instead of a fleet vehicle, do I need to count their fuel consumption?
A Yes, in essence the staff person is contracting the use of their car to the local government or Modern Treaty Nation. If fuel consumption is not readily available it is possible to collect information on the type of vehicle (e.g. mid-sized car), fuel type and kilometres travelled. This information is likely already captured when staff submit expense forms for vehicle use. Note that "travel" is excluded.

Q How do I know how much fuel each vehicle uses?
A There are two ways in which to capture vehicle related emissions. The first is to report on the type of vehicle and the kilometres travelled in a year. With this information an estimation of the GHG emissions related to the vehicle can be made. The other option is to report on fuel use. This data may not be recorded on a per vehicle basis but by a gas card which is attributed to a particular work group. The data does not need to be presented on a per vehicle basis.

Q Who is responsible for the emissions of Regional District staff who do work on behalf of Municipalities?
A Regional Districts are responsible for the emissions related to housing and transporting their staff even if those staff are doing work on behalf of a Municipality.

Q If we hire consultants to work on our Official Community Plan or Regional Growth Strategy, do we count the emissions associated with their travel to our offices or to various municipalities?
A Emissions related to travel are considered outside the traditional services boundaries. Additionally, for short travel between local governments for the purposes of meetings and consultation those emissions are also considered out of scope because fuel consumption is not a significant part of the service delivery.

Q What do we do if we do not have building energy consumption data?
A If energy consumption data is not readily available, it is possible to use the square footage of the building and the primary use (e.g. offices) to estimate consumption.

Q What if we lease out part of a building, or multiple buildings, to another entity?
A If the service being provided is not a traditional service, then you do not need to report it. For example, some local governments and Modern treaty Nations own buildings which are used for subsidized housing. The local government or Modern Treaty Nation owns the space, but it is being used for a non-traditional service and therefore is excluded.

Service Area – Drinking, Storm and Wastewater

Q Is the collection of waste heat from sewer lines in scope?

A No.

Q Do I need to calculate the emissions which come from the wastewater?

A The emissions which come from the wastewater itself do not need to be captured or calculated as part of a footprint.

A In the case of a regional water distribution and sanitary system, operated by a regional district, should the emissions related to the operation of these facilities be included in the regional district inventory? Or should it be divided among the member municipalities?

Q If you do not provide the service then there is no need to include it in the inventory. If the regional district provides the service then it is appropriate for it to be counted in their inventory. The main goal is to avoid double counting of emissions. The local government that is responsible for the service is responsible for the emissions. The service bylaw should indicate the local government that is responsible for providing the service. In some areas it is owned by the regional district and it is their responsibility: in other areas a municipality may be responsible.

Service Area – Solid Waste Collection, Transportation and Diversion

Q How do I determine who is responsible for the emissions?

A The local government that is responsible for the service is responsible for the emissions. The service bylaw should indicate the local government that is responsible for providing the service. In some areas it is owned by the regional district and it is their responsibility: in other areas a municipality may be responsible for the garbage collection and transport to the transfer station but the Regional District is responsible for the transfer station and the transportation of the waste to the landfill.

Q How far is the transportation of solid waste tracked?

A The transportation of solid waste is tracked until the local government is no longer responsible for the waste. In the example given above the municipality is only responsible for the waste until it is taken to a transfer station owned by a regional district. However, if the municipality owned the transfer station then they would be responsible for it until it left the transfer station.

Q How do we capture emission data if we do not offer garbage collection?

A Some local governments don’t collect solid waste and don’t contract solid waste collection. Instead, private citizens either take their waste to a designated site or contract a solid waste collector to provide this service. In either of these instances the local government is not involved in the service delivery and therefore is not responsible for capturing related emission data.

Q Are emissions from the operation of the landfill in scope?

A No, only those emissions associated with the collection, transportation and diversion are in scope. As a result, energy/fuel consumption associated with the operation of a landfill or emissions which result from the landfill itself are not included.

Q Since pick up of residential packaging and printed paper is out of scope for reporting, how should situations where vehicles that handle multiple streams of waste or where a building is used for more than one purpose (ie. as a transfer station, storage facility or yard and garden waste station) be accounted for?

A If vehicles used to pick up recycling are also used for a purpose that is in scope for reporting (ie. pick up of garbage or compost), or if buildings are also used as transfer stations or storage facilities for garbage or garden waste, then the attributable portion of in-scope emissions should be accounted for.
Local governments are advised to estimate the portion of in-scope emissions in a conservative, defensible, consistent and transparent manner (for example, based on weightings or ratios).

Q Our community's garbage and recycling program extends beyond residential services. How do we record our emissions in a situation where a vehicle or building accepts recyclables from residential as well as industrial, commercial and institutional (ICI) sectors?
A The BC Recycling Regulation shifted end-of-life management of residential packaging and printed paper to the businesses that produce these materials. Following from this, we have removed collection, transportation and diversion of residential packaging and printed paper from what is considered in scope for reporting emissions under LGCAP.

Q Is transfer station activity included, and how about transportation between transfer stations and the landfill.
A The provision of services related to municipal solid waste are in scope. This includes transportation and buildings. The emissions from anaerobic decomposition are out of scope and would be included in community emissions.

ICI materials are currently not included in the residential Recycle BC program. Consequently, they remain in-scope for reporting under LGCAP.

If a vehicle picks up or a transfer station/building receives recyclables from the ICI sector, local governments are required to continue to account for emissions from recycling pick up or from transfer stations from that sector.

Service Area – Roads and Traffic Operations

Q How do I know if roadwork is maintenance or construction?
A Construction work is an infrequent, usually costly, activity that provides benefit for several years and maintenance is an annual expense associated with maintaining the asset. Public Sector Accounting Board (PSAB) 3150 refers to Tangible Capital Assets (TCAs) and the **construction** or betterment of these TCAs are often **capitalized** over a longer period of time. Conversely, **maintenance** is part of the **annual expenses** associated with the service or assets and necessary to maintain the integrity of the service or asset. For example, widening, lengthening or resurfacing a road may all be capitalized expenses. If they are capitalized expenses, then those projects are construction. However, filling potholes, painting new lines, and clearing debris off the roads are likely reoccurring expenses which are not capitalized and therefore considered maintenance.

Q What if we contract out our road maintenance?
A Any Traditional Services which are contracted out are still considered part of a local government's or Modern Treaty Nation's emissions. The information which you need to collect is that related to the fuel consumed in the provision of the service. Therefore, you do not need to collect information on the energy use of the contractor's buildings only the fuel consumed by the vehicles.

Q Are ashphalt plants in scope for LGCAP reporting?
A Asphalt plants are not considered a traditional service operated by most municipalities. The exception would be energy related to the operation and maintenance of roads. As a result, vehicles used to transport asphalt for road maintenance would be in scope.

Service Area – Arts, Recreation, Parks and Cultural Services

Q How do I know if work on a building is maintenance or construction?
A Please refer to the answer on maintenance and construction under “Roads and Traffic Operation”.

Q Libraries are identified as being a traditional service but there are different types libraries: integrated public libraries, municipal libraries, regional libraries. Are all libraries to be included in the footprint and how do we know if we are responsible for the emissions?

A You will need to include the emissions related to the library if it is consolidated into your financial statements. If it is not included in your financial statements, then you do not need to include it.

Q Do I need to count how much coolant is used by our local government?
A A decision has been made to exclude air conditioning in vehicles from the traditional services basket; however, many local governments have arenas which require the use of coolants. It should be noted that most coolants have very high global warming potentials and therefore have a significant and negative impact on the climate. If you have a system which is leaking coolant it would be best to repair it and possibly switch to a more climate friendly coolant blend.

Q How do I get energy information if the building is owned by the Province?
A Buildings which are owned by the Province or a Public Sector Organization (PSO) do not need to be reported by local governments. These buildings are already being counted as per the legislation which mandated carbon neutrality in these sectors for 2010.

Q Are conference centres in scope for reporting?
A Conference centers run by a municipality would be in scope as they are arts & recreational services.

Service Area – Fire Protection

Q Do local governments have to capture energy data from volunteer fire departments?

A Yes, local governments need to get data on vehicle fuel consumption and building energy consumption from all fire departments.

Q Do local governments need to get data on fuel use of firefighters’ personal vehicles?

A Commuting to work is not included in the traditional services emissions. Therefore, if a firefighter drives to the fire hall for a shift or directly to a fire, the fuel consumption is not included as it is considered “commuting”. However, if firefighters use their personal vehicles for regular work-related travel such as going to a school to run an educational session and expense that travel then those emissions are to be included.

Q Are municipal fire halls and volunteer fire halls both included and is the same data captured?

A Yes.

Other

Q How do I account for offsets or reduction credits under LGCAP?
A Only emissions sources are included in the LGCAP traditional services inventory, so reductions are excluded. Carbon neutrality is not a component of the Program.

Q Should RCMP buildings and fleets be included in reported GHG emissions?
A Policing services are out of scope to ensure comparability across both time (police services were out of scope for the previous Climate Action Revenue Incentive Program) and space. Therefore, you should not include RCMP emissions or policing emissions in the case that your local government provides these services.

Q Would consultants that are contracted out but make trips to a community be included in the emissions data?
A Commuting to work is considered out of scope for municipal employees and therefore this same rule should be applied to contractors.

Q If a local government contracts out to another local government, presumably they are reporting so those contracts can be excluded?
A The local government that is responsible for the service is typically responsible for the emissions. The main consideration is to avoid double counting between organizations. See the section on subsidiaries and contracted services with multiple approaches.

Q Are only goods and services associated with operations and maintenance included under the LGCAP scope or should capital investments also be included?
A Any emissions related to the operation and maintenance of traditional services are included. Emissions related to new construction, capital expenditures, business travel, employee commuting, and materials (indirect emissions) are not included.