



ENERGY STAR 2008

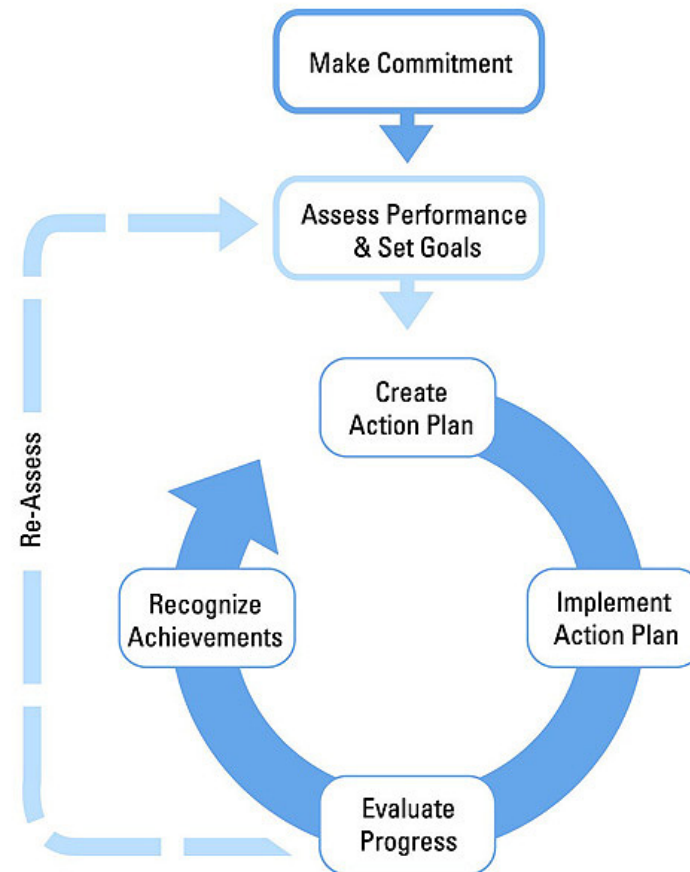
Program Update & Discussion

Web Conference
January 23, 2008

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

Today's Web Conference



- Welcome
- Jean Lupinacci – Overview of Achievements & Commercial Sector Updates
- Betsy Dutrow- Industrial Sector
- Maura Beard- Communications
- Questions & Discussion
- Announcements

ENERGY STAR Helps



In 2006, U.S. businesses and consumers saved \$14 billion in energy costs with the help of ENERGY STAR
C&I portion: \$6.9 billion



ENERGY STAR Helps



...and helped reduce GHG emissions equivalent
to the emissions of 25 million cars

C&I portion: 14.5 million



Introduction



- **Energy Strategy for the Road Ahead**
 - Release of major report
 - Senior executives identify risk scenarios from increasing energy volatility
 - Everyone needs energy and climate strategy. Now.
- **Ensure energy success regardless of future**
 - Master the fundamentals
 - Take a longer and broader view
 - Search out business transformation opportunities
 - Prepare contingent strategies
- **Take Personal Action**

Trends in Energy Management



What you are accomplishing:

- ✓ Increased integration of benchmarking, tracking and goal setting into energy management programs.
- ✓ Campaigns educating employees, customers and others of ways to protect the environment at work and at home.
- ✓ Portfolio-wide improvements of 10% or more savings or top performing portfolios.
- ✓ Energy efficiency a cornerstone of climate strategies and priority for green building.
- ✓ Integration of energy performance goals into new construction.
- ✓ Suppliers, tenants, local community involvement in energy efficiency



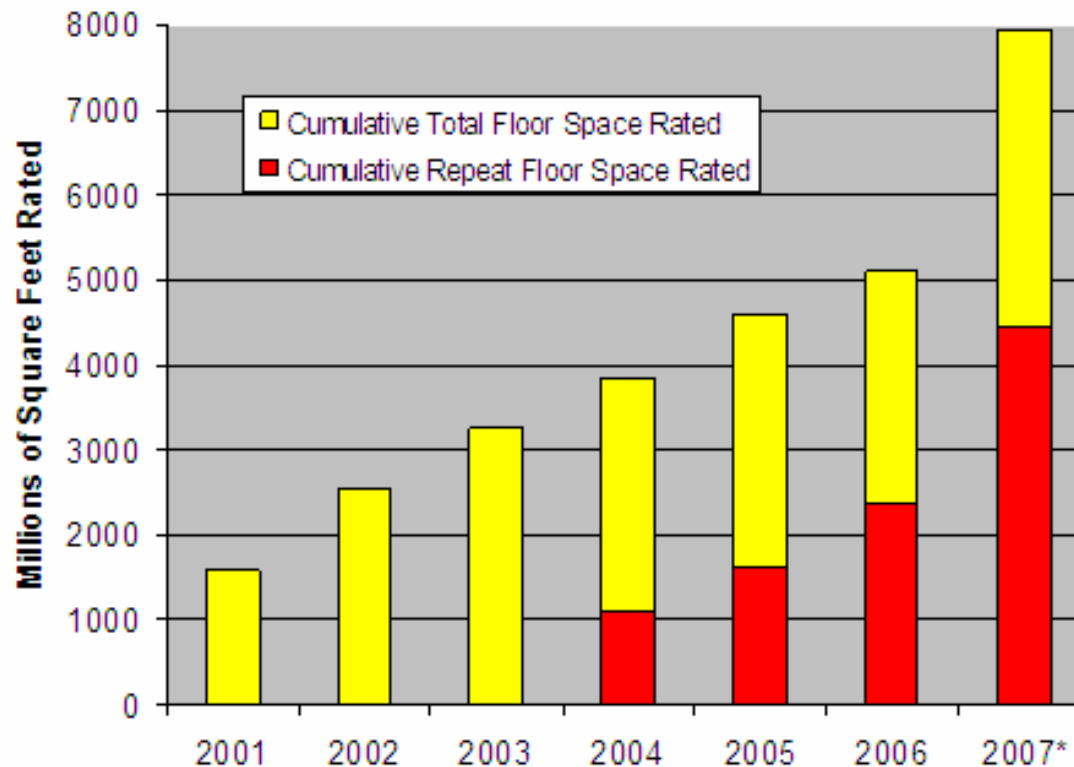
Commercial & Institutional Sectors News

Strong Growth: Portfolio Manager



Trends:

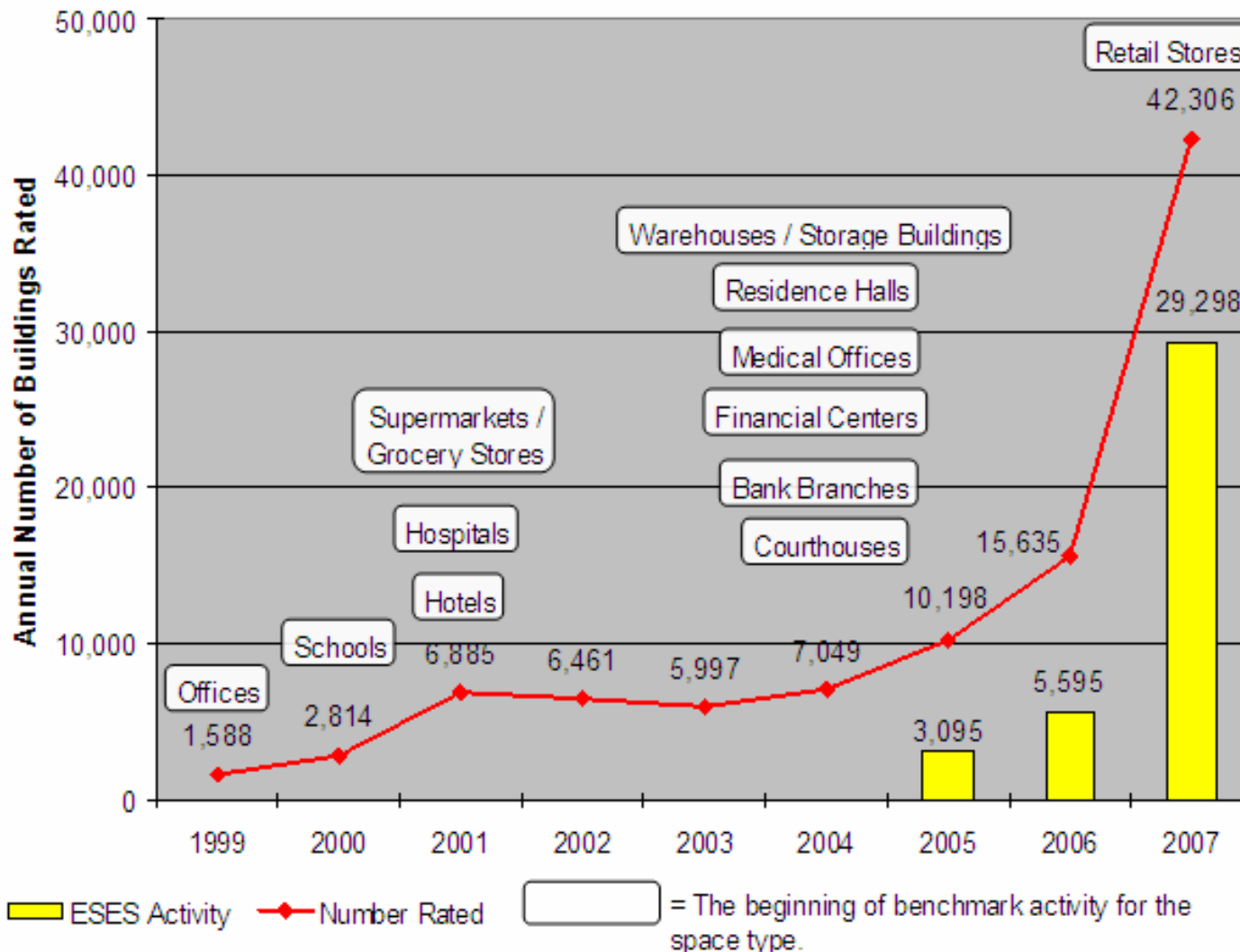
- Close to 8 billion square feet rated through November 2007
- Reflects a dramatic increase over past years, including a 55 percent increase over 2006



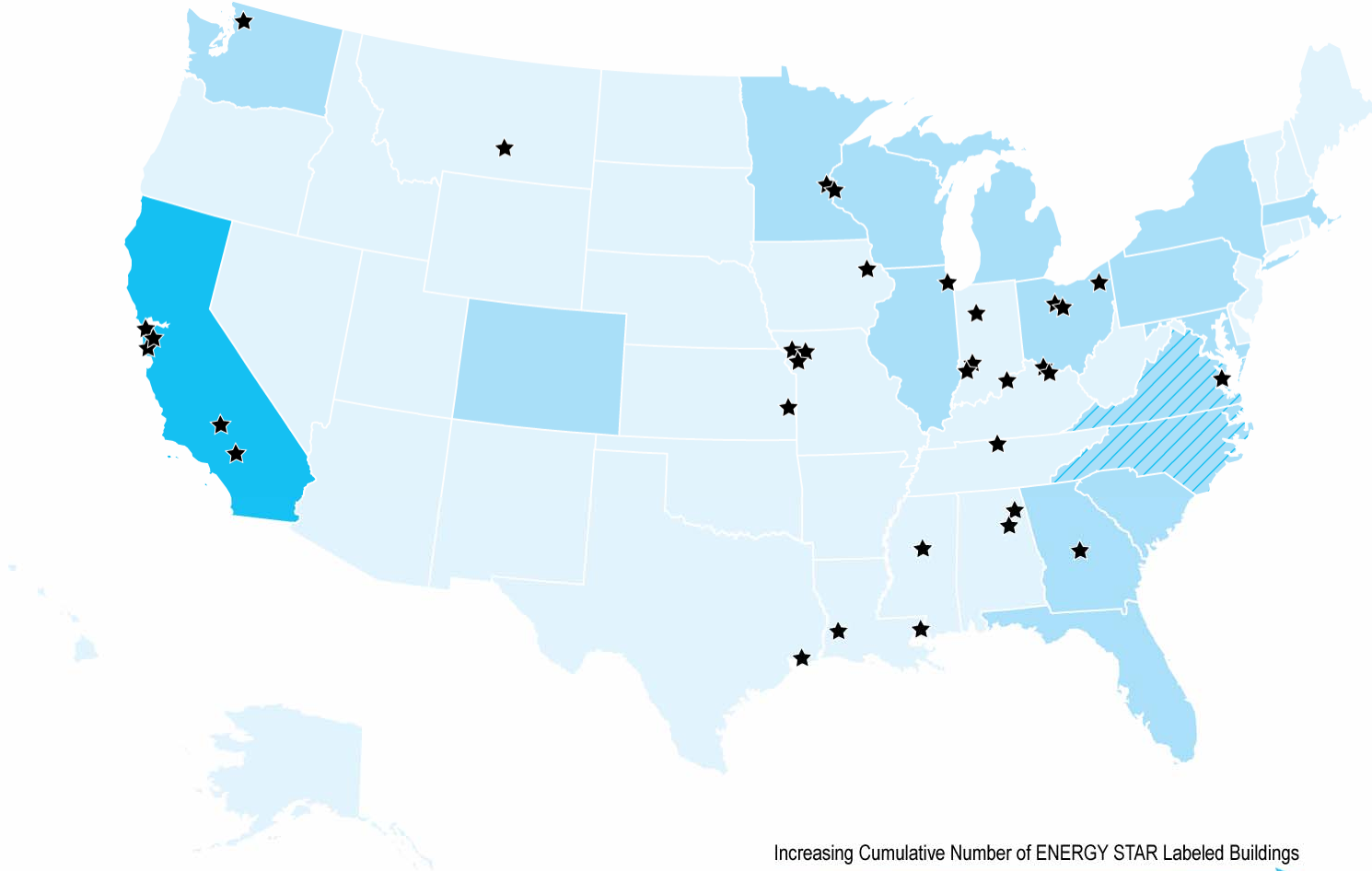
Notes:

- Unless otherwise noted, all rating/labeling 2007 data is through November 30.
- New energy rules/algorithms introduced in 2004; apply to the benchmarking data for 2004 and subsequent years. All other years reflect benchmarking data under the old energy rules/algorithms.

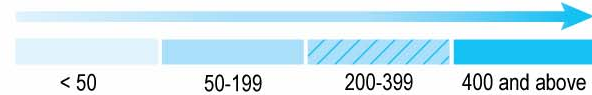
Annual Building Growth



Building Labeling Activity by State



Increasing Cumulative Number of ENERGY STAR Labeled Buildings



★ ENERGY STAR Labeled Plants

Note - This map reflects data through September 30, 2007

ENERGY STAR Leaders




- **51 partners** recognized as ENERGY STAR Leaders for making 10, 20, 30% improvement or top portfolio.
- Represent more than 4,600 facilities and 270 million square feet;
- Reduced greenhouse gas emissions equal to those from more than 30,000 homes
- Organizations achieving new milestones.
- K-12 school districts lead recognition.

Financial Value of ENERGY STAR



- CoStar findings indicate **higher values for ENERGY STAR buildings** in their database, due to their higher occupancy rates (see Exhibit 1 below), higher rent, and lower operating expenses.

320 Park Ave - Mutual of America Bldg



ENERGY STAR Score
85

	BTU	CO ₂ Pounds
Total Energy Consumption/SF:	\$8.42 200,120	125.5
Electricity Consumption/SF:	\$2.65 62,983	39.5

Location: Mutual of America Bldg
Between 50th & 51st Streets
Midtown Cluster
Plaza District Submarket
Manhattan
New York, NY 10022

Building Type: Class A Office
Status: Built 1960, Renov Jun 1995

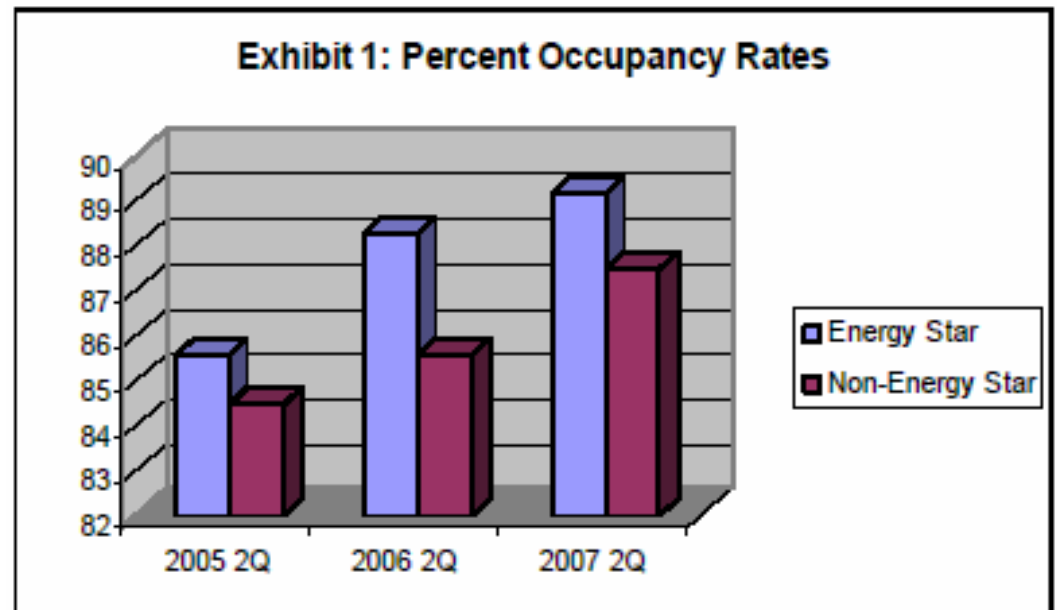
Stories: 35
RSA: 694,000 SF
Typical Floor: 15,828 SF
Total Avail: 4,338 SF
% Leased: 100%

Developer: Mutual of America Life Insurance Company
Management: Jones Lang LaSalle Americas, Inc.
Recorded Owner: Mutual of America Life Insurance Company

Expenses: 2001 Tax @ \$5.84/sf, 2001 Ops @ \$27.61/sf
Parcel Number: 1286-0035
Amenities: Banking, Concierge, Food Service, Property Manager on Site

Quoted Rent: \$52.00 + Elec
Electricity: \$2.85
Total Cost: \$54.85

Floor	SF Avail	Floor Contig.	Bldg Contig.	Rent/SF/Yr + Ops	Occupancy	Term	Type
P 31st	4,338	4,338	4,338	\$52.00 + elec	Vacant	5 yrs	Sublet



Change A Light



ENERGY STAR Partners leading supporters of Campaign.

Over 1000 organizations involved.

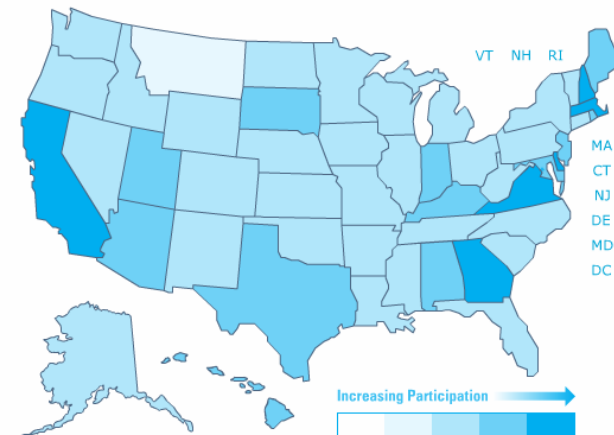
- JCPenney national bus tour sponsor

Top Pledge Drivers include:

- PepsiCo and Frito-Lay
- JCPenney
- Ford Motor Company
- Schering-Plough Corporation
- Staples, Inc.
- Jones Lang LaSalle
- Commonwealth of Virginia
- National Association of Counties
- NYSERDA

1,281,379 People Have Taken The Pledge

Collectively, we have pledged to change 4,377,739 bulbs. That means we will avoid using 1,234,522,285 kWh of energy, prevent 1,790,495,087 lbs of greenhouse gas emissions, and save \$114,810,573 in energy costs. You're making a difference!



ENERGY STAR Challenge



More than
500 organizations
and individuals have
taken
the ENERGY STAR
Challenge

Local Governments
take community lead:
USCM
NACO

**Associations take
Industry Lead**
BOMA
ASHE
NADA
NAM
AIA

The screenshot shows the ENERGY STAR website interface. At the top left is the ENERGY STAR logo. To its right is a banner for 'SUPERIOR ENERGY MANAGEMENT CREATES ENVIRONMENTAL LEADERS' by the U.S. Environmental Protection Agency. Below this is a navigation bar with tabs for 'Products', 'Home Improvement', 'New Homes', 'Buildings & Plants', and 'Partner Resources'. The 'Buildings & Plants' tab is selected, and the breadcrumb trail reads 'Home > Buildings & Plants > The ENERGY STAR Challenge'. A search bar is also present.

The main content area features a large banner for 'The ENERGY STAR Challenge' with the headline 'Build a Better World'. The text below reads: 'The ENERGY STAR Challenge is a national call-to-action to improve the energy efficiency of America's commercial and industrial buildings by 10 percent or more. We can all do our part — Take the ENERGY STAR Challenge and use the free Challenge Toolkit to help build a better world.' To the right of the banner are three call-to-action buttons: 'Learn About the Challenge', 'Take the ENERGY STAR Challenge', and 'Use the Challenge Toolkit'.

Below the banner are two columns of content. The left column is titled 'Challenge Participant Organizations' and lists 'Five Most Recent' participants: RREEF Property Management, CFSI, Wapakoneta City Schools, Holy Cross College, and Craven County Schools. A link 'See all Challenge Participants' is provided. The right column is titled 'Challenge News' and lists several news items, including 'ENERGY STAR Unveils 5 Winter Tips to Keep Your Small Business Warm', 'International Facility Management Association (IFMA) Joins ENERGY STAR', 'National Association of Evangelicals (NAE) Takes the ENERGY STAR Challenge', 'CNN Money: ENERGY STAR Work with Auto Dealers Offers Good Example for Small Businesses to Save Energy', and 'ENERGY STAR Challenge Toolkit and Expanded On-Line Sign Up Now Available!'.

On the left side of the website, there is a sidebar menu with categories like 'Buildings & Plants', 'Guidelines for Energy Management', 'Tools & Resources Library', 'Expert Help', 'Commercial Building Design', 'Green Buildings', and 'Getting Started for...' followed by various industry sectors.

Upcoming in 2008: Community Focus



- **State and Local Governments:**
 - Climate change strong motivation- ENERGY STAR is practical solution
 - Lead by example and reach into community
- **Use ENERGY STAR to assist local businesses:**
 - Create “model” program for other communities
 - Louisville, KY; Albuquerque, NM
 - Also activities in NYC, Chicago, Seattle, others
 - Work with local school districts
- **Watch for mandates to drive efficient buildings:**
 - Executive Orders (CA, OH, VA)
 - Legislation for new construction, energy performance disclosure, top performance (DC, MN)

Upcoming in 2008: Utilities



- Offer incentives for energy efficiency:
 - Retro commissioning programs
 - Technical assistance
- Utility bill data access:
 - Establishing best practices for providing billing data for customers
 - Automating billing transfer into Portfolio Manager

Upcoming in 2008: Associations



- Offer training programs and ENERGY STAR to members
- Challenge members to improve
 - BOMA 7 Point Challenge
 - AIA 2030 Challenge
- Offer Local programs through Chapters
 - BOMA Austin, Portland and Seattle/King County
 - Programs coordinated with local governments and utilities

Upcoming in 2008: New Focuses



- Provide networking, benchmarking data and tailored resources:
 - Malls
 - Restaurants
 - Data centers
 - Hospitality/stadiums

Upcoming in 2008: Portfolio Manager



- Revise/update ratings for:
 - Supermarkets
 - K-12 schools (including pools)
 - Initiate updates for hotels
- Provide national average benchmarks for commercial buildings
- Enhance reporting functions
- Upgrades to automated benchmarking services
- Investigate low carbon buildings
 - Based on emissions from EGrid
- Sharing accounts

Upcoming in 2008: New Building Design



- Target Finder tool updated:
 - 50% and beyond better than average targets
 - Carbon emissions based on EGrid
- Challenge to architects to Design to Earn ENERGY STAR:
 - Announce projects at AIA convention in May
- Develop guidance for owners
 - How to specify ENERGY STAR
 - Guidance to work with design team



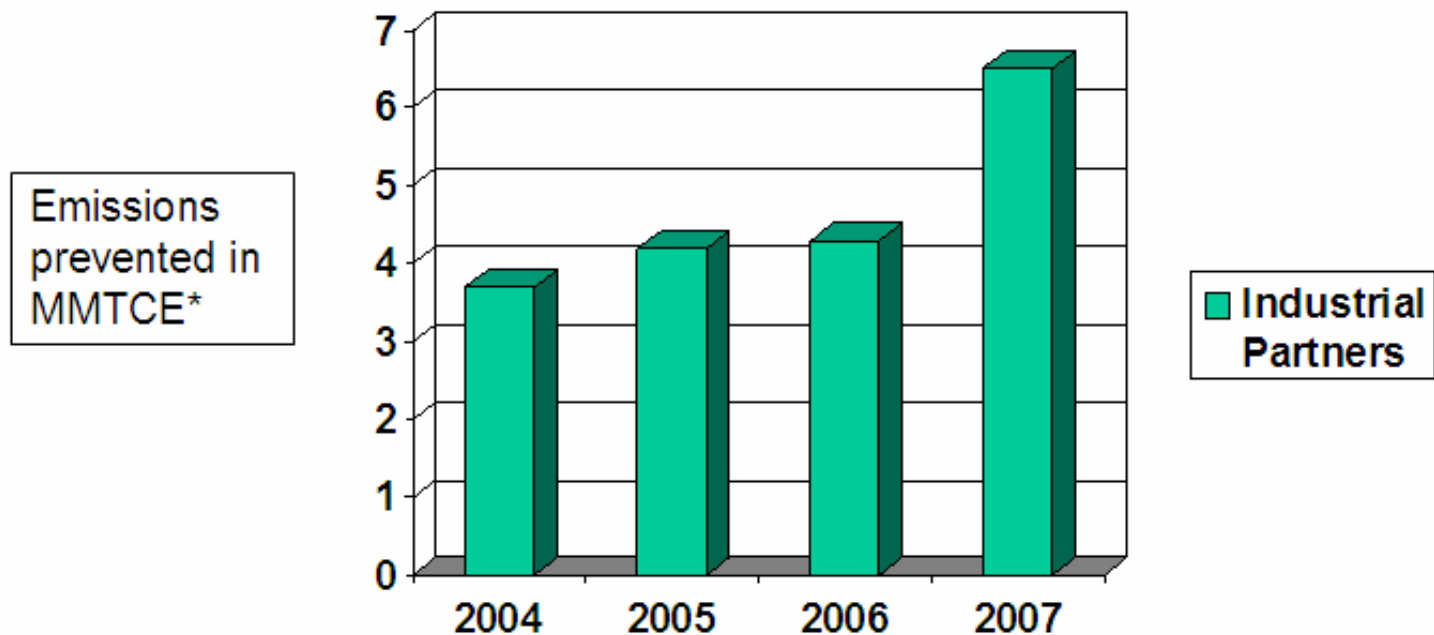
Industrial Sector News

ENERGY STAR

industrial partner achievements



Industrial partners continue to reduce GHG through greater energy efficiency.



**million metric tons of carbon equivalents*

Industrial focuses



- ✓ Existing focuses continue to make progress
- ✓ New focus to be launched in '08: steel

Focuses provide:

- Consideration of barriers to energy efficiency and a plan of address
- An energy forum within an industry
- Plant energy performance indicators (EPI)
- Energy guides

Focus industries



Industry	EPI	Energy Guide	Annual Meeting
Vehicle Assembly	Yes	Yes	Yes
Corn Refining	Yes	Yes	Yes
Cement	Yes	Yes	Yes
Pharmaceutical	Draft	Yes	Yes
Petroleum	Solomon	Yes	Yes
Glass	3 in draft; under review	Yes	Yes
Food Processing	4 in draft; under review	Yes	Yes
Petrochemicals	Investigating	Underway	Yes
Pulp & Paper	Investigating	Under study	February 2008

WEEC 2007, Corporate Energy Strategy Panel,
Atlanta, Georgia





Auto



Glass

Focuses 2007



Cement



Petroleum

The ENERGY STAR for Plants



✓ 28 industrial plants awarded ENERGY STAR in 2007

- ✓ - 1 corn refinery
- ✓ - 6 auto assembly
- ✓ - 13 cement
- ✓ - 8 petroleum refineries



✓ Eligibility

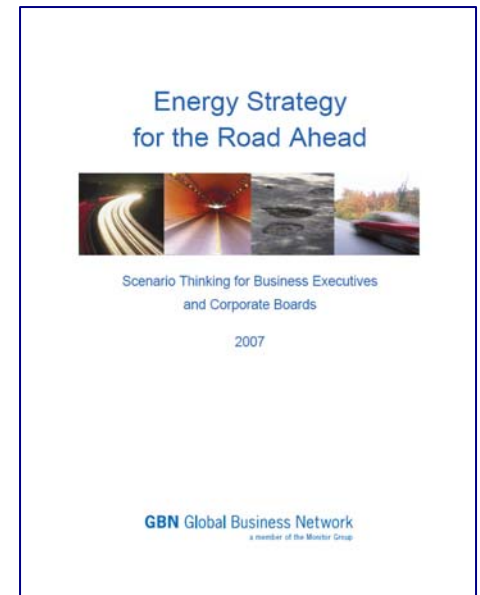
- 75 or better rating based on EPI
- Certified Statement of Energy Performance
- Clean environmental record



Advanced energy strategy



- CEO's and energy managers have been mailed a copy of *Energy Strategy for the Road Ahead*
- EPA will emphasize advanced energy strategy development and refinement in 2008 with ENERGY STAR industrial partners
- www.energystar.gov/energystategy



Look for in 2008



Plant labeling to be extended to industries with newly completed EPIs

- Completed EPIs anticipated for food and glass sectors
- Potential new EPI for pharmaceutical manufacturing plants



Networking & conferencing



ENERGY STAR at AEE's World Energy Engineering Congress (WEEC)

- ✓ Washington, DC, September 29 – October 3, 2008
- ✓ ENERGY STAR industrial focuses meet September 29th and 30th for annual meetings and industrial energy manager networking:
 - Cement, motor vehicles, pharmaceuticals, food, petroleum refining, petrochemicals, corn refining, glass
- ✓ Open to all focus industries **and industrial partners**
- ✓ WEEC technical sessions begin on October 1st
 - ENERGY STAR will organize 5 industrial sessions for the conference, presentations by industrial participants
 - High level energy strategy
 - Energy issues for heavy industry
 - Industrial case studies
 - Reduced attendance rate at www.energycongress.com/ENERGYSTAR
- ✓ This will be a great opportunity for networking among a variety of industries

New resources & directions: 2008



- Guidance on how to benchmark energy in facilities - on the web soon
- Expanded “In Practice” stories within the Guidelines and in a database format
- Increased emphasis on energy strategies for the future
 - Enhanced focus on elements of advanced energy strategy & sustainability
 - Increased strategy work with focus industries
 - E.g., cement is formulating a listing of common energy metrics that can be requested of all suppliers
 - Goal setting
 - New resources to help energy managers expand investment horizons for energy efficiency projects

Supply Chain Working Group



- Increasingly, companies are looking for ways to help improve the energy performance of their suppliers.
- Many Partners are steering suppliers towards ENERGY STAR resources and the partnership.

Supply Chain Working Group will:

- Network and share best practices for engaging suppliers.
- “Package” relevant existing ENERGY STAR resources for suppliers.
- Identify new tools or resources that ENERGY STAR Partners can provide to suppliers.
- Contact: tunnessen.walt@epa.gov for more information.

The ENERGY STAR Challenge



- National call to action to improve energy efficiency
- Industrial energy managers a key part of the solution
 - Expanding list of those who want to help support other manufacturers
- National Association of Manufacturers and the ENERGY STAR Challenge
- Partners can leverage the campaign to raise awareness of the need for energy efficiency

More in 2008



- Emphasis on partners communicating ENERGY STAR
 - more industrial brownbags
 - new opportunities
- What are we missing?????
 - Email ideas to: dutrow.elizabeth@epa.gov



Communications & Marketing Initiatives

The Time is Right

Energy Efficiency and Global Warming



- **82% of Americans believe in global warming,** and there is widespread belief that human behavior is contributing to the problem.

Fox News/Opinion Dynamics Poll, Spring 2007

- **Majority believe immediate action needed**

NY Times/CBS Poll, April 2007

- **86% would choose one home over another** based on its energy efficiency.

Shelton Group/Energy Pulse, 2006

- **63% say change their consumption habits** based on increase in energy prices.

Shelton Group/Energy Pulse, 2006

ENERGY STAR Program Success



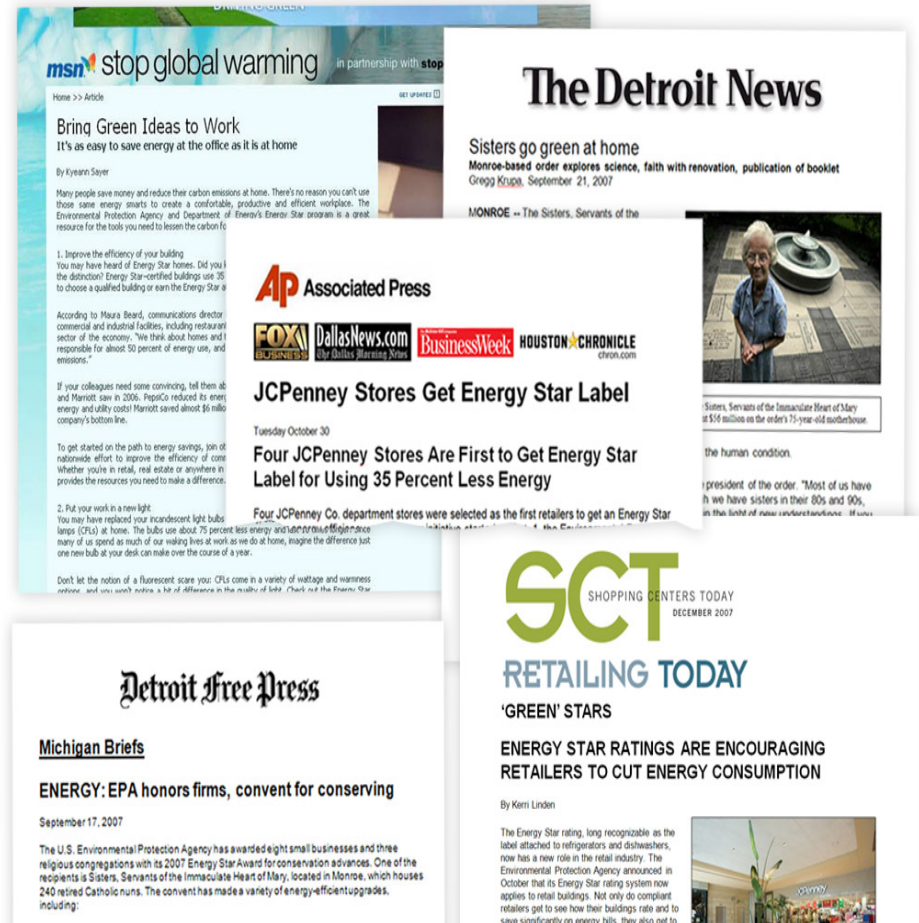
- **70%+** Public awareness
- **12,000** organizations engaged in manufacturing, delivery, and adoption
- **2.5 billion+** qualified products sold to date
- **~850,000** new homes
- **~12%** of new homes starts
- **60,000+** buildings benchmarked

Environmental
Results
Positioned to
Double
over next
10 Years

C&I Media Coverage Soars in 2007



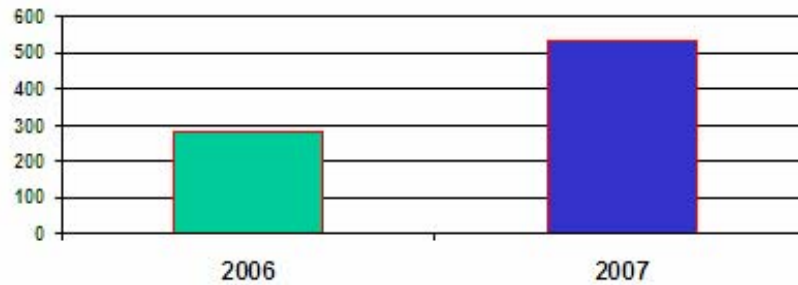
- Not Just B2B Anymore!
 - Top Down Approach
 - Supplemented with new Consumer Oriented Bottom Up Approach
- Moving Beyond Trades!
 - Added 1st Tier Dailies and Wires as well as Broadcast Outlets in Top 20 DMAs as New Targets
- Improved Messaging



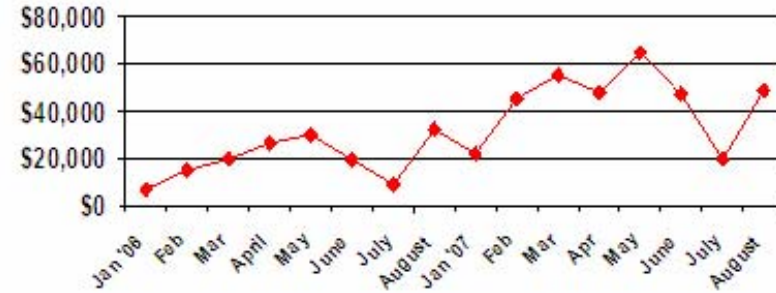
C&I Media Values: Articles, Circulation, and Ad Equivalency



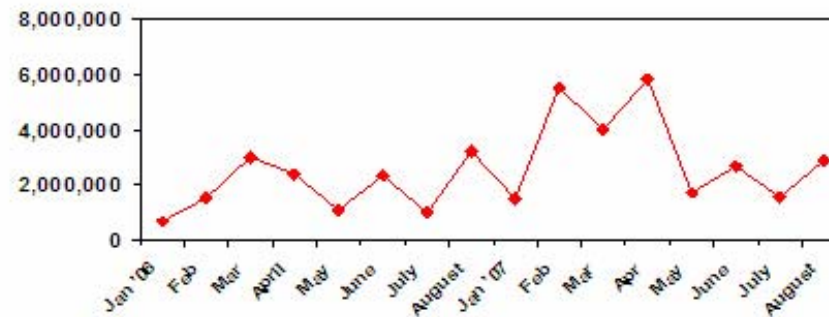
Article Volume
87% increase



Ad Equivalency
121% Increase



Circulation
107% Increase



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New ENERGY STAR Print PSAs Include 2 C&I Partner Profiles



Transwestern



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Horton



Martha

Coming Soon to a Magazine Near You!

For more on ENERGY STAR PSAs, visit www.energystar.gov/index.cfm?c=promotions.pt_psa

Outreach by C&I Partners Grows!



true green
Here's How Marriott® Helps

We all play an important role in protecting the environment. At Marriott, we are working toward more sustainable environmental practices.

- By conserving energy, our hotels around the world are on track to reduce our greenhouse gas emissions by nearly 1 million tons over 10 years — 2000 to 2010. That's equivalent to taking 140,000 cars off the road.
- We've decreased our energy use and saved 65% on our hotel lighting costs by replacing 450,000 light bulbs with fluorescent lighting in 2006.
- Marriott received the 2007 ENERGY STAR Sustained Excellence Award from the U.S. Environmental Protection Agency for three years of outstanding performance and has earned more ENERGY STAR labels (245) than any other hotel company.
- We've reduced our hot water usage by 10% by replacing 400,000 showerheads.
- We've conserved water, use of detergents and saved energy on hot water by encouraging guests to reuse their linens and towels during their hotel stays.
- Marriott also pitches in on volunteer clean-up projects in our communities through Clean Up the World, a global environmental organization — to join in, visit www.cleanuptheworld.org.
- Learn more about Marriott's green programs by visiting Marriott.com/truегreen.



What's in Store for 2008 with C&I?



- Increased focus on carbon messaging and the value of ENERGY STAR as a global warming solution
- Continued emphasis on media
 - Targeted pitching of key announcements
 - Focus on major media supplemented by sector trade outreach
 - 1st ever C&I Consumer Magazine Long Lead Tour featuring “Low Carbon Lifestyle for Businesses and Consumers”
 - Leveraging of Profile PSAs
- Development of Supplemental Challenge Toolkit Materials
 - More inclusive of architects, utilities, SPPs, and industrials
 - “Tips” for Top Down and Bottom Up Audiences
 - Collateral Partner and Label Materials
- Increased co-branding effort (Saepio Launch)
- Increased outreach to partner marketing contacts and education on the value of ENERGY STAR brand



Questions, Comments, & General Discussion

2008 Web Conferences



Month	Topic
January	ES Update
February	Green Power Strategies
March	Engaging Employees in Energy Efficiency
April	Leading Energy Programs – ES Partners of the Year
May	Energy Efficiency and Green Buildings
June	Our Top 3 Energy Projects
July	Motivating and driving facility performance
August	“Cool” Energy Savings Strategies
September	Supply Chain Energy & Climate Initiatives
October	Energy & Climate Risk Management
November	Energy Strategy & Project Financing

[Past Presentations](#) – See “Networking Opportunities” @ energystar.gov



Thank you for participating!