



Elevating Energy Management

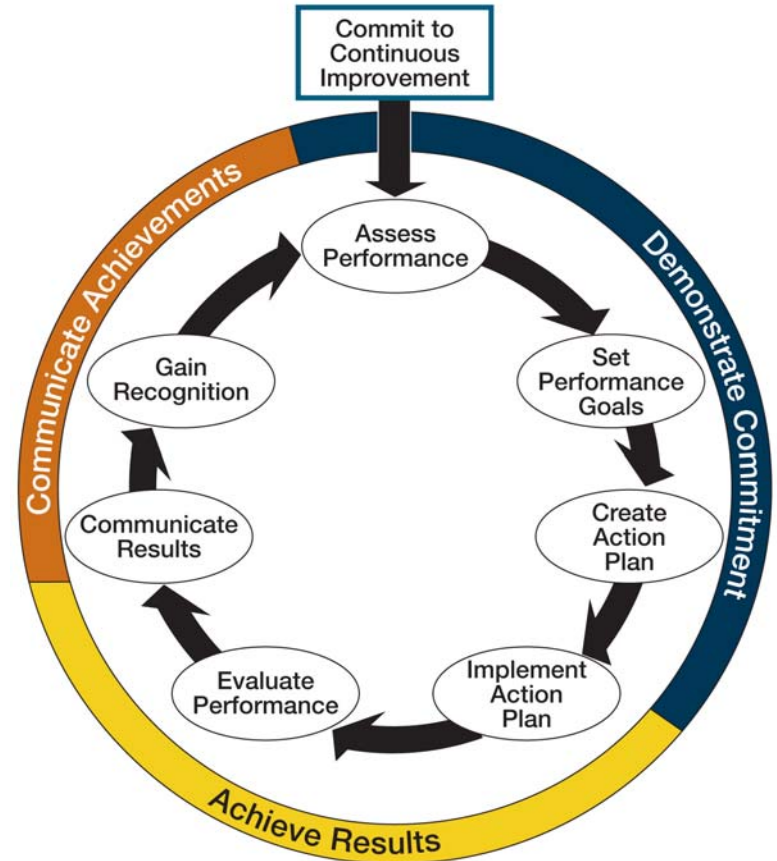
January 15, 2003

Money Isn't All You're Saving

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**





Today's Web Conference

- Introductions
- Mobil
- Kodak
- Tips
- Open Discussion

The Challenge



**Senior Management
is not supportive of the
Energy Program**

The Common Perception



How is energy management perceived at your organization?

- Under-valued?
- Unappreciated?
- Under-funded?
- An ego trip for the sponsor?
- A flavor-of-the-month program?

What Matters to Management



The *WII FM* - Radio Station:

- \$\$\$
- Opinion Leader Perceptions of organization
- Public Image - PR & Government Relations
- Environmental Stewardship

The Strategy I Used



As Mobil Global Energy Manager

- Offer a \$\$\$ Prize
- Validate the Prize
 - J&J
 - Ford
 - Chase
 - IBM
 - AT&T

Compare to others



SPACES AND PLACES

WORLDWIDE FACILITIES GROUP

SUMMER 2002 - VOLUME 4 - NUMBER BA - U.S. INSERT

EPA NAMES GM ENERGY STAR 2002 PARTNER OF THE YEAR



GM's commitment to energy reduction has been recognized by the Environmental Protection Agency, which named GM an ENERGY STAR® "Partner of the Year" at its awards ceremony in March in Washington, D.C. GM was honored in the EPA's "Excellence in Energy Management" category, acknowledging GM's outstanding commitment to energy efficiency through continuous improvement of energy performance throughout its organization.

"General Motors is proud to have been an ENERGY STAR partner since 1998, allowing us many opportunities to work cooperatively with the EPA in increasing our efficiency and cost-effectiveness," said Elizabeth Lowery, GM Vice President, Environment and Energy. "In fact, GM is undertaking an aggressive program employing the ENERGY STAR principles to reduce energy usage at its North American facilities by 25 percent by the end of 2005, and we are making tremendous progress."

The EPA recognized 36 companies in five other categories: Excellence in Energy Management, Excellence in Efficient Products, Excellence in Homes, Excellence in Consumer Education, and Excellence in Corporate Commitment.



Accepting the 2002 Energy Star Award for Excellence in Energy Management on behalf of GM are (left to right), Craig Hanson, World Resources Institute; Kamesh Gupta, Manager of WFG Utilities Services Strategic Planning; Dan Voss, Senior Project Engineer at WFG Utilities Services; Jon Ribean, Director of WFG Utilities Services; Tom Neundorfer, Director of WFG Utilities Operations; Christie Whitman, Administrator of the U.S. Environmental Protection Agency; Dave Skiven, WFG Executive Director; Kristen Zimmerman, Manager of the Energy and Global Climate Issues team; and Terry Fritchett, Director of the Energy and Global Climate Issues team.

GM was the only industrial company to receive an award.

GM was honored for its leadership in incorporating strategic energy management into its business operations, including energy-efficient lighting retrofits, energy-efficient heating and ventilation systems, weekend shutdowns, energy management systems, and energy

in energy management reinforces our drive to reduce energy use," added Lowery. "These kinds of energy initiatives are good for the environment, good for business, and good for our customers. We are proud to be a part of the ENERGY STAR program, which we believe is an excellent example of public-private partnership."

sufficiency plans. GM's efforts led to a savings of 6.8 trillion BTU in 2001 over 2000. That represents \$60 million in cost savings at its 73 North American manufacturing facilities encompassing more than 165 million square feet.

The award also reinforces GM's commitment to environmental preservation.

The EPA's recognition of GM's excellence

WHAT ARE THE ENERGY STAR AWARDS?

ENERGY STAR is in its 10th year of offering energy-efficient solutions that help protect the environment for future generations. ENERGY STAR Award winners are chosen for their commitment to energy efficiency in:

- Product manufacturing and product retailing
- Home building and home improvement
- Business and facility energy management
- Educating consumers

ENERGY STAR was established by the Environmental Protection Agency in 1992 to offer energy saving and pollution preventing solutions for consumers and businesses. ENERGY STAR now works with more than 7,000 partners to improve the energy efficiency of products, homes, and buildings.

In 2001 alone, ENERGY STAR programs helped Americans save \$3 billion in energy costs and reduced pollution equivalent to taking 10 million cars off the road. Since its conception 10 years ago, more than 750 million ENERGY

STAR products have been sold, more than 55,000 new homes have earned the ENERGY STAR label, and more than 10,000 office buildings, schools, supermarkets, and hotels have benchmarked their energy performance as a basis for future progress. All this has been accomplished without sacrificing product features, quality, or personal comfort.



Get High Level Champion(s)



- Ask your management to assist in Identifying & Confirming
- Accept and give out awards
- Has the ear of the CEO

Developing the Champion



Recipient of AEE's 1996 Corporate Energy Management of the Year Award



The 1996 AEE International Awards were presented during the AEE Banquet held Tuesday, November 5, 1996, at the 19th World Energy Engineering Congress in Atlanta, Georgia. Jerry Taylor, Awards Chairman, presented the Corporate Energy Management of the Year Award to Mobil Corporation. It was accepted by Brian Baker.

Mobil is committed to the efficient, cost-effective and environmentally responsible use of energy throughout its worldwide operations. Mobil promotes energy efficiency by implementing cost-effective programs that will maintain or improve the quality of the work environment, optimize service reliability, increase productivity and enhance the safety of its workplace. Mobil's Facilities Management Network sponsored a cross-divisional team to reduce energy costs. This team developed an Energy Management Plan to reduce energy costs by \$25 million annually throughout all Mobil divisions over the next five years (total of \$125 million committed savings). The core of this plan is the belief that energy costs are controllable and should be managed with the expertise that Mobil manages other parts of the business. Mobil's energy programs have resulted in a cumulative savings of \$75 million from 1990 to 1994. In 1995 alone, \$22.3 million in documented savings were achieved by our energy-management network.



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You Need Allies



- **Your Own Management**
 - write letters for their signature
- **PR Staff**
 - Able to get information to the top
- **Plant Managers**
 - Core business & creditability
(known for no spin)

CEO Award to Plant



Communicate & Deliver The \$ Prize



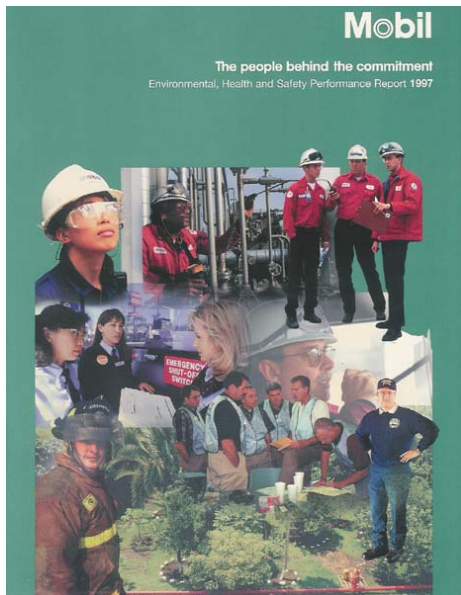
- Do short annual energy program report that concentrates on:
 - \$
 - PR
 - Training of people
 - Non-energy benefits
 - Use graphics

Communicate & Deliver The \$ Prize



- Use third-party validation
 - Outside director's interest
 - Shareholder Meetings
 - Environmental Reports

Environmental Report



Using energy and other natural resources efficiently

Mobil is committed to the efficient use of fuels and other raw materials in order to protect the environment.

FRED SCHOENEBOERN, MOBIL'S facilities management coordinator, began in 1991 building a global team of Mobil people dedicated to identifying and implementing energy savings. It started out informally, but over time the organization gained official status and a name — the Mobil Energy Management Network. And it has led Mobil to prestigious awards worldwide.

The network provides expertise when requested by Mobil affiliates around the world. It's a kind of technology transfer to promote energy efficiency. Along with outside experts, the network puts together teams to perform on-site surveys, finding energy-saving opportunities and then sharing the results with Mobil facilities worldwide.

It was through the network's efforts that Mobil Oil Nigeria (MON) installed the first variable speed drive used in any African facility. The drive controls motors in MON's modern headquarters so that the frequency and voltage of electrical supply match the demands

of the equipment. The network's survey of service stations operated by Mobil in the U.S. resulted in lighting modifications that have substantially reduced energy costs.

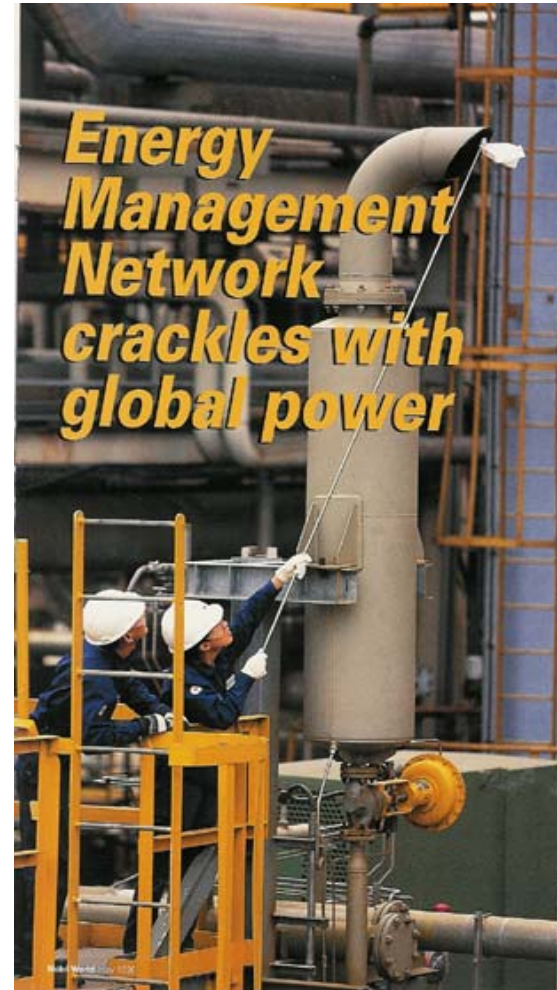
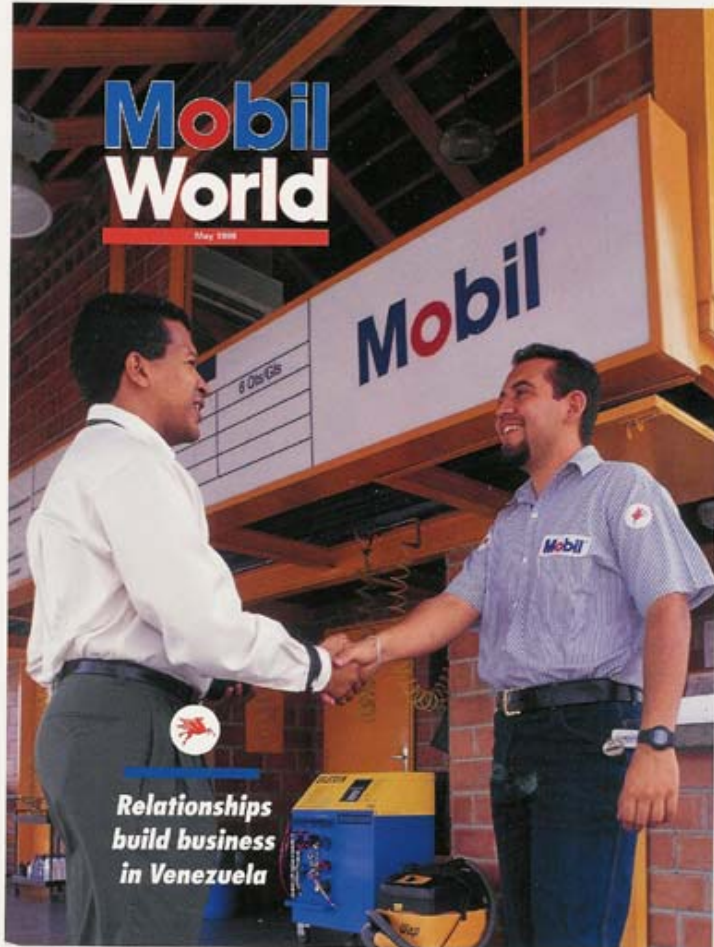
Schoeneboern helped guide Mobil into the U.S. Environmental Protection Agency's (EPA) Green Lights and Energy Star Buildings programs, which promote energy efficiency. We were a charter member of the programs and have helped the EPA identify future voluntary initiatives. Mobil is the EPA's 1998 Energy Star Buildings Partner of the Year and has previously been the EPA's Green Lights Partner of the Year.

Recent awards for activities sparked by Mobil's Energy Management Network include the New Zealand Energy Efficiency and Conservation Authority's 1997 Energy-Wise Companies Award and the Association of Energy Engineers' Corporate Energy Management of the Year Award.

Schoeneboern is a missionary for conservation around the world. As he puts it, "Saving a watt is apolitical, multicultural and transnational. It helps everyone, and it doesn't fight back."

| Facility | Initiative | Savings (kilowatt-hours) |
|---|---|--------------------------|
| Jules Refinery (Illinois) | Provide automatic condensate drains for compressed air systems | 1,580,000 |
| Tung Yi Complex (Hong Kong) | Provide dew-point demand control for compressed-air dryers | 160,000 |
| Chalmette Refinery (Louisiana) | Install controls on water pumps | 5,260,000 |
| Edison Chemical Products (New Jersey) | Improve operation of closed-loop coolers | 1,250,000 |
| Paulsboro Technical Center (New Jersey) | Provide positive control of exhaust hoods during unoccupied periods | 1,390,000 |
| Hammatan Gas Plant (Canada) | Reduce air-compressor discharge pressure | 1,530,000 |

Monthly Company Magazine



There. One, energy site specialist at the Jarrow railway in Singapore, holds a flag in front of a vent in a simple but effective method to confine suspected compressed-air leaks.

A network started seven years ago by Mobil facility managers who wanted to reduce operating costs has turned into a companywide energy-management plan that is attracting attention from energy, government and industry officials around the world.

In its first two years of formal operation, the Mobil Energy Management Network shaved \$50 million off energy costs and instituted an energy-survey process that is being called a model for energy-management programs everywhere.

"Mobil is a 'can-do' kind of company that says it can do whatever needs to be done, and I think that was the attitude of facility and energy managers when they started this ball rolling," says Nick Genco, the Fairfax-based manager of Global Real Estate and Facilities.

The Energy Management Network became an official Mobil entity in 1995, with a goal of cutting energy bills by 5 percent every year for five years. It quickly became obvious that there was a much larger opportunity that required even bigger plans.

"People have been able to bring wonderful things to the bottom line," says Fred Schoenborn, the Global Facility and Energy Management coordinator who is headquartered in Fairfax. "I

PR Benefits



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Mobil news release

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EPA NAMES MOBIL ENERGY STAR® BUILDINGS PARTNER OF THE YEAR

FAIRFAX, VA., March 25, 1998 -- Mobil Corporation was named the U.S. Environmental Protection Agency's (EPA) 1998 ENERGY STAR® Buildings Partner of the Year Tuesday for its voluntary installation of energy-efficient lighting and other emissions-reducing technologies in the company's facilities.

The EPA ENERGY STAR® Buildings Program was introduced in 1995 as a whole-building strategy to assist businesses and organizations with installation of energy-efficient technologies in their commercial and industrial facilities. ENERGY STAR® Buildings complements the EPA's Green Lights® Program, which began in 1991 to promote energy-efficient lighting.

"Mobil has shown energy efficiency is a smart business strategy," said Maria Tikoff Vargas, co-director of EPA's ENERGY STAR® Buildings and Green Lights® Partnership. "Mobil's partnership with the EPA also serves as a remarkable example of environmental leadership."

As a charter member of the ENERGY STAR® Buildings and Green Lights® Partnership, Mobil has saved more than \$77 million in energy use at its worldwide buildings and facilities since joining the program. This lower energy consumption has also reduced total carbon dioxide, sulfur dioxide and nitrogen oxide emissions.

"The technologies and processes advanced by the ENERGY STAR® Buildings Program makes tremendous sense from an environmental as well as economic standpoint," said Nick Greco, general manager of Mobil's global real estate and facilities department. "We are investing in this program because it helps us more profitably manage our resources while significantly reducing energy use and emissions. These programs are excellent models for other agencies to develop cooperative efforts for innovative solutions."

The goal of the programs is to optimize energy efficiency and profits while preventing emissions. By the year 2010, the EPA expects the ENERGY STAR® Buildings and Green Lights Partnership to reduce annual greenhouse gas emissions by 24 million metric tons of carbon equivalent; that's nearly a 10 percent reduction in projected emissions from commercial buildings.

- more -

PR Benefits



MAY 11, 1998
FORTUNE
 INDUSTRIAL MANAGEMENT & TECHNOLOGY

TURN DOWN THE ENERGY / TUNE UP THE PROFITS

Only a third of U.S. manufacturers are seriously scrutinizing energy usage, where savings in five areas can move billions to the bottom line.



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JUST BY CHECKING steam traps like the one at left, Du Pont saved \$1 million a year at its vast Chambers Works (above) in New Jersey.

Energy used to be looked upon as some mysterious component of overhead, a necessary evil. But these days managers say, "You're part of my cost structure. How can you help my bottom line?" Speaking is Jim Oberlander, manager of Perkin-Elmer's facilities in Connecticut. He's getting attention because of what he accomplished at the company's analytical instrument plant in Newalk. Since 1992, Oberlander has cut the electric power bill 26% despite a rate increase, some expansion in square footage, and a rise in shipments.

Perkin-Elmer isn't alone in its efforts. But given the handsome rewards from energy-conserving steps, the wonder is that more companies aren't rushing to follow suit. In 1994, the most recent year for which figures are available, the U.S. Department of Energy counted 112,000 American manufacturing companies with some kind of program to whittle away at the use of electricity, gas, and oil. Almost twice that number, how-

BY PHILIP SIEKMAN



ENERGY STAR SHOWCASE CLOSE-UP

Mobil: Partners in Protecting the Environment

With a track record around the globe that has kept Fairfax, VA-headquartered Mobil Corporation thriving for almost 130 years, it's no wonder the company prides itself on seeking — then maximizing — opportunities as they arise. Opportunities that build on Mobil's long history of quality, resourcefulness, industry growth, as well as its excellence at meeting environmental challenges.

Visible evidence of achievement and vision runs throughout the organization, from its exploration, production, marketing, and refining operations to operations within its facilities. It's also no wonder, then, that the EPA's Energy Star Showcase Buildings program found an enthusiastic Partner in the corporation. Not only did Mobil attain the status of the agency's first Green Light® Partner of the Year in 1994 (among 652 Partners in the program), it has realized annual electrical savings of \$500,000 in its headquarters alone through a comprehensive lighting upgrade encompassing both technical and financial considerations. In total, \$1.5 million has been spent on Green Light's upgrades; in contrast, the corporation has achieved \$1 million annually in savings. At the same time, Mobil has helped the EPA further its own understanding of the upgrade process by sharing vital information about its implementation activities.

Of the 24 Energy Star Showcase Building projects selected by the EPA in mid-1994, Mobil has nominated two of its facilities: the company's 6-year-old office/retail complex, Reston Town Center; and a 225,000

square foot office/research facility in Farmers Branch near Dallas. Mobil Technical Center. Company objectives for the Showcase program, to be completed this summer, include a targeted 40 percent reduction of energy costs (in the relatively new facility) through lighting upgrades (Green Light®); a building tune-up (controls/light load reduction (window/roofing upgrades); an HVAC system upgrade (VSD motors); and an HVAC plant upgrade (chilling system downrating in accordance with load reductions).

But Mobil's success in this new venture will not be due to technology alone, according to Fred Schoenborn, Mobil's facility management coordinator. "These EPA voluntary programs are an absolute win-win for all of us.

They not only help us reduce operating costs and energy use, but also highlight the outstanding job our facility managers do at their sites," he says, commending the contributions of the Reston on-site staff of facilities associates, Joseph B. Donovan and Donnie Brown, of LaSalle Partners Management Ltd.

Schoenborn believes this recognition and the resulting communication — among Mobil's facilities professionals and management at specific sites, as well as worldwide — have been the organization's real achievement. "Green Light," he adds, "provided a catalyst that allowed people to blend ideas — to create a unified concept and a unique opportunity to work together. Energy Star Showcase will expand on that."

And at Mobil, opportunity soon becomes reality. □

— Linda K. Monroe, Editor



It started with small steps like turning off unnecessary lights. Then the pace picked up as we turned up conserving equipment and reduced electric power needs. It may not sound like much, but a little bit here and there adds up. Since 1990, it has added up to \$17 million in energy savings at Mobil facilities around the world.

Results like these convinced us that finding ways to save energy is a good way to improve both the bottom line and the environment. In March, the U.S. Environmental Protection Agency (EPA) named Mobil the "1998 Energy Star® Building Partner of the Year" for "overall excellence in the Energy Star® Buildings and Green Light® Partnership." The award recognizes our longtime voluntary commitment to reduce energy consumption. The EPA called these efforts "a remarkable example of how organizations can combine environmental concerns with smart business strategy."

While the Energy Star® program was designed solely to save energy by cutting electricity use, it also provides an added benefit—reducing emissions of carbon dioxide. And that's important because of concerns about the potential impact of increasing greenhouse gases in the atmosphere.

Right now, 18 percent of U.S. Fortune 500 companies participate in these federal energy-efficiency partnerships. So do hundreds of non-profit organizations, federal, state and local governments, universities and school districts. Their combined voluntary efforts helped prevent the emission of 1.2 million metric tons of carbon equivalent last year. That's the same as eliminating emissions from about one million cars or planting one million acres of trees.

By this year, 2010, the EPA expects the Energy Star® Buildings and Green Light® Partnership to reduce annual greenhouse gas emissions by 24 million metric tons of carbon equivalent; that's nearly a 10 percent reduction in projected emissions from commercial buildings.

How did we begin? Our energy management specialists began in 1980 to identify cost-effective and environmentally sound solutions by tracking Mobil's electricity consumption first. They installed more efficient lighting, tuned up older buildings and focused on "right sizing" the heating and cooling equipment to match our lower energy needs.

Sometimes, they found simple solutions, like installing sensors to turn lights on whenever someone enters infrequently used spaces. Other times, the team streamlined entire processes, such as compressed air production or heat and steam systems.

Their efforts have cascaded. Now, teams are incorporating energy-wise designs into all of Mobil's U.S. company-operated stations, including On The Run® sites. We hope to share these energy-saving steps with Mobil's franchise network across the nation. It's the kind of voluntary "can-do" that led to the EPA's Energy Star® Buildings award.

We're proud to be a charter member of the EPA's program. Not only has it helped our bottom line, it also contributes to our efforts to reduce greenhouse gas emissions. These steps include installing energy-saving technology at refineries, reducing gas flaring in our offshore producing fields and eliminating methane leaks. In the last three years, we've cut our carbon emissions by more than one million metric tons and will continue to look for further reductions.

While Mobil is taking prudent, responsible steps now to voluntarily reduce our emissions and those of our customers, similar efforts by consumers can help, too. Steps like choosing more energy-efficient appliances, upgrading homes to make them more fuel-efficient or combining errands when driving can make a difference. Let's show a little voluntary "can-do." Wise energy management is everyone's business.

For information on EPA's Energy Star® program, contact: 1-888-STAR YES (1-888-767-7637).

Mobil The energy to make a difference.

This ad appeared in The New York Times April 2, 1998.

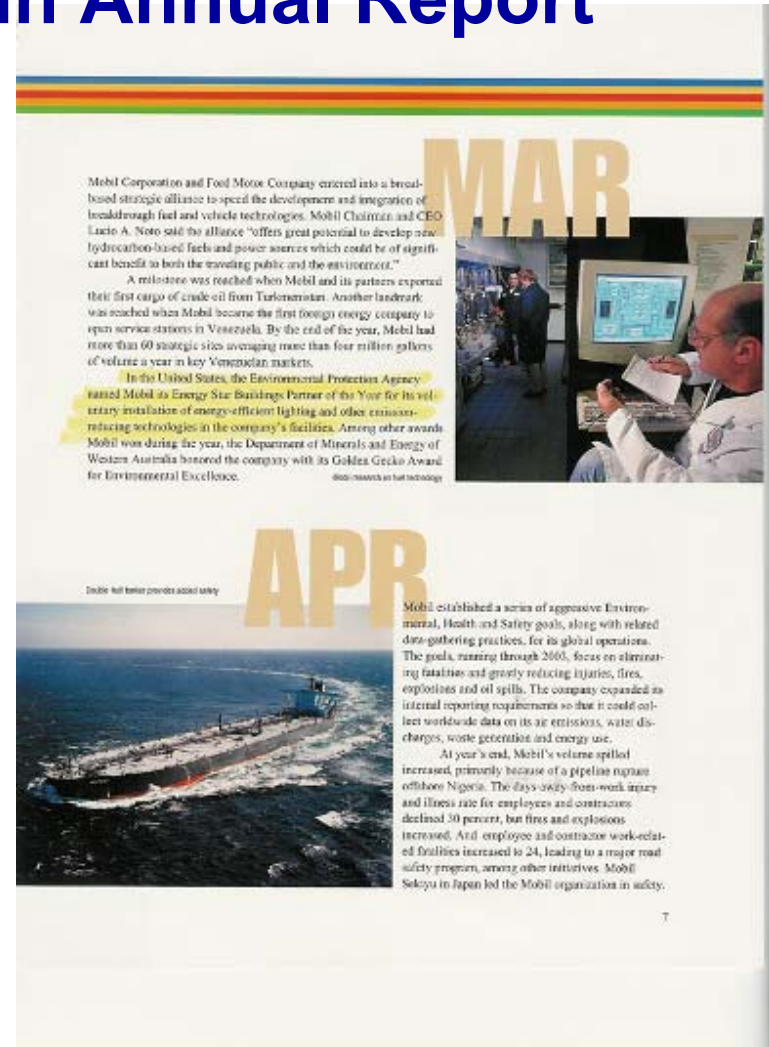
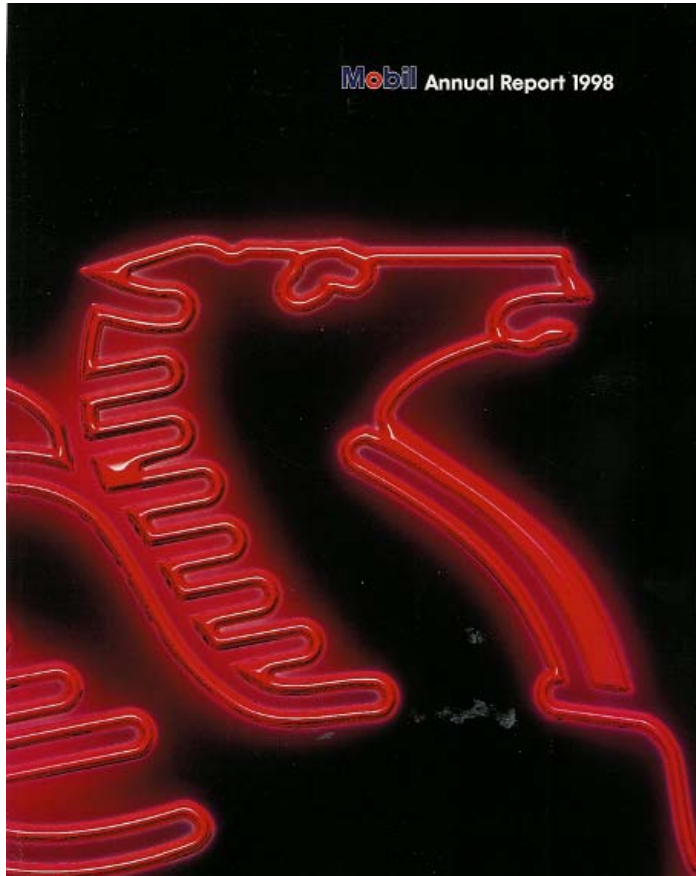
http://www.mobil.com

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Deliver the Prize



Energy Program in Annual Report



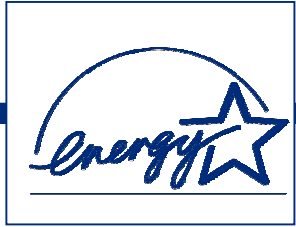
Deliver the Prize



Sell Your Accomplishments



But sell with facts!



Questions?

Questions for Fred



Elevating Energy Management at Kodak



Key Elements



Key Elements To A Successful Energy Conservation Program

- Management Commitment
- Effective Strategies
- Fast Implementation
- Effective Communications



MANAGEMENT COMMITMENT



- Set High Environmental and Energy Corporate Goal
- Establish Energy Policy
- Dedicate Resources





FIVE-YEAR WORLDWIDE ENVIRONMENTAL GOALS

STRATEGIC INITIATIVE: Reduce Emissions

| | NEXT 5 YEARS | OVERALL |
|-------------------------------------|--------------|----------|
| 30 Priority Chemicals | DOWN 40% | DOWN 70% |
| Methylene Chloride | DOWN 50% | DOWN 90% |
| Greenhouse Gases (CO ₂) | DOWN 20% | |

STRATEGIC INITIATIVE: Reduce Natural Resource Use and Waste

| | BY JANUARY 1, 2004 |
|--|------------------------|
| Manufacturing Waste | DOWN 25% |
| Energy Used | DOWN 15% |
| Water Used | DOWN 15% |
| Cadmium, Mercury, Lead, Chromium(VI) in products | } Virtually Eliminated |

STRATEGIC INITIATIVE: Strengthen Management System

BY JANUARY 1, 2004

All Major Manufacturing Sites Registered by Independent Auditor to ISO 14001 Standard

Management Commitment



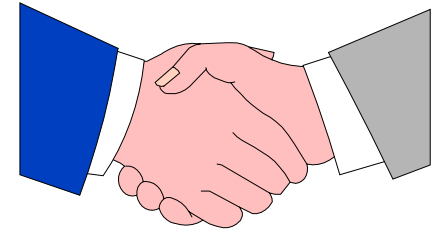
- **Ask for Top Management Support**
 - Establish an Energy Policy
- **Talk to Middle Management --Why Is Energy Efficiency Important to the Company**
 - Change Mindset -- High Energy Efficiency Improves Productivity & Provides Jobs
- **Ask Division Level Management to Add Energy Targets to Their Scorecards**
 - Commit Resources



ENERGY STRATEGIES



- **Establish Partnership With Manufacturing Customer**
 - Setup Energy Focus Team At Site Level
- **Develop Cost Incentives To Manufacturing Leaders**
 - Cost Allocation System Based on Usage



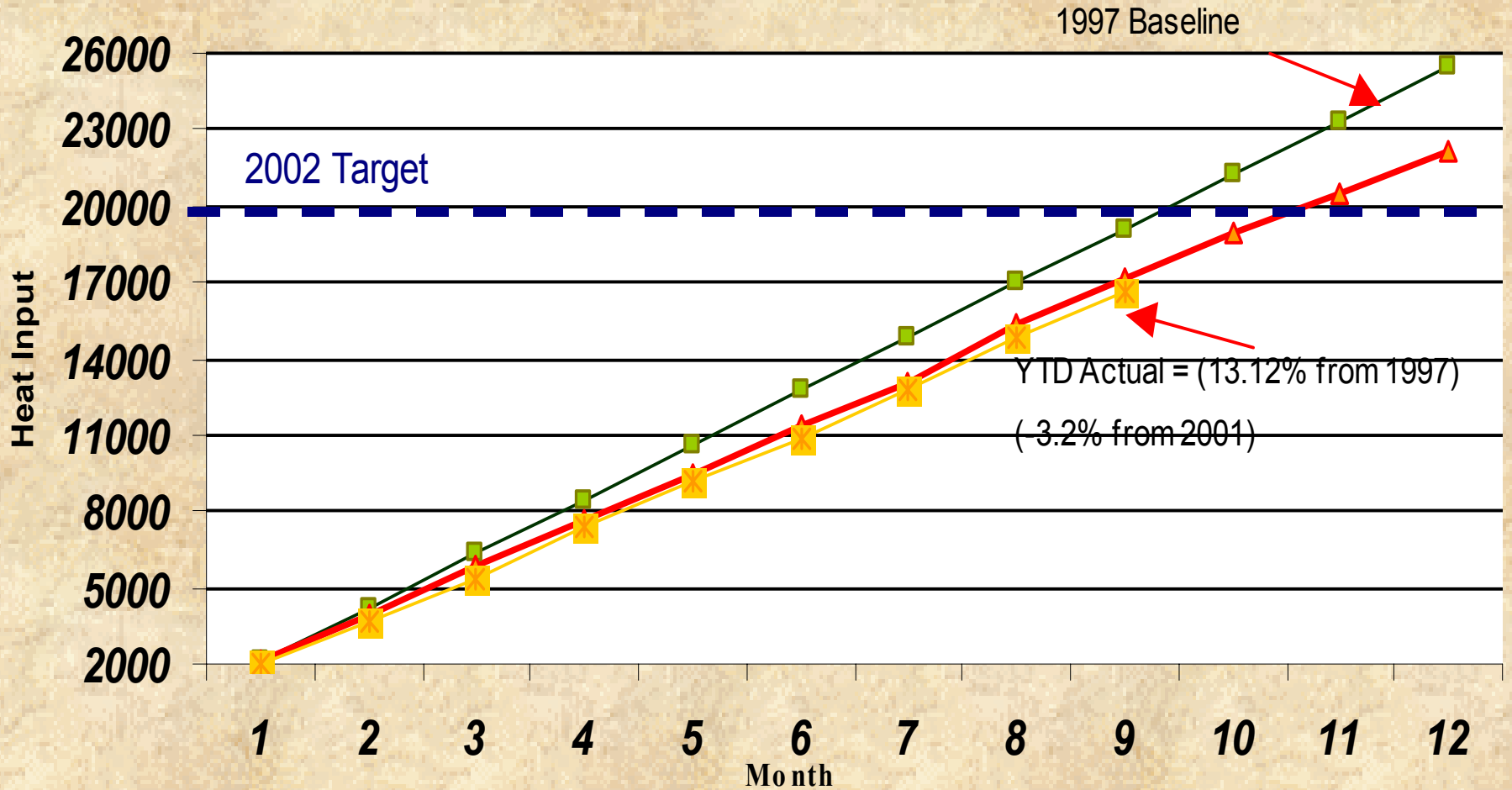
Report Progress



- Energy Scorecard
- Energy Tracking
- Cost Productivity



Annual Heat Input



1997 Baseline

2002 Target

YTD Actual = (13.12% from 1997)
(-3.2% from 2001)

■ 1997 Cumulative

▲ 2001 Cumulative

■ 2002 Cumulative

KEY ACCOMPLISHMENTS



FROM 1997-2002

- REDUCED ENERGY BY 16.5 %
- REDUCED CO2 BY 14%
- SAVED \$8.5 MILLION IN ENERGY COST



Key Accomplishments CO2



- **From 1997-2002 (Non Indexed)**
- Reduced CO2 Worldwide By 13.4 %
- Reduced CO2 Rochester By 14.2 %



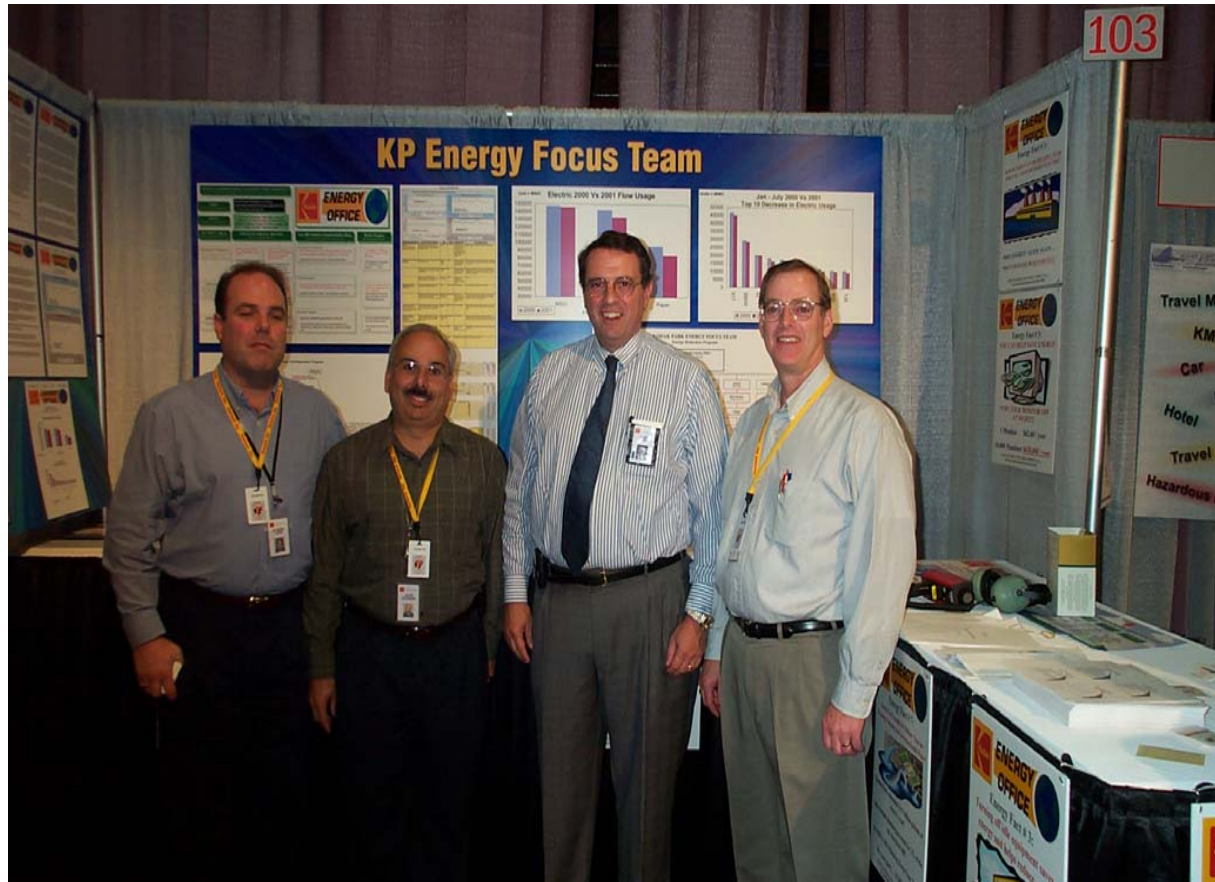
Keep Management Involved



- Host Worldwide Energy Summit
- Publish Achievements in Neighborhood Newsletters
- Publish Achievements in Environmental Report
- Involve Management In Award Ceremonies
- Create Winning Team



CEO Visits Energy Booth



Manager Presents Award to Employees



Questions?



Questions for George

Tip Sheet



Elevating Energy Management To Senior Management

- Available on ENERGY STAR web site
- Available as Word Document

Open Discussion



Upcoming networking opportunities



- Monthly Web casts
- Networking Meetings



Thanks for participating!

Presenter Contact Information



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