## Why Don't We Do Énergy Conservation Projects



#### The Facilities Manager's Dilemma

More

#### **Everyone has a lot of reasons**

#### • Here's My top 10



#### **#10. Energy Conservation is too tough in the Great Pacific NW**



Photo by Donna Greene

#### \$6,000 project saving 20,000 kWhr



#### \$6,000 project; saving 20,000 kWhr



# **#9: The Payback period is too long**



# Energy Conservation is more than Money...

- 4 year paybacks are fine on production equipment.
- This has other aspects:
  - Maintenance
  - Environmental
  - Compliance
  - Goodwill, marketing, PR
- This is where you have to be a salesperson and sell your product.

## **#8: No Money**



# Hearing this one all the time these days...

- This is exactly the time to spend money.
  - It takes money to make money
  - This is going to save us X number of dollars on maintenance cost and increase our reliability
  - Energy cost are going up not down in the Future
  - The vendors are hungry we are seeing a 20% savings over
  - Reducing cost by 5,000 is like increasing revenue by 50,000
- You've got to sell your product to your decision makers!

### But if you can't...

- Make it easy on them
- ESCO



## ESCO

- An ESCO, or Energy Service Company, is a business that develops, installs, and arranges financing for projects designed to improve the energy efficiency and maintenance costs for facilities over a seven to twenty year time period. ESCO's generally act as project developers for a wide range of tasks and assume the technical and performance risk associated with the project. Typically, they offer the following services:
- develop, design, and arrange financing for energy efficiency projects;
- install and maintain the energy efficient equipment involved;
- measure, monitor, and verify the project's energy savings; and
- assume the risk that the project will save the amount of energy guaranteed

# So No Money, No Problem

• But you may have to think outside the box



#### **#7: Too Risky**



# #7 Too Risky

- No one wants to put their institution at risk.
- But, you guys are in the Risk management business.
- Manage the Risk just like all the other projects you tackle.



#### Some thoughts on Energy Conservation Risk Management

- Design it well and think it through in advance
- Talk to people that have done similar ones
  - See if they had any issues
- Do a mock up if possible
  - Motion sensors? Test a couple of models in different settings in advance
- Test it (if possible) on a selective area in advance...
  - An Office, A Floor
  - Have a Plan B
- Communicate, Communicate, Communicate



#### **#6: Not Broke Don't Fix it**



## **#6: Not Broke, don't fix it**

- I can understand this one, I can't accept this one...
  - We are the leaders of our facilities, we must seek continuous improvement
    - Or someone else will!!
- Everything is going to break sooner or later...
  - Fix it now, Save money as an Energy Conservation project!
    - Don't be a maintenance zero, be an energy Hero!

### **#5; I Don't Know What to Do**



# **#5: I Don't Know What to Do.**

- You don't have to!
  - You're not an Energy Conservation Expert.
- You can get an Expert and you can get him for ½ his cost.
  - The utility will pick up the rest.



# **#4; No Fun**



# **#4; No Fun**

- If you don't think this is Fun then you can't Spell F U N!
- An Energy Conservation project will give you more intrinsic satisfaction than virtually anything else you do in your facility.
- It will make you look like a Hero!
- It's the gift that keeps on giving!

#### **#3. No Incentive**



## **#3. No Incentive**

- There may be more than you think
- If companies really wanted to cut energy cost they would make it a cost incentive
  - IE the Facility Manager or Energy Conservation person would get 10 cents per kWhr saved

• In our case Jim Walker would have gotten a check for 1.8 million dollars

- 18,000,000 kWhr saved annually



## **#3. No Incentive?**

#### In many cases

- You have a building budget
  - The more you save in Energy the more you have for Maintenance



### #2; Too Busy



# #2; Too Busy

- Ain't That the Truth
  - We are all too busy!
- But there are programs out there...



# Work 22 hours a day instead of 20

- Or Add someone to your staff and have the utility pay for them RCM (Resource Conservation Manager)
  - Guarantee they will earn their salary (in Energy Savings) or utility will pay the difference
  - Can Share a guy with another institution
    - 1,000,000 sq feet of
    - conditioned space



#### #1; No Love



# #1; No Love

- Bob Says:
  - Maybe you're looking for love in all the wrong places??
- You gotta make your own love!
  - Publicize what you've done!
  - Keep a comprehensive list of all your projects.
    - So the Love keeps on coming!
- Feel the Love

Company, Co Workers,
Colleagues, Utilities,
Mother Earth, Your Family
And Friends



# **Bob's Top Ten; Drops to Zero**

There are no good reasons, just a lot of excuses 10. Energy Conservation is too tough in the NW 9. The Payback is too long 8. No Money 7. Too Risky 6. Not Broke, don't fix it 5. I Don't know what to do 4. No fun 3. No incentive 2. Too busy

1. No Love