



Energy and Greenhouse Gas Management

October 17, 2007

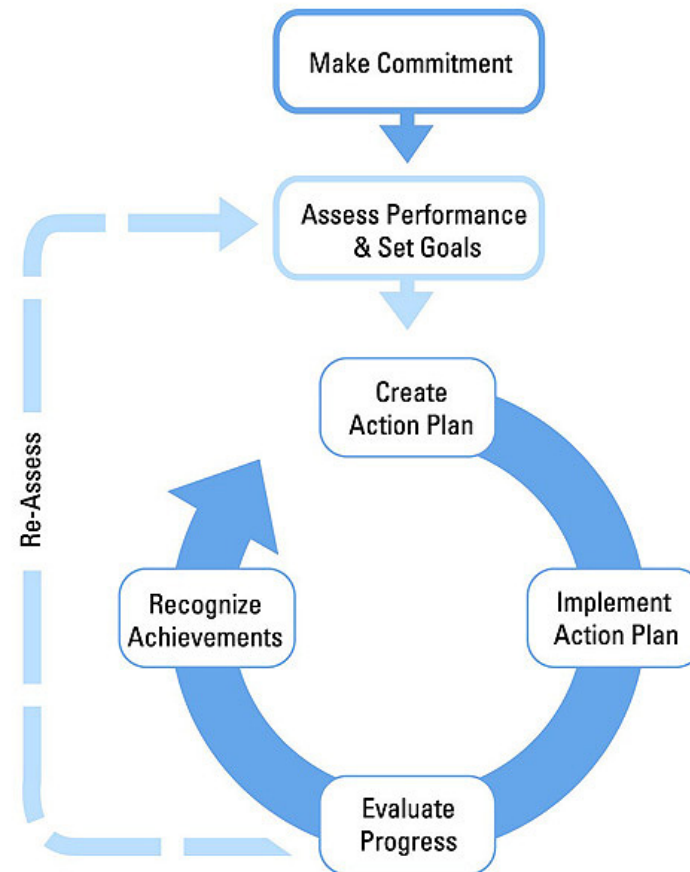
Call-in Number: 1-866-299-3188

Conference Code: 202 343 9965

About The Web Conferences



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



Web Conference Tips

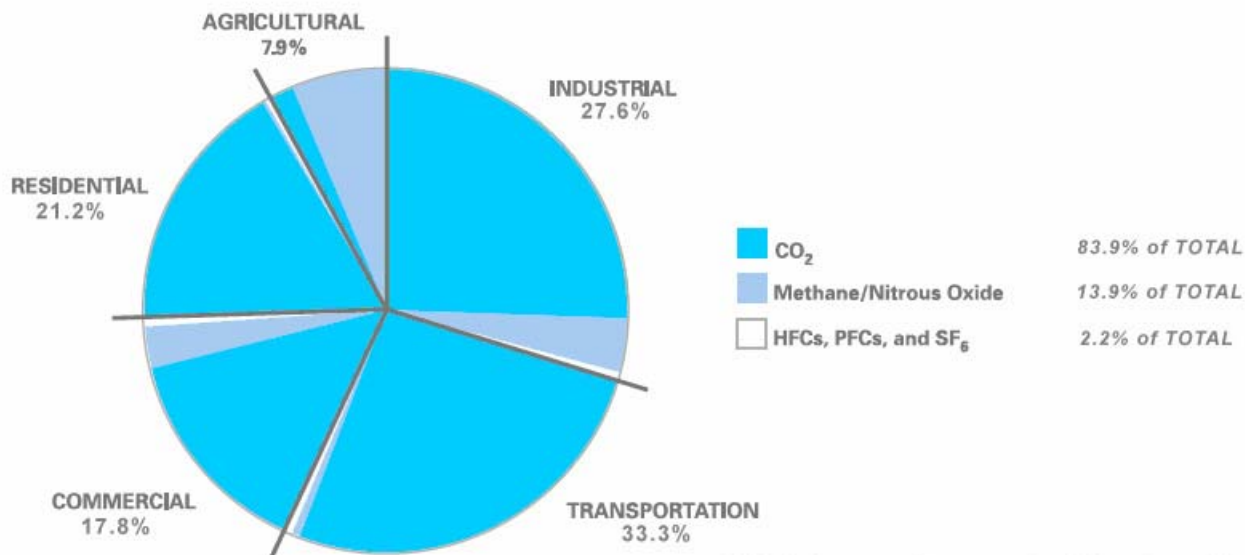


- Mute phone when listening! Improves sound quality for everyone.
Use * 6 – to mute and # 6 to un-mute
- Hold & Music – If your phone system has music-on-hold, please don't put the web conference on hold!
- Presentation slides will be sent by email to all participants following the web conference.

The Link to Climate Change



- 85% of US GHG emissions are from CO₂
- Energy use is the primary source of CO₂ emissions



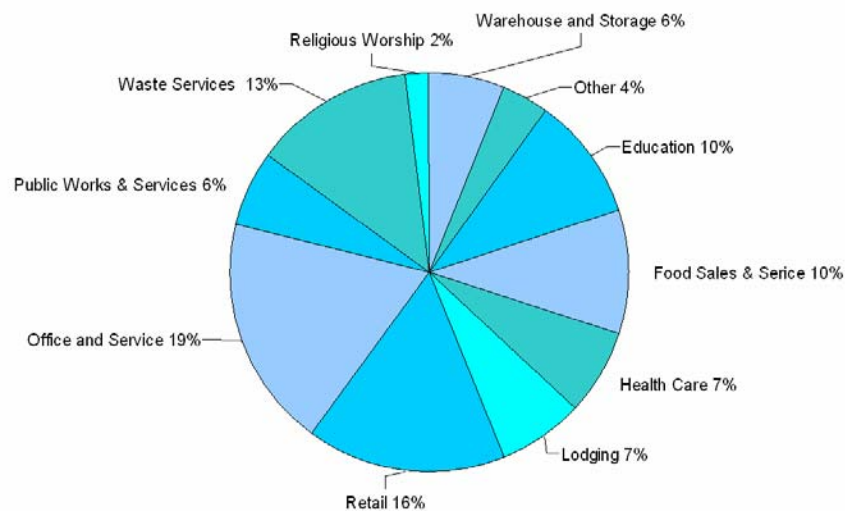
NOTE: Totals may not add up to 100% due to independent rounding.
Source: US EPA Inventory of Gas House Gases and Sinks 1990 - 2004

Sector CO2 Emissions

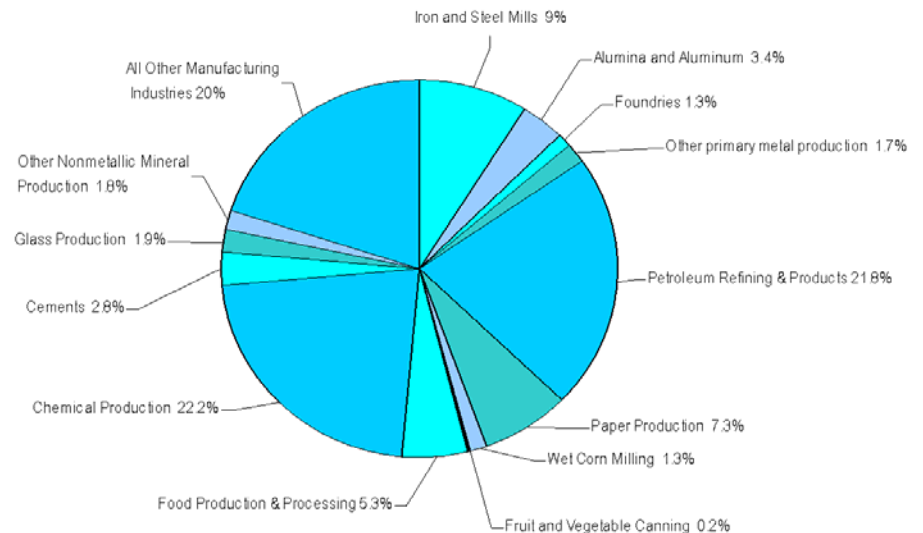


Distribution of Commercial and Industrial CO2 emissions (Direct & Indirect) associated with energy use.

Commercial 17.8%



Industrial 27.6%



Sources: Representative estimate based on the US EPA Inventory of Greenhouse Gases and Sinks 1990 – 2004 (April 2007), the Energy Information Administration's 2003 Commercial Building Energy Consumption Survey (CBECS), and the Manufacturing Energy Consumption Survey (MECS) 1991 – 2002 as reported by the Energy Information Agency (DOE/EIA-0573(2005)) November 2006.

Energy Efficiency and GHG Management



Carbon Disclosure Project S&P 500 Findings:

- 78% of companies responding stated that energy efficiency is a key strategy for GHG reductions.
 - **BUT** only 21% stated they have energy goals!
 - 29% reported establishing GHG reduction goals.
- 43% of respondents are ENERGY STAR Partners.
- Most of the companies scoring high on the Climate Governance Index are ENERGY STAR and Climate Leader partners.

Today's Web Conference



Energy and GHG Management

Speakers:

- Bob Valair – Staples
- Jon Russett – General Mills
- Announcements

The logo features a large, light green circle with a red border. Inside the circle, the text "Staples soul" is displayed. To the right of the text is a red outline of a heart. A thick red wavy line extends from the bottom right of the circle across the top of the slide.

Staples
soul

It's what moves us.

Bob Valair
Director of Energy
and Environmental Services

October 17th, 2007

Company Profile



- \$18.2 Billion reseller of office products/supplies
- Created Office Superstore concept in 1986 Brighton, MA
- 74,000 associates worldwide
- 1,880 stores + worldwide
- North American Retail
- North American Delivery
- International – South America, Europe and Asia
- Operations in 21 countries



Environment

Partnership with EPA



- In 1995 Staples partnered with the EPA's "Green Lights" program.
- Began implementing energy efficiency programs and realized operational expense savings.
- Established corporate commitment which embraced vision to be a leader in office supply while protecting the environment and to make a difference in the community.
- Developed internal and external programs linking the Voice of the Customer, Shareholders and Staples' employees to energy efficiency and environmental stewardship.



Environment

Why is energy efficiency and climate change so important to Staples?



We owe it our shareholders and investors, employees and families to make the change to make a difference!



Environment

Staples Commitment



Staples is committed to developing and enhancing sustainable business in three specific areas of corporate performance economic, social and environment - "triple bottom line".

Staples company-wide commitment to protect natural resources through sustainable practices covers four major areas or cornerstones.

- Environmentally Preferable Products
- Recycling
- Energy and Climate
- Environmental Education



Environment



It's about soul...

- Energy efficiency and environmental stewardship is about everything that we do and is fully integrated into our culture, its “Staples Soul”.
- Employees know that Staples is a “green” company and embrace initiatives in support of that goal.
- Energy managers are part of the solution however it takes middle management and executive managements’ support to drive the process.



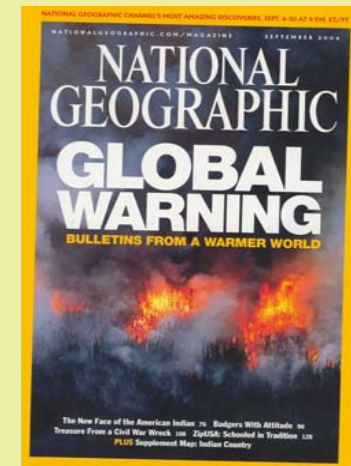
Environment

Integrated Approach to Energy and Climate



Global climate change is a the result of increase carbon dioxide levels in the atmosphere. Our impacts on climate change result form the direct and indirect emissions associated with the consumption of energy derived from fossil fuel sources. Our “carbon footprint” or areas where most of our carbon is accounted is focused in facilities and in fleet operations. To reduce this footprint we have established an absolute carbon reduction target of **7% below** our 2001 levels by 2010 for the US and will announce a global target in 2006. Achieving these goals will require an integrated carbon mitigation strategy.

- Energy Conservation
- Green building design
- Purchasing more Green-e-certified renewable energy
- On site distributed generation – wind – solar – geothermal
- New technologies, hybrid vehicles
- Carbon sequestration



Environment

The Energy Manager's role

- Build partnerships with internal teams in Finance, Construction, Store Planning and Sr. Management.
- Established key performance indicators and documentation processes for measurement and verification of energy efficient technology upgrades to systems capturing energy usage data.
- Utilized internal models built from years of documentation, the internal teams and the EPA established a conservative GHG Emission reduction goal.
- Staples team meets regularly with the EPA Climate Leaders staff to track progress and keep focused on reduction goal.



Energy Projects



- Motor Boss technologies –
 - motors more energy efficient allowing RPM speed changes.
- Micro turbines
- Thermal Storage
- Demand Side Management
 - Developed a Strategic team and the “WILL KILL” Program for the entire portfolio
- LEED Certification buildings, first store in MIA fall 2007,
 - All of the things we have done up to date allows us to make that jump to LEED certified buildings
 - Implementation of LEED building methodologies into their standard prototype designs
- Solar installations



Environment

Energy and Climate



Environment

Energy and Climate



Environment

Corporate Approaches to Green Building



Environment

Corporate Approaches to Green Building



Environment

Solar



that was easy.™



Environment

Energy and Climate



9 Solar Projects

Reduces greenhouse gas emissions

Reduces our operating expense

Encourages others to consider renewable energy options

Ontario, CA



Rialto, CA



Englewood, NJ



Environment

How to get approval for energy projects?



- Document, document, document!
 - Proven track record of successful project implementation meeting internal ROI standards.
 - Establishes internal creditability and reputation for success
- Develop relationships with utilities and outside resources in support of services for rebates and incentives to offset capital investment costs.
- Keep an open mind!
 - Be open to pilots
 - Alternative and creative financing solutions
 - Leased vs. Owned



Environment



that was easy.™

Future Projects under consideration

150+ Retail/Non-retail solar locations

Home Office - Wind

Rialto, CA - Wind

Portland, OR - Wind

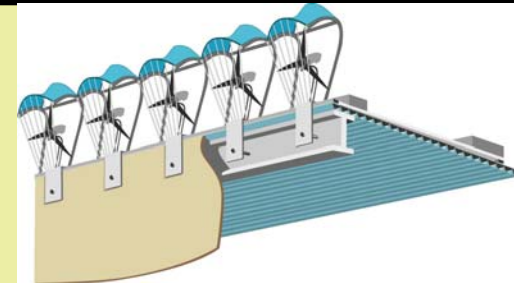


Environment

Future Projects Under Consideration



Wind Turbines



Hybrid Delivery Vehicles



Land Based Carbon Sequestration

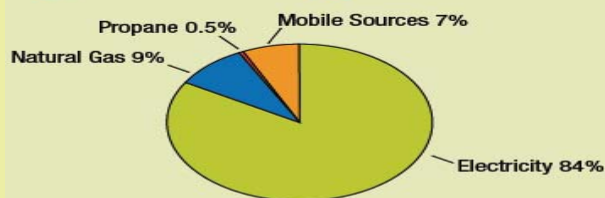


Environment

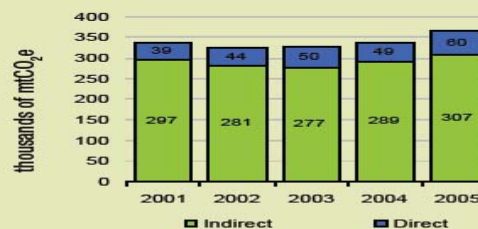
Energy and Climate

We continue to reduce net operating expense associated with energy through an integrated approach and improve the net carbon impact, associated with operating our business.

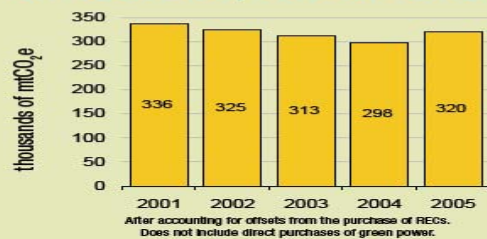
2005 contribution of energy source to greenhouse gas emissions



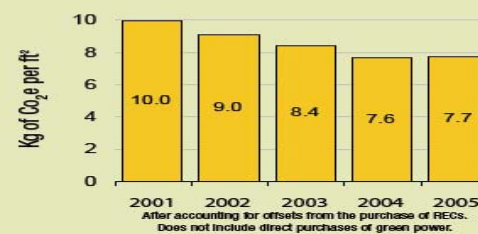
total greenhouse gas emissions, not including offsets



greenhouse gas emissions, net of offsets

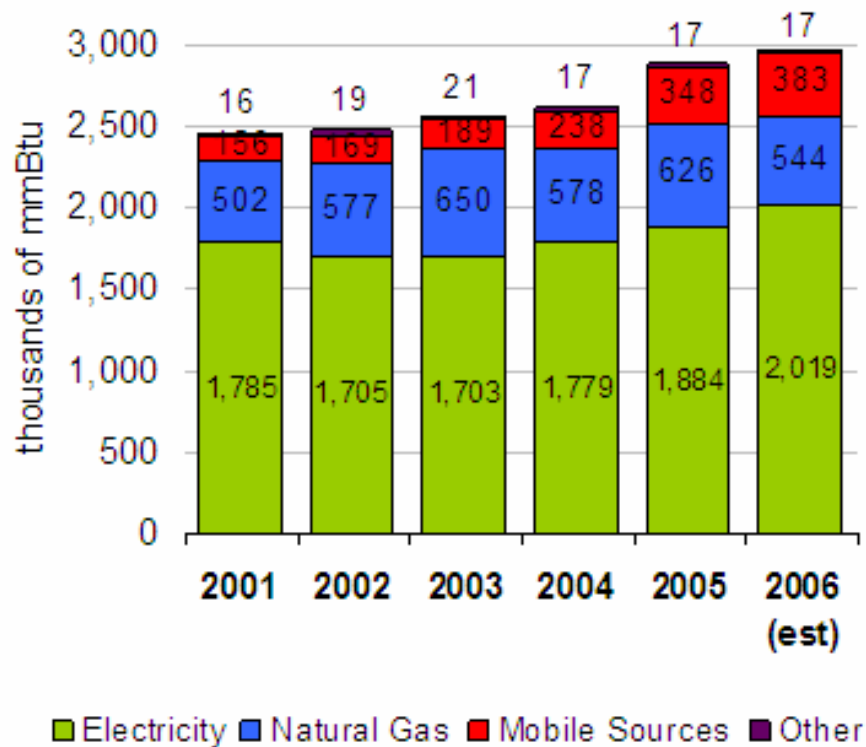


net GHG emissions per square foot

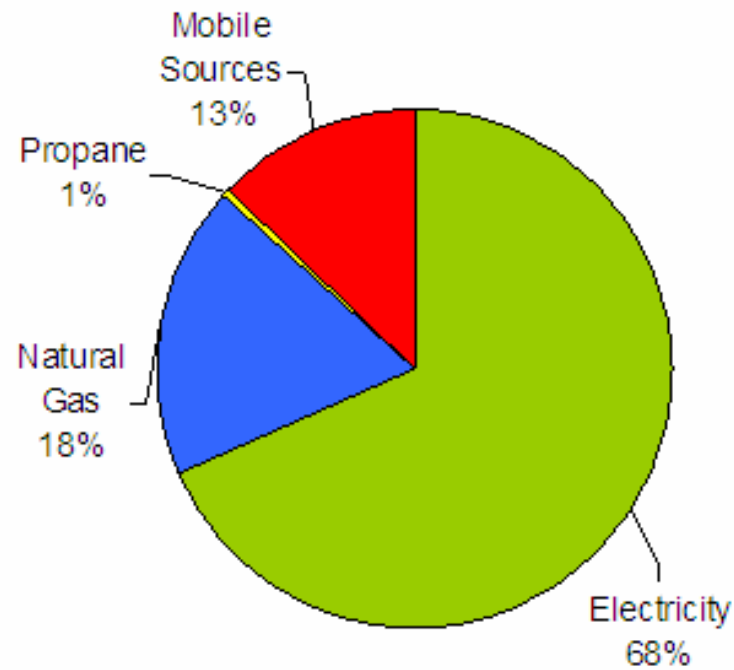


Climate Leaders Progress

Total Energy Use

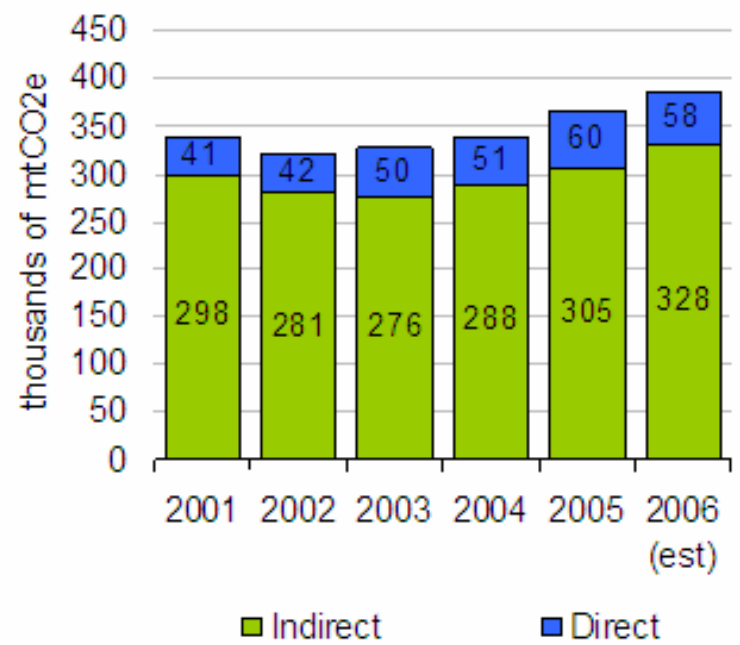


2006 Energy Use by Type

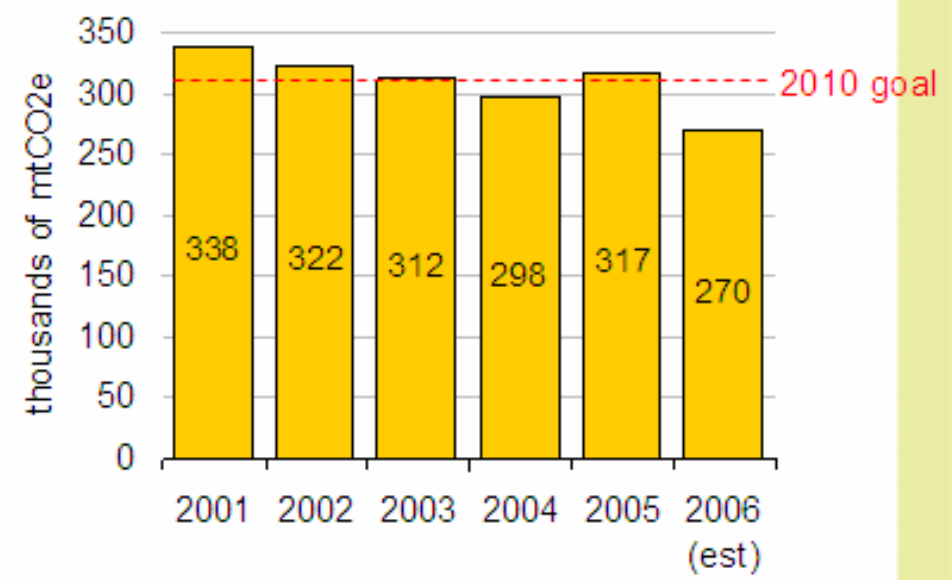


Climate Leaders Progress

**Total Greenhouse Gas Emissions
Not Including Offsets**



**Greenhouse Gas Emissions
Net of Offsets**



Advice to energy managers.

- Develop Strategic Energy Plan
- Recap yearly capital expense project implementation
- Establish key performance indicators for energy efficiency projects – document!
- Partner with internal team department team members.
- Embrace the EPA partnership and meet regularly to access progress and keep on track.
- “Talk the talk” and “Walk the walk”.





Staples
soul

It's what moves us.

www.staples.com/soul

General Mills Energy Program and Green House Gas Emissions

Jon Russett, CEM, BEP
Supply Chain Energy Manager
General Mills Inc.

Energy Star
October 2007

- General Mills Energy Program
- GHG Importance to General Mills
- How Our EMP Supports the GHG Program
- Our Challenges and Next Steps

General Mills Energy Program Strives To

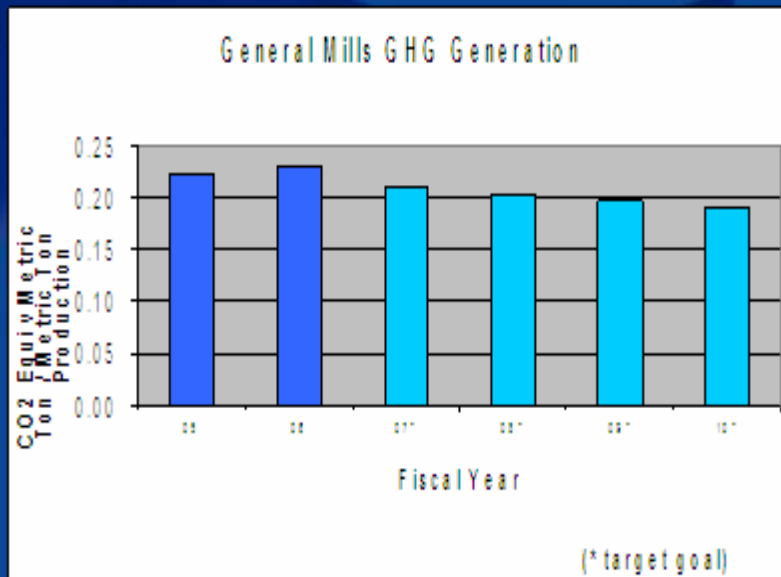
- Create Energy **Awareness**
- Provide Energy **Assessment** Tools
- Facilitate GMI Energy **Networking**
- **Measure and Track** Plant Performance
- Change **Behavior** around Energy Usage and Management
- **Benchmark** Industry Practices
- **Partner** With Energy Star

GHG Importance to General Mills

- Our Customers
- Our Consumers
- Increasing International Regulations
- Pending U.S. Legislation
- The Right Thing To Do

General Mills GHG Impact

Fiscal 2006 Results



Total Emissions due to energy use in production facilities, expressed as CO₂ equivalents was 0.23 metric ton equivalents per metric ton of product.

Direct emissions from burning fuel(s) 26% of total or 0.06 metric ton equivalents per metric ton of product

Reported in 2007 GMI CSR and Carbon Disclosure Project 2007

General Mills GHG Impact

- Primary source is CO₂
- Result of burning fossil fuels
 - Directly at our facilities
 - Indirectly from purchased electricity

General Mills GHG Program Overview

- Reduction in energy consumption will drive the reduction in GHG emissions
- Maintain energy use data
- Calculate GHG from energy use
- Set 15% reduction goal (F'05-F'10)
- Transparent reporting of goal results
- Using the Climate Leaders Greenhouse Gas Inventory Protocol

A Partnership

- Working closely with HSE to jointly set goals and track performance
- Partnering With HSE to ensure our messages are in sync

Challenges

- Future of pending U.S. legislation
- Understanding total carbon foot print
- Fit for renewable energy
- World opinion still forming



QUESTIONS



Questions & Discussion

Resources



- Portfolio Manager – Now includes carbon factors from eGrid.
www.energystar.gov/benchmark
- Climate Leaders Program - Inventorying and goal setting guidance and resources.
www.epa.gov/climateleaders
- Look for more resources on Energy & GHG management from ENERGY STAR over the coming months!

Upcoming Web Conferences



November 14 – Energy Strategy for the Road Ahead

January 16 – ENERGY STAR Program Update

February 21 – Green Power Strategies

March 19 – Engaging Employees in Energy Efficiency

Download past web conference presentations at:
www.energystar.gov/index.cfm?c=networking.bus_networking

Questions or comments? Contact: tunnessen.walt@epa.gov



Thank You!