

**SPECIAL SUPPLEMENT**

# **Green procurement**

**Hotels, fleets,  
buildings...  
and more**

*Research and writing by Toby Osborne*



*Produced in cooperation with:*

**terrachoice**  
environmental marketing

# Greening government

## An interview with Margaret Kenny, director general of the federal Office of Greening Government Operations

**A**FTER MORE THAN A decade of delays, procrastination and qualms, an office dedicated to making federal government operations greener was realized in May 2005. The Office of Greening Government Operations (OGGO) was created in response to “a concern that the Commissioner of the Environment and Sustainable Development raised over the years about the need for an identifiable leader in the federal government for greening operations, and protecting and conserving our environment,” says Margaret Kenny. The OGGO consolidates several parts of Public Works and Government Services Canada (PWGSC) that were involved with environmental matters.

“I think most people, want to ‘do the green thing,’” Kenny says, “it’s a matter of making it available to them, in many ways; making sure they have the capacity, in terms of the tools we use. We’re here to provide a source of advice, of guidance, [and] to facilitate work being done by other departments... So, we see ourselves as enablers... to get this done.”

In addition to developing training materials and adopting the Building Owners and Managers Association ‘Go Green’ program to manage its existing buildings, the OGGO streamlined some government-wide committee structures. Three associate deputy ministers of Environment Canada, Treasury Board Secretariat and PWGSC are leading a group of strategically placed communities looking at specific things: green procurement; ‘green citizenship’ – things that employees can do; and others such as vehicles, building energy, etc. Additionally, the OGGO has finalized the *Green Procurement Policy*, effective April 1, 2006.

OGGO’s Director of Policy, Elizabeth Hopkins, said “We’re working on the implementation plan; ensuring that training is reviewed to correspond with the new policy; and developing the tools and methodology to support commodity management

initiatives, life-cycle costing and assessment.”

When asked if the OGGO would set specific percentages for green procurement, Kenny said, “Not exactly... rather than say, ‘here’s a series of green products and we want everybody to buy 10 percent of them’ – we’re taking a different approach, one we’re uniquely positioned to take.” She was referring to the opportunity provided by the federal government’s consolidation of the management of commodities, one step of which was to make it mandatory for departments to use standing offers when purchasing goods and services. In these standing offers, environmental performance will be considered when a particular supplier of those products is identified, thus ensuring, at the source, that departments will purchase more environmentally friendly products.

Under this prong of the new procurement policy “where we have the opportunity for collective commodity management, we can ensure that environmental considerations are embedded right into our request for proposals, right in the commodities we’re purchasing,” says Kenny. The other prong is that “departments are able to establish their own green objectives. Every department has unique needs... so they can identify where their particular risks or interests are, and then can specifically target areas that make sense to them.”

This more centralized procurement operation, says Hopkins, “allows us to aggregate the demand for particular goods and services and drive the savings associated with that, as well as ensure that the environmental performance considerations are embedded into the decision making. So, rather than being transaction-based, it’s systems-based.”

“Imagine a jurisdiction where individual procurement officers have to make these decisions on a transaction-by-trans-

action basis. Buying green just becomes another consideration,” notes Kenny. “But, if one can do it once – right at the source – then it becomes more user friendly. And we see that as a big advantage.”

In September 2005, PWGSC figured that more than 100 standing offers included provisions for green goods and services. But, the present consolidation initiative focuses on five areas. “There are a number of commodities that are being dealt with; this is something unrolling over time,” says Kenny. “Procurement is one of three key areas of the PWGSC-led *Way Forward* strategy, introduced to find ways to deliver services smarter, faster and at reduced cost, and to improve how the federal government does business. The green element is part and parcel of that work.”

Currently, five commodity management councils on procurement oversee five commodities: computers, printers, office supplies, fuels and lubricants, and furniture.

The OGGO ([www.greeninggovernment.gc.ca](http://www.greeninggovernment.gc.ca)) is also providing guidance to departments who are preparing their next round of sustainable development strategies, due every three years. The next round are due in 2007. “Because [OGGO] is in place, we’re able to bring departments together and say, ‘okay, it’s true every department has a little bit different set of priorities from time to time, but there are probably some things that we should all make a concerted effort to address so that the government can really make progress.’ Therefore, we’ve taken the responsibility for bringing departments together to collectively come up with a series of strategies to make sure that the whole of government makes significant, measurable progress.”

Collective teamwork will be the key to success. *mm*

# Fleets of the future... NOW

## Hybrid vehicles rise in popularity with fleet managers

With the rocketing price of oil, and the need to reduce greenhouse gases (GHG) being such hot topics, it's no wonder that many fleet managers are looking to hybrid vehicles as the saviours of both the environment and their fuel budgets.

**U**SING MULTIPLE PROPULSION systems to provide motive power, the term 'hybrid vehicle' most commonly refers to gasoline-electric models such as the popular Toyota Prius (a mid-size car with a 1.5 litre, 4 cylinder engine), the world's first mass-produced hybrid. With the option of running on either regular fuel and/or electric batteries to power internal-combustion engines and electric motors, these hybrids no longer even need to plug-in as regenerative braking recharges the batteries by capturing kinetic energy.

Another hybrid combination uses a diesel engine, which has the distinct advantage of being able to use 100 percent pure biodiesel (non-toxic, biodegradable biofuel, made from renewable materials). So, these hybrids don't need petroleum at all.

Additionally, some of the flexible-fuel vehicles (FFV) available have also been termed hybrids. FFVs are a versatile breed that can run on a mixture of different fuels – typically gasoline and ethanol.

The Ford Escape hybrid (2.3 litre, 4 cylinder SUV) is actually the first gasoline-electric hybrid on the market to include flexible-fuel technology; it is compatible with 'E85' (a mixture of 85 percent ethanol and 15 percent gasoline).

### Why buy hybrids

Buyers, eager to cut GHG emissions and fuel spending, are opting for the efficiency promised by hybrid vehicles. Of course, cheaper and greener doesn't always go hand-in-hand – yet hybrids are becoming increasingly affordable and desirable in commercial and government fleets. For example, the difference in price between a Toyota Prius (approx \$30,530) and a com-

parable non-hybrid, the Toyota Camry (\$27,475), is \$3,055 (based on 2005 prices).

Also, the Ford Escape – along with several other hybrids including the Toyota Prius, Honda Insight (1.0 litre, 3 cylinder, two-seater) and Honda Civic (1.3 litre, 4 cylinder compact) – was recognized by Natural Resources Canada's Office of Energy Efficiency 'EnerGuide Awards' as one of the most fuel-efficient vehicles for model year 2006.

But it's not always that simple, as fleet managers need to consider numerous factors before purchasing a vehicle, such as the characteristics required from the vehicle (e.g., Is the car for off-road use or city driving?) A Toyota Prius, for instance, would not be the best vehicle for driving through fields, thus might be unsuitable to meet the needs of, say, Agriculture Canada. Also, buyers weigh the financial practicalities of investing in a hybrid, and ultimately whether a hybrid meets all of those requirements. So, *Summit* asked fleet managers from federal, provincial and muni-

cipal government: What vehicles are in your fleet, and how do hybrids fit in with your considerations when buying a vehicle?

**Scotty Phillips**

*Lifecycle Materiel Manager*

*Department of National Defence*

*Light Commercial Fleet*

"Of 4,500 vehicles, we have approximately 60 hybrids and maybe 100 'E85' vehicles... It costs approximately the same to fill up an E85 as a regular car, yet the purchase price of an ethanol vehicle is only \$150 more. And the beauty is that, when you cannot get E85, you can put regular unleaded gasoline in it and run it just like a normal vehicle... But, fuel infrastructure for E85 is the biggest problem. Getting E85 in Canada is next to impossible; it's just not available across the country.

"Where hybrid vehicles are concerned, we have access to four different ones right now, where in reality we might buy 30 different types of vehicles. So that part's not there yet, and the cost differential is



Ford Escape hybrid

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always a big one, and availability of maintenance facilities by the OEM (original equipment manufacturer) is a small thing to consider, but it's got to be considered." The federal government mandates that 75 percent of all vehicle purchases must be capable of operating on alternative fuels, when cost effective and operationally feasible.

**Andy Aiton**

**Director, Vehicle Management Agency  
Department of Transportation (NB)**

"The Government of New Brunswick has no specific mandate to add hybrid vehicles to its fleet – they're added only when requested by the client departments. Our government is committed to reducing GHG emission and fuel consumption within our fleet of vehicles, so we will monitor the new technological innovations in engines (hybrids, alternate fuel, diesel, etc.) and fuels (diesel, biodiesel, E85, natural gas, etc.), and will pursue appropriate opportunities to utilize such technologies to reduce GHG emissions when opportunities exist and it is deemed economically feasible.

"That being said, the NB government has one hybrid in its fleet to this date; it is a Toyota Prius assigned to the Department of Environment and Local Government. This particular vehicle has operated well during its in-service period. The only issue with the hybrid is the expectation of savings in fuel to offset the cost of the vehicle, which has never materialized."

**Ron Gillespie**

**Director, Fleet Services  
City of Ottawa**

"The city's fleet has everything from buses through ambulances and fire trucks – we do maintenance on police vehicles but don't manage them – snow ploughs, pick-up trucks, and we look after twenty garbage trucks as well. Our first hybrid was the Prius; it's the mayor's car. We acquired it in 2005, at the request of the mayor, and that's the only hybrid we have in the city right now. Our light fleet requirements are for pick-up trucks, vans, and fairly small cars, which tend not to be hybrids yet. So, what's available so far does not

## Cut idling and cut GHGs

There's more than one way to skin the proverbial cat, and the same could be said of cutting greenhouse gases (GHGs). Unnecessary idling can cost financially, as well as environmentally. Many seem preoccupied with alternative fuels and hybrid vehicles when, just by doing something as simple as cutting idling, you can reduce GHG emissions, which can cause climate change.

For the past three years, Natural Resources Canada's (NRCan) FleetSmart initiative has promoted the 'Idle Free-Quiet Zone' campaign for commercial vehicles, aimed at raising awareness in the trucking sector. According to NRCan, research indicates that Canadian motorists idle their vehicles an average of 5 to 10 minutes a day, and this idling uses an average of 100 litres of gas a year. At a conservative 70 cents a litre, a driver could save \$70 a year just by switching off the engine. And if every driver of a light-duty vehicle in Canada were to avoid idling for just five minutes a day, there would be a collective saving of 1.6 million litres of fuel and over \$1 million.

With idling being such a widespread problem, Ottawa-based Netistix Technologies has introduced a vehicle relationship management (VRM) system called 'FleetPulse' in order to support fleets interested in marginalizing the amount of idling by their vehicles. The onboard gadget costs approximately \$500 per vehicle, and has actually been deployed in several commercial and government fleets in Canada. Using wireless telematics technology, the device collects vehicle data, including idling time, and with this information, managers have been able to reduce idling, GHG emissions, and the overall cost of fleet operations. Netistix also recently received funding from Sustainable Development Technologies Canada to develop FleetPulse for a consumer market ([www.netistix.com](http://www.netistix.com)).

match what we need in the price range we're looking for. Yet, we're always looking where we can get subsidies from federal and provincial government, as there's a real push on cutting GHGs right now.

"Nevertheless, we do have a study underway to switch to diesel-electric hybrid buses. Council has asked that a comparison of the diesel-electric hybrid with a natural gas alternative be looked at, and we're in the process of doing that right now. We'll then make a decision for procurement in the 2007 budget, and have them on the ground by 2008... Because of the regenerative braking system, and the fact that some of the bus routes have plenty of stops, we foresee 25-40 percent savings on fuel, which pays for the extra cost of the hybrid in about 5 years.

"Also, the City of Toronto and ourselves are working with the federal government on acquiring a hybrid garbage truck. It will be a diesel-hydraulic hybrid, as there are a lot of hydraulics on the vehicle. Diesel-hydraulics use compressed oil as a reservoir, instead of a battery, to store energy."

## Hybrid fleets – the future?

So, what does the future hold? Are hybrid sales on the rise? Will hybrids make up the bulk of our fleets, in the near future? And, isn't that a hybrid parked in your neighbour's driveway...? Well, the figures speak for themselves – Toyota sold 150,000 units in North America last year: 110,000 Priuses, plus 40,000 hybrid Highlanders

and Lexus RX 400h SUVs; and the manufacturer predicts its own hybrid sales will grow nearly 50 percent in the US and Canada in 2006, to about 225,000 units. Also this year, Ford's hybrid production will rise to approximately 24,000 units, and Honda plans to sell 40,000 hybrid Civics.

Companies like Purolator, Canada's largest overnight courier company, are making the leap to hybrids, too. Purolator has signed a \$90 million, 5-year agreement to purchase up to 2,000 hybrid electric delivery vans. "We believe Purolator is at the forefront of what may soon become a near term industry requirement in many cities around the world," said Purolator President and CEO Robert Johnson. "We are excited to begin transitioning our fleet to hybrid electric vehicles, and believe that our efforts lead the industry in shifting to environmentally friendly fleet management."

Also, British Columbia's provincial government, which was recognized by the World Electric Vehicle Association in 2005 for its leadership in alternative energy technology by offering a \$2,000 PST rebate on hybrid vehicles, has committed to doubling its own fleet of hybrids within the next three years, with the addition of up to 356 gasoline-electric hybrids.

And so, it seems, if production can keep up, it is inevitable that more and more fleets will indeed consider making that switch to hybrids, in hopes of simultaneously cutting GHGs and their ballooning budgets. *mm*

# Building your “green” supplier base

Your responses to the EcoMarkets Survey help suppliers of green products and services design what *you* want.

**H**AVE YOU EVER wondered what green elements are most important for your department or colleagues when buying goods or services? Now there is a tool that can tell you – EcoMarkets Survey.

Created by Ottawa-based TerraChoice Environmental Marketing, the EcoMarkets Survey is conducted annually to analyze important patterns in B2B (business to business) and B2G (business to government) green procurement.

“Basically, it’s a piece of market-research,” explains TerraChoice’s President and CEO Scott McDougall. “This is what would be called an ‘omnibus survey’ in that it’s not targeted to learn specific things or address specific business questions; it’s omnibus in that we go to the world of business buyers and government buyers, and we try to learn general things about their interests and their particular interpretation of greening their supply chains... We’re trying to assemble information that is of interest to sellers of environmentally-preferable goods.”

“We use the EcoMarkets Survey tool to see what the hot environmental issues of the day are,” adds Kevin Gallagher, vice president of TerraChoice. “Ultimately, it helps suppliers know what procurement professionals want.”

Launched in the first quarter of 2004, the EcoMarkets Survey polls up to 6,000 buyers, with a response rate of 20-30 percent. The results of the survey are then divided into three volumes. “We take the results and put them into three different buckets,” says McDougall. “The first contains results from business buyers, the second is results from government buyers, and the third is a bit different; it is filled with organizations that we call ‘eco-buyers,’ in that they have already made public declarations of their own environmental responsibility or support for the environment. For example, health food retailers, organic clothing retailers, or multinationals who belong to one of the interna-

tional environmental organizations, like the World Business Council for Sustainable Development.”

The EcoMarkets Survey essentially asks buyers about their organization’s general level of interest and activity in green procurement. As well as looking at the same thematic issues each year, the survey also asks questions about ‘hot-button’ issues. “For example, ‘Are you more concerned about resource conservation or wildlife habitat?’ Or, ‘is it toxins or energy conservation?’” says McDougall.

“In the second part of the survey, we try to learn about the language of environment and, to the extent that we can, correlate those with the different populations within the data set,” continues McDougall. “The third set of questions is more specific, as we try to find out predictors of green procurement trends. We ask about the organizations, the corporate characteristics, the industry they operate in, the size... Also, we try to learn something about the personal characteristics of respondents – because we know still, no matter what’s happening at the policy level, it takes personal commitment to the issue to make these things happen. So, we ask whether the buyer is a parent or not, female or male – we’re trying to characterize in more specific detail and find any correlation between those kinds of organizational and personal characteristics and the actual green buying behaviour.”

“The research tells us that there’s an increase in organizations interested in buying green,” McDougall says, “so for companies to sell most effectively:

- you need to know what kinds of organizations are most likely to have that interest – so, we’ll help you with finding and identifying those; and
- you need to know, at this moment and time, what green purchasing means to most of these organizations, because ‘environment’ is very broad language... Climate change, for example, might or

might not be a particularly useful subject matter to emphasize in your marketing communication.

And, as it happens, notwithstanding the fact that climate change is the issue with highest profile today, the EcoMarkets Survey results suggest that talking about energy conservation is far more meaningful to these audiences than talking about climate change.”

Deb Canada is one of those ‘green’ suppliers reading the results to improve on their range of EcoLogo-certified skin hygiene products, and to improve the marketing of these products to its rolodex of government clientele. “The information from the EcoMarkets Survey was really interesting because it reinforced some of the things we were doing already, and also gave us some ideas as to other things to focus on and target, and how to maybe even market it a little better,” says Marvin Mauer, Deb Canada’s director of sales.

“We’re a supplier to a lot of federal government agencies, as well as provincial, right down to municipal,” notes Mauer. “The City of Toronto, City of Mississauga, and Brampton, they’re all major users of our products. And, as a matter of fact, I’m proud to say that every one of our elected politicians in Ottawa uses Deb Canada products. Within the last year, we had our foam soaps installed throughout the House of Commons... anywhere there’s a pair of hands, there’s a potential market for us.” The company also supplies industrial (Ford, GM, Stelco), commercial (Tim Hortons, Paramount Canada’s Wonderland), and healthcare markets.

The results of the next EcoMarkets Survey are due in April 2006. Currently, instead of mailing out the three volumes of research, TerraChoice customizes the data to suit the individual interests of clients that the agency consults. However, Scott McDougall says that, in the future, there are plans to make the entire survey available. [ecomarkets@terrachoice.com](mailto:ecomarkets@terrachoice.com)

# Canada's greenest buildings

The LEED standard leads the way for government, contractors and designers planning the greenest buildings in North America.

**A**LTHOUGH RELATIVELY NEW to Canadians, the LEED (Leadership in Energy and Environmental Design) rating and assessment system, which the Canada Green Building Council adapted from the widely-accepted US model, is providing a standard benchmark for sustainable and energy efficient buildings being designed and built across the country.

Since its launch in December 2004, over 200 buildings have voluntarily registered for LEED certification within Canada, and many more are expected to follow. In 2005, the federal government, following in the footsteps of a handful of municipalities, mandated LEED as the standard for their future constructions. The Province of Alberta also now requires LEED certification for its new public buildings.

"LEED is an effective tool in terms of both informing people what the environmental impacts of buildings are, and transforming the market," says Ian Theaker, LEED program manager for the Canada Green Building Council (CaGBC). "It transforms the market so that developers, and people who are building buildings and using them, are creating and living in buildings that really are sustainable... That is going to afford our grandkids a good place to live in this world."

Theaker, who has 15 years of green design experience as an energy engineer and consultant on environmental impact and design, was enlisted by the CaGBC ([www.cagbc.org](http://www.cagbc.org)) to implement LEED Canada, following his success with the development of the province of British Columbia's LEED. Prior to these systems, LEED projects in Canada were certified using the original American standard, 'LEED 1.0.'

LEED covers such areas as energy and water efficiency, using recycled and salvaged building materials, and improving the indoor environment for occupants. "We have to reduce the ecological footprint of

## What about pre-existing buildings?

**W**ith many new constructions looking to follow LEED, what becomes of the pre-existing buildings that don't currently meet green building standards?

"The US Green Building Council has introduced LEED for existing buildings, and we've been taking a look at that," says LEED Canada's program manager Ian Theaker. "We're not going to be focusing on that immediately... It's certainly harder with an existing building, and it depends upon the vintage."

Theaker says, "Buildings built after the advent of air conditioning, which changed the design of buildings in the 1950s and 60s, are particularly difficult and it can be hard to make a huge impact on those buildings. Whereas older buildings – turn of the century, right up to the 1920s – they can be relatively straightforward to retrofit to gain a lot of the benefits."

Along with its commitment to meet LEED Gold standards for all new federal offices, the Government of Canada has committed to retrofitting 20 percent of its commercial buildings by 2010 to improve energy efficiency. The GoC has also joined the BOMA (Building Owners and Managers Association) 'Go Green' comprehensive program.

Go Green certifies properties being managed with a commitment to environmental responsibility, based on demonstration of good practice in regards to waste reduction and recycling, resource consumption, building materials, interior environment and tenant awareness.

So, while it may be difficult for some existing buildings to reach LEED standards, many can, of course, become greener and more sustainable. And by planning ahead, looking at lifecycle costing, savings can ultimately be made by fitting LED lighting and new carpets and windows, which can save energy in the long run, for instance.

LEED certainly supports the idea that 'recycling' old buildings means "not putting demand on virgin resources," says Theaker.

*A drawing of the new district range office for Natural Resources, now under construction in Florenceville, NB. It is the first of the Department's green, environmentally friendly buildings to utilize wind energy.*

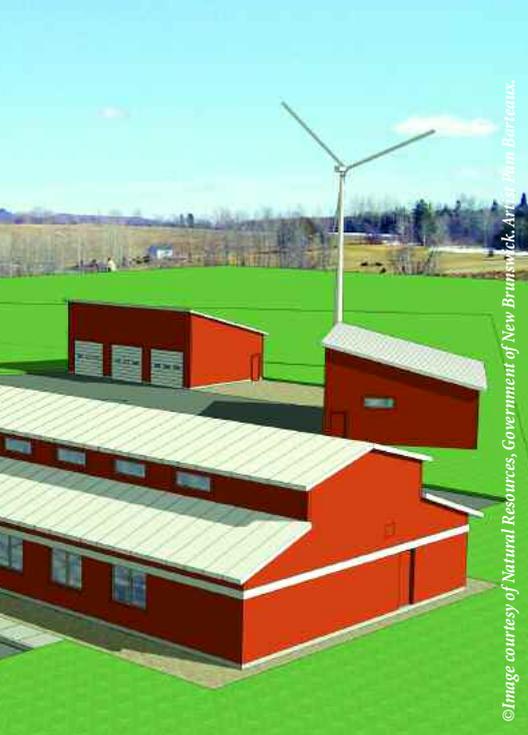


our buildings," says Theaker. "We can reduce resource consumption and emissions of a typical building by 30 percent today with basically no increase in capital costs. We have the technology, so it's not a question of technological change; it's about sociological change, the choices that people make."

The path to certification begins with registration. Once a structure is ready for occupation, the owners send documentation to the CaGBC. "We take a close look and decide whether or not they have in fact met the LEED performance criteria, and they get points... Then we give them a rating – Certified, Silver, Gold or Platinum," says Theaker, in an interview with *Summit*, from CaGBC's West Coast office in Vancouver.

"We're focused on recognizing the top end of the market – the top 25 percent that are the very best available," he notes. "We hope that by doing that, it's going to pull the majority of the buildings towards better performance."

Though Platinum is the highest LEED rating available, you can build greener, says Theaker. "There's a long ways between green buildings and those we call sustainable... Platinum is the greenest building we can build at this point. Right now, there are only two Platinum buildings across North America – both in the US – but there are several projects in Canada that are shooting for that..." The City of Vancouver, for instance, has mandated that at least one building in its under-construc-



© Image courtesy of Natural Resources, Government of New Brunswick. Art by Tom Barbeau.

tion Olympic Athlete's Village be built to LEED Platinum standard.

Nevertheless, presently, at least half of the applicants the CaGBC are receiving are aiming for Gold. "And we see a far higher proportion of buildings achieving Gold in Canada than is common across the United States," says LEED program manager Ian Theaker. Meanwhile, the Government of Canada stated in April 2005 that all federal office buildings will be built to LEED Gold standard – which means that the new buildings should use approximately 50 percent less energy than their counterparts in the government's current inventory.

One of these new LEED Gold Government of Canada buildings is the Jean Canfield Building in Charlottetown, PEI. Scheduled to open in 2007, it is already being billed as the most environmentally friendly building ever constructed by the federal department of Public Works and Government Services Canada (PWGSC), with green features like a reflective roof, use of natural light and shade to moderate temperature, and reduced water consumption through the recycling of rainwater.

In the meantime, the first LEED Canada certified building, Stratus Vineyards in Ontario, was rated Silver by the CaGBC in June 2005. Its features include geothermal heating and cooling, resource and energy efficient electrical and plumbing systems, and toxin-free waste management. The City of Vancouver's \$23 million National Works Yard project was the first to actually achieve Gold, under LEED BC.

Moreover, Vancouver has made it a requirement that all new civic buildings be built to LEED Gold – the highest standard set by any municipality in North America – and the City of Calgary has mandated LEED Silver for its own buildings. Additionally, the City of Vancouver is developing a sustainable community on the southeast shore of False Creek, site of the Olympic Village, where all buildings are committed to reach a minimum design standard of LEED Silver, with a target of Gold.

But, beyond trailblazing Vancouver, other green buildings are being recognized Canada-wide. *Building Magazine* recently assembled a panel of experts to judge and select some of the greenest buildings in the nation for its first annual Outside the Box awards. "I think we went through 150 buildings," says Kevin Gallagher of Terra-Choice. Gallagher was one of the judges, alongside Toronto architects Dean Goodman, Mitchell Hall, Terence Van Elslander, and the CaGBC's Manager of Programs, Erika Mayer. Although LEED is presently the most popular green building rating system in Canada, only a portion of Canadian green buildings have actually sought LEED certification.

The buildings deemed among the greenest in Canada included:

- The LEED Gold-rated White Rock Operation Centre, built by the City of White Rock, BC, which salvaged materials from an abandoned sanitary treatment plant and adopted green features that guarantee a 60 percent reduction in energy consumption – resulting in savings of \$5,000 each year;
- Smith Carter Architects and Engineers' corporate office, in downtown Winnipeg, MB. The building achieved LEED Gold by incorporating up to 90 percent recycled steel and local, rapidly renewable materials; and
- Vancouver's National Works Yard also received recognition for utilizing 75 percent regional materials.

Environmental benefits aside, there are several other excellent reasons for building green, such as – according to studies – increased productivity and satisfaction of occupants. The rationale being, green buildings often incorporate superior air

quality, natural light, and greater noise control, effectively making them better places to work/live. Of course, the financial savings can be attractive, too.

"Typically, we're finding that doing an energy efficient building more than pays for itself," says CaGBC's Theaker. The cost of going to either a LEED Silver or Gold is approximately 2-3 percent of the total construction cost, yet the long-term savings more than justify the upfront expenses, he says. "I see a return on investment for energy efficiency measures – just counting only the energy side of things – on the order of 15-20 percent.

"Now if you were going to offer me a bond at 15-20 percent, I would take it," concludes Theaker. "But people don't necessarily think that way... Quite often, in fact in most cases, the capital budget is separate from the operations and maintenance budget – people don't think about the life-cycle return on an investment; they don't think about making a better building as an investment in that way. That's one of the systemic changes we're trying to foster." ♫

First building in Canada to obtain LEED's Gold rating.



Image courtesy of Omicron/photo by Terry Guscott.



# Choosing an eco-friendly hotel

## The Green Leaf Program – a rating system for eco-friendly hotels – is a tool for eco-friendly travellers

The five-star system used to rate a hotel's overall quality and amenities is all too familiar with travelers; examples include ratings of excellence, such as AAA's Diamonds. Today many guests (including government employees), in addition to choosing excellence based on those ratings, are keen to practice environmental responsibility by staying in 'green' accommodations.

**T**HE GREEN LEAF eco-rating program was established in 1998, which works along similar lines to the globally-recognized five-star system, yet it rates a hotel's environmental efficiency and commitment to conserving energy and natural resources.

### Audubon Green Leaf Program

TerraChoice Environmental Marketing, an Ottawa-based firm, originally started the Green Leaf program. "We developed it for the Hotel Association of Canada, under the auspices of four federal government departments – Environment Canada, Natural Resources Canada, Canadian Heritage, and Public Works and Government Services Canada (PWGSC)," says Kevin Gallagher, vice-president of TerraChoice. Then, in 2004, Audubon International, a non-profit environmental education organization, partnered with TerraChoice to present the Audubon Green Leaf program that exists today.

Intended as a resource for the hospitality industry, Green Leaf's graduated rating system aims to provide travelers throughout Canada, the US, and Europe with verified environmentally friendly options, whilst enabling the hotels to concurrently save the planet and reduce costs via eco-efficiency.

"It's voluntary, so hotels can get involved with the program and go as far as they want," says Ron Dodson, CEO and presi-

dent of Audubon International. "If they have an older hotel, and it's going to take a while to change this and change that, they can go at their own pace... We want forward progress. We don't want people to be afraid and say, 'oh my gosh, I've got to go through all this to get in this program.'"

### What makes a hotel 'green'?

With ratings from one leaf right up to five leaves, the scale is based on fulfilling certain criteria in order to gain points that amount to the lodging's current level of environmental performance. One leaf indicates that the hotel has identified and initiated some measures to improve energy use, water conservation and waste reduction. Two leaves means that they have moved beyond an awareness of sound environmental practice. Three relates to excellent progress in achieving improved performance in all areas of facility operations and management. While four leaves indicates that the hotel has demonstrated national industry leadership, and five is reserved for facilities that are world leaders in eco-efficiency.

"Typically we're looking at issues like energy efficiency, water conservation, hazardous waste and toxins, solid waste issues and environmental policy," says TerraChoice's Gallagher. "The simple one that everybody does is the towel program. And that's a 'no-brainer' – you save on water, you save on chemicals, and you save on labour."

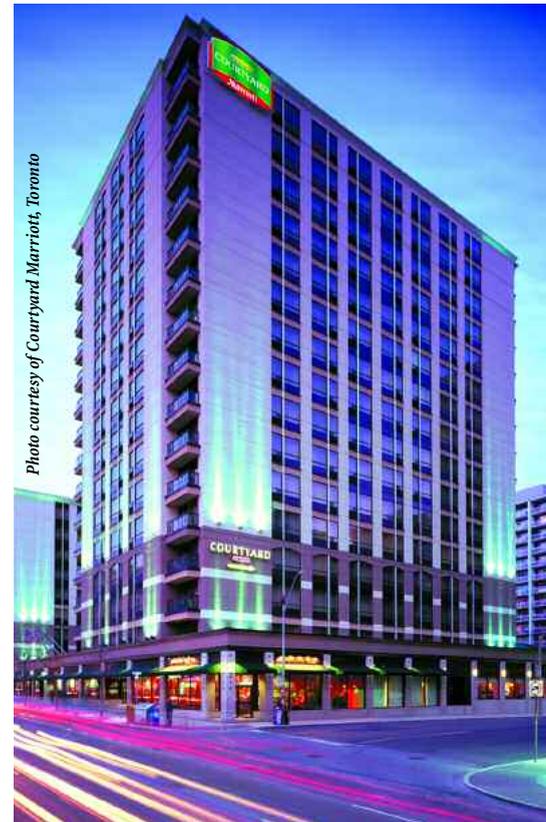


Photo courtesy of Courtyard Marriott, Toronto

### Participating hotels

Presently about 150 hotels are taking part in the Green Leaf program, including all Accor properties across Canada, which consists of Sofitel, Novotel, and Motel 6 [www.terrachoice.ca/hotelwebsite/indexcanada.htm](http://www.terrachoice.ca/hotelwebsite/indexcanada.htm). Novotel and Sofitel in the US are also participants.

“Accor Canada has been involved with the Green Leaf program for almost four years,” says company spokesperson Alicia Johnston. “The Canadian hotels and motels participate at different levels and with various initiatives depending on their specific market, physical structure and community. Yet, all Accor Canada properties are currently given a three or four leaves rating, with an aim of having every one of them earn a rating of four green leaves.”

Johnston says that Accor’s Green Leaf participation was a natural transition, not only because of consumer expectations and financial savings, but because of Accor’s commitment to the environment. “Financial savings because of the Green Leaf program are a difficult thing to measure,” she notes. “Although an environmental audit has not been conducted, it can be assumed that to some extent, there have been energy cost savings, especially given the rising energy prices.”

### Government’s hotel directory

For government personnel planning out-of-town trips, PWGSC publishes a directory of hotel accommodations online ([www.hcrd.gts.gc.ca](http://www.hcrd.gts.gc.ca)), which includes Accor’s hotels. The website is used by employees of federal departments and several provincial and territorial governments, too – Alberta, Ontario, New Brunswick, Yukon, Nunavut and the Northwest Territories.

Reservations can be made directly with the hotel or, if the traveler is from a federal department or agency that participates in the Government Travel Service (GTS), he/she may request accommodation reservations through the offices of the GTS contractor in their region.

“When public servants are going to travel, they look at the website and they get a listing of hotel options in the particular area they will be visiting,” explains Margaret Kenny, Director General of the new federal Office of Greening Government Operations. “They get the rates, of course, and the addresses, but as well there’s a column that identifies the Green Leaf rating of that particular hotel. So, certainly, employees are encouraged to take that step.”

However, when searching the online directory, hotels are only listed in priority of their geography – i.e., the ones closest

to the government employee’s meeting will be offered first – not in order of their environmental efficiency. Though, the hotel’s Green Leaf rating – if it has one – is clearly indicated alongside the accommodation’s address, contact info, and rate, even if green hotels aren’t listed higher than non-green.

“We do recognize that this is an important objective and it is something that we do have to look at further,” says Kenny. “I wouldn’t be surprised if hotel eco-ratings wouldn’t benefit from a lot more publicity and awareness, but it’s certainly there – you couldn’t miss it, if you open up that website; a quarter of the page shows that green rating.”

### United States pilot

The Green Leaf program is also gaining momentum in the United States, where twelve hotels are now in a pilot phase. “We’re going to introduce the program to both federal agencies and some state agencies, like Florida, for example, where Audubon has a tremendous amount of support and members” says Audubon International’s CEO Ron Dodson, in an interview from his New York office. “We’re going to talk about it to the state agencies and have various government meetings in a similar way to what they’ve done up in Canada, but on a state level to start with.”

Meanwhile, as Green Leaf makes inroads in the US, back in 2004 the Hotel

Association of Canada put its eco-rating program out to tender, and eventually introduced a Canadian rival to Green Leaf called the Green Key program. Rating eco-friendly hotels, motels and resorts with a system of one to five keys instead of leaves. The programs are very similar; they’re both recognized by the Canadian government and listed on the government’s travel website, and they both have the same amount of hotels participating.

### A measurable green procurement?

Nevertheless, currently there are no numbers to show how many government employees are actually paying attention to any eco-rating system, or opting to stay in green hotels. “Is it measurable? No, there’s no measure as to whether more room rates are sold... But, there are measures on cost efficiencies,” says Gallagher. “So, by going through the Green Leaf program, the hotel will save money on its bottom line.”

Also, as Audubon’s Ron Dodson points out, the program helps save resources and the environment, and it may even – ultimately – encourage hotel guests to do the same. “If these hotels not only practice the principles of sustainability, but tell their customers about it, I’m hoping that people who stay at those hotels will be motivated to take these principles home with them.”



Photo courtesy of Banff Park Lodge