

*Be a Leader –
Change Our Environment for the Better*



Review this presentation to learn how EPA can help you create a successful energy management program, reduce operating costs, and demonstrate environmental leadership.

Energy Demand



- The demand for the energy we use in our homes, offices, and other buildings requires power plants to produce more energy and results in more greenhouse gas emissions into the environment.
 - Commercial buildings are responsible for 18% of U.S. carbon emissions.
 - Industrial facilities are responsible for 30% of U.S. carbon emissions.

EPA, through ENERGY STAR[®], provides solutions for protecting the environment by reducing greenhouse gas emissions, while improving your bottom line.

Did You Know...



- Reducing energy use 30% in a commercial office building is equivalent to increasing net operating income (NOI) and building asset value by 5%?
- Every \$1 put toward energy improvements in a leased property increases its asset value by \$3?
- Reducing energy costs by just 10% is equivalent to a \$0.62 average daily rate (ADR) increase for limited service hotels and \$1.35 ADR for full service hotels?



Did You Know...



- Every \$1 a non-profit healthcare organization saves on energy is equivalent to \$20 in new revenues for hospitals or \$10 for medical offices?
- For-profit hospitals, medical offices, and nursing homes can boost earnings per share by a penny by reducing energy costs just 5%?



Did You Know...



- U.S. school districts spend \$6 billion each year on energy, second only to salaries?
- Top energy-performing schools use three times less energy than the least efficiency schools?

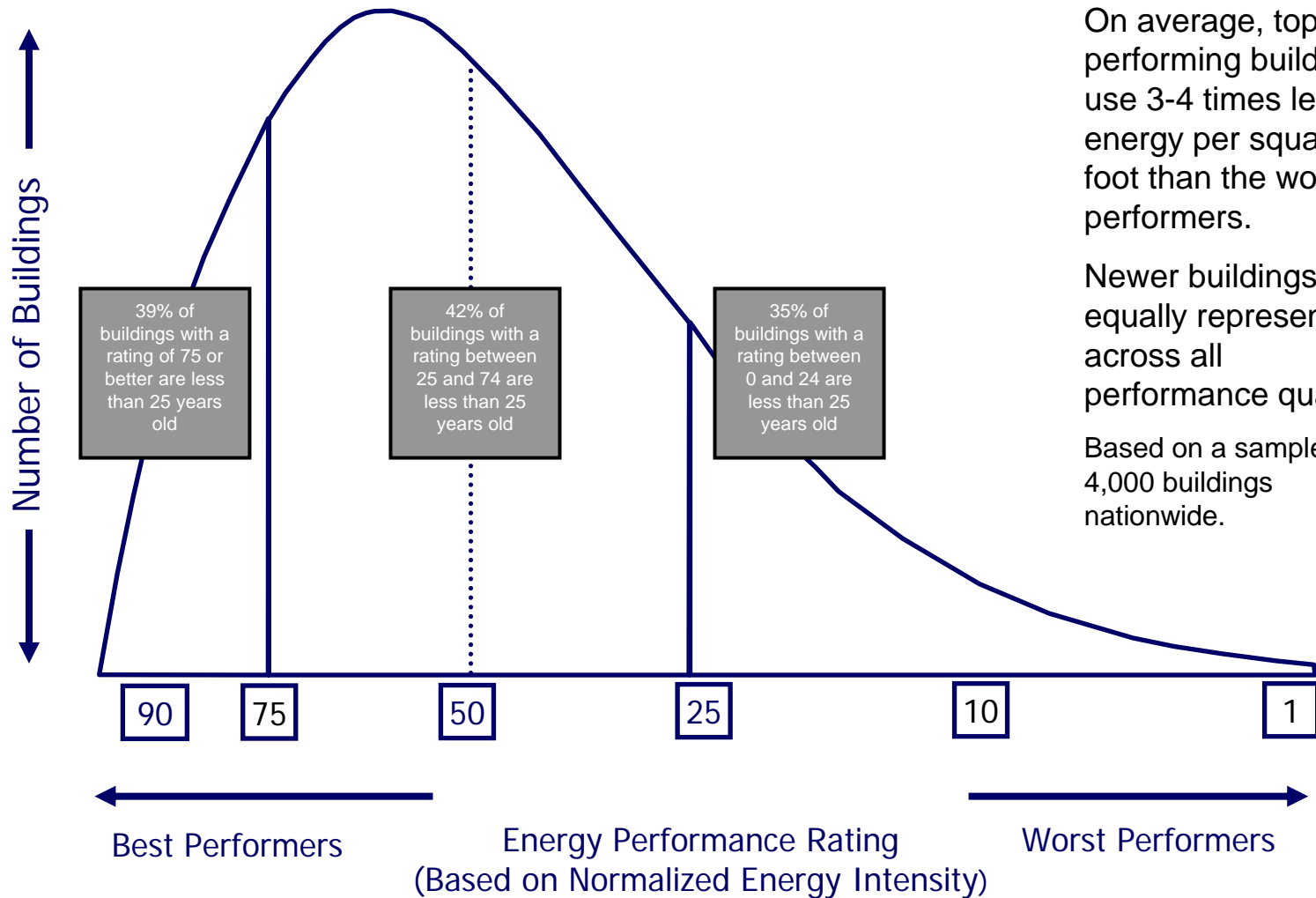
Saving energy can free resources for books, computers, or deferred maintenance.



- Investors are always looking for better ways to predict the financial performance of the companies in which they invest.
- Recent studies indicate a link between energy performance and financial performance.

EPA promotes the accomplishments of ENERGY STAR partners to financial stakeholders and provides partners with tools to help them communicate their success.

Energy Performance



On average, top performing buildings use 3-4 times less energy per square foot than the worst performers.

Newer buildings are equally represented across all performance quartiles.

Based on a sample of 4,000 buildings nationwide.

How do leading organizations achieve superior energy performance?



- Technology alone does not guarantee superior energy performance. Although technology has dramatically improved, whole-building energy performance has not.
- The common element among all top performers is superior energy management.

- Superior management underlies top performance in single buildings and across the entire building portfolios of leading organizations.

Conventional corporate energy management is...



- Decentralized;
- Not a “stand alone” function;
- Technology oriented;
- Project, not program, oriented;
- Considered capital intensive; and
- Not viewed as a profit center.

Results in missed opportunities for:



- Senior level buy-in
- Growing the bottom line
 - Asset value
 - Shareholder value
 - Net operating income
- Demonstrating leadership and social responsibility
- Greater energy savings
- Lower risk
- Linking to climate change and greenhouse gas inventories

Are you missing opportunities?



EPA, through ENERGY STAR, helps your organization practice superior energy management. By following the guidelines for superior energy management your organization can help protect the environment and reduce costs, without compromising comfort.



What is ENERGY STAR?



- A government-backed program that helps businesses and individuals protect the environment through superior energy performance by providing energy efficient solutions for homes, businesses, and institutions.
- The national symbol for environmental protection through energy efficiency, recognized by more than 60% of all U.S. households.

ENERGY STAR History



1992
EPA introduces the first ENERGY STAR[®] qualified product line, including personal computers and monitors.

1996
EPA launches ENERGY STAR for buildings to help businesses improve their energy efficiency and their bottom line.

1999
ENERGY STAR label extended to office buildings performing in the top 25% of the market.

2000-2004
ENERGY STAR is expanded to schools, hotels, hospitals, supermarkets, and other building types.

2004
Over 1800 buildings have earned the ENERGY STAR for superior energy management.

Be part of our success!



- In 2004, Americans, with the help of ENERGY STAR, reduced U.S. greenhouse gas emissions equivalent to those from 20 million cars. And they saved \$10 billion on their energy bills in the process.
- Leading businesses and organizations that partner with ENERGY STAR realize energy savings of 30% or more and outperform their competitors by following ENERGY STAR's guidelines for superior energy management.

Who partners with ENERGY STAR?



- Thousands of organizations across all sectors of the economy, including:
 - Commercial real estate
 - Retail
 - Hospitality
 - Healthcare
 - Financial services
 - Insurance
 - Manufacturing
 - State, county, and local governments
 - K-12 school districts
 - Public and private universities



What do partners say about ENERGY STAR?



“Food Lion is an example of how a company can protect the environment and meet its business objectives. As an ENERGY STAR partner, Food Lion is demonstrating a long-term commitment to the environment and to its bottom line.”

- Gary Dixon, Food Lion
Senior Vice President of Corporate Development

What do partners say about ENERGY STAR?



“The University of Michigan is committed to a policy of environmental stewardship. ENERGY STAR is a key example of how the University accomplishes its goal of excellent stewardship of the environment through energy efficiency.”

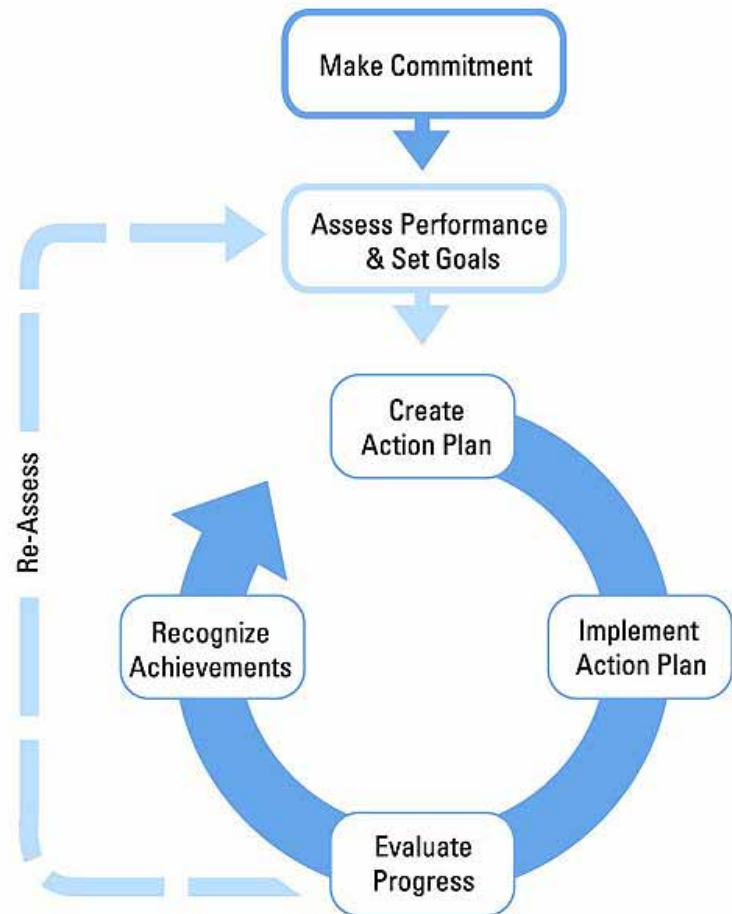
- Richard W. Robben, P.E.
Director of Plant Operations, University of Michigan

ENERGY STAR Guidelines



- ENERGY STAR's guidelines for superior energy management outline the steps that help close the gap between energy leaders and energy laggards.
- This roadmap is based on "best practices" from top ENERGY STAR partners.

Put their expertise to work for you!

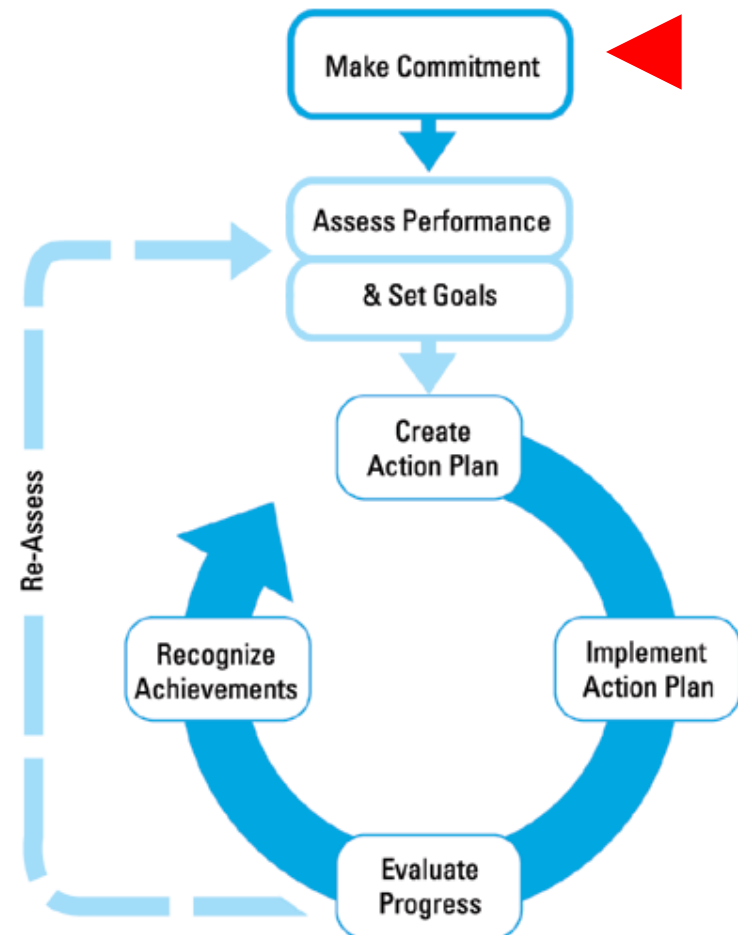


ENERGY STAR Guidelines: Make Commitment



A top-level commitment to superior energy management is crucial to success—no matter your mission or size. EPA recommends:

- Partnering with ENERGY STAR and making a commitment to continuous improvement in energy use;
- Appointing an Energy Director and establishing an energy management team that can develop and effectively implement an energy program; and
- Adopting an energy policy that encourages continuous improvement by clearly outlining performance goals and objectives.

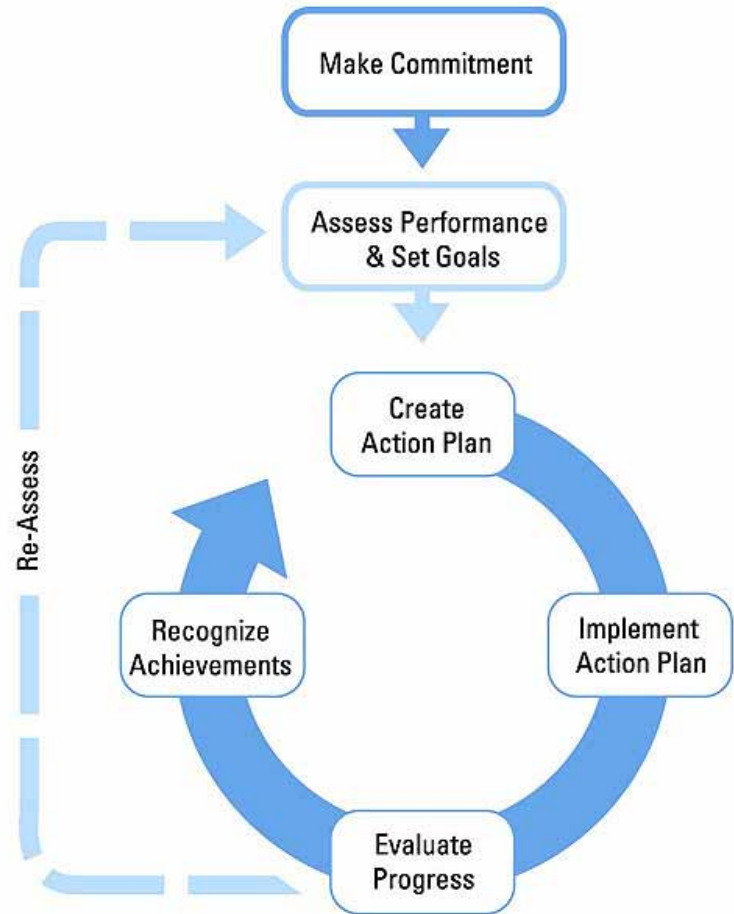


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EPA's Portfolio Manager



Use EPA's national energy performance rating system found in Portfolio Manager to:

- Develop a standardized metric of energy performance;
- Compare the efficiency of buildings across the country using an easy-to-understand rating scale of 1-100; and
- Normalize energy consumption for weather, square footage, and business activity.

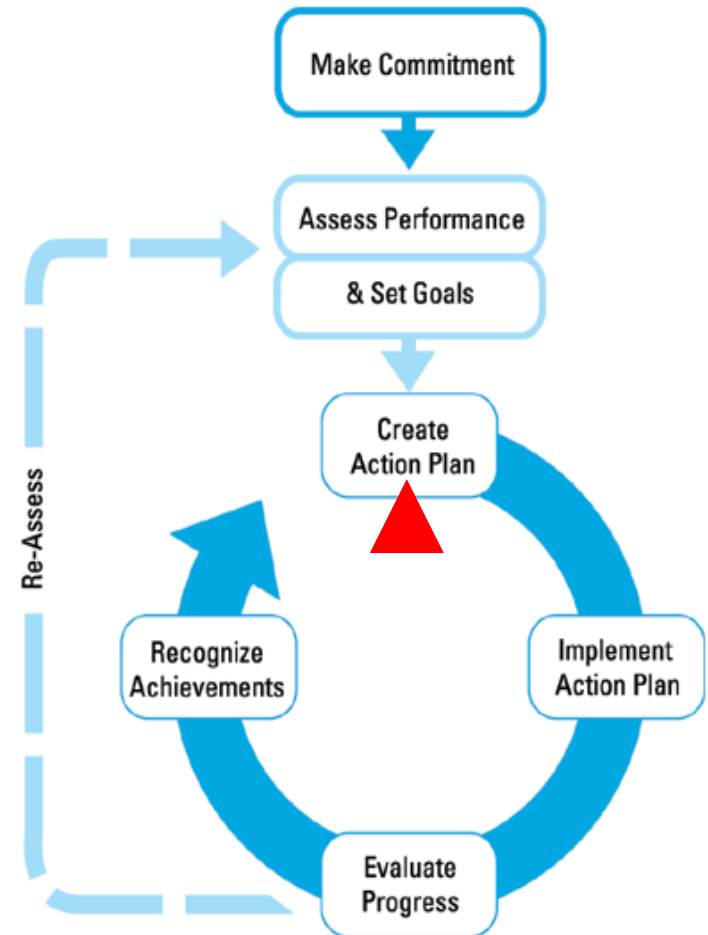
Over 21,000 buildings have been rated using this system.

ENERGY STAR Guidelines: Create Action Plan



Action plans deliver savings to your bottom line. Successful plans create a road map for achieving performance goals, outline technical improvements needed, and define roles and responsibilities. EPA helps by providing:

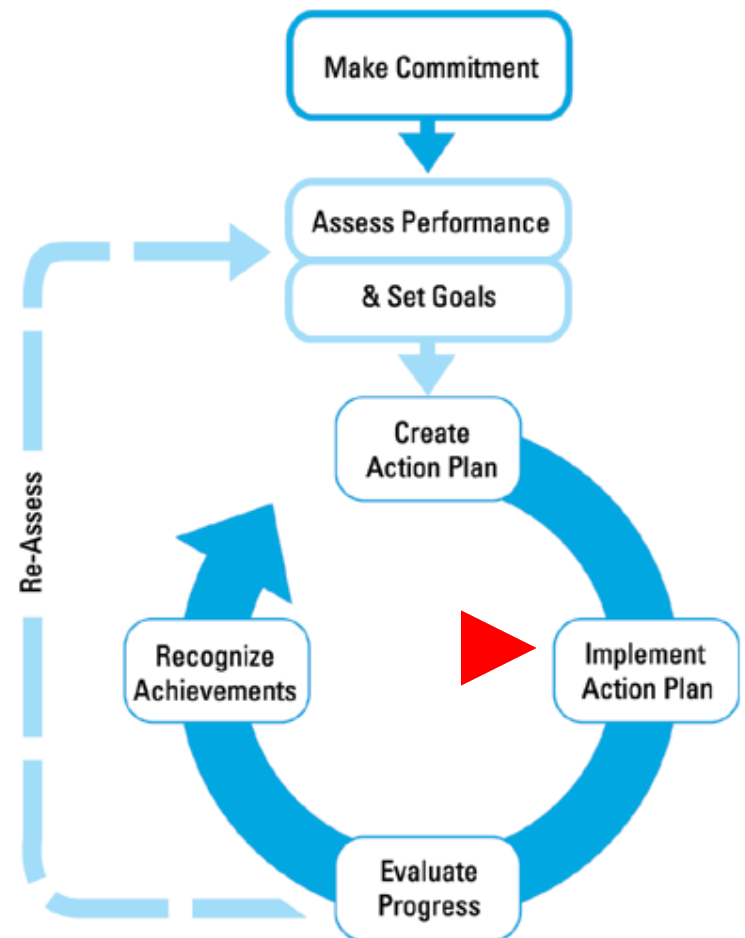
- Example action plans from leading organizations;
- On-line training for using tools and resources that support your efforts;
- A building upgrade manual that walks you through a proven, staged strategy; and
- A directory of experts to assist with your upgrades and links to programs providing technical and financial resources.



ENERGY STAR Guidelines: Implement Action Plan



Implement your action plan

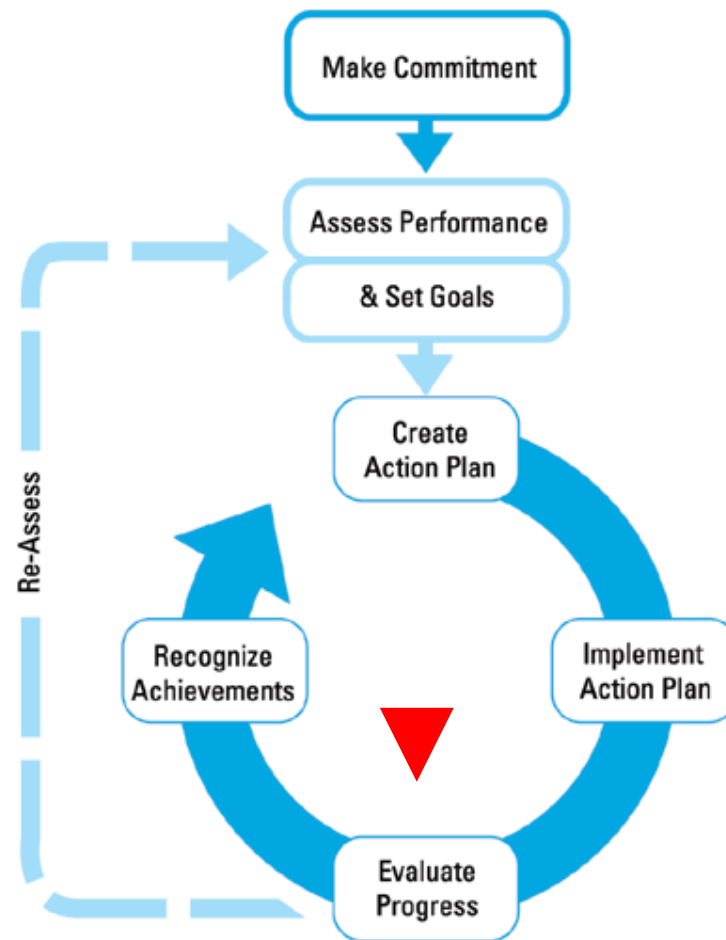


ENERGY STAR Guidelines: Evaluate Progress and Re-Assess



Routine evaluation is an essential step for continual improvement. EPA helps by providing:

- Easy tracking of your efficiency improvements through the national energy performance rating system; and
- Access to building profiles and case studies to learn how other partners achieved real results.

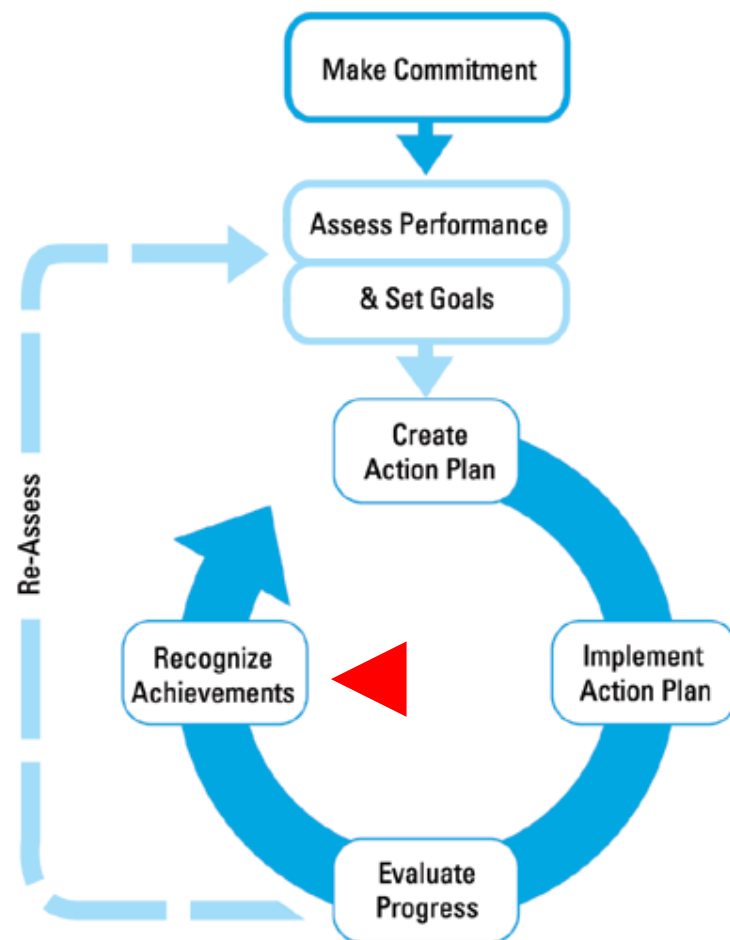


ENERGY STAR Guidelines: Recognize Achievements



EPA can recognize your hard work and achievements by:

- Awarding the ENERGY STAR to top energy performers;
- Highlighting outstanding organizations as Partner of the Year; and
- Selecting as ENERGY STAR Leaders those organizations demonstrating a 10, 20, or 30 point improvement in portfolio-wide energy performance ratings, or a portfolio-wide average of 75 or greater.



What do partners say?



"EPA's ENERGY STAR award recognizes our Hospital's ongoing commitment to forward-looking environmental practices. As an ENERGY STAR Leader, we value superior energy performance in our organization — it's good for our bottom line and good for the environment."

- Robert Volland, Senior Vice President
Real Estate and Facilities
New York-Presbyterian Hospital

Additional Recognition



- EPA recognizes building designs that incorporate superior energy efficiency with the “Designed to Earn the ENERGY STAR” mark; and



- EPA provides promotional and communications ideas for sharing your success with employees, customers, and the media.

Partner of the Year



EPA recognizes POY winners that demonstrate superior energy performance and environmental leadership.

- Annual spring awards ceremony
- Audience members include high-level EPA and DOE officials, corporate executives, and the media
- POY winners encouraged to highlight their achievements through press releases, case studies, events, and other activities

What do partners say about ENERGY STAR?



“As a two-time winner of the prestigious ENERGY STAR Partner of the Year Award, Transwestern Commercial Services continues to focus on reducing portfolio-wide energy usage, conserving natural resources and improving the value of our clients’ assets. Transwestern uses the ENERGY STAR program as a ‘best practices’ guide for energy management which exemplifies our industry-leading commitment to providing legendary service to our clients.”

- Larry Heard, Chief Executive Officer
Transwestern Commercial Services

POY Awards Ceremony



What do partners say?



“We are pleased to be recognized as an ENERGY STAR Partner of the Year. This award not only acknowledges the efforts of district staff and students, but also sends a clear message to the community that the district is a responsible steward of the environment and their tax dollars. With the help of ENERGY STAR the district has saved more than \$4 million million in energy costs and used these funds to enhance student achievement.”

- Thomas Fernandez, Energy Manager
Colorado Springs School District #11

Promoting your partnership



EPA encourages all organizations to promote their ENERGY STAR partnership. Examples include pens, pins, and posters.



Join ENERGY STAR Today!



Sign and return the ENERGY STAR partnership letter today to demonstrate your environmental leadership and improve your financial performance.