

Indiana's Green Standing

Panel Discusses Movement's Progress

By Candace Gwaltney

There's no doubt – green has moved into the mainstream. No longer for just the Birkenstock-wearing, peace-sign-yielding, organic-eating population (not that there is anything wrong with that).

Just check out the number of people who have rejected plastic bags on your next trip to the grocery store. Case in point, Whole Foods announced in April it has seen use of reusable bags triple in the last year.

And this is just the beginning.

While green is here to stay, how does Indiana fare in its efforts? Four panelists with varying backgrounds weigh in on how the Hoosier state is doing and what the business community needs to know going forward.

Our Experts:

- **Stephen Ashkin**, president of The Ashkin Group, LLC, a consulting firm working to green the cleaning industry
- **Wendy Barrott**, director of energy and environmental services for the city of Fort Wayne
- **David Steele**, 30 years of experience in the energy field and founder and managing principal for The Steele Group
- **Natalie Stucky**, a partner at Bose McKinney & Evans LLP and the first attorney in Indiana to become a Leadership in Energy and Environmental Design (LEED) Accredited Professional

What's green anyway?

While the association between green and the environment is engrained in society, our experts contend many misconceptions remain.

Green and sustainability are not the same thing, Stucky notes. She says green relates to the environment, while sustainability incorporates social aspects with environmental matters. "Responsible production, labor laws, all that kind of thing comes into sustainability."

Ashkin points to the Brundtland Commission's definition of sustainability: "...development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (That description comes from the United Nations commission's report published in 1987.)

"I think a lot of people always think green is just about hugging trees," Ashkin surmises.

Stucky adds: "Right, and organic gardening."

That brings up another misconception. Many people believe green jobs are different than what they are already doing. "A green job is basically a job that uses your same skill set, but you're using it in a different way," Barrott notes.

Sustainability and the social aspects come into play with green jobs, Barrott continues. "A lot of the leading agencies that are advocating for green jobs, the things they always (push) for are these jobs have to pay a living wage, career advancement, and they are always advocating for retraining of displaced workers. You can see those merging in green jobs."

Another aspect that sometimes is overlooked is human health, Stucky and Ashkin agree.

That's where Ashkin's expertise lies through his green cleaning advocacy.

"Commercial institutional cleaning (is) a \$180 billion a year industry in the U.S. that consumes over six billion pounds of chemicals, four and a half billion pounds of janitorial paper products, a billion pounds of other types of equipment, and there's enormous environmental impacts associated with that."

Ashkin says that switching to green, less toxic products is one of the easiest things businesses can do.

"The benefit beyond just the environmental impact is that it reduces risk to their workers by

using safer, less hazardous products (and) it creates healthier environments for the occupants of the building. And if our occupants are healthier, they tend to perform better," Ashkin asserts.

State of the state

So how is Indiana doing in the race to become a leader in green? Steele cites public and private ventures as evidence Indiana is heading in the right direction.

"If you look at this city (Indianapolis) or this state alone, Duke Energy is building their coal gasification plant; you have the Fowler Ridge Wind Farm; you have the ethanol plant in Marion; you have the K-Fuel project in Kokomo," he lists. Steele adds that Ball State University is starting a geothermal project (see Page 17).

Still, Ashkin worries Indiana is falling behind. He says he wonders if Indiana is taking it seriously enough and if the gap is actually widening between it and other states.

"I would love to see this state get more serious about it and commit to being a leader in a lot of these technologies," he continues. "Not just doing something, a demonstration or a single project, but determining not only to be a national leader but an international leader, because we certainly have the opportunity to do that. And someone is going to do it; the question is can Indiana rise to that challenge and be the state that does it."

Steele contends Indiana is moving in that direction. He points to EnerDel, a Central Indiana company that's a projected leader in building batteries for hybrid vehicles. Duke Energy's Jim Rogers is leading Project Plug-IN, which aims to add infrastructure in Indianapolis to test plug-in cars on a wider scale.

"I think that's demonstration of significant progress. You know, if we can get a plug-in car initiative here in the next year and some infrastructure to actually plug those cars in like we see at the malls in California, I think Indiana is no longer a sleepy Midwestern state," he shares. "I think we are demonstrating in the national marketplace that we're starting to think about these issues and taking appropriate action."

It's OK not to be California

Still, it's Indiana's abundance of coal and fresh water compared to the coasts that keeps the state from having "the same sense of urgency as perhaps the southwest and West Coast," Stucky asserts.

Barrott agrees. She's researched how the climate is changing in Fort Wayne compared to the coasts and dry regions, and the local impact is significantly less.

"Indiana is different from the coast or some of the other states in that in many of those places the populous have elected leaders that have led the movement; where in Indiana I think we have the populous pushing the

movement," Barrott emphasizes. She sees more grassroots efforts from organizations.

While the West Coast may lead the pack with its green plans, Steele says Indiana excels with its strategy to tackle the issues and its strong economy. States like California may have more green initiatives, but they are almost broke. "You have to balance all the issues," he asserts.

Good for cities, good for business



Steve Ashkin
The Ashkin Group

As Fort Wayne's director of energy and environmental services, Barrott focuses mostly on saving energy in the city's buildings and operations.

The city recently hired a contractor to conduct an energy audit. The goal is to save Fort Wayne between 10% and 20% in energy costs. That would be \$300,000 to \$600,000 a year – just including civil, public safety and parks departments, Barrott notes.

Final data from the audit was not available at the time of this discussion.

Barrott says she sees growing awareness in government of the benefits of energy audits as consultants take a more proactive approach to spreading the word.

"And there are more Indiana cities that are hiring people for their energy expertise because we're very crushed for resources. We have to look at every aspect of our business to try and squeeze every penny we can out of every dollar," she offers.

The 2009 General Assembly changed the rules regarding guaranteed energy savings contracts to allow local governments to enter into projects that would pay for themselves (and start saving money) within 20 years. Previously, such savings had to be realized within 10 to 15 years (depending on the entity).

While small businesses may not have the means to make major changes or conduct energy audits, Stucky says there are other resources. Business can receive major tax deductions – federal and state – for energy-saving projects.

She cites federal tax deductions

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Wendy Barrott
City of Fort Wayne

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*David Steele
The Steele Group*

of up to \$1.80 per square foot for building owners who achieve 50% reductions in heating/cooling or total energy costs.

Ashkin believes every company should consider ways to reduce energy usage – and not necessarily for the environmental benefits.

“It’s something that all businesses should take a look at because it’s like finding free money to become more efficient,” he says.

Incentives: the not-so-dirty word

While you’d be hard pressed to find someone who claims to be anti-green (seriously, we tried), you will find differing opinions on how to accomplish environmental goals. Particularly, varying thoughts on where to draw the line with government involvement (that large West Coast state comes to mind once again).

Generally, our panel seemed to agree government incentives are necessary to keep the green train chugging along. On the other hand, mandates should be approached with extreme caution (if approached at all, that is).

Business has to generate returns “and it’s awful hard to make economic decisions particularly in this time if the dollars don’t work out – no matter

how green you like to think you are philosophically or no matter how engaged you are in the macro issues,” Steele shares.

For that reason, he says incentives are necessary and will be for quite some time.

Steele continues: “I hate to think that every issue someone has to jumpstart it out of a taxpayer’s pocketbook, but I tell you just infrastructure issues and those kind of things are so profound in terms of dollars needed and the resources that need to be brought together to make those things happen. I don’t see any other way it could be done without incentives, which, by the way, have started a lot of the good initiatives out there.”

Barrott cautions against putting the cart before the horse. Mandates can cause unintended consequences.

“I think you have to work lower in the marketplace, rather than just mandating,” she explains. When people see the true cost accounting on various initiatives, Barrott believes they will make the right decisions.

Ashkin agrees mandates on the private sector are unnecessary. Instead, he supports prescribing how taxpayer dollars are used.

“I would have no problem with the state government saying, you know, for all publicly funded buildings, this is what we expect to be doing and those of you working in state government, you need to do this by X date.”



“So I think what we’ll be talking about in five years is not going to be should we do this, it’s going to be the finer points of how do we make this work the best we can.”

*Natalie Stucky
Bose McKinney & Evans*

The savings gap

While a gap remains between the initial cost and the savings for green technology and initiatives, Barrott notes that the long-term benefits are better understood.

For cities and businesses that own their building or plan on staying in it for a longer period of time, they understand they will get their money back, she says.

As a LEED accredited professional and an attorney, Stucky works to help clients understand how they can make their buildings more efficient.

“The question I do deal with probably 99% of the time is the additional costs, or how much is this going to cost me; what are my incentives; what’s my payback going to be, short term, long term,” she explains.

While some aspects of sustainable building are more expensive, Stucky contends businesses have to look at overall goals and the range of options. It can be as simple as using low VOC (volatile organic compound) paints to more expensive geothermal and energy efficient HVAC (heating, ventilation and air conditioning) systems, she shares.

She points to a property owner who installed basic solar panels that are sold at Lowe’s and was able to sell energy back to the grid. “So it’s doable. It just takes the planning.”

Conversely, when updating a building doesn’t make sense, even demolition can be green.

Barrott describes a project in Fort Wayne in which a private company reclaimed the bricks from the building and other materials.

Looking into the crystal ball

It's the year 2014 – our panelists are asked to paint a picture of what will have changed.

Within the next five years, energy costs will have increased and the \$4 gallon of gas will be back and likely higher, Stucky predicts.

“So I think what we'll be talking about in five years is not going to be should we do this, it's going to be the finer points of how do we make this work the best we can; you know, the public transportation system upgrades or energy efficient buildings,” she states.

Steele agrees. He notes all of the projects happening in Indiana will be up and running.

“I think you are going to see dramatic change in the state of Indiana,” he shares. He points to his experience two years ago when he was looking for office space near downtown Indianapolis. A Google search then only found one Energy Star building; now he can easily find 16 online. “And that's why I tend to look at things very optimistically.”

Barrott says she's not sure if it's going to happen in five years or 10 years, but she expects the country to reach a

tipping point.

“I think that when we see the changes, I think they're going to happen relatively swiftly. And I think what's going to be driving that is a really huge awareness of the issues. Costs are going to come into play and then our shrinking resource base is going to come into play.”

Ashkin stresses the country is changing now, and he is hopeful Indiana can benefit. “I hope that we will have the leadership, that we will make the commitment and really take advantage of the opportunity that we have at this time in history.

“This to me is a closing window of opportunity. The people who get there first have an enormous advantage in the marketplace compared to others. And I'm hopeful that Indiana will see this as a great opportunity.”

INFORMATION LINK

Resources: Stephen Ashkin, The Ashkin Group, LLC, at www.ashkingroup.com

Wendy Barrott, city of Fort Wayne Energy and Environmental Services, at www.cityoffortwayne.org

David Steele, The Steele Group, at www.thestelegroup.us

Natalie Stucky, Bose McKinney & Evans LLP, at www.boselaw.com



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