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Using IT to Curb Environmental Paperwork

By Dan Whipple
United Press International

BOULDER, Colo., Nov. 25 (UPI) -- American industry might not complain so much about environmental regulations if it were not for all the damned paperwork. Forests are felled to drape regulatory agencies from sea to shining sea with forms and reports proving compliance with air, water, waste and other pollution-protection regulations.

Now, new Internet-based technology promises to help companies stem that rising paper tide.

A recent report by the BTI Consulting Group, a market research and management firm in Boston, found "the typical 'Global 2500' company spends \$80 million on all aspects of environmental management. Of this \$80 million, fully 63.7 percent, or a mind-boggling \$50.96 million, are information management costs."

Translation: For every dollar actually spent to control pollution in the United States, about \$1.50 is spent to prove to regulatory agencies it was controlled.

"According to some estimates, U.S. industry will spend more than \$125 billion to \$150 billion to reduce pollution in compliance with federal, state and local regulations," Enviance Inc., of Carlsbad, Calif., a company that sells sophisticated, Internet-based, environmental information management systems, said in a recent statement. "As sizable as that amount is, it pales in comparison to the staggering (\$220 billion to \$260 billion) that companies are estimated to spend to collect, manage, sort and file the required environmental compliance reports."

In a 1999 study, the Interstate Oil and Gas Compact Commission found the oil industry operators it surveyed spent about 9 cents per barrel-of-oil equivalent to comply with forms requirements.

"I don't think we've actually gone in and computed a BOE cost equivalence on air compliance," Bob Allen of ChevronTexaco told United Press International, "but that's a fairly decent number to use." Allen is a facility and energy specialist in Bakersfield, Calif. His division manages 2000 emissions permits, with 60,000 conditions attached to them.

"Locally, we have 1,000 employees," he continued. "That's a lot of conditions to make sure we are staying in compliance with (given) the number of employees we have."

Compliance work is done by operations personnel, he said, usually with sophisticated tools such as computer spreadsheets, but "sometimes a scrap of paper on the floor of the truck."

This is where Internet-based information plans like Enviance's appear to be making inroads. Enviance does not sell software, but rather offers a subscription to its service at a price it negotiates with each

customer. Instead of purchasing software, the subscriber has access to software that resides on a remote server.

Large companies have hundreds or thousands of permits to keep track of, each with its own compliance schedule, conditions, reporting dates and so on. Most companies have cobbled together monitoring systems using existing spreadsheet programs, handwritten reports and, sometimes, software generated by in-house, information-technology experts.

At a large company, "You can expect 300 to 3,000 (Microsoft Excel) spreadsheets (to be) used to attempt to manage the data for environmental compliance," Larry Goldenhersh, president and founder of Enviance, told UPI.

"An environmental compliance manager is recording all of his data in an Excel spreadsheet or (Microsoft Access)," Goldenhersh said. "It's a very simple, non-collaborative, stovepipe spreadsheet. They enter the data on those single spreadsheets, and then go back and evaluate whether data was inside or outside the compliance range. The discharge of thousands of little tasks is a critical component of compliance."

Enviance has replaced the stovepipe spreadsheets with a "fully integrated, powerful database available over the Internet," he explained. "It allows the environmental and health and safety manager to automatically evaluate whether a data point falls within or outside a compliance range."

The system also follows reporting and compliance schedules so managers do not miss important regulatory deadlines.

"I believe that the Internet has promised dramatically reduced costs and dramatically increased data access," Goldenhersh said. "The Internet is changing the way people relate to (one another) and the way they relate to data. It creates the ultimate collaborative tool."

Tom Wilson, manager of environmental field services for Pacific Gas and Electric in San Francisco, agreed.

"As a business in California, we deal with 60 or 70 local agencies, not to mention the state and the federal government," Wilson told UPI. "Throw in there the local municipalities that might have even more restrictive requirements and it can be somewhat overwhelming."

The bottom line, Wilson continued, "is most ... companies have a variety of systems that manage compliance. They have been there for 50 years or more. They can be spreadsheets, hard copies, files or the memories of people in the company."

As the BTI report concluded: "The Internet provides a cost-effective tool that enables environmental managers to automate the process of moving, exchanging, analyzing, obtaining and reporting information." The company estimates a savings of 56 percent over current costs of environmental management by relying more on Internet data management.

Which means all those trees that once provided pollution compliance reports can keep growing to provide a carbon sink for excess carbon dioxide in the atmosphere.

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