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Plugging into Green to Power New York by Michael Vardaro, Real Estate Weekly, July 27, 2011

{attorney(michael-j-vardaro,right)}

Take any subway in New York, and you'll see a clear picture of just how energy-dependent our lives have become. Fewer and fewer people are reading the awkwardly large pages of the NY Times. Instead, the electronic version now gets the nod. Cell phones, personal music players and the new breed of tablets all merrily run on batteries powered by our electric grid. And the wireless services that deliver voice and data connectivity are also powered by electricity.

Beyond the subway, even the streets of New York provide evidence of our power-thirsty society. New Yorkers were recently treated to a view of 70 new electric cars, cargo vans and utility trucks added to the city's burgeoning fleet. At 430 total electric vehicles, the Big Apple now boasts the largest municipal electric fleet in the U.S. – just a small component of the one million electric vehicles that the White House hopes to have on US streets by 2015.

The societal transformation is obvious, as is our lagging power generation capabilities. Albany has set its sights on closing the Indian Point Nuclear Power Plant within five years. Indian Point currently produces nearly 25% of the metropolitan area's electricity. Putting politics aside, if Albany succeeds

in closing Indian Point, how will New York make up the shortfall of power?

To make matters even more challenging, the EPA announced that utilities in 27 states, including New York, will need to cut emissions of SO2 and NOx to less than 50% of their 2005 levels. Some utilities are frantically scrambling to detail compliance plans, and the important question of how to increase our power generation capacity has seemingly been placed on the back burner. Solar and wind farms, as they are developed, will certainly help ease the power dilemma, but they alone are not the answer.

Buildings are the biggest users of energy and must be part of the solution of coping with potential future electricity shortages. President Obama recently announced the creation of the Better Buildings Initiative intended to outline solutions that will reduce energy consumption in commercial buildings by 20% by the year 2020. In addition, by Executive Order 13514, 100% of all new Federal buildings must be zero-net-energy by 2030. The President's goals are nudging the industry in the right direction, but a true sense of urgency is not yet present.

New York's design and construction industry is like no other in the world. We have visionaries who can design and deliver a new breed of low-net and zero-net buildings. Those developing buildings should demand that new projects strive to become energy independent. While the costs may be higher, LEED accreditation for past projects has demonstrated that New Yorkers, and those doing business here, are willing to pay more for environmentally responsible buildings. And ultimately, a building that does not depend on a potentially unreliable power distribution system – a la the August 2003 blackout – may be the deciding factor for a potential purchaser or tenant. Plugging into a green source is worth green, and a whole lot more.