

## ASK THE EXPERT

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### Where to Go When You're Going Green

**Renewable energy resources rapidly are becoming a prerequisite for location decisions—there are many factors to consider in evaluating the green credentials of candidates.**

**Q** My company is considering where we should build a new facility to manufacture a product designed to take advantage of renewable energy sources. We want the new facility to be located in a region, state, and community that encourages the development and use of environmentally-friendly technologies and practices. How should we evaluate potential locations for our facility?

**The Expert Says:** I will start from a macro perspective. To state the obvious, your company would do best to consider a country with good environmental conditions and a good record on environmental issues. By most respects this would limit your search to the developed countries rather than developing nations.

Diving down a little deeper, there are a number of factors that should be considered at a regional level. I will start first with air quality. The condition of a region's air quality is an important measure for a lot of manufacturers who are seeking federal air permits to discharge pollutants from their facilities. If this applies to your facility, then you will want to focus your search on areas that are in attainment for all of the criteria pollutants measured by the Environmental Protection Agency (EPA). Beyond your own discharge issues, it may also be important to your company to be located in a community that has a

strong history of monitoring and protecting the quality of its air. As such, the EPA attainment status remains an important factor.

In addition, for companies that are vigilant about monitoring the environmental impact that its products and facilities have, you will also want to pay close attention to the energy and utility capacity of the



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communities that you are considering. On the electricity side, you will want to evaluate the generating sources owned and operated by the electric utility provider. You may actually elect to only consider communities that are served by an energy company whose generating portfolio is in a majority of renewable sources.

If your process involves a lot of water and/or wastewater production, the planning and administration of regional water and wastewater systems will be an important issue for evaluation. You will want to consider whether

or not the regional systems are using cutting edge technology for the capture, treatment, recycling and release of the water and wastewater resources. It will also be important to consider the capacity of the systems under consideration as you do not want to be located in a community where your facility is putting undo strain on the community's water resources.

At the state level there are a few issues you will want to consider. If your company serves the renewable energy sector, it will be important to consider whether or not the states you are considering have enacted Renewable Portfolio Standards (RPS). It seems obvious that locations that seek to recruit renewable energy companies should be in support of efforts to increase the use of renewable energy. In addition, you might want to consider whether or not the state has enacted any other legislation and or incentives for alternative energy facilities.

Finally, depending on your company's commitment to the environment, you may also want to consider whether or not the communities are making investments in environmentally friendly practices. For example, has the community developed charging stations for electric vehicles? Does the community have efficient, local mass transit available for its citizens? Finally, you might also consider whether or not the community has recycling programs and water conservation programs or mandates. **BT**