

ACCO Climate Leadership Summit

November 8-9, 2010 | Hyattsville, Maryland

Marriott Inn & Conference Center, University of Maryland University College
(The nation's first LEED certified conference center)

ROUNDTABLE NOTES

Track 6: Lifecycle of Operations and Products

Session 1: Developing Metrics and Methodologies Linking Energy < GHG Emissions and the Bottom Line

Moderators: Jeanne Renne-Malone, Denise Sheehan, Cary Krosinsky

Takeaways:

Companies are exploring various methods and metrics in linking emissions to business decision making. One example is where an ROI is determined without setting a price for carbon, but incentives/rebates are included. Although traditional ROI may not be sufficient to make a case, there also may be other considerations, for example Sun Chip's use of solar panels to provide power for their manufacturing which was an additional marketing angle. "Intangible" benefits may also include internal/external stakeholder relations, recruiting and employee morale, etc.

Organizations all want to be leaders, but no one wants to stick their neck out, creating a paradox that limits moving forward.

There are so many approaches and potential metrics that analysis needs to be done as to what is meaningful – what gets measured gets managed is not necessarily true if too much is being measured that does not have meaning. Some Japanese sustainability reports were noted as having many complex and long term goals and the connection to immediate action may not be readily apparent to those involved in day to day management. When metrics are complex and no longer can be grasped intuitively they are more difficult to use and become less relevant.

Communicating metrics to the public is another difficulty. EPA's equivalency calculator was noted as being useful in helping to do this. (<http://www.epa.gov/greenpower/pubs/calcmeth.htm>)

Facilities people need to be involved, but better ways of communicating with them are needed.

Customers are becoming a driver. Upper management reacts to what customers are doing. A lot of RFPs now are asking about climate change, but it is not always clear how this information is being used. Responding takes significant time. Some companies are moving to a consistent report based on the most important customers – this is also seen as helping to limit legal risk. General Services Agency is working in this area for government procurement, so this may be something to watch.

Competitors and leading companies of similar size are also used as benchmarks in considering metrics, and methodologies.

Level of granularity around supply sources is an area that some struggle with. Companies all want to present themselves in the best light, so for example may say they use oil, but if none of it comes from tar sands, they want to claim lower emissions. Companies like standards, but only when it works for them.

Companies are also struggling with absolute versus intensity metrics. No standards and companies tend to pick and choose to present themselves in the best light. Autodesk has proposed a metric that relates to GDP that seems to be more universal.

Carbon neutrality is set as a goal by some, but there is no standard definition of what that means. Product standards and labels are also proliferating – Green Seal and Underwriter’s Laboratory were mentioned.

Concerns were also expressed about confidentiality and competitiveness in disclosing information.

Next Steps:

Establish a working group focused on:

- Developing best practices for educating internal personnel
- Educating on differentiating among the product standards/labels
- Establishing a standard/universal response form that can be used for RFPs
- Prioritization in setting metrics
- Developing a methodology for linking energy, GHG emissions, intangibles and dollars