HI-TECH&AMBIENTE 2015



WOODROW W.CLARK, II Qualitative Economist Managing Director Clark Strategic Partners

Circular Economy in the Green Industrial **Revolution framework**



THE GREEN INDUSTRIAL REVOLUTION Energy, Engineering and Economics









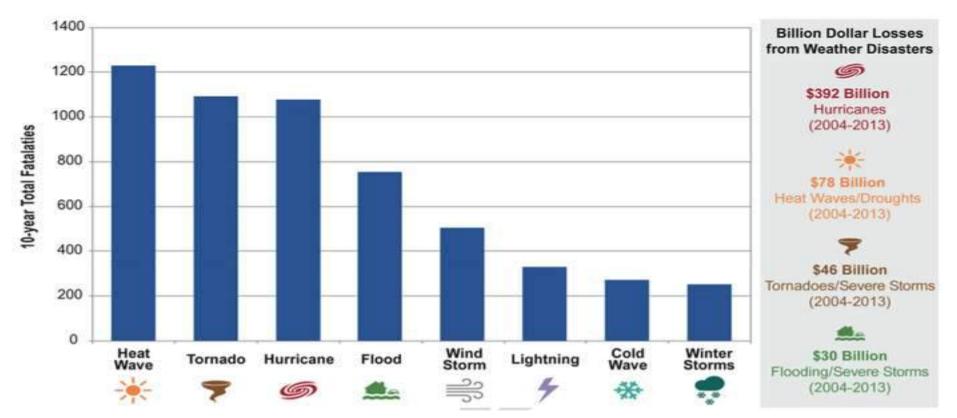


Hi-Tech&Ambiente June 10th 2 0 1 5

Milan, Italy

IT'S ABOUT PEOPLE ... (AND SOCIAL COSTS)!

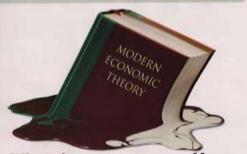
Estimated Deaths and Billion Dollar Losses from Extreme Events in the United States 2004-2013



The Economist

The rot in Japan's governing party Europe's energy insecurity Goldman Sachs's record profits Summer camp for atheists

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Where it went wrong-and how the crisis is changing it





QUALITATIVE ECONOMICS

Economics

Woodrow W. Clark. Editor

The Next Economics

Global Cases in Energy, Emilianment, and Climate Change



Patent Invention Disclosure: Applied dated: February 12, 2012 Economic Efficiency Through Lighting (Nularis Corporation)

Title: Method and design of software and related systems which couple amortized loan terms and payments with predicted and actual energy cost savings.

Inventor(s): Woodrow W. Clark II PhD, Wendell Brown, and Jonathan Fram Background of the Invention:

Energy efficiency and conservation are important in order to achieve international goals for reduction of greenhouse gas emissions, fossil fuel usage, grid load strain, costs, and a wide range of other benefits. However, many approaches to energy efficiency and conservation involve significant capital outlays that create financial management risk, provide undetermined return-on-investment rates and payback periods, which often hinder their adoption.

These inventions relate particularly to methods and design of software and systems which run in computing environments (computer hardware, virtual CPU environments, servers, computers, tablets, whireless mobile devices, etc.) that couple and integrate amortized payment terms and amounts with predicted and actual energy cost savings. The inventions are thus novel, innovative, and useful in that they provide a mechanism for financial risk reductorium angement and predictable cost outlays (ioan repayment terms that are directly linked to energy savings), thus serving as an enabler for the financing of such energy efficiency and conservation protects.

Description of the Inventions:

The inventions relate to the methods and design of software and related systems which couple amortized payment amounts with predicted and actual energy cost savings.

Features as Formulas: 1-14:

14: The formula for the periodic payment amount /# is derived as follows. For an amortization schedule, we can define a function p(/I) that represents the principal amount remaining at time f. We can then derive a formula for this function given an unknown payment amount /# and r = 1 + f.

$$\begin{array}{l} p(0) = P \\ p(1) = p(0)r - A = Pr - A \\ p(2) = p(1)r - A = Pr^2 - Ar - A \\ p(3) = p(2)r - A = Pr^3 - Ar^2 - Ar - A \end{array}$$

$$p(t) = Pr^{t} - A \sum_{k=0}^{t-1} r^{k}$$

Applying the substitution:

$$\sum_{k=0}^{t-1}r^k=1+r+r^2+\ldots+r^{t-1}=\frac{r^t-1}{r-1}$$

After substitution and simplification we get

$$\frac{p(t)}{P} = 1 - \frac{(1+i)^t - 1}{(1+i)^n - 1}$$

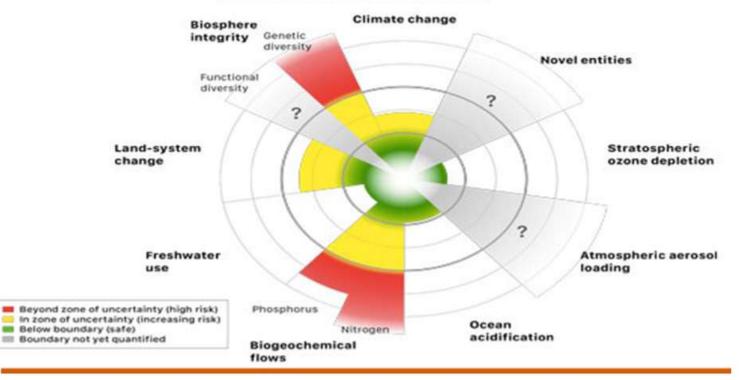
The annuity formula is:

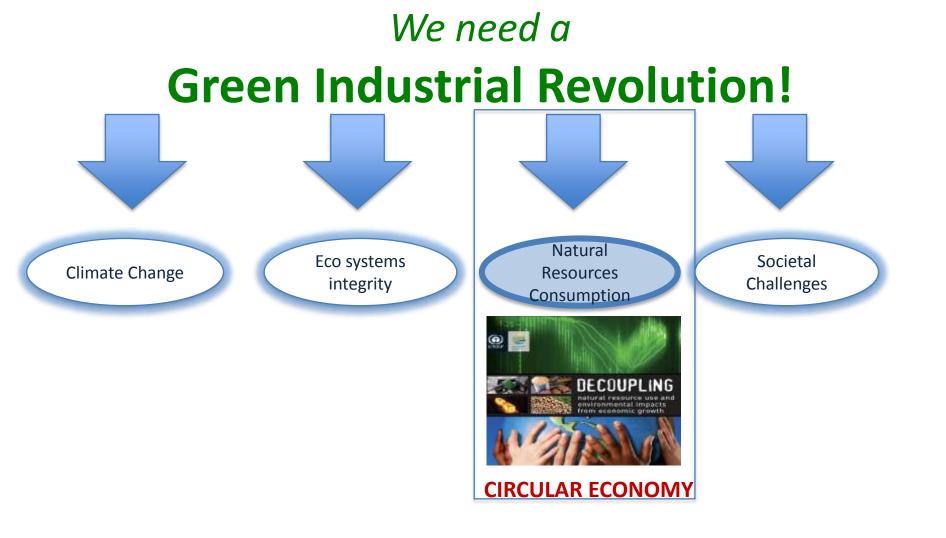
$$A = P \frac{i(1+i)^n}{(1+i)^n - 1} = \frac{P \times i}{1 - (1+i)^{-n}} = P\left(i + \frac{i}{(1+i)^n - 1}\right)$$

4

A dangerous situation

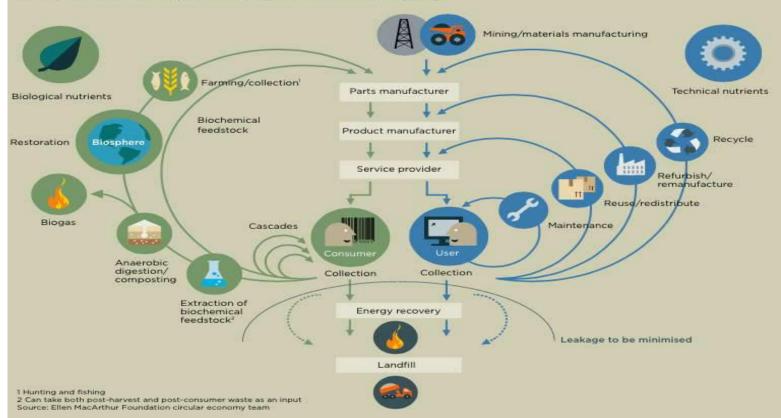
Four of nine planetary boundaries have been crossed: climate change, loss of biosphere integrity, land-system change, altered biochemical cycles (from the Stockholm Resilience Center)





From linear to circular Accelerating a proven concept

FIGURE 6 The circular economy-an industrial system that is restorative by design



An economic opportunity worth billions Charting the new territory

FIGURE 17

Increasing circular activities is a promising business opportunity for a variety of products

Potential for circular business practices1



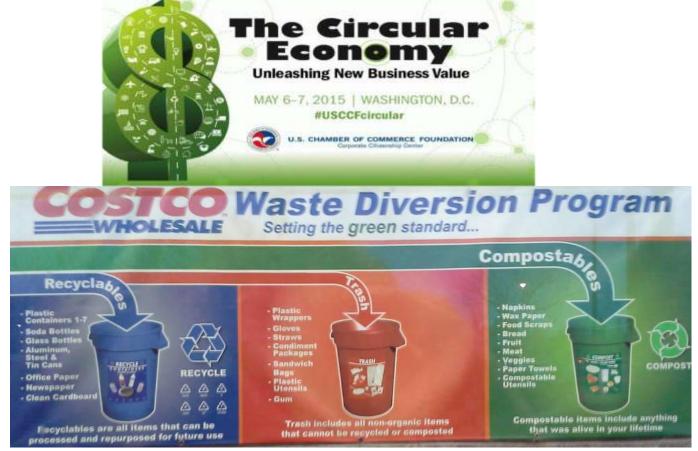
Circular activities as promising **business** opportunity

1 "Potential" for circularity assessed by product's suitability in terms of product design (e.g., modularisation, non-toxicity). reverse logistics (e.g., developed remanufacturing activities) and likelihood of developing circular activities; and by ease of implementing these, which is driven by customer acceptance of circular practices and products, and convenience/incentive to return goods; "Opportunity captured today" is driven by reuse, refurbishing, remanufacturing and recycling activities. in respective markets; positioning is validated by expert indications gathered during interviews.

SOURCE: Ellen MacArthur Foundation circular economy team

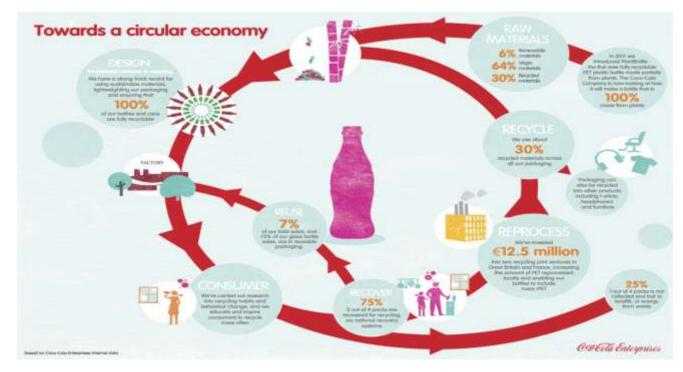
Opportunity captured today¹

Circular Economics in the USA



Coca Cola

Circular Economy in the Beverage Industry



Dell Circular Economy in the Hi Tech Industry

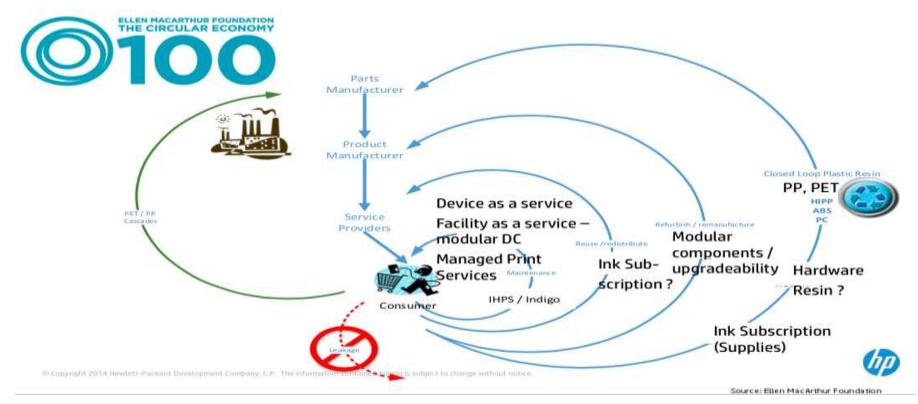


By using plastics collected through the Dell Reconnect partnership to build new systems, Dell is helping drive a circular economy for IT.

As the *population grows*, more join the middle class (and adopt their consumption habits) and *pressure on natural resources increases*, we all sort & shred must look at new ways of doing things. That includes *embracing a* circular economy where all materials are valuable and the concept of "waste" is designed out of the system. Dell is committed to making this shift easy, efficient and productive for our customers.

Hewlett Packard

Circular Economy in Hi Tech Industry



Circular economy – a definition

The Circular Economy encompasses a system that is restorative or regenerative by intention with design that eliminates waste.

As an alternative to the linear approach (design, make, use, discard), HP believes that connecting circular economy principles to resource efficiency is the route to success.





DaaS for SMBs

Entained herein is subject to cl

Launched in June 2014 for micro/small businesses Product simplicity:

- Subscription is simpler than subscribing to components separately Product affordability:
- Subscription is cheaper or equal than buying the PC upfront (fair market value)

Up-to-date technology:

• Includes the latest products from HP (hardware, software and service)

CISCO

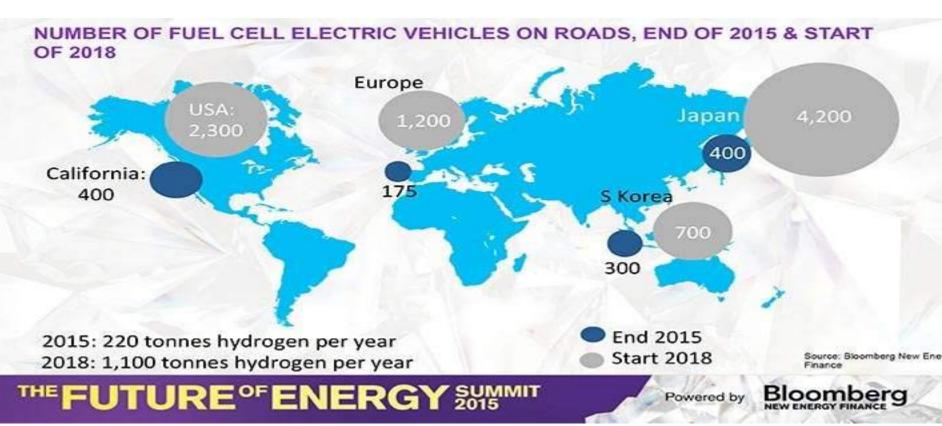
Circular Economy in the Hi Tech Industry Develop information technologies and education that enable the circular economy at scale: Teardown Labs

Teardown Labs at the Cisco UK Headquarters Training: where employees engaged in a hands-on workshop in which they disassembled some of the manufacturers well-know products, and after learning more about the circular economy framework and industry case studies, suggested ways that the products and the systems in which they fit; could be re-designed for a future of volatile energy and materials prices.



Circular Economy and Transportation Mobility:

Fuel-Cell Cars Are Moving Out of the Lab and Onto the Streets



Electric Vehicle Sales Quintupled in Four Years



THE FUTURE OF ENERGY SUMMIT

Powered by Bloomberg

Solar Hydrogen Station Technology





nozzle

tank

Unique Honda Designed Electrolyzer (PEM type)



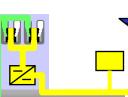


Renewable Electricity Water

electrolyzer

compressor

F





Honda Produced

Solar Cells (CIS type)

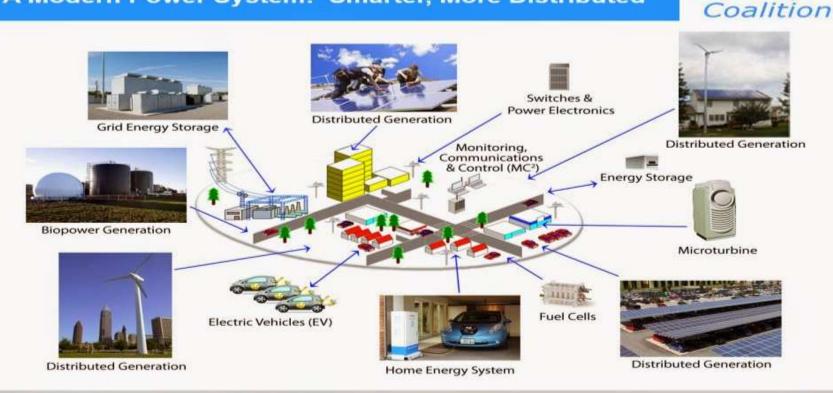
Circular Economy and Sustainable Communities Chapter #8: Google -- Recharging Car (1.6MW) Solar Campus Goal: carbon neutral by December 2007 -- Done



Smart Green Cities: Circular economy

distributed on-site power

A Modern Power System: Smarter, More Distributed



Making Clean Local Energy Accessible Now

Clean



Circular Economy at Home in the Family



Woodrow Clark II, MA³, Ph.D.

Qualitative Economist Managing Director Clark Strategic Partners PO Box #17975 Beverly Hills, CA USA 90209

Email: <u>wwclark13@gmail.com</u> Direct Line +1 (310) 858-6886 Fax Line +1 (310) 858-6881













CSST Cross-disciplinary Scholars in

Science and Technology