Environmental Products That Save Money



Metropolitan Washington Council of Governments

September 27, 2012









Who is RPN?

International Network

- State and local governments (including MWCOG)
- Federal agencies
- Colleges and universities
- School districts
- Businesses
- Nonprofit organizations
- Faith-based organizations







RPN's Project Partners











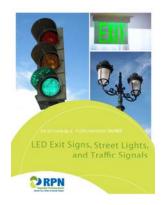
Metropolitan Washington Council of Governments



One Region Moving Forward







RPN Resources

- Responsible Purchasing Guides for 15 product categories
- Webinars on "green" procurement issues
- Quarterly newsletter highlighting "green" purchasing activities and resources
- Model Responsible Purchasing Report:

 Template Document

 PRPN
- Sustainable purchasing policies and specifications
- Model Responsible Purchasing Report
- Calculators and other tools





What is Green Purchasing?

Procurement of products and services that have a green alternative, which meets performance requirements at a competitive value











Why Buy Green Products?









• Minimize toxic chemical releases and exposures







SAVE MONEY







How Green Products Can Save Money





- Lower upfront costs
- Conserve energy or water
- Reduce paper or fuel use
- Lower maintenance costs
- Reduce replacement costs
- Avoid disposal/cleanup costs
- Support the local/regional economy
- Offset environmental and health program costs





Lifecycle Cost Assessment Favors Efficient Products

Considers overall (lifecycle) costs of ownership

- Initial price
- Utility costs (energy, water)
- Maintenance costs (labor and replacement)
- End-of-life costs
 (disposal and recycling)









Hand Dryers vs. Paper Towels

Cost of Hand Dryers vs Paper Towels

CALCULATE YOUR SAVINGS

Did you know that converting from paper towels to Hand Dryers could represe COST SAVINGS? No more repetitive paper towel purchases or labor costs to re towel dispenser. No more cleaning up the towel mess or servicing the paper to

Fill in the shaded boxes and click "Calculate" to analyze the impact on ' operation.

(*If the form is not working properly click the printable version and print the f manually*)

PAPER TOWEL COSTS

Number of Cases of Paper Towels Used Annually

Cost per Case Delivered (Include Freight and tax)

(typically \$15.00 - \$25.00/case)

Number of Towels per Case

For example:

- 2.400/case for C-fold towels
- 4.000/case for Multi-fold towels
- 4,800 linear ft/case for Roll Towels

Your KWH Rate

(typically \$.10 per KWH)

Total Paper Towel Costs per Year

Handling Cost (50% of item 3 - Includes the cost of generating requisitions and purchase orders, receiving, storing, servicing towel dispensers, collecting and disposing of used towels.)

TOTAL COST OF USING PAPER TOWELS PER YEAR





HAND DRYER COSTS

- 6. Number of paper towels used annually (Item 1 multiplied by total sheets per case)
- 7. Number of Hand Dryings annually (Item 6 divided by 2.5 towels per hand dry)
- 8. Hours of hand dryer usage
- (Item 7 divided by 120 hand dries per hour) (Use 240 hand dries per hour for XLERATOR®)
- Cost of electricity per hour
- (2.2 KW multiplied by your KWH rate) (Use 1.5 KW for XLERATOR®)
- 10. TOTAL ANNUAL HAND DRYER COSTS (Line 8 multiplied by Line 9)
- 11. YOUR ANNUAL SAVINGS (Item 5 minus
- COMPUTE YOUR % SAVINGS (Item 11 divided

by Item 5)

CALCULATE YOUR PAYBACK

Cost of Each Dryer

Installation Cost

(Typically \$50 - \$125/dryer)

Number of Hand Dryers Purchased

(See Note Below)









ENERGY STAR-rated LED Lamps

- Energy-efficient
 (use ~75% less energy than incandescents)
- Long life (≥25,000 hours rated life ~20X longer than incandescents;
 ~3X longer than CFLs)
- Mercury-free

Qualified list: www.energystar.gov





King County EPP Cost Savings

\$60 million EPP purchases; \$1.5 million cost savings

Commodity	2011 Savings
Toner Cartridges	\$544,964
Recycled Aggregates	\$300,000
Green Cleaners	\$161,496
Tire Retreading	\$136,320
Paper Reduction	\$118,265
Electronics Recycling	\$97,875
EPEAT Computers	\$91,294
Re-refined Motor Oil & Used Oil Recycling	\$67,716
Antifreeze Recycling	\$23,283
Total Dollars:	\$1,541,213





Race to the Top

Tiered eco-labels set minimum threshold and encourage improvement















Cut Paper Consumption Seattle's Paper Cuts Program

- Set 30% paper reduction goal (vs 2004)
- Established duplex printing standard
- Copy paper spec = 100% post-consumer recycled content/processed chlorine-free
- 2010 => 36% reduction
- ~\$80K annual savings (2009)









Cut Battery Use



- Factor in battery replacement and disposal costs/impacts when ordering equipment
- Rechargeable batteries work well for many applications and have quick payback
- Pilot test rechargeable/long-life batteries (try hybrid/slow drain rechargeables)
- Use industry-financed battery recycling program





Cut Fuel Consumption Smyrna, GA Biodiesel Project

- City collects used vegetable oil to manufacture biodiesel for its fleet vehicles and diesel generators
- Expects to save ~\$25,000 annually
- Set goal of reducing its conventional diesel use 25% by 2020







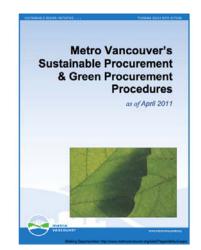
Best Practice

Institutionalize

- Don't try to do it on your own
- Get top level support
- Assemble a "Green Team"
- Adopt sustainable purchasing policy, standards and best practices

See 10 Steps to Starting a Sustainable Purchasing Program on RPN website)









Require Vendors to Verify Green Claims

Vendors shall **CERTIFY** that the sustainable attributes claimed in bids are accurate.

"Third party certification of products and services through reputable and nationally or internationally accepted certification programs is preferred..."









Miami-Dade County Buy Green Purchasing Guide, 1/21/2011





Negotiate Low Prices for EPPs Green Your Market Basket List

 Add "green" products to your core/market basket lists so they become eligible for vendor's deepest discounts



 Remove non-green products from core/market basket list (or contract) to get better price breaks on green products





Save Time by Requiring Suppliers to...

- Accurately label their certified green products
- Conduct training and outreach
- Provide "green" spend reports



• Calculate environmental benefits/cost savings of purchasing their green products





Prioritize

- Largest potential impact
- Ability to meet environmental/health goals
- Opportunities for change (contracts re-bid)
- Ease of implementation (use existing specs and certifications)



Potential to save money/create local jobs





Cooperate

Collaboration among public agencies can:

SAVE TIME by not "reinventing the wheel" by sharing research, specifications, bid solicitation documents, and vendor lists to create new "green contracts

SAVE MONEY by aggregating demand from multiple entities







Piggy-Back on Other Jurisdictions' Contracts

Santa Clara County, CA is saving ~\$40,000 annually by procuring re-refined motor oil using a contract issued by the nearby City of San Jose

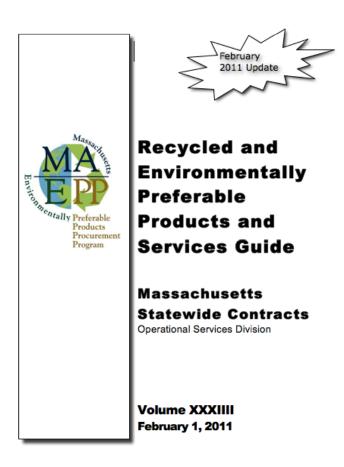


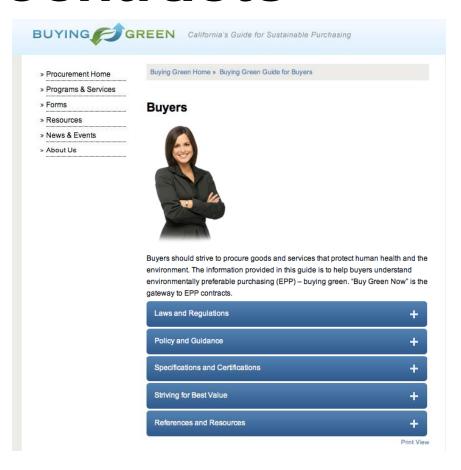






Find Green Products on State Contracts









Look for Green Products on Cooperative Purchasing Agreements









How Offset High Initial Cost of Some Green Products

- Reduce consumption
- Revolving loans
- Grants
- Utility rebates
- Energy conservation service agreements
- Life-cycle budgeting







Track and Report Cost Savings

Meet reporting requirements

Measure success!

- Determine quantity of "sustainable" goods & services used by your facilities
 - Document progress for LEED, policy goals
 - Identify challenges and opportunities
 - Plan for future efforts
- Identify cost impacts
 - Measure cost savings and increases
 - Demonstrate the financial case for a Responsible Purchasing Program









EPPNet



State Information
 Projects
 Topic Areas
 Policy Positions
 Tools
 Membership

EPPnet

SUBSCRIBE TO NERC'S ENVIRONMENTALLY PREFERABLE PRODUCTS PROCUREMENT LISTSERV (EPPnet)

The EPPnet listserv was established by the Northeast Recycling Council, Inc. (NERC) in 1998. EPPnet links federal, state, and local environmental officials; and private procurement specialists charged with purchasing green products and services and developing policies for the procurement of these products. EPPnet is intended to provide subscribers with quick access to information, such as: availability of

nerc.org/eppnet

- Product specifications
- Vendors of green products
- Pricing information
- Strategies to meet green procurement goals

Not available for private vendors





New Green Purchasing Toolkit for Counties



http://www.uscounties.org/GreenPurchasing/index.html





Webinars

Previous

- Purchasing for Climate Protection
- Cutting-Edge Eco-Labels
- Green Purchasing Tools for Federal, State, and Local Governments
- Compostable Food Service Ware



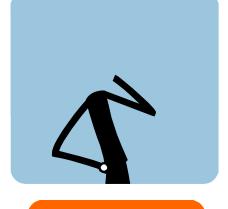
In the works

- Office Supplies Roundtable
- Green Lighting
- Green Carpeting
- Recycled and Low-VOC Paint
- Janitorial Tissue Products
- ... and many more!





Questions? Comments?



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