



## ABA-EPA Law Office Climate Challenge Green Power Program

The American Bar Association (ABA) and the U.S. Environmental Protection Agency (EPA) encourage law offices to participate in EPA’s Green Power Partnership program (Green Power) by covering at least part of their electricity usage with the purchase of what power from renewable energy sources, which has become known as green power. Payments for green power support the emerging field of renewable energy resources and diminish the need for power generated from coal-fired or other nonrenewable resources.

Specifically, a law office can participate in Green Power by agreeing to purchase a minimum amount of megawatt hours of green power products, which are electric power products generated by certain types of new sources of renewable energy. The required minimum amount is calculated by reference to a percentage of the organization’s annual electricity use, and ranges from 10% if the organization’s annual electricity use is relatively low to 2% if the organization’s annual electricity use is relatively high. EPA recognizes organizations that buy at least the minimum amount as “Green Power Partners.” Partners who purchase additional green power in specified amounts or more qualify for membership in the Green Power Leadership Club. The program includes a special calculation methodology for organizations that lease their space. Any organization can participate in Green Power, regardless of whether renewable energy is available through that organization’s utility provider.

The ABA will recognize a law office that achieves recognition as a Green Power Partner or a member of the Green Power Leadership Club as, respectively, a Law Office Climate Challenge Partner or a Law Office Climate Challenge Leader. In addition, as explained below, the ABA will recognize as a Law Office Climate Challenge Leader a law office whose electricity usage is too small to allow the office to qualify as a member of the Green Power Leadership Club, but that covers a sufficiently high percentage of its electricity usage with a green power purchase.

### 1. What are the Requirements for a Law Office to Participate in the EPA Green Power Program?

Under the EPA Green Power program, a firm may qualify for recognition as a Partner by agreeing to purchase a minimum amount of MWh (megawatt hours) of green power products, which are electric power products generated by certain types of renewable energy sources. The participation requirements are included in [EPA’s Green Power Partnership Requirements](#) (Green Power Requirements).

As indicated in Table 1 immediately below, the required minimum amount of purchase is calculated by reference to a specified percentage of the firm’s annual electricity use (calculated in MWh). In addition, a Partner will qualify for membership in the [Green Power Leadership Club](#) if the Partner (i) calculates the amount of electricity usage to include the usage by all of its U.S. facilities; and (ii) agrees to purchase an amount of green power that corresponds to a larger percentage of the total electricity usage.

**Table 1 – Green Power Partner and Leadership Club Purchase Requirements**

| Annual Electricity Use (MWh) | Minimum Purchase Requirement to Qualify as Green Power “Partner” (% of annual electricity use) | Minimum Purchase Requirement for “Leadership Club” (% of annual electricity use)* |
|------------------------------|--|---|
| > 100,000                    | 2%   | 20%   |
| 100,000 to 10,001            | 3%   | 30%   |
| 10,001 to 1,001              | 6%   | 60%   |
| < 1,000                      | 10%  | **  |

\* A Partner must meet the purchase requirements for all of its U.S. facilities to be in the Leadership Club.

\*\* Partners with annual electricity use of less than 1,000 MWh are not eligible for the Leadership Club, but EPA will recognize Partners separately who fall in this size category and purchase 100% green power. Green Power Requirements at 8.

Organizations that lease their office space may calculate the annual amount of their MWh of electricity use in different ways. If the amount of their electricity use is separately identified – because their electricity is separately metered or calculated as a percentage of the electricity use of their building – they may use the amount so identified. Otherwise, they may multiply their square footage of leased space by 0.0135 MWh, which is an EPA-specified standard amount of annual electricity usage. Because electricity usage is commonly calculated in kilowatt hours, note that 1,000 kilowatts equals one megawatt.

Eligible green power products include “[g]reen power marketing and green pricing products delivered through the grid, renewable energy certificates (RECs), and on-site power generation from renewable resources, or any combination of these...”

Thus, participants in EPA’s Green Power Partnership program may fulfill their commitment in various ways, ranging from enrolling in a marketing program to acquire electricity from a renewable source to purchasing RECs, as described below. Eligible sources of green power include, among others, solar electric, wind, geothermal, certain hydropower, certain biomass, and biodiesel. To be eligible, these sources must be new, as defined by EPA, and must meet certain other requirements. In addition, the green power products must be incremental, i.e., among other things, their production must not be otherwise required.

Most participants in EPA’s Green Power Partnership program fulfill their green power commitment by purchasing RECs. Because most law offices lease their space and have limited control over their source of electricity, it is likely that most law offices that participate in this program will comply through purchasing RECs.

A REC represents the positive attributes – such as clean air and energy security – of renewable energy. More specifically, when a renewable energy provider operates for a certain period of time, it generates one MWh of electricity and one REC that represents the positive attributes of that unit of electricity. The renewable energy provider transmits the electricity to the grid, where it is used, along with other electricity from other providers, by the grid’s customers. Separately, the renewable energy provider sells the REC, generally through a broker, to anyone who is willing to buy it, whether or not a customer on its grid. (See EPA, [Guide to Purchasing Green Power](#))

The payments received by the renewable energy provider for the REC improve its profitability, which may allow it to expand its operations, encourage others to enter the renewable energy field, or in other ways result in greater amounts of renewable energy. These greater amounts of renewable energy replace the same amounts of electricity that otherwise would have been generated from conventionally-fired sources, including fossil-fuel fired sources.

## **2. What are the Costs of Participation in the EPA Green Power Program?**

The out-of-pocket costs to a law office for participating in Green Power depend on the amount of the office’s electricity usage and the cost of the green power products. Because, in most cases, law offices can be expected to participate by purchasing RECs, and RECs can be modestly priced, the costs of participation can be modest. For example, as of July, 2006, small commercial customers could buy RECs from California and some nationwide brokers for wind power at prices ranging from approximately \$5 to \$25 per REC (in MWh); and for solar power at prices ranging from \$33 to \$75 per REC (in MWh). (See EPA, [Green Power Locator](#))

Table 2, below, presents some illustrative costs for law firms, based on certain assumptions for number of attorneys and number of other employees in a law firm, amount of square footage of space per attorney and employee, amount of electricity usage per square footage of space, and the cost of RECs.

**Table 2 – Illustrative Costs to Differently Sized Law Firms to Participate in EPA’s Green Power Program**

| Firm   | No. of attorneys | Total personnel | Office space (in sq. feet)* | Amount of electricity use per year (MWh)<br>** | Amount of RECs required to qualify as “Partner” *** | Annual cost of RECs to qualify as “Partner”<br>## | Annual cost of RECs to qualify for Leadership Club### |
|--------|------------------|-----------------|-----------------------------|--|---|---|---|
| Firm X | 10               | 20              | 4,400                       | 59.4   | 6   | \$120   | \$1,200 #   |
| Firm Y | 50               | 100             | 22,000                      | 297  | 30  | \$600   | \$6,000 #   |
| Firm Z | 300              | 600             | 132,000                     | 1,782  | 107   | \$2,140   | \$21,400  |

\* The amount of office space is assumed to be 220 square feet per person, according to a commercial office-space finder: <http://www.officefinder.com/officespacecalc.html>

\*\* These prototype firms are assumed to use electricity only (and not gas, oil, or other forms of energy). The amount of electricity use per year is calculated by multiplying square footage of leased space by 0.0135 MWh, which is an EPA-specified standard amount of annual electricity usage, expressed in megawatt hours (MWh) per square footage of office space.

\*\*\* To determine the amount of RECs that must be purchased to qualify as a Partner, apply to the firm’s annual MWh the appropriate percentage from Table 1, above, to qualify as a Partner. Firms X and Y have less than 1,001 MWh; thus, their percentage is 10%. Firm Z has between 1,001 and 10,000 MWh; thus, its percentage is 6%. Each firm is assumed to purchase its green power in RECs, and one REC represents one MWh of green power.

# Partners with annual electricity use of less than 1,000 MWh are not eligible for the Leadership Club, but EPA will recognize Partners separately who fall in this size category and purchase 100% green power.

## One REC is assumed to cost \$20. <http://www.eere.energy.gov/greenpower/markets/certificates.shtml?page=1>

### To determine the cost of purchasing RECs to qualify for membership in the Leadership Club, multiply the cost to qualify as a Partner by 10. Note that this example assumes that Firms X, Y, and Z each have only one office in their organization. To qualify as a member of the Leadership Club, a firm with more than one office must base its purchase of green power on the total electricity usage of all of its offices.

The ABA will recognize as a Law Office Climate Challenge Partner any law office that achieves recognition as a Green Power Partner. In addition, the ABA will recognize as a Law Office Climate Challenge Leader any law office that achieves recognition as a member of the Green Power Leadership Club. Further, although under EPA requirements, a Green Power Partner with annual electricity use of less than 1,000 MWh is not eligible for recognition as a member of the Green Power Leadership Club, the ABA will recognize such an organization as a Law Office Climate Challenge Leader if the organization purchases RECs in an amount that is based on ten times the percentage of MWhs it needs to qualify as a Partner, and the total electricity usage of all the organization’s offices.

### **3. How Can a Law Office Participate in the EPA Green Power Program, Receive Recognition from EPA, Maintain the Office’s Participation in Subsequent Years, and Participate in the Law Office Climate Challenge?**

A law office must take the following steps to enroll in the Green Power program; achieve recognition as a Green Power Partner and, if it chooses to purchase more green power, as a member of the

Leadership Club; maintain its recognition as such in subsequent years; and participate in the Law Office Climate Challenge:

**Step 1.** Calculate the law office's Green Power purchase obligations to qualify as a Partner and, if it chooses, as a member of the Leadership Club. EPA will provide technical assistance upon request.

**Step 2.** Complete a two-page [Partnership Agreement](#) and submit it to EPA. The Partnership Agreement provides that the law office agrees to buy a specified amount of green power products within one year of the Agreement, and that specified amount must equal or exceed the minimum amount required for the office to qualify as a Partner.

**Step 3.** Upon submission of the Partnership Agreement, the law office becomes a Green Power Partner and, if it agrees to purchase a sufficient quantity of green power, a member of the Leadership Club. EPA provides the office a certificate and lists the office on EPA's Web site as a Green Power Partner and, if the office qualifies, as a member of the Leadership Club. (See EPA, [What Happens After Joining](#))

**Step 4:** The law office submits to SEER or LPM the completed Application Form for the Law Office Climate Challenge, and attaches EPA's notification that the office qualifies as a Green Power Partner. If the law office has completed its purchase of green power, it may so indicate on the Application form.

**Step 5:** Upon receipt of the Climate Challenge application form, the ABA lists the office on the Law Office Climate Challenge Web site for recognition as a Partner or Leader.

**Step 6.** The law office, to maintain its recognition by EPA as a Green Power Partner or member of the Green Power Leadership Club, must submit a Partner Yearly Report on the anniversary of the Partnership Agreement. The [Yearly Report](#) documents how the firm has met its requirements. If a Partner fails to meet its initial purchase requirements within 15 months of the date of the Partnership Agreement, it is placed on probationary status, followed by suspension. In addition, a Partner must purchase the appropriate amount of green power on an annual basis to maintain its recognition by EPA as a Green Power Partner or a member of the Green Power Leadership Club..

**Step 7:** The ABA-EPA Law Office Climate Challenge is a two-year pilot program, initiated in March 2007. A law office is not required to make purchases of green power after its initial purchase to maintain its recognition as meeting the Climate Challenge. Even so, if a law office does make a subsequent purchase, it may submit to the ABA an Climate Challenge Update form that contains information about the subsequent purchase, and the ABA will provide any appropriate higher level of recognition and will credit the law office with additional CO<sub>2</sub> emissions avoided.

If the Law Office Climate Challenge program is not extended after March 2009, law offices that are recognized as Law Office Climate Challenge Partners or Leaders as of the conclusion of the program will continue to be recognized as such, and listed on the ABA Web site, for twelve months after the conclusion of the program.

#### **4. What are the Benefits to Law Offices for participating in Green Power?**

Law offices that participate in Green Power can expect to enjoy an enhanced reputation as good citizens and, in particular, good energy stewards. This should assist in employee hiring and retention, and may be of particular value within the growing field of renewable resources law.

#### **5. Does EPA Offer Assistance?**

After an organization submits the Partnership Agreement, EPA provides an account manager who is available to provide information about, for example, the availability of green power products. A Partner may use the EPA Green Power Partner mark (a logo). (See EPA, [What Happens After Joining](#))

## **6. What About Organizations with More than One Office?**

EPA, in the Green Power program, takes a flexible approach towards recognizing firms with more than one office. The firm may have as few or as many offices it wishes participate in Green Power. Of course, only those offices that do participate will be recognized as [Green Power “Partners.”](#) Moreover, as described above, to qualify as a member of the Leadership Club, a Partner must meet purchase requirements that are based on the electricity usage of all of its U.S. facilities. The ABA, in granting recognition under the Law Office Climate Challenge, takes the same approach.

## **G. How are the Environmental Benefits Calculated?**

The [EPA Green Power](#) program includes a methodology for calculating the amount of environmental benefits due to emissions avoided as a result of the replacement of conventional power with green power. The law office should include this information on its Climate Challenge Application Form and, if filed, Update Form, and the ABA, in turn, will include the information on the Law Office Climate Challenge Web site.