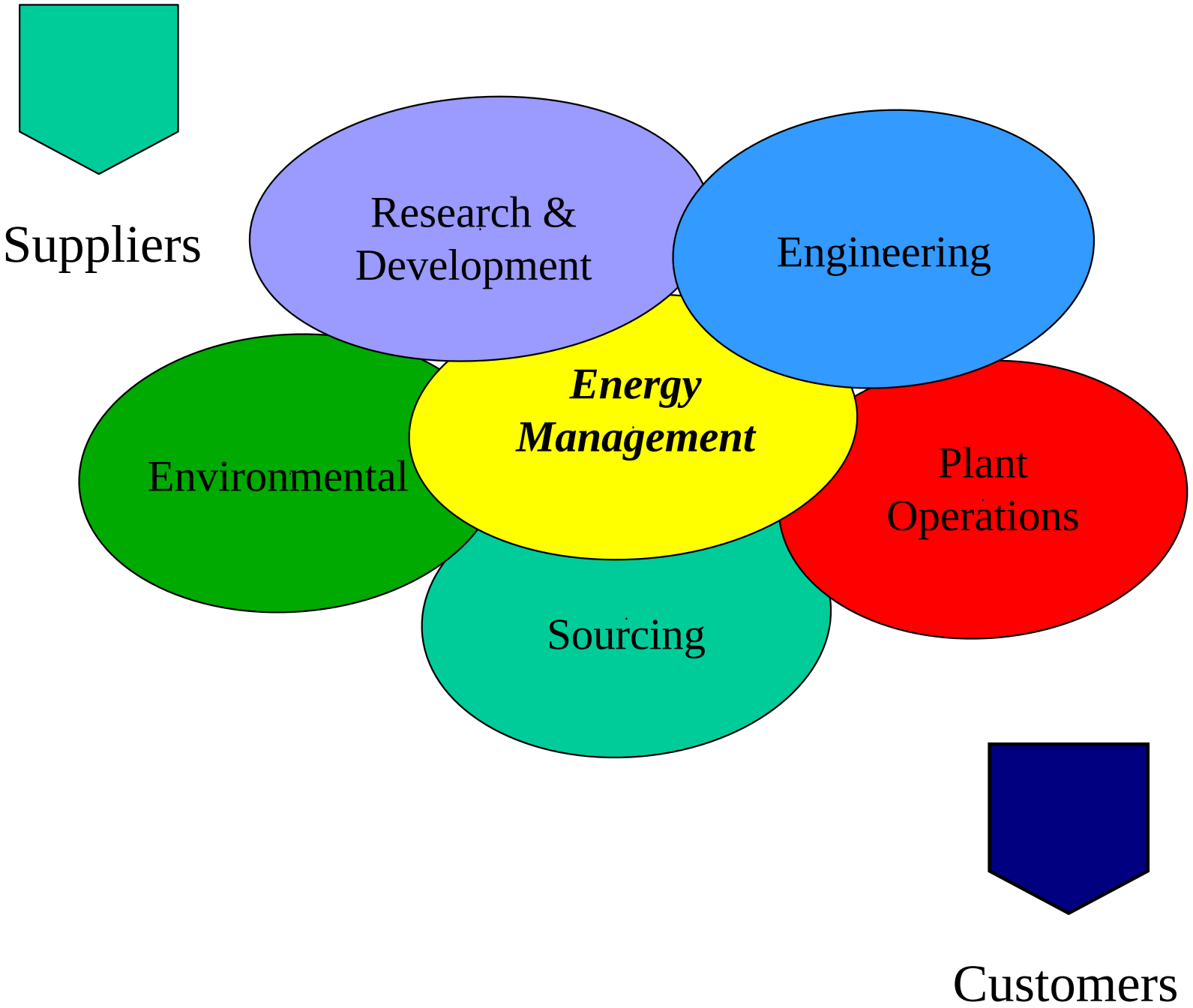
Managing Energy is Good Business

3M's Energy Management Partnership with ENERGY STAR

EPA Climate Leaders Partner Meeting

Farmington, Connecticut

October 6, 2004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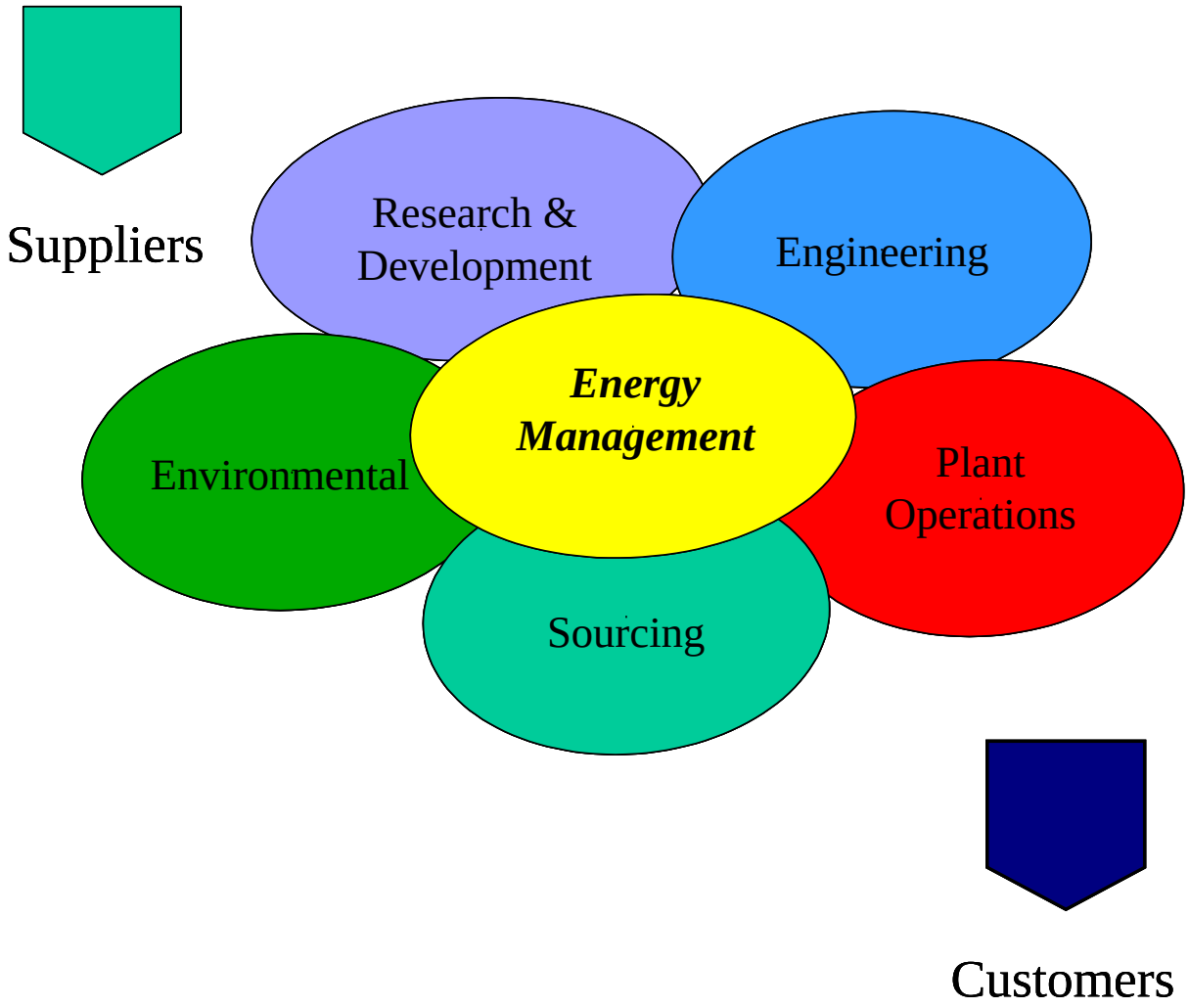
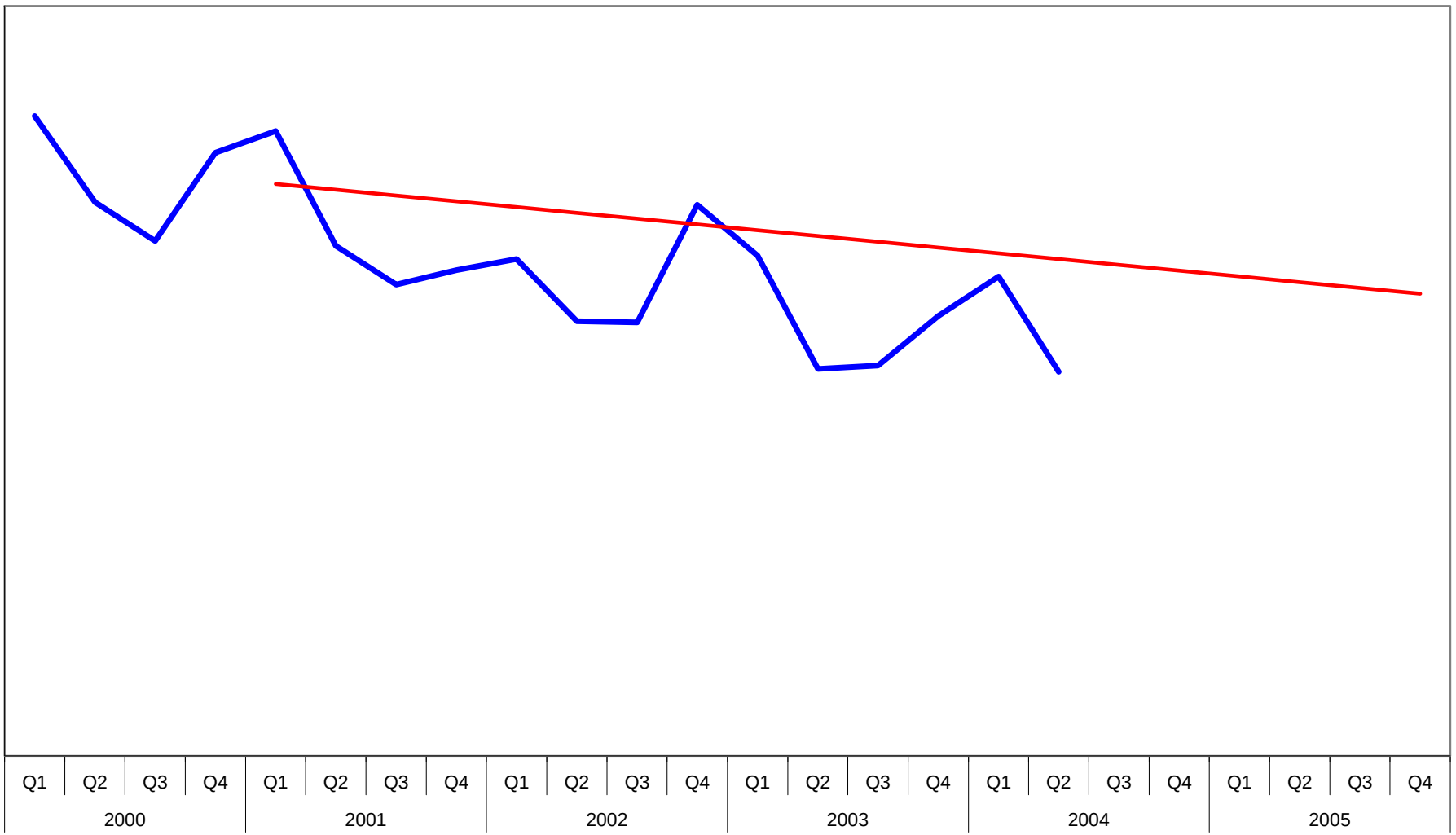


Making Energy Efficiency a Competitive Advantage for 3M

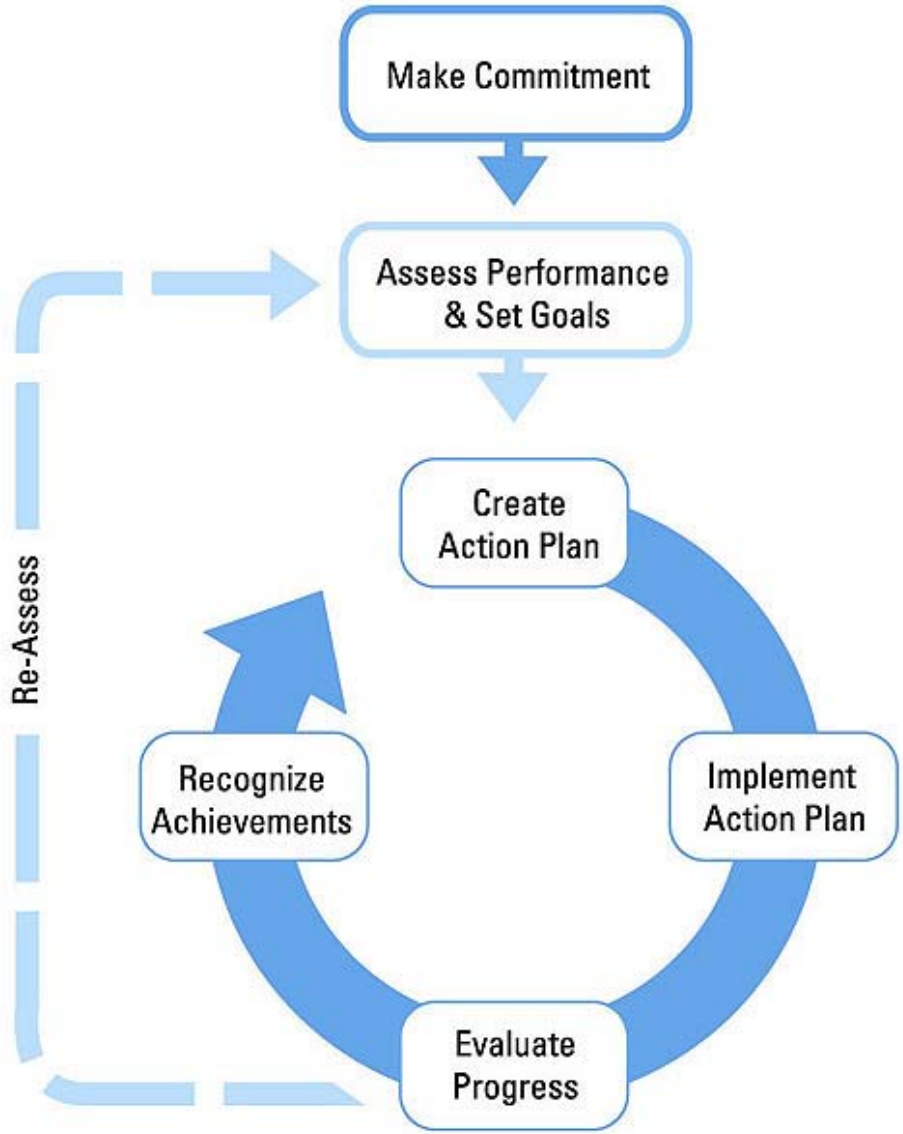
Significant Improvement in Energy per Unit of Product

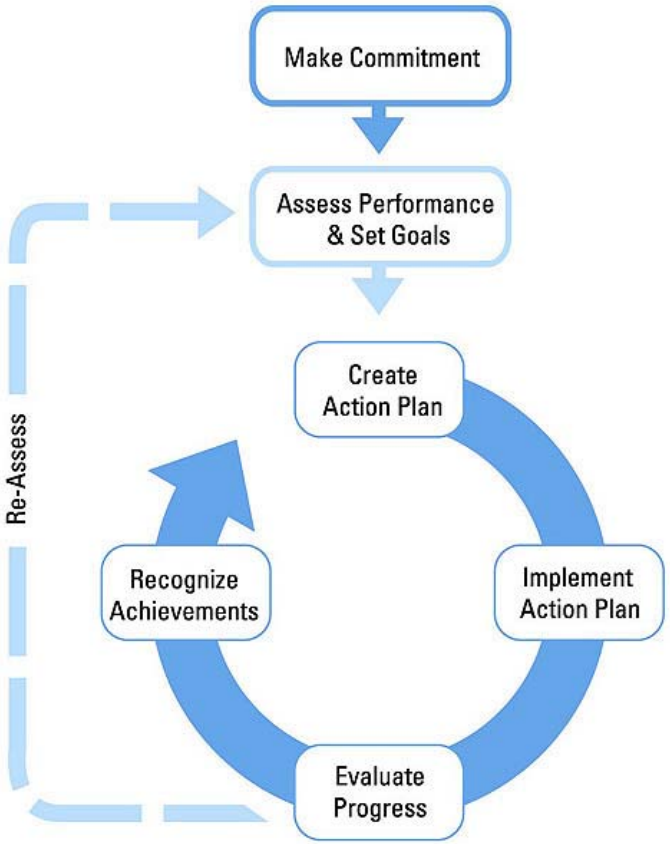


PARTNER OF THE YEAR 2004

ENERGY STAR Guidelines

- **An Excellent Model for Program Management**
- **3M is Using This Management Approach Recommended by ENERGY STAR**



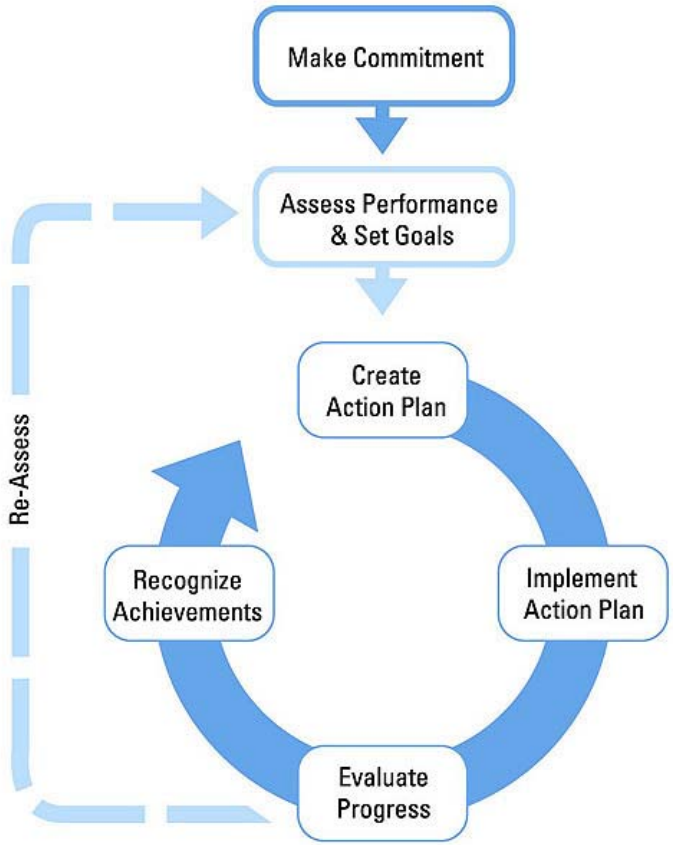


Commitment

- Obvious, but can be uncomfortable asking for
- Positive results brings further commitment
  - 3M CEO
  - 3M Senior Vice President
  - 3M Executive Vice Presidents
- Make it Official – A Policy
- A Passionate Leader

Assess and Set Goals

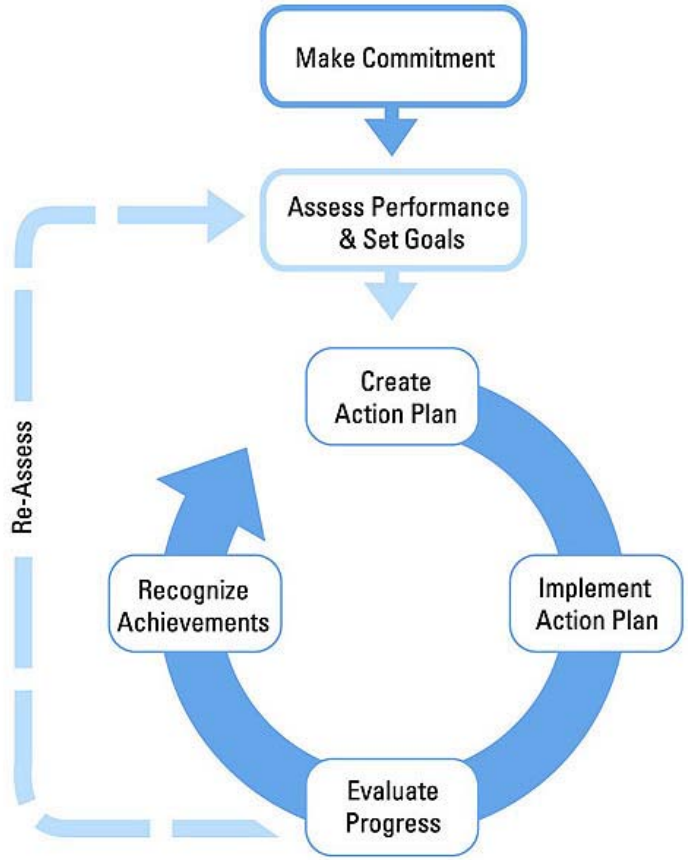
- Facts, not Feelings
- Develop an ‘Energy Productivity’ metric
- Estimate future improvement potential
- Establish Corporate Energy Target
  - Aligned with other Corporate Initiatives



Assess and Set Goals

- Facts, not Feelings
- Develop an ‘Energy Productivity’ metric
- Estimate future improvement potential
- Establish Corporate Target

- ***Energy use and cost information, by fuel type***
- ***Btu per Pound of Product***
- ***Past performance, Government Predictions***



Action

- Corporate Strategy and Tactics – Revised in 2004

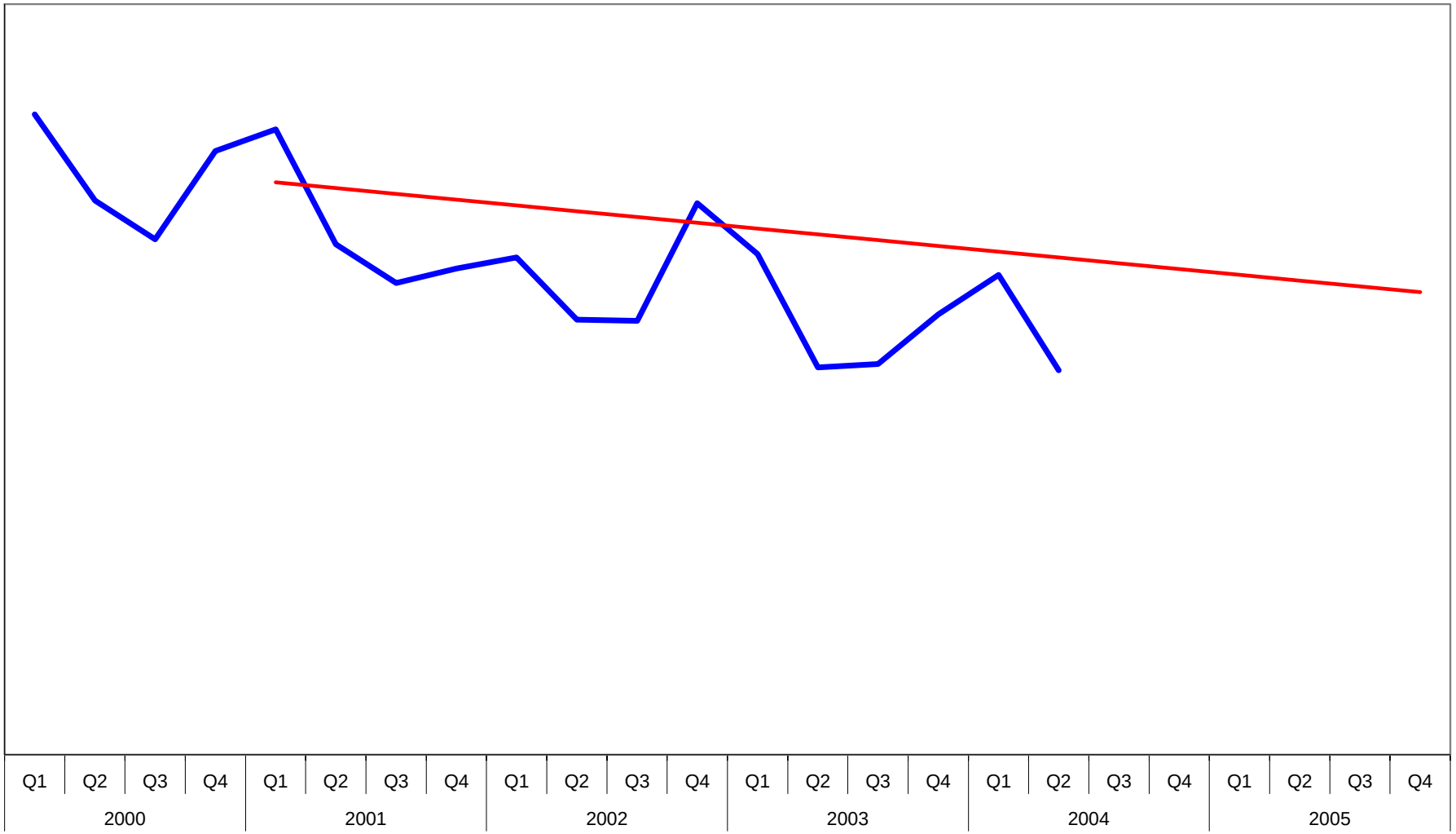
- Roadmap for Action
- Gaps
- Quarterly Progress
- Awards

Setting Goals

- Past Performance
- Industry Benchmarks
- Estimate Future Improvement Potential
- Establish New Target

Setting Goals

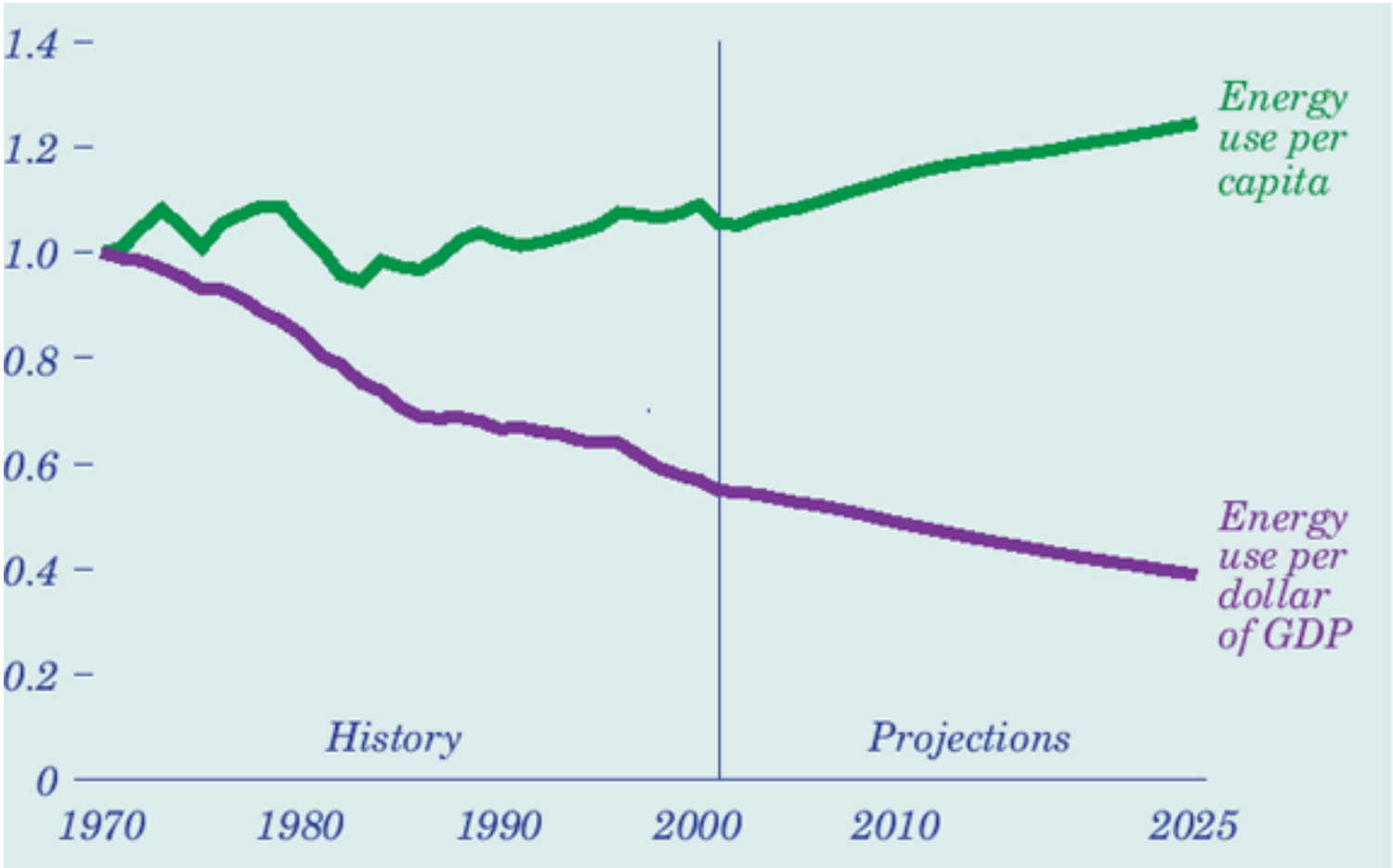
Past Performance



Setting Goals

Industry Benchmarks

U.S. Energy per Capita and per Gross Domestic Product (Index, 1970 = 1)



Setting Goals

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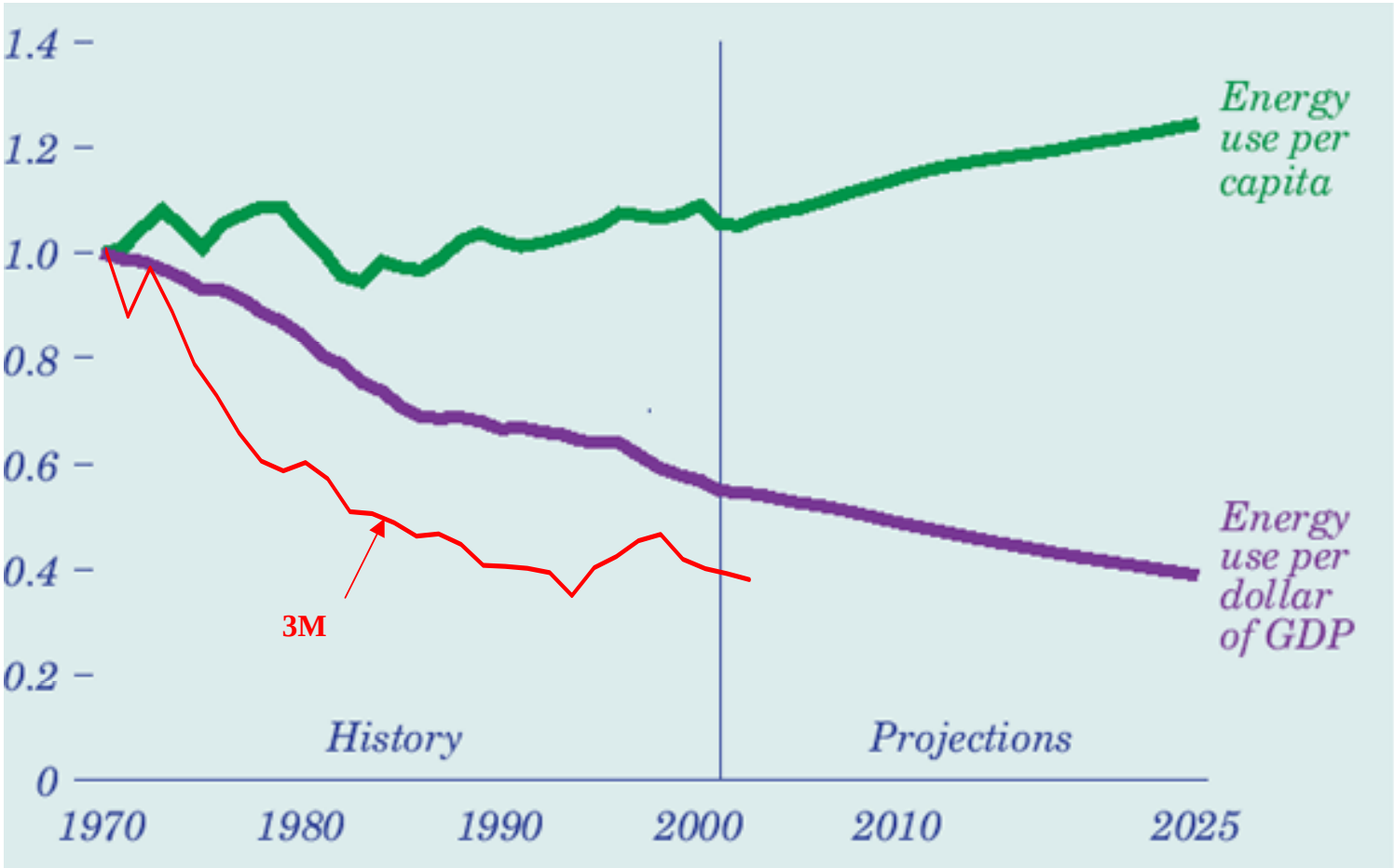

Setting Goals

Estimate Future Improvement Potential

- What inefficiencies exist?
- What is the engagement level?
- What goals are other companies achieving?

- What is necessary to ‘Stay Ahead’?
- What will the organization support?
- How will you do it?

Setting Goals

Establish New Target

- Reach across functions for consensus and support
- Make sure it is the Company's target
- Make people accountable
  - Measurement system
  - Highest level to lowest level
- Communicate