



**“The Sky is Falling, The Sky is Falling”
Psst... Hey Buddy, Wanna Buy an Umbrella?**

Economic Opportunities in a Changing Climate

Presented by:
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ICF International...

- Overview

- Founded in 1969
- 3,000 employees
- \$727 million in revenue in 2007

- Markets & Service Area

- Energy
- Environment
- Transportation
- Social Programs
- Emergency Management and Homeland Security
- Defense

- Primary Offices

- USA (over 25 locations)
- London
- Toronto
- Rio de Janeiro
- Moscow
- New Delhi

- Clients

- International
- Federal
- Regional
- Private

Is the sky really falling?

- Hollywood sure thinks so!!
- Mass Media is creating heightened awareness
- “Green Washing” is everywhere
- It’s an Election year, **everyone** is the “Green” Candidate

But the reality is...

- General consensus - the Earth is warming, ice is melting
- Weather/Climate related occurrences are frequent and expensive
- Health related implications are more prominent
- Energy Prices are rising and *current* supplies are decreasing
- There is no silver bullet in sight

Umbrella sales are on the Up!

- IRP is back in vogue
- Fuel costs are high and volatile and reserve margins are low
- Congestion on the grid is up and new transmission is needed
- Nuclear is back under consideration
- Construction costs for new power plants are high and going higher

Add to that...

- Energy Efficiency and Renewables will contribute large amounts of new capacity through RPS and DSM
- Carbon legislation is on the horizon
- Regulatory scrutiny is off the charts

And, even better...

- *Climate Change and consumer awareness is at an all time high!!*

Global Perspective... The Clock is Ticking

- Energy conditions *and* markets vary across the planet – and should inform innovation – China’s needs are different from North America’s and “technology push” may not be as effective
- Energy Research capabilities and market requirements need a greater *convergence to solve problems*
- Strategies to achieve market adoption need to be improved. Next generation energy solutions need creative approaches to accelerate market supply and facilitate market demand
- The rising volume of energy ideas need to be tested, screened, rejected, aggregated or advanced to market solutions.

Climate Uncertainties = RISK

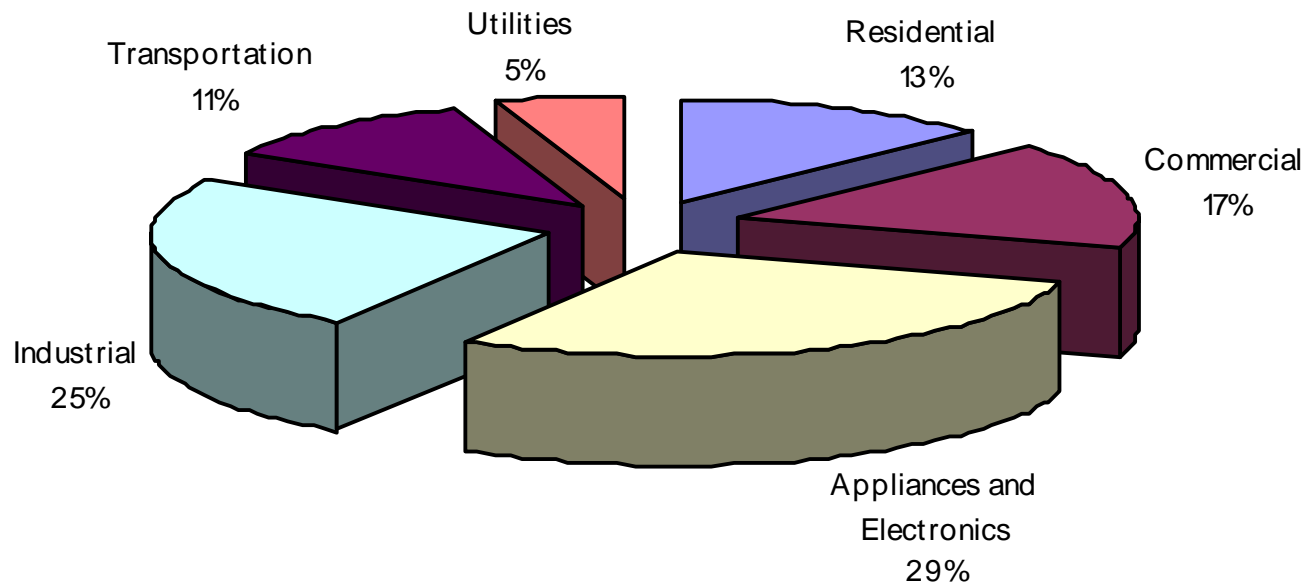
- Who is at Risk? – Companies facing decisions about long-term capital investments, those in sectors where weather and climate is an integral part of production (Agri/Construction), industries that rely heavily on transportation or supply chains, the insurance industry!
- How do Businesses Mitigate that Risk? – evaluate the range of risks to core business, to their value chains, and to their supporting infrastructure
- What are the Benefits of Early Action? – superior risk management is likely to result in investment decisions that avoid locking high value assets into areas vulnerable to rising sea levels, extreme drought, severe weather, or other projected climate change impacts

A Global *and* Local Solution: Efficiency

- Invisible but Growing Revolution – not visible as a distinct industry, like generation, but is within the value-chain of *each* industry from design to production and service
- Export Boom – Given expected national and multilateral agreements, energy efficient products and services are likely to create a new revolution in exports in the global marketplace
- Voluntary Partnerships for Innovation – Through ENERGY STAR, the appliance industry works together to set efficiency standards; utilities, states and other entities then promote and drive sales

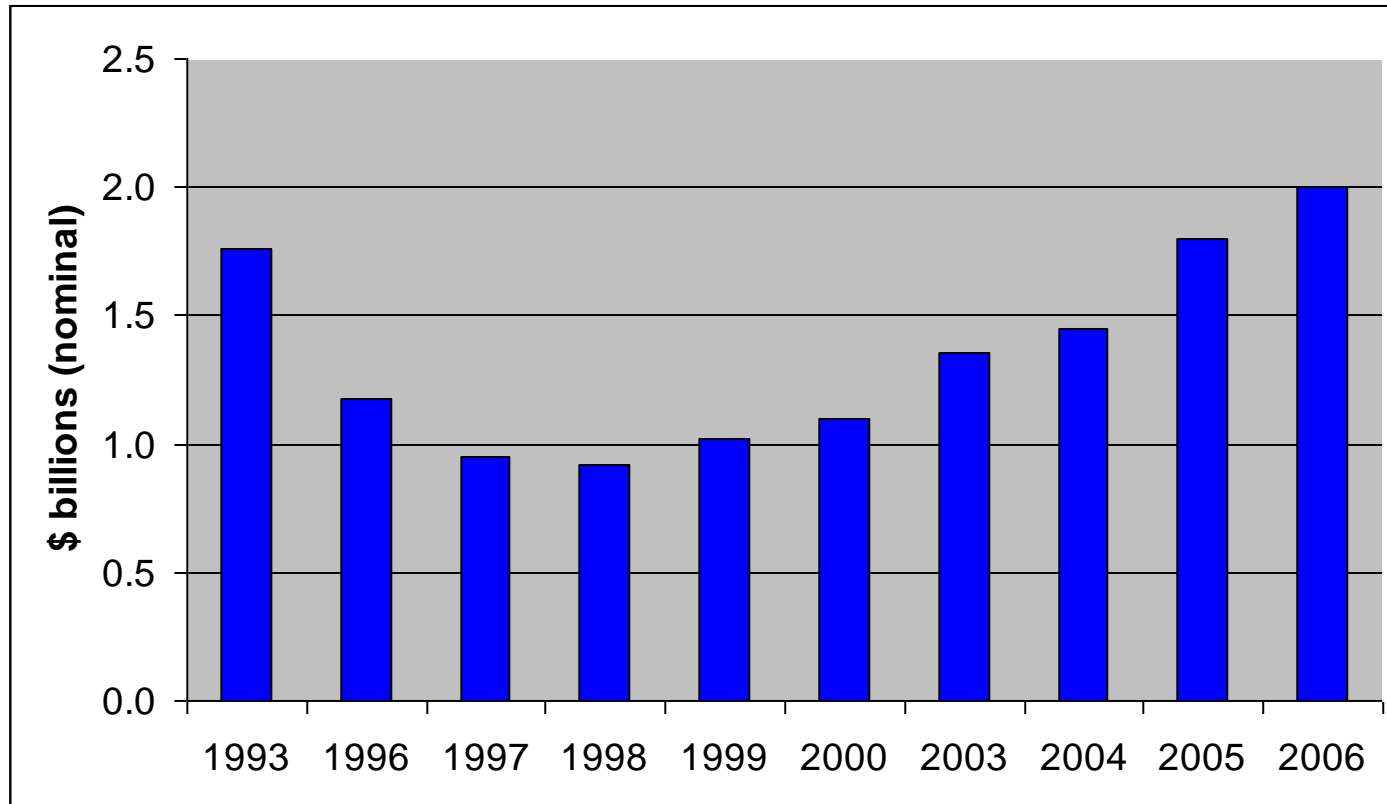


Efficiency involves big money!

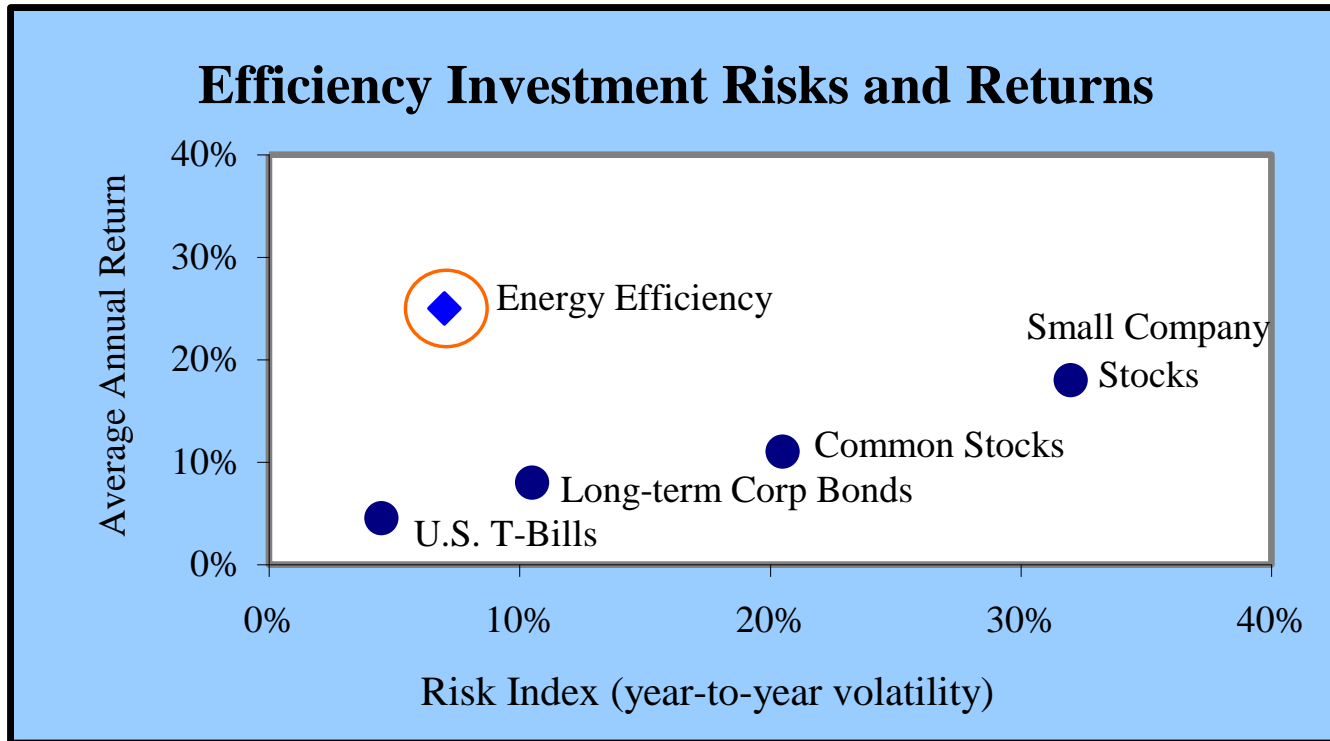


Total 2004 Efficiency-Related Investments = \$300 billion

State/Utility Programs Drive Efficiency Investments



Efficiency's a good investment!



Selected Worldwide Climate Experience



‘Mind the Gap’

- “...So, I say, we need to mind the gap between expectations and reality; between government pronouncements and industry capabilities; and between what’s theoretically possible and what is actually happening in the real world of design, construction, and operations...”

 - » - Jerry Yudelson, PE
 - » Excerpt from: Green Space, *Consulting – Specifying Engineer*, April 2008
 - » Author of six books on Green building, including “The Green Building Revolution” and “Marketing Green Building Services: Strategies for Success.”

- “The idea that we must choose between a healthy environment and a healthy economy is a myth. If business and environmentalists work together... we can improve competitiveness and growth while we make the world a place we can leave to our grandchildren with a sense of pride.”

 - » - Dr. David B. Goldstein, Co-Director Energy Program, Natural Resources Defense Council

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