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BUSINESSES RESPOND TO GLOBAL WARMING AT EXECUTIVE FORUM

On an uncharacteristic overcast and chilly day in Orlando, an equally uncharacteristic gathering of environmentalists, developers, business leaders and energy companies came together to discuss global warming.

The conference was held to help open a dialogue on this controversial issue. Questions raised and discussed included: Is the earth really undergoing a climate change? If so, is the warming due to natural cycles or is it man-made? How will we be impacted by a change in the earth's temperature? How do we stop the upward trend?

The half-day executive forum was hosted by the **Council for Sustainable Florida** and sponsored by **Environmental Defense** and **Florida Power & Light**. The forum opened with comments by former Senator Connie Mack who urged attendees to understand the urgency of the matter. "Global warming is a problem that needs to be addressed," stated Mack. "And it needs to be addressed rapidly, vigorously and effectively."

Following the Senator's opening remarks, Environmental Defense climate change scientist Dr. Bill Chameides gave a presentation on how he switched from a skeptic of the human influence on global warming to a believer. "How do we know global warming is because of human actions?" he asked. "We know what causes climate change and all known natural processes that could have caused the current global warming trend have been eliminated by direct observations. The human-enhanced greenhouse effect provides the only quantitative explanation for the current warming trend."

Chameides continued with a presentation on how important it is for the United States to respond to this warming trend and the various technologies that have already been developed to combat the problem. "The US is one of only two countries that does not have a climate policy," Chameides stated. "There is no silver bullet that will eliminate carbon dioxide emissions, but there are existing technologies that, when combined, provide the silver buckshot."

Joining Chamedies in a panel discussion were Tucker Eskew, founding partner of international communication firm ViaNovo, and Steven Sachs, senior vice president and managing director of national real estate practice Hilb Rogal and Hobbs. Eskew offered an overview of the policy issues and politics of climate change and discussed the increase in momentum the issue of climate change has undergone.

“A Gallup poll taken last fall indicated that 63% of the surveyed adults believe that global warming is happening and that it’s due to human activity,” Eskew stated. In addition to the general public’s increased interest, leading non-governmental organizations and major corporations recently joined together to form the U.S. Climate Action Partnership (USCAP). This diverse group of business and environmental leaders has called for the federal government to enact national legislation to achieve significant reductions of greenhouse gas emission. “The USCAP alliance is a major breakthrough and there are already a number of bills under consideration in Congress.”

Steve Sachs discussed the impact global warming can have on businesses and the role of risk management. Whether the warming trend is temporary or permanent, insurance companies are reacting. They are reducing their risk by limiting their exposure in areas that could be impacted by ongoing changes in weather patterns. As a result, residents and businesses located in coastal areas are finding it more difficult to purchase insurance. “Another indication that insurers are taking climate change seriously is that they are beginning to invest in environmentally friendly projects,” stated Sachs. “Though insurance companies are not out front on this issue, many see it as a real problem.”

While the first panel of speakers discussed climate change on global or national scale, the second panel to speak during the forum focused on Florida and how our state’s business leaders are looking at becoming more environmentally sensitive as a way to improve business and become financially stronger. Speakers included Ray Butts, manager of strategic issues for Florida Power & Light, Grady Pridgeon, president of Grady Pridgen, Inc. and Harris Rosen, president and CEO of Rosen Hotels and Resorts.

All three business leaders spoke of the important changes that are taking place in how businesses affect the environment. As one of the nation’s fastest growing electric utility companies, Florida Power & Light has taken a leadership role in developing and using alternative energy sources. According to Ray Butts, “FP&L is the largest developer of renewable energy source in the US and we make money on it. While we are responsible to our shareholders and customers, we also feel a great responsibility to protect Florida’s environment. What we have found is that using more environmentally friendly energy sources such as solar or wind power can also help the company remain financially successful.”

According to Grady Pridgeon, the largest commercial landowner in Pinellas County, “Our goal and what my company is creating is a community in which we can reduce the energy demand (including water, sewer and garbage) by 75%. We can maximize our efficiency in every facet of the community -- through better building materials, more efficient appliances, green roofs, the use of more energy efficient lighting and by providing transportation within the community such as trolleys and loaner bikes. My hope is that no one has to use a car.”

The third speaker in this second panel was Harry Rosen, president and CEO of Rosen Hotels and Resorts. Rosen discussed the numerous ways his company is reducing its impact on energy throughout all the properties but particularly in the newly opened Rosen Shingle Creek in Orlando. These methods include using electric golf carts, recycling 60% of the water they use in their onsite laundry room, holding monthly conservation meetings, using motion sensors for lightening and using reclaimed water for irrigation. And once again, being energy efficient has been finally beneficial. According to Rosen, "Orange County reviewed the Rosen report on the equipment in place at the new resort and the ways in which the property will be run more efficiently. We then received a \$1 million credit due to these efficiencies."

When asked what the challenges were in making the effort to run their businesses in a more environmentally friendly way, the business leaders responded that often businesses and other consumers aren't given credit for the efficiencies. In addition, local, state and federal governments are often slow to offer incentives for new technologies.

The final speaker of the forum was John Woody, the Business Solutions Fellow for the pew Center on Global Climate. Woody discussed a recently released guide to developing climate change related business strategies. The report, "*Getting Ahead of the Curve: Corporate Strategies That Address Climate Change*," is a how to guide for corporate decision makers and lays out a step-by-step approach for companies to reshape their business strategies in order to succeed in a marketplace where greenhouse gases are regulated and carbon-efficiency is in demand.

The report features case studies that include Alcoa, Cinergy (now Duke Energy), DuPont, Shell, Swiss Re, and Whirlpool Corporation. According to Woody, "Implementing climate change strategies into a business can't be an add-on. It must be fully integrated. In doing so, more business opportunities are created and participating companies gain a competitive advantage."

The half day seminar was well attended with over 50 participants. The discussion generated between the speakers and audience as well as among those who attended demonstrated the importance of the issue and the need for further discussion and research.

The Council for Sustainable Florida was very appreciative of the sponsors, the Environmental Defense and Florida Power & Light, and plans to hold similar executive forums to discuss the critical issues that impact Florida's environment and economy.

Copies of the speaker's PowerPoint presentations are available at the Council for Sustainable Florida's web site – www.sustainableflorida.com.

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