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The Green Stimulus Plan: How You Can Get Involved

Posted by Andrew Shapiro and Truman Semans on December 15, 2008 10:09 AM



President-elect Obama has now made clear that his economic stimulus package will be very big -- he called it "the single largest new investment in our national infrastructure since the creation of the federal highway system in the 1950s" -- and also very green, with emphasis on clean energy, efficient buildings and transportation, and green jobs. The stimulus plan will have broad impact on our economy, so it's no surprise that leaders of diverse enterprises are trying to figure out what it means to them.

Companies, states, and cities could face challenges in dealing with the policy and program mandates that come along with this federal spending. Yet they also face enormous opportunities -- if they can get prepared quickly. In the weeks ahead, Obama's team will work out the details of the stimulus plan, and we can expect the Administration to seek Congressional action the moment the President takes office. Key green elements will likely include:

- **Energy efficiency.** Major increases in funding to improve the efficiency of government, commercial, and residential buildings as well as the industrial sector.
- **Renewable energy.** Broad support for new development of both small- and large-scale projects in solar, wind, geothermal, advanced biofuels, etc.
- **Grid modernization.** From upgrades to our transmission and distribution system to installation of smart energy meters for households and businesses.
- **Mass transit.** Funding "ready-to-go" projects, such as the \$16 billion in projects that could break ground in the next year, according to the American Public Transportation Association.
- **Clean vehicles.** A range of programs to accelerate transition to low-emissions personal and commercial vehicles including electric and plug-in hybrids.

Many of the stimulus programs will have strict qualifications. For example, eligibility for energy efficiency funds may depend on whether states adopt sound policies such as utility rate decoupling (separating utility profits from the amount of energy they provide) and better building codes and standards.

The time is now for large companies -- as well as states, municipalities, universities, and nonprofits -- to get prepared and get involved. If you're helping to lead such an entity, here are three steps to prepare your own stimulus strategy and contribute to a green recovery:

1. **Ask the right questions.** Track the stimulus package as it evolves. What types of spending and sectors will it emphasize? Which

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federal programs will it use to move funds? What policy, institutional, and other requirements will affect eligibility for stimulus dollars?

2. **Map your situation.** If you're a corporate leader, what services, products, or capabilities do you have that could facilitate the stimulus? State and local governments should assess which local entities could be most affected, as well as the state of relevant government agencies and programs.
3. **Develop your game plan.** How many green jobs could you create? How could you use stimulus funds to reduce energy consumption or pollution? Prepare a set of recommendations to take to Congress and the new Administration. States and cities may want to designate a "stimulus czar" to coordinate efforts, which might include local legislative action and rapid improvements to the capacity of agencies and programs that could be the recipients of federal funds.

In our view, you shouldn't be shy about making the case for how your institution could help spend stimulus dollars. There are jobs to create and improvements to our country to be made. We especially need creative thinking about efficient ways to deploy federal dollars with "multiplier" effects that will stimulate additional spending and hiring by institutions and consumers alike. The sooner we do so, the better it will be for our economy.

Finally, the entities that are selected to participate in the green stimulus will not only help our nation at a critical moment but will build long-term advantage, as sustainable policies transform the marketplace worldwide.

Andrew L. Shapiro is Founder and President of [GreenOrder](#), a strategy and management consulting firm that, since 2000, has helped leading companies turn sustainability into business value. Truman Semans is a Principal at the firm.

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Great post and insight. Let's see how many C-level managers show up in the discussion.

An additional usefull link is: <http://mitworld.mit.edu/video/606>

Will step deeper into the discussion in a little while (just have to move flats from Leipzig to Dresden in the next days).

Looking forward to further commenting

Ralf

PS.: Thanks to Twitter I have been notified to read the entry post:-)

- Posted by Ralf Lippold

December 15, 2008 3:39 PM

I like you discussion, it has most of the elements that are needed to develop realistic policy and practical applications in the regular day to day existence of our society on this planet. What you seem to have left out is the small business and the individual citizen. These are stakeholders in the process of changing our society also and need to be accounted for, recognized and invited to be at the 'table' with the other players in this process. I imagine a backlash if they are not as there will be a normal human resentment reaction with this set of people if they are not part of the solution.

It is easy to involve them and Pres. Elect Obama has quite a good start in getting them involved. I believe it is the people who are highly aware of what it will take like yourself to make sure there is a place for these stakeholders. Everyone's house is a great place to start to look at how energy is used and how to become more efficient and effective in its usage. The home is also a place where most

of the recycling is done on an everyday basis. The business community can learn a lot in how to make recycling a part of the every day business life. Another perspective that is hardly ever brought up is the 'Zero' growth idea. There are many viewpoints on this but I only bring it up because it needs to be included as part of the process, so everyone can have a chance to look at this viewpoint and have an emotional, mental and spiritual response.

I look at everyone as a kind of manager as we all have to in some way manage our own lives and therefore contribute to our society positively or negatively.

- Posted by Barry Benjamin

December 16, 2008 9:51 AM

Federal, State, and local government buildings must attain a certain "LEED" certification level via USGBC, www.usgbc.org, guidelines.

Through the "LEED" certification process; the items mentioned above (energy efficiency, renewable energy, grid modernization, mass transit, and clean vehicles) are often mandated throughout this process.

Point being, the government mandated requirement of the "LEED" certification process will be key to the Green Stimulus Package.

In fact, the demand of products and services required to meet many "LEED" certification credits/ criteria far exceed the amount of skilled and trained labor necessary to implement these highly technical products and services.

Any business which can create a nich product or service within the "LEED" certification process will gain marketshare at a time when there is limited marketshare.

Sustainable marketshare will depend on a companies ability to access and mobilze skilled labor while minimizing the costs associated with that labor.

- Posted by Chris Weatherly

December 18, 2008 1:28 PM

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The editors

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