

# NET ZERO BUSINESS CASE

**PREPARED FOR:**

**ZERO HEROES**



.....  
Energise Ltd  
8 Eaton Court, Colmworth  
Business Park, St Neots  
PE19 8ER



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**PREPARED BY:**  
Energise  
info@energise.com



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# WHY GO NET ZERO

**As humans our progress has been based on unsustainable use of natural resources. The extract-use-pollute-throwaway paradigm means our natural system cannot regenerate or adapt fast enough. It is time for *us* to change and adapt instead.**

Net Zero means reducing the UK's emissions by 100% from 1990 levels. Greenhouse gas emissions that can't be avoided must be matched by removing the equivalent from the atmosphere. In general, it is accepted that to be "going Net Zero" means to be acting in a way that will limit human cause Climate Change temperature rise to 1.5°C.

The 21st Century sees a race to rapidly reduce greenhouse gas (GHG) emissions to zero, enabling us to transition from fossil fuel sources to Net Zero. The more of us that join the race, the faster we will progress and the more benefits we will generate for each other.

## WHY NOW?

*To avoid the most serious potential impacts of climate change, the UNFCCC has set out a limit to the amount of emissions that can be released into the atmosphere before the target to limit average temperature rise to a 1.5°C/2°C increase is achieved. The amount of carbon that can still be emitted is termed a "carbon budget". It is crucial that we all set out a way to use our budget, as we would with any financial budget. **The more carbon we emit now (i.e. carbon we've spent already), the faster and deeper our emissions reductions will need to be in the future, which will likely be at greater cost and risk.***



## HOW TO GET THERE?

The 1.5°C was the agreed target from the Paris Agreement. To meet it we need to "put the carbon handbrake on". We can all do this by being more energy efficient, using renewable/low carbon technologies and then utilising tree planting/carbon offsetting to counterbalance the rest. We've set out in this guidance how you first reduce your energy use, then generate your energy needs from lower/zero carbon solutions and then ultimately "offset" the balance to achieve "Net Zero".



## HOW TO ACT

You can undertake a whole range of measures to reduce your carbon footprint directly. There are many ways to live a lower carbon lifestyle, and every one of them has a real impact on tackling climate change, air pollution, the security of energy supply, and in many cases provides a financial benefit too. This guide outlines how to engage your team.

# YOUR NET ZERO PATHWAY

“We are the first generation to feel the effect of climate change and the last generation who can do something about it.”

## YOUR KEY STEPS ON THE PATHWAY TO NET ZERO...

- + REVIEW**  
TRACK YOUR CARBON FOOTPRINT
- + REDUCE**  
USE LESS ENERGY/RESOURCES
- + RENEW**  
ADOPT MODERN TECHNOLOGIES
- + REBALANCE**  
OFFSET THE REMAINING FOOTPRINT





## MAKING A BUSINESS CASE

### HOW TO WIN BACKING FOR YOUR NET ZERO PLAN & INFLUENCE YOUR TEAMS

#### Why does this matter?

- Projects related to carbon reduction/offsetting are not generally seen as essential to the survival of a business nor are they often driven by a legal or regulatory requirement. Additionally, they are often smaller scale than other projects being considered by decision makers which sometimes diminishes the perceived importance.
- To make a success of your projects is not just about financial approval/backing, it is about buy-in from the team that is required to make it a success.
- To deliver your Pathway to Net Zero, you will need the process of obtaining backing for projects to become an ongoing and continuous outcome rather than a one-off.

#### So what are the key points to consider:

- **WHO MAKES THE DECISION:** Decision making processes differ from business to business. You need to understand who is making the decision. The decision is not just financial. Consider that you need to have 'buy-in' in any hierarchy as you may have financial agreement but if colleagues or a wider team creates too much unwanted change, you may find there are "vetoes" that can occur along the way.
- **BUILDING INFLUENCE AND REPUTATION:** Delivering long term results generally relies upon identifying a senior ally/sponsor. This person can help you understand perspectives at a senior level and formaluate your proposals better. Most importantly, they will become the advocate of your recommendations. You will need to build a record for success to keep these relationships active.
- **BUILD YOUR BUSINESS CASE:** You will need to consider all of the key points that would be expected in any business case. There is a checklist on the next page to assist you in this point.
- **DEVELOPING YOUR PROPOSAL:** Almost all business cases need to be developed beyond their first draft. You should consider the following top 5 points to evolve your pitch:
  1. Understand your audience – refine the language and approach to focus on them
  2. Be clear and concise – over time you will probably find a better way to say things
  3. Try to make comparisons positive – in general, positive psychology works and negative comments can be seen as disloyal to an organisation
  4. Use diagrams rather than numbers where possible – this will make your document more attractive and easier to follow
  5. Remember the safe response and challenge it – for any board, the easiest response is to reject your idea; it is a safe answer. You need to convince them.
- **MAINTAINING MOMENTUM:** If you get the decision you wanted, be prepared to act on it straight away. Monitor your savings/improvements so that you can use them to support future business cases. Make sure you "shout" about the successes and keep a record of them for future use.

**A reminder of the key “don’ts” of making a business case:**

The following common pitfalls can often undermine confidence in a business case and make securing backing and maintaining momentum much harder:

- Not providing a clear precise action plan/outcome, so the audience does not know what they are actually agreeing to.
- Rambling during any presentations; it is a turn off for almost all audiences.
- Poor financial analysis. Any financial mind wants to know you have a firm grasp of the numbers.
- Not understanding risk. Most Directors will want to know you understand the risks and how you are going to control them.
- Not considering the alternatives. Any business case needs to show the alternative options available and the “pros” and “cons” of each approach.
- Not considering the business’ strategy. Any organisation will need to ensure projects are aligned with the wider business strategy.
- Using jargon/abbreviations that are not common knowledge. It will lead to some/all of your audience not knowing what message you are trying to relay.

# BUSINESS CASE CHECKLIST

## KEY POINTS TO MAKE SURE YOU COVER WHEN BUILDING YOUR BUSINESS CASE

1. *Ensure you know the true and total cost of the project*
2. *Check across the business for similar/complementary work*
3. *Calculate the benefits of all forms (energy, carbon, cost savings)*
4. *Provide an estimate of how long the benefits will last for*
5. *Make sure you know where funding could come from*
6. *Provide a clearly laid out project timetable*
7. *Ensure you have done some form of financial analysis (e.g. NPV)*
8. *Present some form of risk analysis*
9. *Ensure you include a summary of best practice/case studies*
10. *Summarise any non-financial benefits*



**THANK YOU  
FOR BEING  
A ZERO HERO!**

**KEEP UP THE GOOD WORK**