

CA Cap and Trade Allowance Retirement Fundraising Handbook

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RE: Spring 2015 Legacy Project

To Whom It May Concern:

In the spring of 2015, we set out to do research on California's cap and trade program for our economics senior capstone project. For the legacy portion of our project, we intended to become general market participants in the cap and trade quarterly auction and used fundraised money to purchase and permanently retire greenhouse gas emissions allowances on behalf of the university and the department. Our research abstract is as follows:

In 2006 the California State Assembly passed Assembly Bill 32, or the California Global Warming Solutions Act. AB-32 appointed the Air Resources Board as lead agency to implement a reduction in greenhouse gas (GHG) emissions back to 1990 levels by 2020. One of the ways that the ARB is facilitating this reduction is through the development and implementation of California's first GHG emissions cap and trade program. The program sets a maximum amount of allowable emissions for the industry (the "cap") then enables individual businesses to "trade" emissions allowances. Trading creates incentives to reduce GHGs below allowable levels through investments in clean technologies. Allowances can also be transferred to a retirement account, permanently lowering the cap.

The rest of this letter will serve to point out what issues and successes we had with the project. The intent is for future generations of students, who wish to undertake the retirement project, to learn from our mistakes and build on our good work. We encourage anyone who does take on the project to add their own letters at the end of each academic year.

When we first started out, we had every intention of becoming registered users with CITSS, the Compliance Instrument Tracking System Service for the cap and trade program. CITSS is like an online bank for allowances. Once you become a registered member you can participate in the quarterly allowance auctions and upon purchasing allowances (through the auction or a secondary market) you can store your allowances in your CITSS account. Within your CITSS profile you may have multiple accounts, ones that acts like checking accounts, for purposes of transferring back and forth with other entities and one that acts like a savings, for covering your compliance amount (for regulated entities). Furthermore, the Air Resource Board has a retirement account

where entities can voluntarily transfer allowances to be taken off of the market forever, never to be used to cover that amount of emissions.

Issues that we had with this process is that the information about registration and auction participation is lengthy, technical, and not always easy to find on the ARB website. When we would make calls to the CITSS information line, the individuals taking our calls seemed to have an "it's not my job" attitude about answering our questions. Keep in mind that regulated entities hire individuals, or sometimes teams of individuals just to navigate this process each year. The process for participating in the secondary market is even more convoluted and usually requires transactions to be handled through a broker which requires a fee. The ARB representatives were not even allowed to give us information over the phone about how the secondary market works at all! Eventually we did get registered after months of sending in paperwork, only to finally be told that the minimum bid for the auctions is 1,000 allowances. (auction floor price= \$12.10; 1,000 allowances= \$12,000 minimum) We didn't have that kind of cash or fundraising power, but we weren't going to give up. (If you want to know more about CITSS or the CA cap and trade program, in general, visit: [ARB Website](#))

The solution to our retirement process came in the form of a non-profit, Carbon Lighthouse Association. CLA is a non-profit organization dedicated to the reduction of greenhouse gas emissions. According to their website, their primary mission is to "provide a transparent, legally enforceable mechanism for individuals and organizations to negate their carbon footprint through verifiable carbon allowances". You can donate directly through their webpage here: [Carbon Lighthouse Association](#) Each \$15 donation goes toward the purchase of one allowance which CLA retires for you. After you make a donation, the association sends you a certificate for your allowances.

Now that we knew where our money would be going, we needed to get some money! We fundraised for 5 weeks, starting the first week of April and going through the first week of May. We raised \$345 which will buy us 23 allowances, reducing the California pollution cap by 23 tons of greenhouse gas emissions. We have since established a relationship with the Business and Economics Club which has voted to help fundraise for this cause as one of their yearly "give back" initiatives. If you were to fundraise for all nine months of the academic year and raise at least half of what we did each of those months, you could retire approximately 100 tons! More details on our FUNdraising adventures can be found on the next few pages of this handbook.

Thank you for reading and considering taking on this project as your own.

Best of Luck,

FUNdraising Ideas

Ideas we used:

Bake Sales: We had 5 different bake sales in front of Murphy's Marketplace in both Sunnybrae and on Alliance. We had four on Sundays and one on a Saturday. Three of our bake sales went from 9a.m. to 2 p.m. and twice we went from 10.m. to 1p.m. If you want to have a bake sale, you just call the Murphy's of your choice before noon and ask for the manager. Express that you are interested in doing a bake sale on ___day at ___ time and they will tell you whether or not the space is available. If it is, you simply show up that day, set up, and wait for customers. (Inquire inside the store if you don't know where to put the table.)

What worked:

- The marketplace in Sunnybrae got more traffic, and we were allowed to put our table closer to the door which got us more attention.
- We found that holidays boost sales. Our first bake was the most lucrative because it was on Easter. We raised about \$175 that day.
- A lot of money came from cupcake, cookie, and brownie sales but also from generous donations by people who were interested in our cause. We made butcher paper posters to hang on the table which said "Help Support the HSU Economics Department", "Help Support the Business and Economics Club", and "Help reduce CA Pollution Levels". Some people donated more after stopping to ask about our cause and learning about our allowance retirement project but most were excited to help college students in general.
- Themed, or nicely decorated cupcakes also boosted sales. We sold out in just 3 hours when we made Star Wars cupcakes!
- Sundays appear to be more lucrative because there is a church going crowd.

Thing to Keep in Mind:

- You will need your own table. You may be able to "rent" one through the university. Talk to the Clubs and Activities Office about this.
- Murphys in Sunnybrae has chairs out front that you can use... the one on Alliance does not.
- We found that about 4 dozen cupcakes and a pan of brownies is enough for three hours. For a five hour bake sale, we suggest 5 dozen cupcakes and 2 pans of brownies.
- It takes anywhere from 4-6 hours to prep, prepare, and decorate all of the baked goods for one sale. There was much less work/stress when we had help!

- Sitting at the table for 5 hours gets boring and can be time consuming on a weekend. Recruiting a team of friends to help bake and man the table in shifts is ideal. (about people would be perfect)
- You will need some small change to start out each sale. Make sure to keep track of your start funds!
- We invested about \$100 on cake mix, brownie mix, eggs, oil, and frosting for all 5 bake sales. We broke even on the first sale. Consider buying mix when it goes on sale. We saved \$53 by buying the mix all at once because Safeway was having a \$1 each sale. Use the dollar tree! They have frosting, oil, and sometimes eggs.

Things That We Did Not Try:

- Other locations.
- Different times of day/night.
- We mostly advertised through social media and the weekly department announcements. Try putting up flyers around campus or in the community to boost sales.

Jellybean Count: We filled a huge jar with jellybeans and tabled in the University Center quad. The idea was that people could donate \$1 and make a guess on how many jellybeans were in the jar. We planned to do this multiple times until we had a good number of guesses. The person who guessed closest would get \$10 and the beans. You can check out a table easily at the Clubs and Activities Office.

Things That Worked:

- Not Much. People at HSU don't seem too willing to take a gamble. Try combining this with another fundraiser. Maybe if you can get people to the table for baked goods, then you can convince them to pitch in one more dollar on a guess.

Things That Didn't Work:

- Finding time to table was difficult with our busy schedules. Get a team of people to take short shifts.
- HSU students seem to be flooded with "causes" to support. It was much harder to get them interested in donating than it was with community members. You have to be willing to really sell them on it by approaching people and/or flagging them down.
- Students don't seem to carry cash.

Ideas we didn't use but think would be cool:

- Send a donation request letter to alumnae. This letter would need to explain what you are raising money for, when you need it by, and where to send it. This letter would need to be vetted by the department chair and the alumnae relations office which could take some time... start early!
- We wanted to do a "Pie a Professor" event on the UC quad. The idea was that professors would volunteer to be "pied" in the face for a nominal amount. Each professor would be provided with a chair to sit in and a trash bag with a hole for their head to protect their clothes. Students would donate between \$2-\$5 and receive a pie pan full of whip cream which they could shove in the professors face! We only got one volunteer from the economics department but you could reach out to the Business professors and possibly environmental science as well.
- Pool tournament in the depot. Students would donate a nominal amount in order to "register" for the tournament. (as individuals or teams) You would set up a bracket of players and the overall winner would get half of the entry money or some other prize.
- Recycling challenge. Procure one or two large garbage bins and gets permission to store them somewhere in the department. Encourage students through social media and classroom interaction to bring their recycling to these cans. Take the material to the recycling center in Eureka and trade it in for cash.
- Have a yard sale. Get donations from friends and fellow students. If you don't have a yard, rent a room on campus. Advertise through HumboldtNow, flyers, depot table triangles, Craigslist, and other social media.
- Reach out to local businesses. Make a letter similar to the alumnae letter, asking for donations. Drop them off with local area businesses and see what you can get. Pre-prepared food donations can be used to sell on the quad (make sure you get your food permit through Clubs and Activities) and other donations can be used as prizes for things like the pool tournament. Don't forget to ask the HSU bookstore!
- Change drive. Get some large cans or jars and wrap them with a short blurb about retiring allowances. Pass the can/jar around in your classes. (Ask you professor if it's okay, and let the students know what the money is for at the beginning of class.) Maybe pre-warn students that you will be bringing the jar on certain days of the week so they know to bring their change. Also, consider getting permission to leave some jars at local businesses. Don't forget where you left them!

Your Ideas: