

Organizational Innovation

Internal Carbon Trading

WSP Environment & Energy (Reston Va.) for the development of its “PACT” program, a voluntary personal carbon tracking program for the company’s staff. PACT tracks and manages employees’ personal carbon impacts outside of work. Participants are given a yearly carbon emission allowance and the use of on-line tools to track their activities. They provide quarterly submissions with results of their home energy usage, personal travel and work commute, and at the end of the year they receive a financial bonus if their emissions fall below the threshold. Those who exceed their allowance pay into the program up to a set limit, with all “fines” donated to a nominated charity. About 80 members of the WSP staff signed up for the voluntary trial program, and WSP says that feedback has been so positive that the program is now being rolled out to all of its global staff.

Non Profits

NGO Activist Award

As You Sow (San Francisco, Calif.; www.asyousow.org) for spearheading a shareholder campaign targeting IDACORP, that resulted in the first ever majority vote—51%—enacting a climate change shareholder resolution. Prior to the vote, IDACORP, a nearly 40% coal-based Idaho public utility, was looking to expand coal-based electricity generation. The company had to quickly respond to the majority shareholder vote and within months IDACORP’s board approved guidelines that establish a goal to reduce the CO2 emission intensity of Idaho Power’s operations. The company committed to reduce GHG emissions 10-15% by 2013, announced their first wind energy projects, began a solar generation feasibility study, submitted detailed information to the Carbon Disclosure Project, and applied for and received stimulus bill money for a smart grid project. ⚙

Abacus Forms to Bring Green Building to Developers

by *Abby Johnson, President, Abacus Property Solutions*

A successful commercial real estate project means different things to different stakeholders. From a sustainable design standpoint, the goal of building green is to reduce or eliminate a project’s environmental footprint. From an economic perspective, a successful real estate investment is the generation of positive cash flows and increase in value over a specified time frame. In contrast to the public sector and publicly traded companies where building sustainably is rapidly becoming the norm, privately held real estate companies remain at the periphery of the green building movement. The primary reason is financial—where the costs of building green, either actual or perceived—are tangibly higher than “standard” construction practices.

Even those with clear sustainability goals cannot incorporate green services and technologies if the paybacks are not in line with investment returns. Another issue is that unlike large corporations or the public sector, privately held real estate companies typically maintain a lean organizational structure without the in-house resources for a Sustainability Director or green building staff.

To address these issues, experienced commercial real estate professionals from the finance, engineering and construction management fields formed **Abacus Property Solutions** (Abacus) in 2009 to provide owner representation services in the green building marketplace. Abacus’ primary focus is to review financial, management and physical performance of buildings and identify ways to improve asset value and marketability through increased building efficiency, better indoor environmental quality, and creative use and reuse of materials. So how does Abacus as a real estate advisory firm fit

into the climate change industry and how is our approach distinct from the myriad of other consulting firms involved in the green building industry?

First of all, by having the investor’s back and focusing only on “green” solutions that realize financial goals, Abacus promotes earlier adoption of sustainable practices by this highly skeptical market group. Secondly, Abacus manages the retrofit and upgrade process from initial assessment to completion of construction, ensuring that recommendations are actually implemented. Lastly, we define the concept of “green building” differently than most; To us, it means creating optimal building efficiency and working environment, which enhances tenant satisfaction and retention, thus increasing market value and facilitating debt and equity financing.

With commercial real estate markets anticipated to recover within the next 12-24 months, Abacus predicts an increase in demand for our building assessment services and, in particular, for budgeting and management of the green building construction process. However, with the likelihood that national green building and stringent energy standards become mandatory over the next five years, we anticipate that many firms will enter our niche, making client retention more and more challenging. Thus, our five-year plan is to encourage incorporation of renewable systems into our clients’ buildings and leverage our services into equity positions in energy efficient and sustainable real estate and in the renewable energy certificate market. ⚙

Abacus Property Solutions (Williamsburg, Va.) is a green-oriented real estate advisory firm, assisting owners, developers and lenders in optimizing property value. Abby Johnson, President, has over 15 years of experience in commercial real estate and architecture.