

Could Greening Government contribute to the state's bottom line by reducing the cost of doing business?

Related Greening Government goal: State departments, agencies, and offices will take a position of leadership in the New Energy Economy.

Consider the possibilities:

A 25% reduction in petroleum consumption will result in less fuel purchases, thus cost savings. Some of the petroleum reduction be the result of switching from unleaded gasoline to an alternative fuel, thus not reducing cost. However, if greening government efforts resulted in a 15% annual reduction in fuel use, at \$3.00 per gallon, that's a savings of \$1,200,000 per year.

The State's annual utility budget is approximately \$154,000,000. Assuming much of the greening government energy reduction measures will be put into place using a cost-neutral tool such as energy performance contracting, let's use a conservative 3% net cost reduction. That equates to \$4,600,000 per year in potential cost avoidance.

Reducing paper consumption by 20% could result in a 20% cost savings.

Waste reduction and recycling efforts are generally cost neutral, and will benefit the State in the long term. Recycling and buying recycled products creates more demand for recycled products. Manufacturers rely on recycled products as the raw materials necessary to make new products. Therefore, the more we recycle the waste from state operations and construction, the more affordable environmentally preferable products will be.

Certainly some projects will require up front costs and others may pay for themselves through energy and resource savings. Many businesses are finding that adding a sustainability component to their business plan contributes to their bottom line. As we develop and track greening government projects, we will document and track their monetary as well as environmental benefits.

Moreover, as we take a portion of leadership in Governor Ritter's New Energy economy, we will pave the way for innovative technologies, policies, and practices.

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