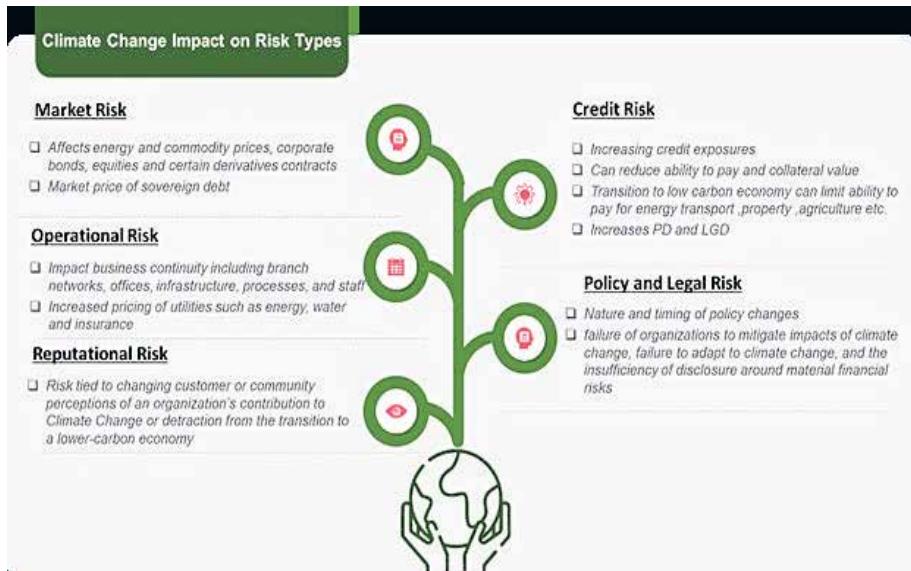


EAST END LIVING

Climate Change Conversations: A Better Option Than Mandates



CLIMATE CHANGE IMPACT ON RISK TYPES

BY FRANK DALENE

Recently, the current administration in the United Kingdom, under the leadership of Prime Minister Rishi Sunak and the Conservative party, were forced into an embarrassing backtrack on a proposed climate-related mandate.

The Sunak administration, along with climate activists around the world, have been on a mission to eliminate natural gas boilers, which the majority of English households use for heat and hot water, in favor of electric heat pumps which will ultimately run on renewable energy. In my recent articles “The Methane Equation” and “All-Electric Is Not the Answer” I demonstrated why this crusade against natural gas is a red herring when it comes to combatting climate change. And yet, activists and politicians around the globe continue to try and pursue this course — at the expense of the consumer.

This is exactly what happened in England. The first attempt at mandating against natural gas in the U.K. was a proposed ban on gas boiler sales after 2035, but, as a recent opinion piece in the *Wall Street Journal* pointed out, this mandate “proved politically toxic as households balked at the cost of replacing their reliable natural-gas boilers with more expensive, untested heat pumps.”

So the administration resorted to trickier means: a sales quota on manufacturers. “Starting in April, heat pumps would have to replace 4% of annual boiler sales or companies would pay a 3,000-pound fine for each ‘excess’ natural-gas boiler they sold,” the *Wall Street Journal* column reports. But “Voters still noticed what the government was trying to do. Absent demand for the allegedly carbon-friendly

product, manufacturers would have no choice but to pay the fines for missing the sales targets — and then pass the cost to consumers.”

Consumers were not having it — and the Sunak administration is now looking at walking back this proposal. It is, as the *Wall Street Journal* column points out, “a warning about the green left’s latest method for trying to sneak costly mandates past consumers.”

This is just another example of a point I have long argued: when it comes to combatting climate change, government mandates simply won’t work. Mandated systems — from cap and trade to carbon fee and dividend — all too often simply pass the cost on to the consumer. And as the recent policy proposal in the U.K. clearly demonstrates, consumers won’t stand for it.

Consumers have that power — and in fact, that very power is our greatest hope for combatting climate change. The only way to reverse climate change is to harness the power of market forces — and that starts with the consumer. Imagine if we could take the massive power of the consumer and utilize it to avert the climate crisis. Imagine there was a mechanism that could harness market forces to reduce greenhouse gas emissions worldwide — while also benefitting the economy — without any government mandated policies or regulations.

This is exactly what ICEMAN offers.

The fact is, most consumers want to make the environmentally conscious choice — but usually, they don’t have sufficient information to do that quickly and easily. ICEMAN eliminates that obstacle. With an ICEMAN Carbon Factor Index Label, consumers will have that information at a moment’s glance. A consumer can look at a product and immediately

know how green it is and can easily consider carbon footprint as an attribute alongside attributes like cost and quality — which in turn makes it easier to make an environmentally conscious choice.

Once consumers know the carbon footprint of products, market forces will be more powerful in initiating change than any mandate. Consumer power will drive manufacturers and businesses to make their operations and products closer to carbon neutral in order to maintain their competitive advantage. As manufacturers and businesses create more low-emission and carbon neutral products to meet demand and grow their competitive edge, greenhouse gas emissions will be reduced faster and in greater amounts.

And what about the cost that inevitably gets passed onto consumers? No need to worry: ICEMAN will actually save companies money. Making the adjustments necessary to earn a higher CFI value will actually reduce the cost of manufacturing products due to the energy-saving measures companies will need to implement to reduce their carbon footprint.

With ICEMAN, there won’t be any mandate on what companies do with the money they save from investing in renewable energy. Companies can put those savings toward their bottom line, making them more profitable; they can in turn pass that profit on to their shareholders. They can use those savings to lower the cost of their products for consumers, giving themselves an even greater competitive advantage in the marketplace.

It’s win-win-win situation. Having a smaller carbon footprint improves corporate image and increases competitive advantage in the workplace. People want to buy products that have a lower carbon footprint and will respond positively to a company that is actively and visibly working to lower its carbon footprint. In addition to this, there is the benefit to the bottom line, with savings from investing in and using renewable energy which can then be passed on to shareholders and/or consumers. And, to top it all off, there is the active reduction of harmful greenhouse gasses being put into the atmosphere, which helps to combat and slow climate change.

ICEMAN would have a far greater impact on reducing the global carbon footprint than any government-mandated policy. The laws of supply and demand would effect a change in the behavior of companies and even entire industries far more quickly than policy or regulation — all while saving businesses and consumers money.

Frank Dalene, the bestselling author of Decarbonize the World: A Market-Based Solution to the Climate Crisis, is president and CEO of Telemark Inc., a construction services business he cofounded with his father in 1978. Over the past four decades, Telemark has become known for being a national leader, embracing the latest in energy efficiencies. Dalene is innovating the manner in which companies can assess their carbon footprint. Through his ICEMAN (International Carbon Equivalent Mechanism Attributed to Neutrality) methodology, companies can get an accurate snapshot of their product’s carbon emissions on a standardized scale. Dalene has presented keynotes across the world on sustainable construction, carbon neutrality and ICEMAN. Learn more at frankdalene.com.

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