



# A Rising Star



*Thanks to the government's ENERGY STAR program, businesses and consumers are cutting costs, reducing energy usage, and joining the fight against global warming.*





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he gas pump isn't the only place consumers and business owners are feeling sticker shock. The rising cost of electricity and increases in home heating prices are causing pain of their own.

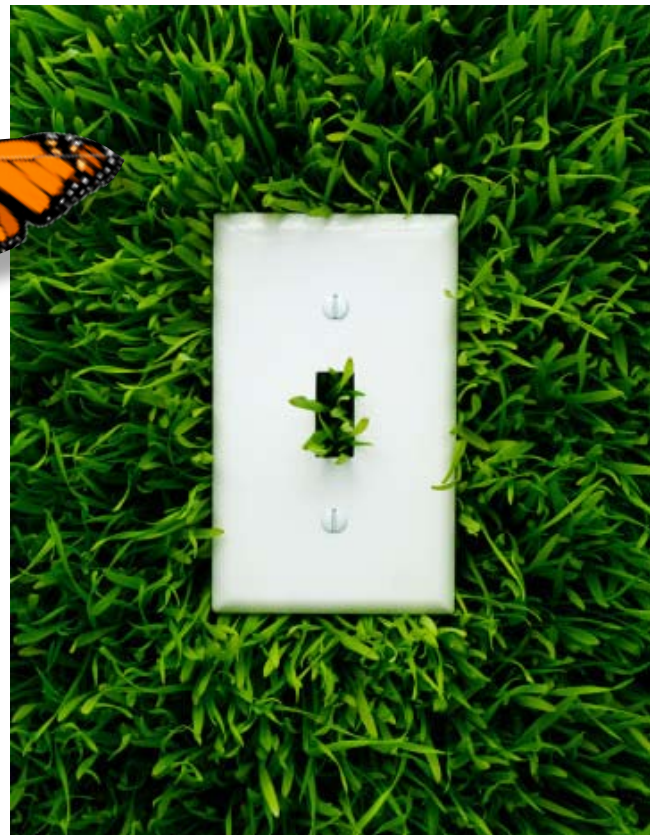
For most folks the simplest solution is to throw up their hands, pay the bills, and hope relief is on the horizon.

Well, it is—in the form of a federal program called ENERGY STAR. Started in 1992 by the U.S. Environmental Protection Agency (EPA), ENERGY STAR, is a voluntary partnership between the government, local utilities, product manufacturers, retailers, and others, designed to reduce greenhouse gas emissions and costs through energy efficiency. The program offers guidance to business owners on ways to cut energy costs through better facilities management and operations.

For homeowners, the blue ENERGY STAR label on an array of over 50 types of products—everything from refrigerators and air conditioners to laptop computers and light bulbs—is a quick and reliable indicator of household items that use energy more efficiently, do less damage to the environment, and save money in the long run. Says Kathleen Hogan, director of the Climate Protection Partnerships division at the EPA: “ENERGY STAR is a way for business owners and consumers to identify the products and services that are truly best-in-class when it comes to energy efficiency. The testing required to achieve an ENERGY STAR label is quite rigorous, so it's become the gold standard by which energy efficiency is measured.”

### A Growing Partnership

Today there are about 12,000 ENERGY STAR partners, which include both private and public-sector organizations. Some 2,000 manufacturers use the label on more than 40,000 name-brand consumer products. More than 1,000 major retailers carry these products and provide educational information to customers on the benefits of purchasing an ENERGY STAR-qualified appliance. More than 5,000 builders participate in the program, constructing new homes across the country that offer energy-efficient features to deliver better performance and greater comfort. Even with the downturn in the housing market, more than



120,000 new homes were constructed last year to meet ENERGY STAR guidelines. Finally, more than 3,000 commercial and industrial companies are managing their energy use with help from the EPA, resulting in thousands of facilities that have earned the ENERGY STAR.

A quick look at the numbers demonstrates why ENERGY STAR makes sense. Residential homes, commercial buildings, and industrial facilities cause more than two-thirds of the nation's CO<sub>2</sub> emissions—the primary greenhouse gas. By investing in energy efficiency, consumers and businesses could potentially cut energy usage by 30%. This reduction, according to the EPA's National Action Plan for Energy Efficiency, would cover more than half of the expected growth in energy demand over the next 20 years—and, in the process, save a staggering \$100 billion annually.

ENERGY STAR is making serious strides toward these goals. Last year, with the help of the program, Americans prevented the formation of 40 million metric tons of greenhouse gas emissions—equal to the annual emissions from 27 million vehicles—and saved more than \$16 billion on their utility bills, according to the EPA.

Savings are significant on an individual level, as well. For example, a homeowner can save \$180 each year simply by installing ENERGY STAR-qualified heating and cooling



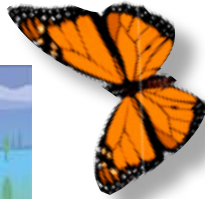
**ENERGY STAR's** interactive web tool for home energy-saving tips (above). EPA helps consumers and businesses by offering tools and resources to save energy and money. Learn how you can save at home and work by visiting [www.energystar.gov](http://www.energystar.gov).

equipment, and sealing their ducts. As more and more Americans learn about ENERGY STAR and the savings they can earn by using products such as these, the number of ENERGY STAR-purchased products will likely continue to grow. In fact, public awareness of the program has already soared to more than 70%—up from 50% just five years ago—and 80% of these households report that they would recommend ENERGY STAR products to their friends.

### Saving Money, Doing Good

The companies and public-sector organizations that recognize the value of ENERGY STAR say its mission simply makes business sense. In an economic and social environment that values corporate stewardship, protecting the Earth's resources and protecting the bottom line do not have to be mutually exclusive. In fact, helping customers make better energy decisions is one of the cornerstones of Advantage IQ, a Spokane-based company that provides outsourced bill payment, auditing, and energy-usage consulting services for companies with multi-site facilities.

According to Mark Breuker, director of energy consulting for Advantage IQ, companies are often not aware of their energy usage or costs on an individual site level. By tapping into this data, clients can make more informed decisions, giving them the power to focus on a corporate energy strategy. As a result, its clients run their facilities more efficiently and decrease their energy costs, which can drop anywhere from 2% to 5% in the first year. "We tell our clients that there's a lot they can do to combat rising energy costs," says Breuker. "They can make informed



buying decisions or change the way they use energy."

Advantage IQ often begins by looking at what happens when the business day ends. "Most go on auto control for light and heat when the store closes," he says. Advantage IQ works with clients to make sure that the lowest possible settings are in effect overnight in order to minimize energy usage and costs. Utilizing the cost and usage data stored in Advantage IQ's patented Facility IQ system, clients can identify and benchmark facility performance within their portfolio or against others in their industry by utilizing the ENERGY STAR benchmark ratings. "Benchmarking can be a great tool in communicating facility performance," says Breuker. "Having an energy management strategy is smart, but having the tools to communicate the results clearly is smarter."

### A Model Relationship

When ENERGY STAR partners with states and utilities, the results can be inspiring. A model for this sort of collaboration is ENERGY STAR's relationship with the New Jersey Board of Public Utilities' (NJBP) Clean Energy program. This statewide initiative provides information and financial incentives to help Garden State homeowners, businesses, and municipalities reduce their energy usage, lower costs, and protect the environment.

The Clean Energy program, says Joseph L. Fiordaliso, commissioner of the NJBP, supports the governor's plan to reduce the state's overall energy use by 20% by 2020. "A successful energy efficiency program promotes economic development in our state by showing businesses that we have a plan for reducing energy costs," he says. "And a stronger state is good for everyone."

In addition to providing rebates for homeowners and businesses that use ENERGY STAR products and services, New Jersey will be rolling out a similar service to all 565 communities in the fall. If a town agrees to an energy audit of its municipal buildings (many of which are old), the state will pick up 75% of the cost, explains Fiordaliso. If the town makes ENERGY STAR improvements to those buildings, it will be reimbursed the remaining 25% of the audit cost, and could also receive rebates for the repair costs.

Homeowners, businesses, and communities are all coming to grips with the sobering fact that our nation has a voracious appetite for energy. ENERGY STAR is a simple yet effective way to reduce our energy usage, save money, and help the planet in the long run. And that's just good business.

—Susan Caminiti

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## Q&A

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# Leaders of the Pack:

*Champions of ENERGY STAR products and services speak out.*



The winners of this year's ENERGY STAR awards recognize that energy efficiency is simply good business. ENERGY STAR products and services help homeowners and businesses reduce energy use, save money, and join in the fight against global warming. We gathered two of this year's award winners—Mark Breuker, director of energy consulting at Advantage IQ, and Michael Winka, director of the New Jersey Board of Public Utilities' Office of Clean Energy—as well as Kathleen Hogan, director of the EPA's Climate Protection Partnerships division, to discuss the value of ENERGY STAR. Some excerpts:

**Q: Given the current economic environment, coupled with the cost of energy, what is the value of ENERGY STAR?**

**A: Michael Winka:** In terms of safe and reliable service, energy demands are increasing. There are more plug-in systems, more computers, larger TVs, and an increasing number of housing and business developments. Now, in terms of what we pay for energy, the rate is the rate.

We don't have control over that. But what homeowners and businesses have a lot of control over is the overall energy cost, and that's where energy efficiency comes into play. We can meet the increasing demand in two ways. We can either pay for and build new infrastructure, more power plants, and larger transmis-

*Consumers do not have control over energy prices, but they can control their investment in energy efficiency.*

sion lines, which increases rates, or we can spend those same dollars on energy efficiency, and save more in the long run. In New Jersey, Governor Corzine has set a goal to reduce energy use by 20% by 2020. By purchasing ENERGY STAR products we can lower our overall spending on energy and do something good for the environment.

**A: Mark Breuker:** When we're working with a client, we've found it's really helpful to be able to show how each employee can make a difference. When we can couple an energy-efficiency program that includes ENERGY STAR with the message that em-

ployees are helping to save the company money and energy, the combination is incredibly impactful. We want employees to understand that, by saving energy, they are able to reduce the company's carbon footprint and its impact on the environment. Interestingly, for a lot of companies, the environmental angle of empow-

ering employees to reduce energy consumption is actually more effective than the cost-management side of it.

**A: Kathleen Hogan:** We design ENERGY STAR to have a very short payback in terms of what consum-

ers pay for ENERGY STAR products and how quickly they can realize cost savings. As part of that, we do a lot of education around the importance of what we call the second price tag. What I mean by that is this: Most folks are aware of the money they spend on an air conditioner or washing machine, but forget about the monthly energy bill they are going to pay. We try to do a lot of education around that second price tag to help consumers understand the long-term value of ENERGY STAR. The price you pay for an appliance in the store is one time. The second price tag keeps coming every month. An ENERGY STAR appliance can help reduce that cost and protect the Earth at the same time. ●



Michael Winka



Mark Breuker



Kathleen Hogan

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