



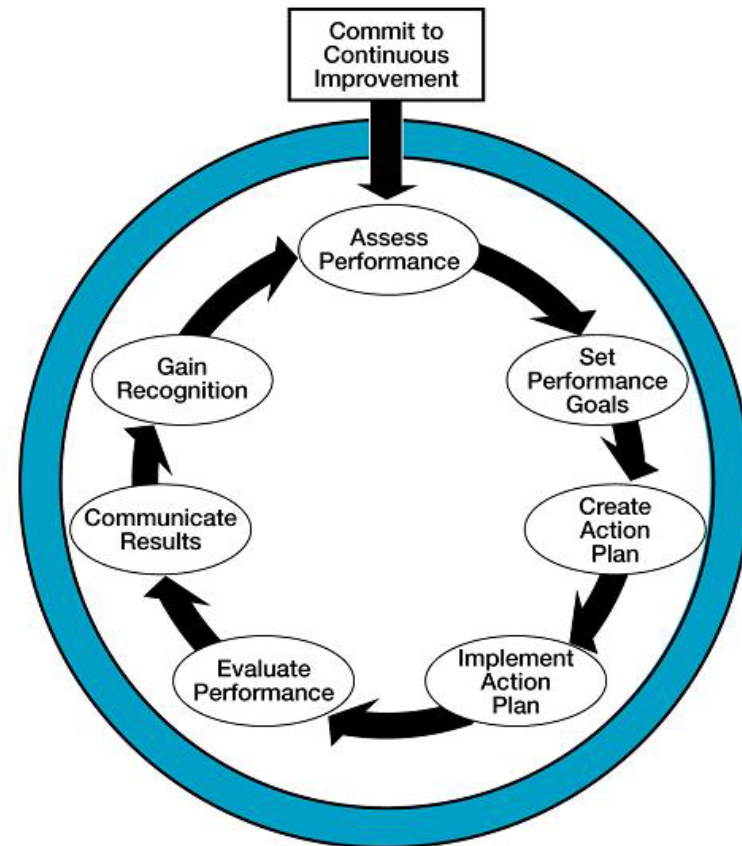
# Organizational Energy Policy Development

March 19, 2003



# About the Web Conferences

- **Monthly**
- **Topics are structured on a strategic approach to energy management**
- **Help you continually improve energy performance**
- **Opportunity to share ideas with others**
- **Slides are a starting point for discussion**
- **Open & Interactive**





# Today's Web Conference

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- Introductions
- Why Implement An Energy Policy?
- Policy Elements & Sample Policy
- Developing, Establishing, & Using A Policy - Examples:
  - Mobil
  - 3M
- Open Discussion



# What do you mean by policy?

- A stand alone statement of commitment to improving energy performance
- Different than a directive
- Provides a vision or mission statement for the future
- Is organizational wide
- Is often a public statement



# Why An Energy Policy?

- Establishes a corporate commitment to energy efficiency - ***more resources for your program***
- Gives focus to an energy program - ***help in doing your job***
- First step towards establishing a strategic approach to energy management - ***makes energy management easier & more effective***



# Why An Energy Policy?

- Helps integrate energy efficiency into corporate culture - ***all employees are part of your energy team***
- An important part of your commitment to continuous improvement - ***demonstrates environmental leadership***



# Key Elements of A Policy

- *Objective*
- *Goal-oriented*
- *Commitment to Continuous Improvement*
- *Accountability*
- *Scope & Applicability*
- *Measures for Progress*
- *Update Mechanisms*
- *Training*
- *Endorsement by Management*



# Sample Policy

## ABC Inc. Corporate Energy Policy

**Objective:** ABC Inc. is committed to using and purchasing energy in the most efficient, cost effective, and environmentally responsible manner possible. Towards this end, ABC shall:

Improve energy efficiency continuously by establishing and implementing effective energy management programs worldwide that support all operations and customer satisfaction while providing a safe and comfortable work environment.

**Applicability:** This policy shall apply to all ABC Inc., facilities, business units, and employees.

**Approval:** M. G. Watt, CEO & Chairman of the Board





# Sample Policy

## Optional add-on's:

- Sets product development, process, and facility design objectives
- Set purchasing objectives – such as equipment (e.g. ENERGY STAR) or energy (e.g. Renewables)
- Assigns responsibilities and accountabilities for energy management
- Conduct, record and publish annual audits of energy use and the Program



# Considerations

- Tailor to corporate culture
- Should be understandable to employees and public alike
- Must fit within the ability of management and employees
- Should be applicable to day-to-day operations.



# Creating An Energy Policy

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## Key Steps:

- Developing the policy
- Policy Endorsement
- Review & Buy-in by Energy Team Members
- Using the policy



# Mobil Energy Policy

*Mobil is committed to the efficient, cost-effective, and environmentally responsible use of energy throughout its worldwide operations. Mobil will promote the energy efficiency by implementing cost-effective programs that will maintain or improve the quality of the work environment, optimize service reliability, increase productivity, and enhance the safety of our workplace.*



# Developing the policy

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- Collect and review policies from other companies
- Have Energy Manager develop draft
- Get feedback and buy-in from a few key people



# Policy Endorsement

- Selling the policy is selling the energy management program
- Demonstrate how the policy is integral part of the program
- Stress the important public role of having a policy
- Show the energy policy supports the company goals
- Stress that an energy policy does *not* require sacrifice in safety & comfort



# Review & Buy-in

- Have Energy Team Members review and contribute to policy language
- Create linkage with other departments and energy stakeholder



# Using the policy

- Distribute & post widely
- Use in monthly reports
- Incorporate into newsletters, web sites, and other communications
- Let PR people know
- Tell investor relations
- Use as entrée to other business units
- Use to focus energy program





# 3M Corporate Energy Policy

## **Applicability**

This Policy applies to all the 3M U.S. and O.U.S. operations

## **Introduction**

The objectives of this policy are to improve energy consumption efficiently, reduce cost, decrease capital investment, reduce environmental emissions and conserve natural resources.

## **Policy Statement**

3M ensures the effective use of energy to produce and deliver products and services to its customers by implementing the strategies listed below.



# 3M Corporate Energy Policy

## Strategies

- Improve energy efficiency continuously by establishing and implementing effective energy management programs worldwide that support manufacturing capabilities and customer satisfaction while providing a safe and comfortable work environment.
- Emphasize energy efficiency as a factor in product development and in process and facility design.
- Secure adequate and reliable energy supplies at the most advantageous rates and implement contingency plans to protect operations from energy supply interruptions.
- Encourage continuous energy conservation by employees in their work and personal activities.
- Support further development of internal and external energy efficient technologies.
- Cooperate with governmental agencies and utility companies on energy problems.
- Support national energy efficiently policies.



# Questions



# Discussion

- Hurdles to establishing policy
- Door-openers for establishing a policy
- Policy vs. Mission Statement
- Separate Energy & EH&S Policies?
- Energy efficiency vs. conservation
- Voluntary or edict



Thank you for participating!