You should be seeing something like this...

- Gray microphone indicates you are muted
- Hand button allows you to “raise your hand”
- Radio buttons indicate which audio input you are using
- Text box for submitting questions to the moderator
Audio Troubleshooting

There are two audio modes...

**Option 1: Telephone**

If you are on the telephone and your Audio panel looks like this or this, the moderator CANNOT unmute you and **you will NOT be able to speak**.

You must set the radio button to “Telephone” and enter the Audio PIN provided.

**Option 2: Computer Microphone**
Joining the Discussion

How to ask to be unmuted...

**Option 1:** Raise your hand

- Microphone turns green when you’ve been unmuted
- Click button to raise or lower your hand

**Option 2:** Submit a request via Q&A pane

I’d like to say something. Can you unmute me?
Recording

This session is being recorded and will be posted as a resource for public access.
Chapter 4

Category Guidance

**Important Tip… Read This First…**

Prioritize for leadership.
Chapter 4 of the Guidance is intended for organizations that have already conducted a strategic analysis that identifies procurement of a specific category of goods or services as a priority opportunity for improving the overall environmental, social, and/or economic performance of the organization's purchasing.

Use of the category-specific guidance in this chapter without conducting such an analysis is discouraged, since any performance gains achieved, while positive, could be statistically insignificant, relative to the overall improvement opportunities available.

In such cases, organizations risk the opportunity cost of dedicating resources to non-priority categories at the expense of higher priority categories of spending, missing an opportunity for leadership, and compromising the credibility of their sustainable purchasing program.
Agenda

1. Context
   1. Upcoming Pilot Program Education Sessions
   2. Key Terms
   3. Approach to Purchasing Guidance

2. Procurement of Electricity
   1. Environmental, Social, and Economic Impacts
   2. Recommended Actions
   3. Metrics and Indicators
   4. Challenges

3. Case Study – Chris O’Bien, Altenex

4. Q&A + Discussion
# Education Sessions Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 24</td>
<td>Creating a Sustainable Purchasing Program</td>
</tr>
<tr>
<td>March 5</td>
<td>Running a Sustainable Purchasing Program (Part 1 of 3) – Understanding and Launching Strategy Cycles</td>
</tr>
<tr>
<td>March 10</td>
<td>Running a Sustainable Purchasing Program (Part 2 of 3) – Spend Analysis</td>
</tr>
<tr>
<td>March 12</td>
<td>Running a Sustainable Purchasing Program (Part 3 of 3) – Planning Strategies, Implementing &amp; Reporting</td>
</tr>
<tr>
<td>March 17</td>
<td>Professional Services</td>
</tr>
<tr>
<td>March 24</td>
<td>IT Hardware and Services</td>
</tr>
<tr>
<td>March 26</td>
<td>Transportation</td>
</tr>
<tr>
<td>April 1</td>
<td>Paper</td>
</tr>
<tr>
<td>April 8</td>
<td>Cleaning and Sanitizing Chemicals for Facilities Care</td>
</tr>
<tr>
<td>April 15</td>
<td>Electricity</td>
</tr>
<tr>
<td>May 7</td>
<td>Furnishings</td>
</tr>
<tr>
<td>May 13</td>
<td>Landscaping and Grounds Maintenance</td>
</tr>
<tr>
<td>May 20</td>
<td>Food</td>
</tr>
<tr>
<td>May 21</td>
<td>Construction and Renovation</td>
</tr>
</tbody>
</table>

All sessions take place from 11:00-12:30pm ET.
# Live Feedback Sessions Schedule

<table>
<thead>
<tr>
<th>Date</th>
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<tbody>
<tr>
<td>April 14, 2015</td>
<td>Starting a Sustainable Purchasing Program</td>
</tr>
<tr>
<td>April 21, 2015</td>
<td>Running a Sustainable Purchasing Program</td>
</tr>
<tr>
<td>May 12, 2015</td>
<td>Procurement of Transportation and Fuels</td>
</tr>
<tr>
<td>May 19, 2015</td>
<td>Procurement of Office Paper Products</td>
</tr>
<tr>
<td>June 9, 2015</td>
<td>Procurement of Cleaning and Sanitizing Chemicals for Facilities Care</td>
</tr>
<tr>
<td>June 11, 2015</td>
<td>Procurement of Professional Services</td>
</tr>
<tr>
<td>June 16, 2015</td>
<td>Procurement of Landscaping and Grounds Maintenance</td>
</tr>
<tr>
<td>June 18, 2015</td>
<td>Procurement of IT Hardware and Services</td>
</tr>
<tr>
<td>June 23, 2015</td>
<td>Procurement of Electricity</td>
</tr>
<tr>
<td>June 30, 2015</td>
<td>Procurement of Food and Beverages for Food Services</td>
</tr>
<tr>
<td>July 14, 2015</td>
<td>Procurement of Construction and Renovation Materials</td>
</tr>
<tr>
<td>July 21, 2015</td>
<td>Procurement of Furnishings</td>
</tr>
<tr>
<td>July 28, 2015</td>
<td>Starting a Sustainable Purchasing Program</td>
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<td>July 30, 2015</td>
<td>Running a Sustainable Purchasing Program</td>
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3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
**Key Terms**

**Sustainable Purchasing Program (all-caps)**
A sustainable purchasing program that has all four components the Council considers essential for a program to be capable of achieving genuine leadership.

Achieving genuine leadership means taking meaningful responsibility for all the **significant** environmental, social, and economic consequences of the organization’s purchasing.

---

Chapter 2
Create the Program

Chapter 3
Run the Program

---

**IMPROVEMENT PROCESS**

**PRIORITIZATION PROCESS**

**RESOURCE COMMITMENT**

**PROGRAM COMMITMENT**
Key Terms

**Strategy Cycles** provide a flexible process for a group of key stakeholders collaborate to:

- **understand** opportunities for improvement;
- **prioritize** strategies for addressing them;
- **commit** to specific strategic actions;
- **implement** those actions; and
- **measure** the results over time.
Strategy Cycle Phases

- **ANALYZE**
  Identify impacts within spending. Prioritize categories for action.

- **PLAN**
  Identify and select proven strategies for mitigating impacts while delivering value.

- **LAUNCH**
  Convene a cross-functional team appropriate for the cycle’s objectives.

- **IMPLEMENT**
  Set goals, timelines and policies. Train staff and engage suppliers.

- **REPORT**
  Track and benchmark performance. Evaluate for continuous improvement.

- **COMMIT**
  to the strategy.
Strategy Cycle Phases

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4. LAUNCH
   - Convene a cross-functional team appropriate for the cycle’s objectives.

5. ANALYZE
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COMMIT to the strategy.
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- **REPORT**: Track and benchmark performance. Evaluate for continuous improvement.
- **COMMIT**: to the strategy.
Strategy (capitalized)
A specific area of focus for which a plan of action is being developed or has been developed.

Examples could include an organization’s “Electricity Strategy”, “Supplier Diversity Strategy”, “IT Strategy”, “Human Rights Strategy”, etc.

There are several types of Strategies an organization might prioritize for their Sustainable Purchasing Program:
• A category Strategy
• A Strategy focused on a specific aspect of the supply chain’s environmental, social, and economic performance
• A supplier-specific Strategy
Strategy Area Examples
Key Terms

**Strategy Plan (capitalized)**
A planning document that describes, in detail, the projects/activities that make up an organization’s Strategy in a given area of focus.

In this cycle, we’re going to develop a strategy for managing the consequences of our fuel purchasing. We’ll call it our “Fuel Strategy.”

Boss, we’d like you to review and approve our Fuel Strategy Plan.

We got the green light! Now, we can implement our Fuel Strategy Plan!
Key Terms

Environmental, Social, and Economic Performance

Environmental, Social, and Economic Consequences
Positive or negative influences on the natural, social, and market systems on which life, communities, and commerce depend.

*Leadership in sustainable purchasing involves thinking expansively and holistically about these influences and identifying how to optimize them in order to advance a positive future.*
Environmental Performance
Positive or negative influences on the natural systems on which life depends, now and in the future.

Key Terms

+ biodiversity preservation
+ climate adaptation
+ resource optimization
+ soil health stewardship
- acidification
- desertification
- eutrophication
- freshwater pollution
- greenhouse gas emissions
- habitat depletion
- human health impacts
- land use change
- marine pollution
- ozone depletion
- radiation pollution
- resource depletion
- smog
- waste
- water consumption

Worksheet handout available for download: www.sustainablepurchasing.org/performance
Key Terms

Social Performance
Positive or negative influences on the social systems on which communities depend, now and in the future.

Worksheet handout available for download: www.sustainablepurchasing.org/performance

+ anti-discrimination
+ community engagement
+ diversity/equal opportunity
+ employee engagement
+ equal remuneration
+ fair trade
+ freedom of association
+ grievance & remedy processes
+ human rights
+ indigenous rights
+ occupational health & safety
+ right to collective bargaining
+ sustainable compensation
+ training and education
+ worker rights
- child labor
- forced/compulsory labor
- human trafficking
- sourcing from conflict zones
Economic Performance
Positive or negative influences on the marketplaces upon which commerce depends, now and in the future.

Key Terms

Worksheet handout available for download: www.sustainablepurchasing.org/performance

+ fair dealings
+ innovation research / investment
+ open competition
+ transparency of information
+ use of diverse suppliers
+ use of HUB zones
+ use of local suppliers
- conflicts of interest
- corruption (bribery, extortion… )
- dividing territories
- dumping
- exclusive dealing
- misleading market claims
- monopoly (seller collusion)
- monopsony (buyer collusion)
- patent misuse
- price fixing
- product tying
- refusal to deal
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Approach to Purchasing Guidance

The Purchasing Category Guidance provides the following:

- clusters of significant **environmental, social, and economic** impacts;
- **best available actions** to address the identified impacts;
- external and organizational **benefits**
- **anticipated challenges**
- **metrics and indicators** that teams can use to track progress
- **policy and specification language** and resources to assist in implementing the proposed actions, and
- **undecided issues**
Approach to Purchasing Guidance

Chemically Intensive Products
- Cleaning and Sanitizing Products for Facilities Care

Construction and Renovation Products
- Construction and Renovation Materials
- Furnishings

Electricity

Food and Beverages for Food Services
- Animal Protein
- Beverages (except Milk, Coffee, and Tea)
- Chocolate
- Coffee
- Dairy
- Grains, Rice, and Legumes
- Nuts and Seeds
- Oils
- Produce
- Spices
- Tea

IT Hardware and Services
- Data Centers
- End of Life Management
- Imaging Equipment and Televisions
- Mobile Phones
- Personal Computers

Professional Services

Transportation and Fuels
- Fuels
- Institutional Vehicle Fleets
- Local Delivery Service
- Long-Haul Transport
- Travel

Wood and Agrifiber Products
- Paper
Approach to Purchasing Guidance

Why use the Purchasing Category Guidance?

- Provides reliable information consistent with how a cross-functional team operates within the context of this guide.
- Can expedite the Strategy Planning process outlined in Chapter 3
# Approach to Purchasing Guidance

## Organizational Considerations

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Approach to Purchasing Guidance

Types of Recommended Actions

<table>
<thead>
<tr>
<th>Policy Recommendations</th>
<th>Many categories recommend exploration of existing policies and finding ways to improve them. Institutionalizing this inquiry process could result in significant cost savings for the organization as well as a more strategic use of funds that are spent.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational Recommendations</td>
<td>Sometimes the largest opportunities for mitigating the environmental, social, and economic impacts associated with purchasing require leveraging operational changes. Operational changes often provide benefits for seemingly unrelated purchasing categories.</td>
</tr>
<tr>
<td>Purchasing Recommendations</td>
<td>How can the organization buy better?</td>
</tr>
<tr>
<td>Strategy</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>Efficiency</td>
<td>Reduced impact through reduced use</td>
</tr>
<tr>
<td>Process change</td>
<td>Design the impact out of a process</td>
</tr>
<tr>
<td>Behavior change</td>
<td>Implement programs to shift attitudes and practices</td>
</tr>
<tr>
<td>Combining Projects</td>
<td>Combine multiple projects into a single positive ROI project</td>
</tr>
<tr>
<td>Supplier engagement &amp; accountability</td>
<td>Engage suppliers and hold accountable for a specific impact</td>
</tr>
<tr>
<td>Product substitution</td>
<td>Choose a different product with lower ESE impacts</td>
</tr>
<tr>
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<td>Choose a supplier with lower ESE impacts</td>
</tr>
<tr>
<td>Servicizing</td>
<td>Convert a product acquisition to a long-term service relationship</td>
</tr>
<tr>
<td>In-source</td>
<td>In-source a function to better reduce impacts</td>
</tr>
<tr>
<td>Out-source</td>
<td>Outsource when an external party can better reduce impacts</td>
</tr>
<tr>
<td>Offsetting</td>
<td>Pay for an impact reduction to offset impacts elsewhere</td>
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3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
Climate change from greenhouse gas emissions


- Electricity: 32%
- Transportation: 28%
- Industry: 20%
- Commercial and Residential: 10%
- Agriculture: 10%
Electricity Sources

Electricity Generation in the U.S. by Source
(U.S. EIA Annual Energy Report, 2012)

- Coal: 40%
- Natural Gas: 27%
- Nuclear Electric: 19%
- Renewable Sources: 13%
- Petroleum: 1%
Impacts

Air pollution.

• When coal is burned, *carbon dioxide, sulfur dioxide, nitrogen oxides, and mercury compounds* are released.

• At the power plant, the burning of natural gas produces nitrogen oxides and carbon dioxide. *Methane*, a primary component of natural gas and a greenhouse gas, can also be emitted into the air *when natural gas is not burned completely*.

• Studies suggest that emissions from *natural gas leaks in the distribution infrastructure are so large* that it makes natural gas equivalent to coal in terms of tCO$_2$e.
Impacts

Land use change.

• Soil at coal-fired power plant sites can become contaminated with various pollutants from the coal and take a long time to recover.
• The extraction of natural gas and the construction of natural gas power plants can destroy natural habitat for animals and plants.
• Every 18 to 24 months, nuclear power plants must shut down to remove and replace the "spent" uranium fuel, which has become radioactive waste, and will remain radioactive for thousands of years. Currently, the spent fuel is stored at the nuclear plants at which it is generated.
Water use and pollution.

- Large quantities of water are frequently needed to remove impurities from coal at the mine. In addition, coal-fired power plants use large quantities of water for producing steam and for cooling.
- Pollutants build up in the water used in the power plant boiler and cooling system. If rain falls on coal stored in piles outside the power plant, the water that runs off these piles can flush heavy metals from the coal into nearby bodies of water.
- Coal mining can also contaminate bodies of water with heavy metals when the water used to clean the coal is discharged back into the environment.
- Nuclear power plants use large quantities of water for steam production and for cooling.
- Waste generated from uranium mining operations and rainwater runoff can contaminate groundwater and surface water resources with heavy metals and traces of radioactive uranium.
Impacts

Economic impacts.

• **Competition**: Regulated markets are state-sanctioned monopolies.

• **Price instability**: Fossil fuel markets are notoriously unstable and therefore purchasers can have a hard time planning budgets for what is often a very large percentage of their operating budgets.
Agenda

1. Context
   1. Upcoming Pilot Program Education Sessions
   2. Key Terms
   3. Approach to Purchasing Guidance

2. Procurement of Electricity
   1. Environmental, Social, and Economic Impacts
   2. Recommended Actions
   3. Metrics and Indicators
   4. Challenges

3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
Recommended Actions

Create a comprehensive energy strategy.

- Develop an overarching energy strategy, which can include **metering and benchmarking** the sources and types of energy used;

- Reduce consumption through **conservation and efficiency** that can include both behavioral changes as well as technical improvements;

- **Replace fossil fuels** with clean, renewable sources of electricity.

- **Report energy** usage and associated impacts.
Recommended Actions

Measure current electricity usage.

- Understanding an organization’s current electricity usage is critical to identifying the best ways to reduce its overall impact.

- Consider the following strategies to collect data on current electricity usage.
  - Install whole building and sub-meters, as possible
  - Audit Energy Use (e.g. ASHRAE Level I or Level II Audit)
Recommended Actions

Benchmark performance.

- Use one of the following tools to track initial and benchmark future usage.
  - ENERGY STAR Portfolio Manager
  - Labs 21
Recommended Actions

Explore financing options to reduce impacts.

- Various actions—requiring varying levels of funding—can provide organizations significant opportunities to reduce the impacts associated with their electricity purchasing.
- Consider the following types of financing options:
  - Operating Budget
  - Capital Investments
  - Leasing
  - Performance Contracting
  - Power Purchase Agreements
Recommended Actions

Implement conservation measures.

Residential Buildings
Primary Energy End Use Splits (2010)

Commercial Buildings
Primary Energy End Use Splits (2010)
Recommended Actions

Procure green power.

There are a variety of renewable energy technologies, including the following:

• Biomass
• Cogeneration
• Geothermal
• Hydro
• Hydrothermal
• Solar (photovoltaic and thermal)
• Wave/Tidal
• Wind
## Recommended Actions

**Procure green power.**

<table>
<thead>
<tr>
<th>Strategy</th>
<th>REC Required (Y/N)</th>
<th>Generation Asset Ownership</th>
<th>Electricity Delivered (Y/N)</th>
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</tr>
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<tbody>
<tr>
<td>1a</td>
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<tr>
<td>4</td>
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- **Recommended Actions:**
  - **Procure green power.**
  - **Strategy:**
    - 1a: Self Generation - grid-connected
      - REC Required: Yes
      - Generation Asset Ownership: Buyer
      - Electricity Delivered: Yes
      - Location: Onsite or Offsite
    - 1b: Self-generation off-grid
      - REC Required: No
      - Generation Asset Ownership: Buyer
      - Electricity Delivered: Yes
      - Location: Onsite
    - 2a: Physical Power Purchase Agreement
      - REC Required: Yes
      - Generation Asset Ownership: Third party
      - Electricity Delivered: Yes
      - Location: Onsite or Offsite
    - 2b: Financial Power Purchase Agreement
      - REC Required: Yes
      - Generation Asset Ownership: Third party
      - Electricity Delivered: No
      - Location: Offsite
    - 3a: Regulated Utility
      - REC Required: Yes
      - Generation Asset Ownership: Third party
      - Electricity Delivered: Yes
      - Location: Offsite
    - 3b: Competitive Supplier
      - REC Required: Yes
      - Generation Asset Ownership: Third party
      - Electricity Delivered: Yes
      - Location: Offsite
    - 4: Unbundled RECs/GOs
      - REC Required: Yes
      - Generation Asset Ownership: Third party
      - Electricity Delivered: No
      - Location: Offsite

**Note:** The table includes strategies for procuring green power, detailing the required REC, the ownership of the generation asset, and the delivered electricity, along with their respective locations.
## Recommended Actions

**Procure green power.**

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Recommended Actions

Procure certified carbon offsets.

• Certified carbon offsets can be procured to mitigate the carbon emissions associated with Scope 2 emissions of electricity consumption.

• In any setting, regardless of location, the carbon claim from offsets can use any valid (i.e., certified) source of carbon offsets, which includes projects such as renewable energy or projects that reduce or sequester GHGs.

• Retail level certification (e.g. Green-e Climate or equivalent) of carbon offsets provides quality assurances covering the entire chain of custody of the emissions reduction, and requiring the use of robust GHG project standards.
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   1. Environmental, Social, and Economic Impacts
   2. Recommended Actions
   3. Metrics and Indicators
   4. Challenges

3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
Metrics + Indicators

Metrics
• ENERGY STAR Portfolio Manager reporting metrics.
• World Resources Institute’s Scope 2 Guidance metrics
• Direct emissions from electricity usage
• Amount of electricity sources purchased (by percent and cost)
• Amount of electricity covered by REC/guarantee of origin/alternative proof of renewable energy generation
• Amount/percent of electricity usage covered by onsite or new sources, etc.

Indicators
• Number of years purchasing green power
• Number of long-term (greater than 5 years) agreements to purchase green power
• Number of projects directly financed
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3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
Challenges and Unresolved Issues

- Distinguishing the electricity purchased
- Varying impacts by source
- Distribution
- Long-term commitments to green power purchasing
- Transparency
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3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
SPLC Renewable Energy Case

5.15.15
Goals

• Carbon Neutral by 2020
• Cost Neutral

Strategy

• Energy Efficiency - Achieve LEED compliance for all bldgs.
• Onsite Renewables - Maximum feasible
• Offsite Renewables - Purchase 100% green power
• Carbon Offsets – offset remaining emissions from unavoidable sources
Direct Purchase PV - <50kW
Onsite PPA ½ MW of PV
Onsite PPA ~ ½ MW of Solar Hot Water
Direct Purchase ~50kW Solar Hot Water

Onsite PV = no payback
Onsite PV PPA = minor savings
Onsite Hot Water PPA = 35% Savings compared to gas
Direct Purchase Hot Water = ~5 year payback
Offsite Solar PPA for ~53% of power

Collaboration among buyers (AU, George Washington University, GW Hospital)

20 year contract

Day one price beat brown power price, fixed for 20 years

~$14M savings for AU compared to brown power
Carbon Offsets Pilot in 2013

Avoided Deforestation in Costa Rica

Offsets = net cost

Therefore, incorporate educational value

Long-term strategy -> engage local community for small scale project

Source large-scale offsets from regional project
CASE STUDY: PJM Wind

A Fortune 100 company was interested in purchasing renewable energy in a manner that would accommodate their increasing load requirements in the region. They had approached the market on their own and were unable to find a structure that met their needs or their economic hurdles. Additionally, their window to capitalize on incentives associated with the Federal Production Tax Credit (PTC) was quickly closing.

Altenex was engaged and leveraged its network and product structuring expertise to quickly identify a short list of deals in the area that could meet the customer's needs. Altenex then managed a competitive bidding process, while keeping the customer anonymous, and managed to further reduce the contract price by more than 10%. This final reduction created the only market opportunity for this customer that met their executive leadership's economic hurdle requirements.

Additionally, Altenex created the internal approval materials for the customer's CFO and managed the negotiation process with the customer and their internal and external counsel.

The process for this deal, from start to finish, was less than 90 days.

Key Benefits:

- The offtaker is now able to meet their growing energy demand with budget certainty through an agreement for over 700,000,000 kilowatt-hours per year from a reliable, well-funded, and experienced developer.
An Altenex customer in Massachusetts was nervous about their exposure to price risk in the market. The customer had a limited ability to develop renewable energy projects onsite, but still wanted to access the benefits that a renewable energy purchase agreement could provide.

Altenex leveraged its proprietary network to analyze a portfolio of offsite solar projects that were available, assisted its customer in the internal approval process and acted as an advisor to the customer’s internal and external counsel throughout the negotiation process.

The deal was fully executed within 120 days from when Altenex began working on the project.

**Key Benefits:**
- Customer is able to take credit for new solar projects being built that will provide 15,700,000 kWh of additional green power to the local grid.
- Immediate savings of ~20% compared to the customer’s current rate tariff
  - ~$300,000 in savings per year
A large manufacturing company with significant energy requirements was interested in reducing their exposure to price risk in the market where most of their facilities were located. They had been approached by a number of project developers, but required assistance in evaluating and understanding their various renewable energy supply options. Their energy management team also required assistance in gaining support and approval from their executive leadership for a renewable energy goal.

Altenex was retained and prepared educational materials for the company’s executive leadership that resulted in the approval of a large-scale purchasing program. Altenex then analyzed the proposals that had been submitted to the company by developers and ran a comprehensive search of market inventory from its proprietary database. It was quickly determined that none of the deals that had approached the customer directly were appropriate from a risk or economic perspective when compared with other opportunities that existed in the market.

Altenex ran the entire process from start to completion, including managing all negotiations.

**Key Benefits:**
- The offtaker achieved their goal of securing a large deal with 400,000,000 kilowatt-hours of renewable energy being delivered each year.
- Altenex was able to identify and structure a deal for the customer that was more than 15% less expensive than anything they had seen on their own. This resulted in millions of dollars of additional savings potential and budget certainty for future planning.
CASE STUDY: ERCOT WIND

A large retailer was interested in procuring renewable energy that closely mimicked key characteristics of their traditional energy purchases. Despite having executed several renewable energy purchases in the past and having an extensive network of potential suppliers, they were unable to find this product in the market.

Through its experience, network and intellectual property, Altenex was able to create a customized product for the retailer that met their needs. In addition to product structuring and analysis, Altenex managed all contract negotiations for the engagement.

As a result, a deal that was considered unachievable at one point resulted in a fully executed agreement within 180 days of Altenex’s involvement.

Key Benefits:
- The offtaker is now receiving the renewable energy credits from the project and counting over 150,000,000 kilowatt-hours per year of renewable energy toward their goal.
- They were also able to report an expected average energy cost savings of $600,000 per year while knowing that it was their agreement that helped a new wind project come to life.
CONTACT INFORMATION:
Chris O’Brien  
Director of Higher Education Programs  
chris.obrien@altenex.com  
240.832.2411

“Altenex is the bridge GM was looking for to source large-scale renewable energy for our facilities”

“Altenex creates new ways to do business in the rapidly evolving alternative energy markets by providing more clarity, accessibility and communication between participants.”

“Altenex improves our ability to identify and evaluate cost-effective clean energy projects.”
Agenda

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3. Case Study – Chris O’Brien, Altenex

4. Q&A + Discussion
Guidance v1.0 Pilot Program Online Community

Welcome to the Guidance v1.0 Pilot Program Online Community!

SPLC is excited to provide our Pilot Program participants with access to this online community. This community offers several opportunities:

1) Community engagement: This space allows participants to communicate with one another. The forum space is available for peer-to-peer dialogue and all group members are able to pose new topics. All Group Resources, Events, and Files also include space for commenting, so there is lots of opportunity for discussion.

2) Easy access to resources: All resources—including upcoming events and pertinent documents—are available within this community, giving you a one-stop-shop for your work in the Guidance v1.0 Pilot Program.

3) Cohorts. In addition to discussion forums, there are special areas in this community (see Group Resources) that allow for participants focusing on similar topics to have a special space to work together, share documents, etc. If you would like to request a cohort that is not listed, simply leave a message in the Community Improvements Forum.

To get started, please tell us a bit about you within the "Welcome to the Pilot Program Community - Introduce Yourself!" Forum, below.

Food and Beverages for Food Services
Cohort: Office Paper Supplies
Cohort: Transportation and Fuels
Cohort: Professional Services
Cohort: IT Hardware and Services
Cohort: Energy
Cohort: Furniture
Cohort: Construction and Renovation Materials
Cohort: Cleaning and Sanitizing Products for Facilities Care
Cohort: Organizations attempting to start a Sustainable Purchasing Program (Chapter 2)
Cohort: Organizations using the strategy cycles
Cohort: Organizations using spend analysis
Shortcut to Education Session Resources!
Create Page

UPCOMING GROUP EVENTS
04/14/15
Live Feedback Session, Chapter 2 - Starting Sustainable Purchasing Program
04/15/15
Chapter 4: Procurement of Electricity Feedback

This topic contains 0 replies, has 1 voice, and was last updated by Christina Macken 57 seconds ago.

### April 14, 2015 at 1:21 pm

Electricity is an important sustainable purchasing category because it is a product that nearly every organization purchases, and it can represent a significant source of a company’s environmental impact.

Electricity procurement has significant environmental, social, and economic impacts. Electricity is commonly purchased and consumed on a shared distribution grid (“the grid”), through which electricity is delivered from generators to consumers in a region, and on which electricity from all different sources is mixed together to electrify the grid. As a result, strategies have been developed for differentiating and determining different types of electricity produced on the grid, tracking or allocating specified generation (and associated impacts) to individual grid consumers.

Electricity markets, products and purchasing options may differ from region to region and may depend on the regulatory environment, whether the market is regulated (with one regulated monopoly utility) or deregulated (with many competitive electricity providers), and whether electricity and generation attributes (e.g. instruments like renewable energy certificates) are traded separately. Even within a single region or market, different electricity customers may have different fuel mix and purchasing options, depending on their size and circumstances.

This content is located on pages 103-112.

Please provide feedback, questions, and commentary in the comments section, below.
Pilot Program Online Community

(e.g., instruments like renewable energy certificates) are traded separately. Even within a single region or market, different electricity customers may have different fuel mix and purchasing options, depending on their size and circumstances.

This content is located on pages 103-112.

Please provide feedback, questions, and commentary in the comments section, below.

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Reply To: Chapter 4, Procurement of Electricity Feedback

Your account has the ability to post unrestricted HTML content.

Submit
### Education Sessions Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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<tbody>
<tr>
<td>February 24:</td>
<td>Creating a Sustainable Purchasing Program</td>
</tr>
<tr>
<td>March 5:</td>
<td>Running a Sustainable Purchasing Program (Part 1 of 3) – Understanding and Launching Strategy Cycles</td>
</tr>
<tr>
<td>March 10:</td>
<td>Running a Sustainable Purchasing Program (Part 2 of 3) – Spend Analysis</td>
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<tr>
<td>March 12:</td>
<td>Running a Sustainable Purchasing Program (Part 3 of 3) – Planning Strategies, Implementing &amp; Reporting</td>
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<tr>
<td>March 17:</td>
<td>Professional Services</td>
</tr>
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<td>March 24:</td>
<td>IT Hardware and Services</td>
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<td>March 26:</td>
<td>Transportation</td>
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<td>April 1:</td>
<td>Paper</td>
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<td>April 8:</td>
<td>Cleaning and Sanitizing Chemicals for Facilities Care</td>
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<td>April 15:</td>
<td>Electricity</td>
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<td>May 7:</td>
<td>Furnishings</td>
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<tr>
<td>May 13:</td>
<td>Landscaping and Grounds Maintenance</td>
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<td>May 20:</td>
<td>Food</td>
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<td>May 21:</td>
<td>Construction and Renovation</td>
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*All sessions take place from 11:00-12:30pm ET.*
## Live Feedback Sessions Schedule

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<td>April 21, 2015</td>
<td>Running a Sustainable Purchasing Program</td>
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<tr>
<td>May 12, 2015</td>
<td>Procurement of Transportation and Fuels</td>
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<td>May 19, 2015</td>
<td>Procurement of Office Paper Products</td>
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<td>June 11, 2015</td>
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<td>June 16, 2015</td>
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<td>June 18, 2015</td>
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<td>June 23, 2015</td>
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<td>June 30, 2015</td>
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</tr>
<tr>
<td>July 14, 2015</td>
<td>Procurement of Construction and Renovation Materials</td>
</tr>
<tr>
<td>July 21, 2015</td>
<td>Procurement of Furnishings</td>
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<tr>
<td>July 28, 2015</td>
<td>Starting a Sustainable Purchasing Program</td>
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<tr>
<td>July 30, 2015</td>
<td>Running a Sustainable Purchasing Program</td>
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</tbody>
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*All sessions take place from 11:00-12:30pm ET.*
Summit workshops will feature Guidance-based training, case study presentations, and peer-to-peer dialogue.

www.sustainablepurchasing.org/summit
Questions
## Recommended Actions

### Procure green power.

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Onsite green power</strong></td>
<td>Obtain the electricity produced from an onsite or owned renewable energy system and retain attributes (i.e. RECs in the U.S. or GOs in Europe; the remainder of the document will refer to RECs to cover all various names and abbreviations used globally)</td>
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<tr>
<td><strong>Offsite green power via direct contracts</strong></td>
<td>Enter into a power purchase agreement with a specified renewable energy generator that includes the generation attributes (RECs).</td>
</tr>
<tr>
<td><strong>Offsite green power via bundled electricity</strong></td>
<td>Obtain both electricity and generation attributes (RECs) from an electricity supplier</td>
</tr>
<tr>
<td><strong>Offsite green power via unbundled attributes</strong></td>
<td>Obtain generation attributes (RECs) separately from electricity</td>
</tr>
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</table>
Further exploration

Offsite green power purchasing options

| Power Purchase Agreements (PPAs)/Direct Contracts | Offsite green power purchase agreements are contracts entered into directly with a renewable energy generator. In the U.S., an organization usually has the option to purchase: • only the power from the developer, • only the RECs, or • both the power output and renewable electricity attributes from the facility. |
| Bundled Electricity | Offsite green power purchased through bundled electricity means the energy and the RECs are sold together (i.e., bundled). In this case, the offsite green power cannot be called green power unless the REC is also held. Throughout the U.S. and Europe there exist opportunities to purchase renewable electricity directly through electricity service providers. |
| Unbundled Attributes | Purchasing green power via unbundled attributes means the energy and the RECs are sold separately (i.e., unbundled). An organization only has the "green" power from the source of the certificate. All other power is simply grid, grey, or brown mix. |
Further exploration

Onsite green power

• Companies may obtain the electricity produced from an onsite renewable energy system as the system owner or system host.

• Consider feasibility based on local availability of the resource, scale, and technology when investing in onsite renewable energy technologies.

• Whatever the particular arrangement is for onsite generation, the critical criterion for the user to make a renewable electricity usage claim in the U.S. and Canada is ownership of the renewable electricity attributes (e.g. REC).