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MIDWEST BUSINESSES ACCEPT THE CHALLENGE:

Reduce Greenhouse Gas Emissions and Expand the Economy

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There is a growing consensus that climate change is one of the most significant environmental issues facing the world today. Current energy use practices in the United States and around the world have been determined to be main contributors to global warming and climate change, which has the potential to disrupt economic and social stability as well as ecological well-being. There has long been a concern that to effectively address the global warming problem we must decide between a healthy environment and economic growth. A recent Congressional briefing dispelled this myth by demonstrating that clean energy products and technologies that reduce greenhouse gases are not incompatible with corporate profits and the creation of jobs.

A Congressional briefing co-sponsored by the Environmental and Energy Study Institute (EESI), the Environmental Law and Policy Center of the Midwest (ELPC) and the Midwest Global Warming Leadership Council established that environmentally conscious businesses in the Midwest are reducing

greenhouse gases while expanding the economy. The briefing focused on several companies that have committed themselves to fighting climate change through the development of forward-thinking, environmentally conscious technologies and products. These energy efficient products include air conditioners, insulation, light bulbs and windows. Other businesses are creating opportunities for integrating solar energy, wind power, and fuel cells into the nation's electricity mix. These Midwest businesses are blazing a trail for future generations of industry leaders by providing solutions to reduce greenhouse gas emissions while creating and supporting thousands of jobs in Midwest states.

The distinguished panel of speakers featured several business leaders from the Midwest Global Warming Leadership Council. The Leadership Council is a new coalition of businesses and institutions in the Midwest that work to combat climate change and expand the economy through clean energy, products and services. The Leadership Council is striving to show the public and policymakers that there is not a trade off between the environment and the economy. These innovative industry leaders are demonstrating business practices that are both economically and environmentally viable. Howard Learner, executive director of the ELPC, which is located in Chicago, began the proceedings with an old saying: "If your only tool is a hammer, than you tend to

PANELISTS

Howard Learner
Executive Director, Environmental Law and Policy Center of the Midwest, Chicago, Illinois

R. Christopher Mathis
Technical Specification Manager, Andersen Corporation, Bayport, Minnesota

Chris Dufrense
Assistant to the President, Spire Corporation and Spire Solar Chicago, Chicago, Illinois

Eugene Smithart
Director of Environmental Affairs, LaCrosse Business Unit, The Trane Company, La Crosse, Wisconsin

see all your problems as nails." Learner described ELPC and the Midwest Global Leadership Council, which ELPC coordinates, as giving the region a diverse set of tools to practice a variety of solutions to engage many important environmental problems facing both the residents of the Midwest and the global population. Learner described the ELPC as a place that believes sustainable development will lead to environmental progress and economic growth. The Midwest Global Leadership Council was created in January 2000 and now boasts 24 members. The Council's goal is to demonstrate that a move toward environmentally sound development will help reduce greenhouse gas emissions and improve the Midwest economy. The Council hopes that by promoting the success of its members' energy efficiency and renewable power initiatives they can help shape climate change debates at local, state and national levels.

*"All you have heard about is the losers, it's time to hear about the winners."
- Howard Learner, Executive Director,
Environmental Law and Policy Center of
the Midwest*

SPIRE SOLAR CHICAGO



Chris Dufrense, of Spire Solar Chicago, sees his company's goal as linking both renewable energy needs with economic growth in local communities so that everyone wins. According to Dufrense, the deregulation of the electric utility industry represents an important opportunity for the renewable industry to flourish because the market is demanding energy choices that are cleaner, more efficient and affordable.

Spire Corporation, founded in 1969, is one of the world's leading manufacturers of solar photovoltaics (PV). They have been researching PVs since 1973 and manufacturing them since 1983. Spire has facilities in 40 countries and operates 20 manufacturing plants globally. Their success in operating on a global level is a result of federal funds granted to them for research and development. Chris Dufrense said that PV is power when you need it. It is efficient, it has no emissions, it is direct electricity from light, and it is scalable, meaning it can be placed almost anywhere. Photovoltaics can be found in calculators, they can be placed on the roof of houses or businesses, and they can also be used as insurance against power outages.

Spire manufactures solar photovoltaic modules and assembles them into systems that can be bought and sold globally. The city of Chicago has made a pledge to use renewable power whenever possible. With assistance from state and federal agencies, Spire is taking advantage of this pledge and is investing at the local level by producing their PVs in the area. By concentrating and

developing the local infrastructure, Spire is reducing the cost of PVs, while making them more affordable and more practical for local communities. Spire is planning to use their PV technology in underdeveloped areas of Chicago, such as brownfields. According to Dufresne, not only would developing brownfields for power generation be beneficial environmentally, it would also increase the tax base, thus creating positive economic benefits for the community. As a result, electricity generation will improve, jobs will be created, and global emissions will be reduced. Chris Dufresne stressed that Spire and the city of Chicago are a model for all major metropolitan areas by demonstrating that the market for this kind of technology exists within all U.S. cities and counties.

THE TRANE COMPANY

Another winner in the Midwest is The Trane Company. Gene Smithart, director of environmental affairs, has been with Trane since 1973. Smithart is a recent recipient of the United States Environmental Protection Agency's (EPA) Climate Protection Award. The Trane Company is the largest manufacturer of commercial air conditioners in the world. Trane has been in the air conditioner business for the past sixty-nine years, and in that time they have established themselves as innovative industry leaders committed to reducing greenhouse gases. They manufacture the most efficient chillers on the market today. Chillers produce the coolant that creates air conditioning. Trane's chiller is the only chiller in the world that has received the EPA's Climate Protection Award.

"We ought to be committed to do what is right, because in the end the thing that will matter is the kind of world we hand off to our children and our children's children."

- Gene Smithart, Trane Company

Smithart spoke about the importance of addressing global warming and stratospheric ozone depletion. According to Smithart, very little has forced such tremendous change on his industry than the changes brought on by the emergence of these two issues. This is why Trane's policy is to create a "no risk" solution for consumers, manufacturers, and regulators by investing in solutions that make both environmental and economic sense. Solutions that integrate the environment and economic growth contribute to, what Smithart calls, lifecycle costing sense. Lifecycle costing is a way for industry and consumers to invest in energy efficiency and reduce greenhouse gases. The initial cost when purchasing a product that is more efficient is often greater, but over the lifetime of that product the cost is recuperated. This, according to Smithart, is money in your pocket.

Smithart argued that energy efficiency is important because the majority of electricity worldwide and almost 70 percent of electricity in the United States is dependent on the burning of fossil fuels, mainly coal. In 1999, 69 percent of all electricity came from fossil fuels while only 10 percent could be attributed to renewables. As fossil fuels become harder to obtain because of location, lack of adequate supplies and increased dependence on foreign nations, industry innovations, such as those at Trane Company, will have an edge in the global market. Irrespective of climate change, products that have zero emissions will gain a competitive advantage in the market.

ANDERSEN CORPORATION

Andersen Corporation is among the world's leading manufacturers of energy and environmentally efficient products. In 1998, the United States Environmental Protection Agency named the Andersen Corporation, its Outstanding Energy Star Homes Manufacturer Ally. Andersen was the first national window and patio door manufacturer to receive this award. Chris Mathis, the technical specifications manager for Andersen Corporation said, "I would not be standing before you today if protecting the environment was not good for business."

Andersen Corporation has made a drastic reduction in greenhouse gas emissions since 1988. They have reduced their landfill deposits by 98 percent by implementing an innovative recycling program. Sawdust collection systems supply their plants with energy and materials for new products. They are putting to use increasing volumes of reclaimed wood that are also being used for the creation of new products. Andersen has integrated a closed-loop water cooling system, reusing process water which has resulted in a 54 percent drop in well water usage over the past eight years. They have also reduced their packaging by 300,000 pounds using a reusable glass transport system. Andersen is creating state of the art solutions in order to conserve and reuse waste from every aspect of their business. For these efforts they have received awards from the State of Minnesota and the Minnesota Chamber of Commerce.

Chris Mathis stressed the importance of energy efficiency in helping to offset burgeoning energy costs. According to Mathis, "If everyone in our nation replaced their windows with windows built in the last fifteen years we could shut down the Alaskan pipeline." Five percent of the nation's heating and cooling is lost through our windows. Mathis pointed out that the energy lost could power New York City for a year and a half, produce 64 days of natural gas consumption or equal the energy production of 110 coal fired plants. It is taking 30 – 50 years for technology to become 50 percent integrated. This, Mathis noted, is one of the biggest dilemmas they are facing today.

Mathis believes that the federal government plays an important role and has tremendous opportunity in encouraging more efficient technologies. The federal government has the largest energy bill and is the single largest energy user in the country. The Department of Defense alone is the largest property owner in the country. However, according to Mathis, the federal government needs to continue to be the early adapter of energy efficient technologies and be more direct in their efforts to encourage industry leaders to increase research and development and speed product integration.

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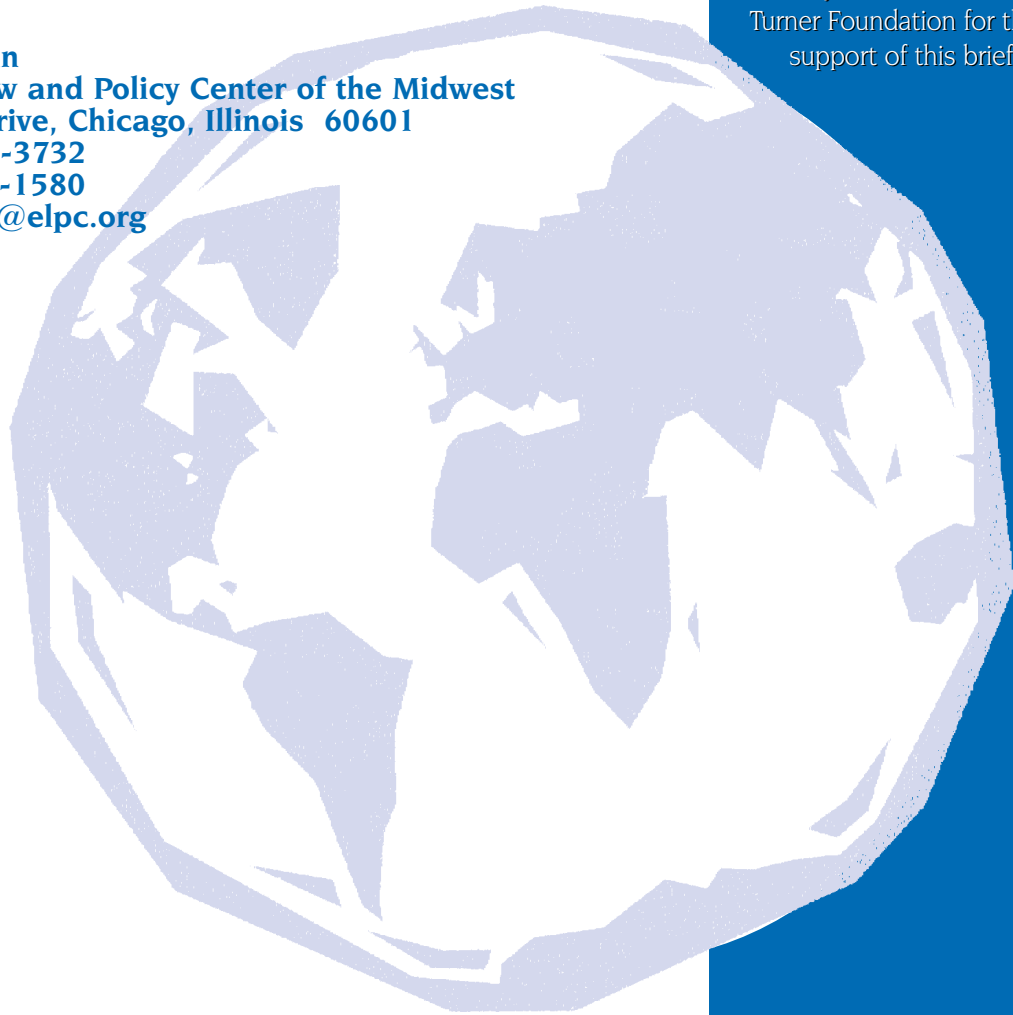
CONCLUSION

The Midwest Global Warming Leadership Council is successfully demonstrating that reducing carbon emissions can help the nation's economy and the environment. Businesses are recognizing the importance of addressing global warming while creating economic profits and protecting the environment. The perspective of these Midwestern companies is that there is no trade off between protecting the environment and growing the economy. By positioning themselves ahead of the curve, these businesses are showing the rest of the country that they, the environment, and the economy are all winners.

*"I would not be standing before you today if protecting the environment was not good for business."
- Chris Mathis, Andersen Corporation*

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