

# Moving Toward a Greener Tomorrow

## situation

"Green" companies realize several commercial benefits. Going green helps differentiate a company or its products from the competition.

The energy efficiency or renewable energy measures taken to support green claims often reduce operating costs. And steps taken now will improve the company's ability to comply with future climate change legislation.

## in-house counsel challenge

Inside counsel must lead the effort to identify the changes needed to position a product or a company as green and ensure any proposed energy efficiency or renewable energy measures will precomply with proposed state and federal carbon legislation.

## approach adopted

Establish your goal(s). Does the company want to position itself as a "green" company; promote a specific green product; implement energy or renewable energy programs to save money; act early to comply with likely emission reductions programs; or all of the above?

Create a green team consisting of legal, government relations, product development, marketing, vendor/materials purchasing, real estate, energy procurement and a representative from each company location.

Designate one member to monitor climate change legislation and regulatory programs on the federal level and in each state in which you operate. Web sites, including the relatively neutral [Pew Center on Global Climate Change](#), share information. Active states, like [California](#), also have Web sites as do both the U.S. [Senate](#) and [House](#) for individual bills and legislative history.

Identify your green standards. If the company seeks to market a green product, standards may already exist to verify environmental claims. If not, is there a comparable product that performs a similar service or has a similar carbon footprint? In either case, the company should be prepared to justify its "green marketing" practices.

If you want to promote the company as socially progressive and environmentally conscious, a variety of measures will reduce your energy consumption and environmental impact. In the office, double-sided printing on recycled paper reduces consumption. New types of light bulbs and sensors and recycling have a significant impact. In the factory, examine the source and use of energy, particularly electricity. Is it possible to purchase renewable energy or obtain renewable energy credits?

Consider on-site generation of all or part of your electricity by installing fuel cells, solar panels or cogeneration or biomass facilities. These steps can reduce energy costs and generate valuable tax credits.

## implementation steps

- Monitor state and federal carbon legislation.
- Establish your goals: do you want to create a green product, reduce costs through energy efficiency, promote renewable energy use, preplan for carbon emissions programs or all of the above?
- Create a green team to determine the legal parameters that must be met to qualify as a "green" product or supplier.
- Be sure to address future carbon legislation.

[The Database of State Incentives for Renewables & Efficiency](#) describes federal, state and local renewable energy incentives.

Some of these steps will help meet impending carbon emission reduction programs such as "cap and trade." Choose the options that best help your company meet the proposed state and federal carbon compliance regimes and prepare for mandatory programs in the near future. If emission reductions are not feasible, consider options such as carbon credits, created and/or traded by organizations like the Chicago Climate Exchange, Regional Greenhouse Gas Initiative (RGGI) or the California Climate Action Registry.

Acting now will place you ahead of the compliance curve and provide a competitive advantage.

## measuring success

A successful program will not only support green product and environmental claims today but provide operational savings and a strong compliance foundation for expected federal and state carbon emissions legislation.



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