

ENERGY PRACTICE ENVIRONMENTAL POLICY

About Bates White

Bates White is a consulting firm offering services in economics, finance, and business strategy to leading law firms, Fortune 500 companies, and government agencies.

Bates White has offices in Washington D.C. and San Diego, CA.

Government and industry concerns and conflicts over the environmental impacts of energy resource development have resulted in new environmental regulations and increased litigation. Both of these trends, which show no signs of abating—along with greater uncertainty about the nature and scope of future regulation—complicate the task of developing appropriate business and compliance strategies. Bates White helps clients understand the morass that is today’s global environmental policy environment so they can make the most advantageous economic and operational decisions. The services we provide include the following:

- Litigation support
- Policy design
- Cost-benefit analysis
- Emissions trading
- Water rights and supply analysis
- Environmental compliance strategies
- Permitting and EIS support
- Catastrophic risk analysis
- Economic impact studies

Litigation support. From estimating monetary damages that stem from specific events (such as oil spills), to evaluating the economic consequences of regulating greenhouse gas emissions, our experts help clients address the many issues that arise in litigation. For example, we design and estimate complex environmental valuation models, analyze complex data sets, and model the economic impacts of broad environmental policies. Our analyses are rigorous, our results defensible, and our testimony compelling—and this gives our clients an extra measure of confidence, whether in court or during negotiations.

Contact:

DAVID DeRAMUS, PhD
Partner
Bates White, LLC
1300 Eye Street NW
Suite 600
Washington, DC 20005
202.216.1154
david.deramus@bateswhite.com

Policy design. Achieving environmental policy goals at the lowest possible cost depends on gaining an understanding of the complex economic interactions across markets. Our clients rely on our experts’ “big picture” and granular economic insights, which are based on decades of experience. But we don’t stop there. We keep our eye on emerging trends to help make sure our clients aren’t caught off-guard by—and that they even benefit from—new developments. For example, our experts helped design air pollution control policies for Clean Air Act “criteria” pollutants, assessed alternative strategies to address greenhouse gas emissions,

and developed innovative policy approaches to foster efficient development of renewable resources.

Cost-benefit analysis. We help our clients understand and prepare for the costs that result from environmental regulations, laws, and policies. We develop assessments using state-of-the-art analytical tools, compile multiattribute rankings of air and water pollution control measures, and devise strategies for least-cost compliance. We frequently take cost-benefit analysis a step further to give our clients information that furthers their organizational goals. For example, we have developed innovative policy approaches (that take into account the costs and benefits of resource alternatives) to encourage renewable resource development.

Emissions trading. To maintain economic well-being, especially in a world of regulatory uncertainty, electric generators and major industrial firms must have effective emissions trading strategies. Bates White's energy and financial markets experts draw on their expertise in environmental regulation, economic modeling, and investment analysis to help clients (1) understand and effectively operate in the evolving global trading environment and (2) maximize the value of this relatively new class of assets.

Water rights and supplies. Water supply and demand is an increasingly important issue affecting energy resource development, especially in the fast-growing southwestern United States. As states develop policies to address their citizens' growing energy needs, they must also address the cost and availability of water, especially in this era of climate change. Our experts have the technical, engineering, and economic expertise to estimate not only water use but also the cost and value of that use. This data is particularly valuable to utilities in reevaluating rates.

Environmental compliance strategies. Because the magnitude of environmental compliance investments is potentially so great (hundreds of millions or even billions of dollars) and the regulatory environment so uncertain, failing to account for these facts can expose firms to significant financial risk. To mitigate this exposure, clients can incorporate into their planning processes the results of a host of services that our experts can provide. These include analyses based on state-of-the-art methodologies and "real-options" models that (1) address all the uncertainties, (2) provide accurate estimates of strategic value, and (3) identify key "off-ramps" that can reduce financial exposure.

Permitting and EIS support. Organizations don't always have staff with the expertise or availability to prepare environmental impact statements or to follow the sometimes frustrating and time-consuming processes for obtaining permits and licenses or for securing relicensing. In these situations, they can turn to Bates White for help. Our experts are experienced and undaunted in performing these tasks, whether they are in connection with hydroelectric dams or nuclear power plants.

Catastrophic risk analysis. It is as true today as it's ever been that prudent organizations attempt to assess the risk and potential impact of catastrophic events (such as terrorist attacks or nuclear plant accidents) on their operations and financial security. In this endeavor, traditional risk analysis is inappropriate. Evaluating these types of risks requires a thorough understanding of "extreme-value" theory. Bates White professionals are leaders in this branch of statistics. We can develop models that help firms plan for what everyone hopes will never happen.

Economic impact studies. Energy regulation can have wide-ranging impacts on the economy, affecting everything from small localities to international markets. Whether estimating the impacts of rate subsidies for specific customer groups or the effects of carbon taxes, Bates White professionals have extensive experience using input-output and econometric models to estimate economic impacts.