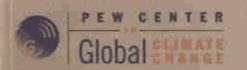
Andrew J. Hoffman With a Foreword by Eileen Claussen

CARBON STRATEGIES

How Leading Companies Are Reducing Their Climate Change Footprint





Contents

Foreword vii Acknowledgments ix Executive Summary x		
Synthesis Report		
Introduc	A. The Business Case for Climate Action Grows 2 B. Scope 5 C. Methodology 5 D. Overview 6 E. Over-Arching Themes 6	
Stage I:	Develop a Climate Strategy 10	
Step 1.	Conduct an Emissions Profile Assessment 10 A. Lessons Learned 10 B. Emission Types 10 C. Emission Metrics 12 D. Emission Measurement Tools and Techniques 12	
Step 2.	Gauge Risks and Opportunities 14 A. Lessons Learned 14 B. Benchmarking 14 C. Risks from Operations, Products, and Service Lines 15 D. Product and Service-Line Opportunities 15	
Step 3.	Evaluate Options for Technological Solutions 18 A. Lessons Learned 18 B. Low-Hanging Fruit 18 C. "Silver Bullets" 19 D. Ongoing Reductions 20 E. On-System versus Off-System Reductions 20	
Step 4.	Set Goals and Targets 21 A. Lessons Learned 21 B. Motivating Factors 22 C. Developing Climate Goals and Targets 24 D. Differentiating GHG-Reduction and Energy-Efficiency Targets 27 E. Making the Business Case for Climate Strategies 28 F. Other Related Climate Goals and Targets 30 G. Adaptation Strategies 31	

Stage II: Focus Inward 33	
	Develop Financial Mechanisms to Support Climate Programs A. Lessons Learned 33 B. Cost Estimates for GHG Reductions 33 C. Internal Carbon Trading 35 D. External Carbon Trading 35 E. Other Financial Instruments 36
	Engage the Organization 37 A. Lessons Learned 37 B. Gaining Buy-In 38 C. Senior Leadership 39 D. From Idea to Adoption 41 E. Moving Climate Change from the Periphery to the Core 42
Stage III: Focus Outward 48	
	Formulate a Policy Strategy 48 A. Lessons Learned 48 B. The Link between Policy and Strategy 48 C. Policy is on the Horizon 49 D. Options for Policy Mechanisms 50
	Manage External Relations 53 A. Lessons Learned 53 B. Target Audience 53 C. External Resistance 58 D. Supply-Chain Partnerships 60
Conclusions 63	
Case S	Cinergy: Managing "Stroke of the Pen" Risk 66 Swiss Re: Staying One Step Ahead on Climate Change, Not Two 78 DuPont: Shifting from Risk Management to Business Opportunity 90 Alcoa: Weaving Climate Change into the Business Case 103 The Shell Group: Maintaining a Seat at the Table 113 Whirlpool: Don't Switch Tracks When the Train Is Already Moving 123
Appendix A. A Compendium of Climate-Related Initiatives Used by BELC Companies 131	
Appendi Notes	x B. Glossary 165 167

+

+