



Assessing Your Energy Program

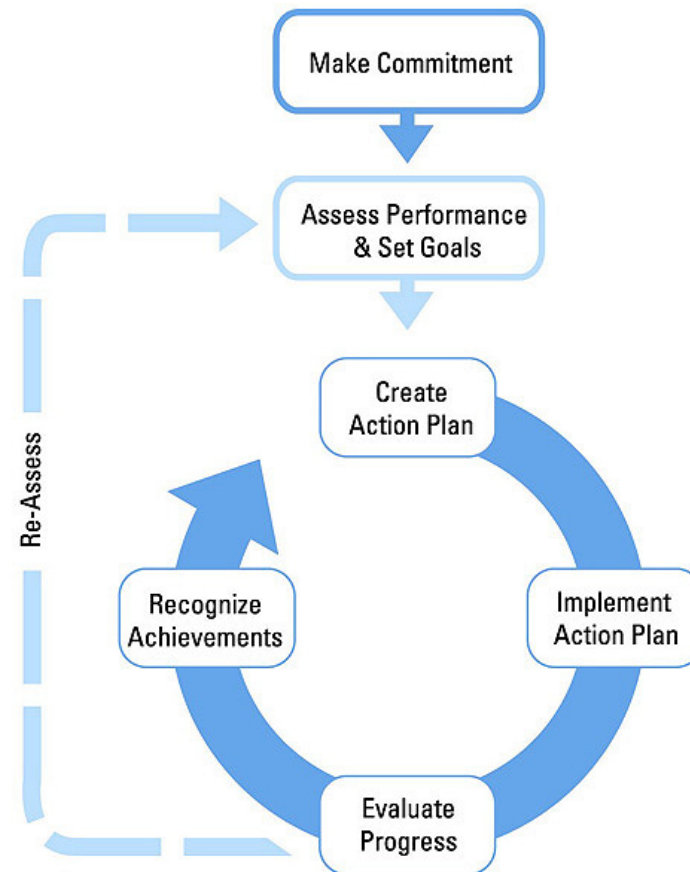
**ENERGY STAR Web Conference
May 18, 2005**

Call-in Number: 1-800-914-3396
Access Code - 9307720

About The Web Conferences



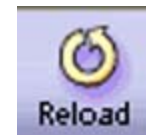
- **Monthly**
- **Topics are structured on a strategic approach to energy management**
- **Help you continually improve energy performance**
- **Opportunity to share ideas with others**
- **Slides are a starting point for discussion**
- **Open & interactive**



Web Conference Tips



- Mute phone when listening! Improves sound quality for everyone.
Use * 6 – to mute and * 7 to un-mute
- If slides are not advancing, hit reload button or close presentation window and press the launch button again.



Web Conference Tips



- Chat Feature



- Presentation slides will be sent by email to all participants following the web conference.
- Hold & Music – If your phone system has music-on-hold, please don't put the web conference on hold!



Today's Web Conference



- Welcome
- Fred Schoeneborn, ENERGY STAR
- Mike Whaley, Allergan
- Julio Rovi, ENERGY STAR
- Announcements

Why Assess Your Program



Energy performance is affected by:

- Program design
- Program sustainability
- Program's stature within the organization
- Ability to show that the program is of benefit to the company



How Do You Assess An Energy Program?



The Energy Manager's Dilemma:

- “ I don't even know if I am doing a good job”
or
- “How can I show that I am doing a good Job?”

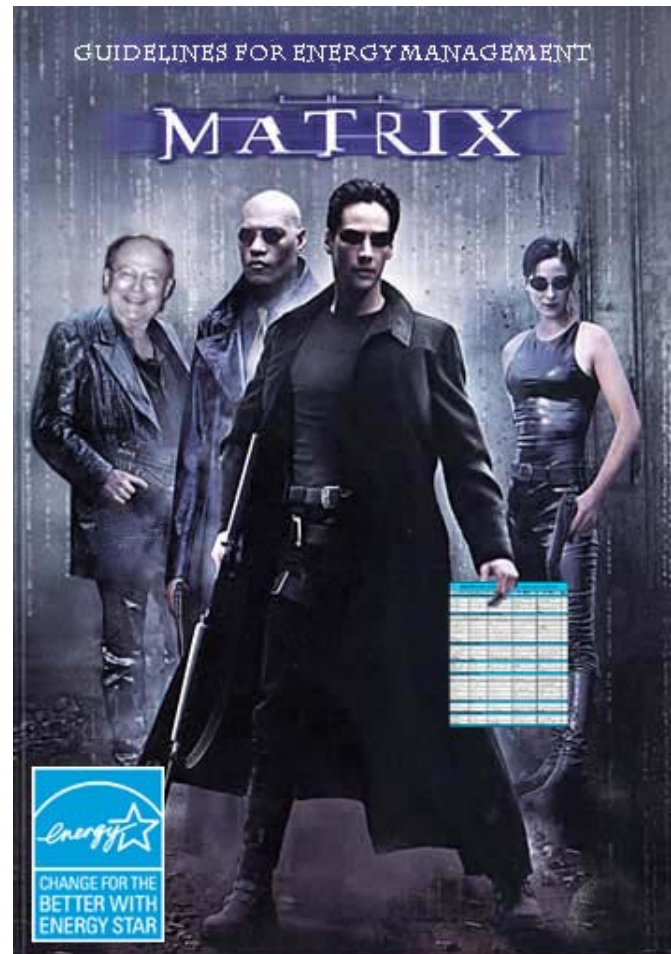
Energy Program Assessment Matrix:

- A simple and effective tool to demonstrate the status of your program

Energy Management Program Assessment Matrix



The Matrix



Energy Management Program Assessment Matrix



The assessment matrix allows organizations to evaluate their energy programs' strengths, weakness, and identify areas for improvement.

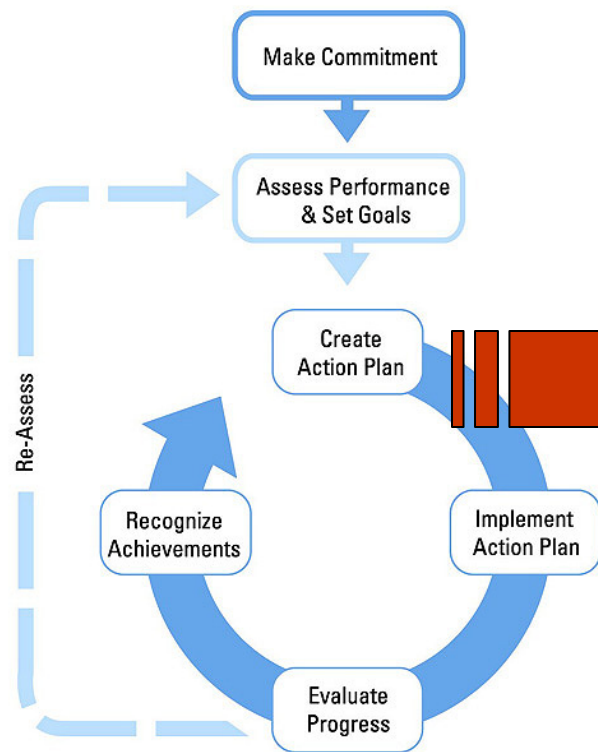
ENERGY STAR [®] Guidelines for Energy Management Matrix			
	Little or no evidence	Some elements/degree	Fully implemented
Normalize	Not addressed	Some unit measures or weather adjustments	All meaningful adjustments for corporate analysis
Establish baselines	No baselines	Various facility-established	Standardized corporate base year and metric established
Benchmark	Not addressed or only same site historical comparisons	Some internal comparisons among company sites	Regular internal & external comparisons & analyses
Analyze	Not addressed	Some attempt to identify and correct spikes	Profiles identifying trends, peaks, valleys & causes
Technical assessments and audits	Not addressed	Internal facility reviews	Reviews by multi-functional team of professionals
Set Performance Goals			
Determine scope	No quantifiable goals	Short term facility goals or nominal corporate goals	Short & long term facility and corporate goals
Estimate potential for improvement	No process in place	Specific projects based on limited vendor projections	Facility & corporate defined based on experience
Establish goals	Not addressed	Loosely defined or sporadically applied	Specific & quantifiable at various organizational levels
Create Action Plan			
Define technical steps and targets	Not addressed	Facility-level consideration as opportunities occur	Detailed multi-level targets with timelines to close gaps
Determine roles and resources	Not addressed	Informal interested person competes for funding	Internal/external roles defined & funding identified
Implement Action Plan			
Create a communication plan	Not addressed	Tools targeted for some groups used occasionally	All stakeholders are addressed on regular basis
Raise awareness	No overt effort made	Periodic references to energy initiatives	All levels of organization support energy goals

http://www.energystar.gov/index.cfm?c=guidelines.assess_energy_management

How The Matrix Was Made



Based On The Guidelines....



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... And Professional Experience...

ACTION STEPS TO USE MATRIX EFFECTIVELY



1. Understand each activity in the Matrix and its goal, e.g. benchmarking:
 - Read the respective section on benchmarking in the Guidelines For Energy Management.
2. Look critically at what happens in your company **NOW!**

ACTION STEPS



3. The Energy Manager is responsible for completing the Matrix
 - Agree who is responsible for completing an activity
 - Agree who will take the lead when **activities overlap**

4. Determine the **GAP** between current practice and the goal

ACTION STEPS



5. Decide **what must be done** by consulting Management, Specialists, Peers, Plant Energy Leaders.

6. Decide the priority
 - Is it critical to act **urgently**?
 - Are there sequential dependencies?

ACTION STEPS



7. Take the necessary action

- Present “**as-is status**” to management; highlight box
- Use in **your** annual appraisal / objectives process

8. Set **Realistic Target Dates** for completing each task.

- Tackle only as many as **you can handle.**

ACTION STEPS



9. Assess Progress

- Publicize and post **actual vs. target** performance.

10. Present achievements to management.

- Provide a **visual** – one pager
- Ask for support to “**Hold the Gain**”

11. Celebrate the success

- **Reward** all participants.
- **Sell** your accomplishments.

How To Use The Matrix

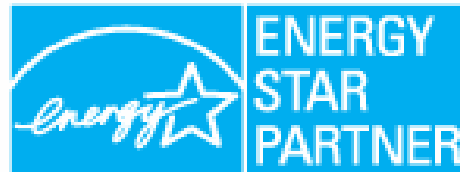


- Being able to show senior management that you are in “good company” is a key selling technique for the enhancement of your program.
- Using the Matrix in Partner to Partner Benchmarking has worked for- Kodak, 3M and Toyota



Questions & Comments

Allergan Energy Management
US EPA ENERGY STAR Meeting
May 18, 2005



Mike Whaley
Director, EHS
Allergan

Allergan

- Technology driven, global health care company
- Focus on eye care, skin care, and specialty pharmaceutical products
- Sales in more than 100 countries
- Manufacturing and R&D in 4 countries
- Joint ventures in several additional countries

2005 Allergan's Energy Management Approach

- Management Commitment
- Teams
- Planning
- Goal Setting
- Implementation
- Results and Reporting

2004 Benchmarking

- Used ENERGY STAR Energy Management Assessment Matrix
- Assembled Energy Management Team and senior staff for input
- Ranked Allergan against matrix
- Set actions to improve Allergan overall score

Benchmarking Actions

- Create and sign formal Energy Management Policy
- Revise Energy Management Plan to reference Energy Policy and include procurement
- Expand benchmarking efforts
 - Partner in Pharmaceutical EPI development
 - Improve metering and data tracking

Benchmarking Actions

- Update and Enhance Awareness Campaigns
- Improve Training and Certification Programs
- Update Goals Related to Tracking Process
- Update Goals Related to Performance

Allergan Management Commitment

Policy Statement

- Allergan will strive to ensure the effective use of energy to produce and deliver products and services to its customers by implementing the strategies listed below.

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 reliability and supply issues.
- Support national energy efficiency policies.

Accountability

- Designated facility managers will be held accountable for maintaining/implementing the strategies as part of their objectives.

Management Commitment

- Sign Policy
- Post Policy on Website
- Assign Accountability
- Measure Accountability
- Reward or Not Via Objective Achievement

Teams

- Enlisted Champion – Corporate VP Operations
- Developed Team
 - VP Global Engineering and Technology
 - Director, EHS
 - Director, Engineering
 - Facility Managers and Engineers
- Indirect Support
 - CEO, CFO, Plant Managers
 - Employees

Planning

- Developed Knowns and Unknowns
- Developed Methods to Complete Knowledge Gaps
- Gathered Data
- Developed List of Projects
- Participated in Capital Planning Committee
- Developed Quotes and Capital Expenditure Requests

Implementation

- Set Goals Based on Viable Projects
- Lighting Projects
- Chilled Water System Projects
- Hot Water/Steam System Projects
- Compressed Air System Projects
- Maintain Systems
- Influence New Designs
- Influence Rate Determinations and Legislation

Results and Reporting

- Implement and Track Monitoring
 - Building Sub-metering
 - Periodic local system monitoring
 - BMS Implemented
- Trending
- Quarterly Performance Reports to Executive Committee
- Web Performance Posting - Semiannual
- Annual MBO Individual Performance Evaluation

Success Factors

- Part of the Capital Committee
- Know Financial Thresholds/Challenge
- Develop Project List and Benefits/Costs
- Ensure Projects and Results are Reported Upward
- Do Easy Projects First and Gain Some Credibility
- Do Post Mortems on Projects
- Ensure Accountability

Upcoming Web Conferences



June 15 – Auditing and Technical Assessments
for Energy Performance

July 20 – Green Power Primer

August 17 – About The ENERGY STAR Awards

September 21 – Carbon Risk, Carbon Trading
And Energy Management

www.energystar.gov/networking



Thank you for participating!