

THE ASPEN TIMES

Wind-powered skiing

Wave of the future?

By [Joel Stonington](#)
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Less than 10 years ago the Aspen Skiing Company introduced the first wind-powered lift in the American ski industry. In April, Skico switched to 100 percent renewable energy, followed this summer by Vail Resorts and the town of Vail.

Skico and Vail Resorts are leaders in the ski industry and, perhaps more important, for businesses of all kinds. Vail's purchase made it the second largest corporate user of renewable energy in the nation.

The outdoor recreation industry is leading this green trend in part because of Patagonia, an apparel company that in 1998 became the first in California to buy all its energy for 13 buildings (including the headquarters) from newly constructed renewable energy plants.

More and more consumers make decisions about where to spend their money based on the company's perceived environmental conscience. More companies are coming around to the viewpoint that green is gold.

"It's a great business decision," said Auden Schendler, Skico's environmental affairs director, about Vail's announcement. "Let's take some of the leading businesses in a sector. When you think coffee, you think Starbucks. When you think organic food, you think Whole Foods. Hotels, Hyatt. All these companies are publicly traded, for profit, incredibly well-managed, and they're all buying not just a little wind power, but a huge amount. Something's up, right? This is brand marketing and it's being done to an increasingly environmentally conscious consumer."



(Photo illustration by Paul Conrad)

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What Vail didn't say

In a telling omission, Vail Resorts announced its switch to 100 percent renewable energy without one mention



of global warming.
Vail wanted to take
action in a way that
spoke to the
consumer. The company, however, chose not to make an
overt statement about what could be considered a touchy
subject.

When contacted on the day of the announcement Vail
Resorts CEO Robert Katz said he didn't feel global
warming was really a ski issue.

"I don't think ski areas are huge emitters of greenhouse
gases," he said. "Wildlife, water, energy, recycling,
education - all of these efforts are critical for the industry.
It's not just global warming."

Vail's commitment to sustainability, and to the environment, is just as complicated as the average consumer's.
Consumers all have the ability to check the box on the energy bill that contributes to wind power or renewable
energy - that's essentially the same decision Vail made. Consumers can also buy a hybrid car, turn off the lights,
save water, put in fluorescent light bulbs and a host of other things. The added value a company gains, especially
in the recreation industry, is in marketing the company as a green enterprise.

"Most sustainability efforts are complex," said Kevin Hagen, a spokesperson for REI. "As a result the
communications value becomes challenging. It becomes hard to make a genuine sound bite that's accurate and
still conveys some meaning to the audience."

REI, for instance, chose to buy most of its renewable energy through direct contracts with energy companies. So
REI claims less usage of green energy than Skico or Vail, but its impact may be larger, and is certainly more
direct.

Switching to wind without windmills

In most places in the country it's impossible to buy 100 percent renewable energy. So when a company like
Skico or Vail Resorts switches to wind, they are usually buying renewable energy credits, or RECs.

The credits, also known as green tags, are an innovative way for companies (and average consumers) to buy
renewable energy.

An REC is created by the new construction and roughly 10 years of output from a renewable energy source such
as a windmill. A third-party organization certifies the credits through careful audits of the energy company, so
that purchasers know they are supporting new renewable energy.

"All the facilities that our program supports have to be built after 1997," said Kassie Rohrbach, spokesperson for
Green-e, the company that certified the Skico's RECs. "Community Energy, a wind power company in the
Northeast - the one selling to Aspen - has been bringing on new wind farms as a result of their renewable
certificate sales."

Currently, power from a windmill or solar panel is more expensive than power from a fossil fuel-burning plant.
The cost of an REC represents that difference. So, if gas power costs \$1 per kilowatt-hour and wind power costs
\$1.25 per kilowatt-hour, then the wind producer would be issued a 25-cent REC for each kilowatt-hour
produced.

That number, however, is widely variable. There is little transparency in the market because voluntary sales of
RECs can be kept secret and prices can be negotiated based on length and size of the contract.

According to The Denver Post, industry insiders have suggested Vail purchased RECs for less than one cent per kilowatt-hour (totaling roughly \$1.5 million for the entire purchase) while a residential Excel customer in Denver pays almost nine cents.

Power from either source goes into the grid somewhere in the nation while the company that buys the REC gets the marketability of supporting renewable energy.

"REC sales nationally have doubled in the last few years," said Green-e's Rohrbach. "The predominant reason REC sales have been increasing so much is the commercial market. It's a way [for companies] to market their commitment to sustainability."

What the marketing claims tell us

On the marketing level, an REC is as simple as it gets: clean energy. On every other level it's absurdly complicated.

"[RECs] are not the solution but they're part of the solution," said Skico's Schendler. "They are as much an educational and press-generating benefit as they are an environmental benefit. The more that are purchased, the better. It will drive demand. Though there are a lot of green tags out there. Our purchase probably isn't driving change. But down the line, yes."

The main environmental reason to buy renewable energy is to offset emissions of carbon dioxide, a greenhouse gas that contributes to global warming. So when a company like Vail Resorts buys RECs, they want a solid claim to take to the public.

The chief executive of Renewable Choice Energy, from which Vail bought the RECs, made the following statement: "Vail's purchase will remove 211 million pounds of carbon dioxide pollution annually. That's equivalent to taking 18,000 vehicles off the road or planting 27,000 acres of trees."

That is, at best, an educated guess. Actually taking those vehicles off the road or planting those trees would remove 211 million pounds of carbon, but Vail simply bought 152,000 megawatt-hours of RECs. If that energy were produced in nonrenewable ways - through a gas-fired or coal-fired power plant - then roughly 211 million pounds of carbon dioxide would be released into the air.

The situation is further complicated by the mix of energy nationwide. Some states require that power plants be cleaner. And certain ways of producing energy emit less carbon, so measurement of indirect emissions reductions must necessarily be inexact.

"If we're using electricity in Colorado and we're buying wind, what are we displacing?" asked Schendler. "If we're buying the power from Wyoming, they might have a different mix of power. So the carbon offset might be lower."

Direct and indirect emissions reductions

When Vail Resorts and Skico bought all those RECs, they continued receiving the same mix of energy from their current provider. Those purchases did not lead to the closure of a coal power plant the next day. Such a closure would be a direct reduction of greenhouse gas emissions; the purchase of an REC is an indirect reduction.

As more RECs are sold there is an impact on fossil fuel-based energy production, and an unknown drop in emissions. When a coal- or gas-fired power plant decreases production or closes, the company that owns that plant claims a direct reduction in emissions.

It gets messy if corporations count both indirect and direct reductions. For example, if Vail bought RECs and a power plant shut down, both would claim the same emissions reduction equivalent to 18,000 vehicles off the road or 27,000 trees. It's known as "double counting" and is accepted in the industry as an unfortunate by-product in a somewhat nascent system.

The purchase of green tags has been shown to increase the demand for green energy. If enough people and corporations participate, then the private sector will push a solution to climate change.

Doing the "right thing" by using renewable energy is not just becoming economically feasible but economically necessary. Consumers are demanding it and at least some in the industry believe sustainability measures will eventually be required by law. In any case, the tide is turning.

"We're certainly willing to admit that part of the reason for doing this is because we want skiers to come here because we're a green resort," said Skico's Schendler. "It doesn't matter why you're doing the right thing as long as you're doing the right thing."

