



# The power within

HOW TO REDUCE YOUR ENERGY COSTS BY 20 TO 30 PERCENT WITH A MINIMAL INVESTMENT

BY JESSICA TREMAYNE

**T**he days are long past that energy was so cheap you could afford to waste it. Now, financial and environmental concerns have made saving energy a priority for every business. When done right, you can expect to achieve a savings of 20 to 30 percent off your current monthly utility bill, with minimal investment.

Getting started on saving can be as simple as making employees aware that energy efficiency is a priority for your company. Employees who regularly turn off lights and computers at home don't bring that same mindset to work. By recruiting employees to help manage your company's

energy usage, you can start to save money.

Fifty-two percent of readers surveyed by *Smart Business* say they do not expect energy costs to increase over the next 12 to 18 months, but a full dedication to efficiency is necessary to maximize savings, as energy authorities say halfhearted efforts get similar results.

"Getting control of your data is an important factor in energy efficiency," says Matthew Berke, president and CEO, LPB Energy. "Companies don't review their utility bills thoroughly; they may be paying their neighbor's bill or missing bill errors. You can also save 30 percent of your energy bill by shopping through competitive supply. Another area to save is through

demand response utilities, where you agree to shut off your power during an emergency blackout. You will likely rarely need to use this, but regardless of use, you'll receive a percent rebate for agreeing to close in an emergency."

## Why managing energy use is important

Energy efficiency is a prime example of what you don't know can hurt you. Few people are aware that energy-efficient business desktop computers are available that cost about \$10 a year to operate and are about 75 percent more efficient than typical PCs. Installing certain models of smart thermostats allows you to

## The List

### Local Energy Management Companies

#### Ambit Energy

1801 N. Lamar St., Suite 200  
Dallas, TX 75202  
(877) 282-6248

- Helps reduce monthly bills
- Energy provider

#### CenterPoint Energy

14785 Preston Road  
Dallas, TX 75254  
(972) 789-5560  
www.centerpointenergy.com

- Provides natural gas and electricity
- Provides energy-saving tips

#### Endigo Energy LLC

100 North Central Expressway,  
Suite 502  
Dallas, TX 75201  
(214) 655-6320  
www.endigoenergy.com

- Provides energy consulting
- Assists with energy budgeting

#### Energy Future Holdings

Energy Plaza  
1601 Bryan St.  
Dallas, TX 75201  
(214) 812-4600  
www.energyfutureholdings.com

- Committed to innovative environmental actions
- Privately held company, energy retailer

#### GSE Consulting LP

Two Lincoln Centre  
5420 LBJ Freeway, Suite 1355  
Dallas, TX 75240  
(469) 533-7400  
www.gseconsultinglp.com

- Natural energy procurement and management firm
- Helps companies reduce energy costs

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program them wirelessly through the Internet, allowing for temperature adjustments without physically being at the facility. Also, new smart electric meters translate energy wattage use into dollars and allow you to track energy use online.

“New laws say that any new building 10,000 square feet or larger will have to be energy efficient in compliance with LEED,” says Scott Harrison, director of product management, TXU Energy. “This means all new construction will automatically look more attractive to rent or buy because it meets codes. Older buildings will need to upgrade to be attractive when going on the market, especially in today’s economy.”

ENERGY STAR, an Environmental Protection Agency and U.S. Department of Energy program, along with your utility provider and local city hall can help you reduce energy waste by providing regional energy-efficiency tips, financial incentives and energy audits of facilities.

ENERGY STAR endorses more than 50 types of products, which are identifiable by a label that indicates the amount of energy it will require during average use and will tell you the savings you can expect by choosing that product over products that aren’t approved by the ENERGY STAR program. Purchasing the proper equipment and carrying out good habits will reduce your energy expenses exponentially. For example, you will use 30 to 35 percent less energy using an ENERGY STAR battery charger or power adapter over conventional products.

By changing purchasing habits and being more cautious of efficient equipment operation, you’ll immediately reduce your energy bill. By purchasing ENERGY STAR-qualified products, you’ll use about half the amount of electricity that would be used without the efficient product. For example, when a computer is placed in sleep mode, it uses 75 percent less energy and a copier uses 40 percent less energy.

Most businesses use 25 percent of their energy on lighting. Compact fluorescent bulbs last longer than traditional bulbs and use 75 percent less energy. Even if it means renovating your entire lighting system, you’ll see a return on your investment in anywhere from five months to three years.

“Energy costs aren’t fixed,” Harrison says. “Good maintenance practices,



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Matthew Berke,  
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LPB Energy.

lighting retrofit changes and a conservative attitude go a long way to alter a typical bill.”

#### What you need to know

Performing an energy audit of your business is the first step. This is often performed for free or at a minimal cost through your utility provider. In this audit, you’ll learn what areas of your business are using the most energy. You’ll then be able to work on a strategy to reduce waste.

By visiting the ENERGY STAR Web site at [www.energystar.gov](http://www.energystar.gov), you can compare your company’s energy use to similarly sized companies within your industry and region.

“After you’ve gathered data on what you pay monthly, you can get feedback from your utility provider and ENERGY STAR as to ways to reduce your energy use,” says Rob Schasel, director of energy and resource conservation, PepsiCo.

After your energy audit, you’ll need to

# The Smart Business Poll

## Energy Trends

strategize a plan of action and goals, and then formally deliver the message to employees.

"You'll get the best results when you are working toward a goal," Schasel says. "Set goals such as use 50 percent less water, 30 percent less fuel and 25 percent less electricity, and assign a date to accomplish those goals."

Assigning an employee to manage energy initiatives and communicate them to the staff will help keep everyone involved and informed about the process. You may want to take things a step further and provide training to employees that can explain operating methods and procedures to reduce energy use, along with ways to monitor and report collected data. ENER-GY STAR provides free online training sessions for employees and is a good place to start.

"CEO involvement in an energy-efficiency plan is a must," Berke says. "Corporate America lets low-level employees make energy decisions, and they don't care about the outcomes at the same level that upper management does. When upper management becomes involved, everything seems to work more efficiently."

The key to success is energizing everyone on your staff to help you save energy.

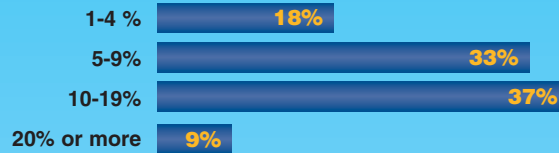
"Some believe taking small steps works well," Schasel says. "But at least announcing your goals helps get attention of employees and creates enthusiasm. People on the front line know where the energy problems are and have great ideas. Combine that with the financial team and energy efficiency will come sooner."

When establishing a project timeline, consider attainable energy grants, rebates and tax breaks weighed against necessary operational changes to accomplish goals. Once you know what you need to change to be more efficient and what finances you have available, you'll be able to better chart progress and predict the time frame for the return on your investment.

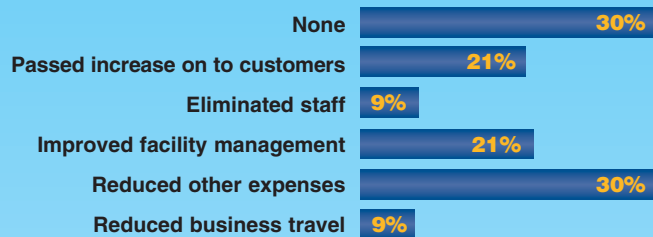
"Culture inside a company must focus on energy efficiency," Harrison says. "There will be many internal views of why you should be energy efficient, but the one that takes priority today is the savings." <<

The **Smart Business Poll** is a survey of local executives regarding their attitudes and opinions on a series of topics. Interviews are conducted by telephone. Senior executives interested in participating in the poll can e-mail their contact information to [poll@sbnonline.com](mailto:poll@sbnonline.com).

### How much have increases in energy costs affected your operating expenses?



### What steps has your organization taken to minimize the impact?\*



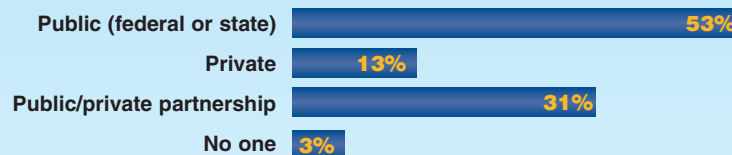
### Do you expect the increase of energy costs to continue over the next 12 to 18 months?



### What steps do you plan to take to cope with increasing energy costs?\*



### Who do you think should be leading the way for developing alternative energy solutions?



### Is your organization looking at potential green initiatives to incorporate in to existing operations?



\*More than one answer may apply.

## The List

### Local Energy Management Companies

#### Luminant

Lincoln Plaza  
500 N. Akard  
Dallas, TX 75201  
(214) 812-4600  
www.luminant.com

- Invests time and money in local initiatives
- Provides clean energy

#### SMI TXU Energy

9330 LBJ Freeway, suite 1185  
Dallas, TX 75243  
(214) 575-4100

- Offers energy-saving tips
- Long-term local business relationships

#### Tara Energy Inc.

4925 Greenville Ave., Suite 200  
Dallas, TX 75206  
(214) 520-8272  
www.taraenergy.com

- In business since 2002
- Provides competitive electricity products

#### Thermal Energy Co.

3517 Lexington Ave.  
Dallas, TX 75205  
(214) 521-7600

- Alternative energy
- Cost-effective

#### TXU Energy

300 S. St. Paul St.  
Dallas, TX 75201  
(877) 460-7066  
www.txuenergy.com

- Provides services and products for business needs
- Offers regulated energy billing

## 3 Questions

**Scott Harrison** |

director of product management |

TXU Energy |

**S**cott Harrison, director of product management for TXU Energy, has worked the past 12 years in the energy services business. He has experience in the technical sales, project management, energy efficiency and operations areas. He provides energy audits, power factor analysis, predominant use studies, high-voltage maintenance, energy usage analysis and technical support for business commodity customers.



### Q. What techniques can assist companies most in being more energy-efficient?

Having digital control systems that automatically control everything is the best thing to implement in a business office or any facility. This virtually eliminates human error. Also installing occupancy sensors in areas such as conference rooms and eating areas can reduce wasted energy by shutting off after 10 minutes of no activity. Changing the air-conditioning units to the economizing cycle will allow the unit to bring in air from outside to cool the building instead of keeping the compressors running. This alone saves 40 to 60 percent of energy a building uses.

### Q. What products should be replaced to maximize energy efficiency?

Lighting retrofits pay back in one to three years, but this requires capital as does heating ventilation air-conditioning piping, which takes about three to six years to get a return on investment. If a company wants to be more energy-efficient but wants to start small, just having good maintenance practices can help, without requiring a significant investment. You can save 5 to 10 percent on energy costs just by cleaning air-conditioning units. Filter changes are often overlooked, and a dirty filter means extra work to obtain the desired temperature.

### Q. What is happening in Dallas law to boost businesses energy efficiency?

Every new building that is 10,000 square feet or larger will need to be (Leadership in Energy and Environmental Design) silver certified. This is in compliance with new energy codes. These buildings must be more energy-efficient by design. The biggest problem in the city are older buildings, which are not regulated and are energy hogs. The good news is a lot of CEOs are becoming interested in the green movement and making efforts to be more conservative and efficient before mandates are imposed.