

# Energy Efficiency News Alert

May 2011

## **“You can’t manage what you don’t measure” - U.S. government’s first-ever sustainability scorecards illustrate the benefits of energy benchmarking**

Even though energy efficiency is one of the most obvious solutions to America’s energy problems, Congress has been unable to push through a national energy efficiency standard that would require utilities to produce energy savings for their customers rather than to simply build more power plants.

However, the federal government is providing leadership on at least one very important front - benchmarking energy usage in federal buildings. “You can’t manage what you don’t measure,” says U.S. Office of Management and Budget (OMB) Deputy Director for Management and Chief Performance Officer Jeff Zients.

Monitoring energy usage usually makes it obvious that simple retrofit measures can produce significant energy savings. A comprehensive 2009 study by the Lawrence Berkeley National Laboratory, for example, found that building energy retrofits produce median energy savings of 16% with a payback of 1.2 years and that a national retrofit program could produce energy savings of more than \$18 billion per year.

President Obama early in his term directed Federal agencies to lead by example in clean energy and to meet a range of energy, water, pollution, and waste reduction targets. The federal government expects these programs to save a cumulative \$8-11 billion by 2020. As part of this program, the OMB in mid-April released the first set of scorecards for each federal agency ([link](#)). The scorecard will help each agency update its Sustainability Plan and help keep the federal government on track toward meeting its overall goal.

Progress is also being made at the state level on benchmarking building energy efficiency. In New York, for example, the New York State Energy Research and Development Authority (NYSERDA) in February made \$7 million available for its “FlexTech Benchmarking Pilot.” Under this program, commercial and multifamily building owners can receive free energy benchmarking and onsite energy assessments that will provide recommendations on low-cost building system upgrades.

In California, the state government has passed the AB 1003 bill that requires commercial buildings, when they are sold or leased in whole or in part, to provide 12 months of energy-use information using the U.S. Environmental Protection Agency’s ENERGY STAR Portfolio Manager tool. This tool compares a building’s energy usage to that of its peers, making it obvious as to whether or not the building is efficient and highlighting energy saving opportunities.

In another program in California, the city of San Francisco in February approved the “Existing Commercial Building Energy Performance Ordinance.” This program requires commercial and industrial building owners to benchmark their buildings’ energy use using the EPA’s Energy Star Portfolio Manager and file this data annually with the city.

## **INDUSTRY FOCUS: UTILITY DIRECT INSTALL**

### **State-level energy efficiency programs provide an attractive way for businesses to reduce the cost of energy efficiency retrofits**

Why have the majority of states (26 to be exact) adopted an Energy Efficiency Resource Standard (EERS)? These states have adopted an EERS because it is a very effective way to reduce electricity usage and reduce the need for a

utility to build expensive new power plants. This results in lower capital costs for utilities and reduced electricity costs for customers.

An Energy Efficiency Resource Standard (EERS), also known as an Energy Efficiency Portfolio Standard (EEPS), is simply a rule that requires utilities to adopt energy efficiency measures that result in a specified reduction in energy usage over a period of time. Energy efficiency programs cost only 2.5 to 6.4 cents per saved kilowatt-hour, according to a study by ACEEE, which is much less than the cost of building new power plants.

A federal EERS still seems to be a long way off given the gridlock in Washington. However, a national EERS bill proposed by Rep. Ed Markey (D-Mass) in the 111th Congress would have a big impact by reducing peak demand by 90 gigawatts by 2020 (equivalent to the output of 300 medium-sized power plants), saving consumers about \$35 billion in utility bills, cutting 250 million tons of CO2 emissions, and creating some 250,000 jobs, according to analysis by the American Council for an Energy Efficient Economy (ACEEE).

While the debate about a national EERS continues in Washington, many states have already stepped up to the plate with EERS program budgets in 2010 rising by 24% to \$6.6 billion, according to the Consortium for Energy Efficiency. These programs were heavily concentrated in California, New York, Florida and Massachusetts, which together accounted for 50% of the total budget for electricity energy efficiency. Those states, combined with Pennsylvania, Ohio, Illinois, Minnesota, Arizona, Maryland, and Oklahoma, accounted for 94% of the growth in energy efficiency program budgets.

The energy efficiency program in the state of New York provides a useful case study. The New York State Public Service Commission in June 2008 established the New York Energy Efficiency Portfolio Standard (EEPS) and adopted a goal of reducing electricity usage by 15% by 2015. That is an aggressive target that requires a reduction of electricity usage by about 2% per year. The New York EEPS effort involves more than 100 energy efficiency programs for residential, commercial and industrial customers. The New York EEPS program through December 2010 produced annualized electricity savings of about 864,000 MWh, enough to meet the electricity needs of approximately 133,000

homes.

As an example of how the New York EEPS energy efficiency program actually works, the utility named National Grid runs a program tailored for small businesses in its New York coverage area. National Grid provides a small business with a free energy audit report and recommendations for energy efficiency improvements. National Grid then pays for 70% of the installation cost of the improvements and the remaining 30% can be financed interest-free for up to 24 months. Cost-cutting energy efficiency equipment available under this program include lighting upgrades, energy efficient time clocks, photo cells for outdoor lighting, occupancy sensors, programmable thermostats, and walk-in cooler measures.

National Grid relies heavily on independent energy efficiency companies, such as Lime Energy, to implement its Small Business Energy Efficiency Plan. Lime Energy, under the National Grid program, delivered 55,000 megawatt-hours of energy efficiency in 2010 for more than 1,800 small business customers, reduced small business electricity costs by about \$6.7 million per year, and in the process created 150 local jobs.

## UPCOMING CONFERENCES

### May

- |       |                  |  |
|-------|------------------|--|
| 5-6   | Huntington Beach | Annual Convention of Bank Officers and Directors                             |
| 5     | MA               | Association of Independent Colleges & Universities (AICUM)                   |
| 16-19 | Atlanta, GA      | Association of Energy Services Professionals (AESP) Spring Conference & Expo |
| 25-26 | Chicago          | Int'l Dairy Foods Association (DFA)  |

### June

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|-------|------------------|--|
| 7-8   | Warwick, RI      | 2011 Northeast Energy Efficiency Summit                  |
| 12-15 | Colorado Springs | Edison Electric Institute (EEI) Annual Convention        |
| 15-17 | Lake Geneva, WI  | Illinois Banking Association convention                  |
| 27-29 | Charlotte        | Bank Facilities Forum                                    |
| 26-28 | Wash DC          | Building Owners & Managers Association (BOMA) convention |

## SELECTED ENERGY EFFICIENCY NEWS CLIPS

(click on headline to view full online story)

### *Why Energy Reduction Goals Are Moving Up the Corporate Agenda*

Mar 15 - Greenbiz.com - Increasingly companies are setting public energy reduction goals as senior management teams better recognize the link between reduced energy consumption, cost savings and an improved company carbon footprint....

### *Greening the Skyline: Small Fixes Save Big Money*

May 1 - Time Magazine - One of the most ambitious efforts to transform city skylines around the globe is nearly invisible. That’s because the changes, aimed at drastically reducing energy consumption and carbon emissions in tall buildings, are happening in places most people never venture — in subterranean boiler rooms, behind radiators, under desks and inside the massive walls of office towers built decades ago....

### *KPMG Study Shows Corporate sustainability works*

Apr 18 - BusinessGreen.com - Corporate sustainability strategies are delivering a wide range of commercial and operational benefits for many of the world’s leading companies, according to a major new survey of senior global executives released today....

### *Capgemini’s Top 5 Lessons for Implementing a Sustainability Program*

Apr 14 - Greenbiz.com - Sustainability is no longer a fringe activity, according to Jon Hampson, environment director of Capgemini’s U.K. business unit. Instead, it has become a mainstream commercial reality. The global low carbon good and services sector employs millions of people and generates trillions of dollars in revenue....

### *Amazon’s Purchasing Data Finds U.S. Consumers Going Green*

Apr 19 - Greenbiz.com - It can be difficult to wade through all the competing claims and find some hard data on the larger environmental movement in the United States. But if cross-category purchases of green products from the nation’s largest online retailer have anything to say about

it, then Amazon may be capable of providing that larger picture of how America is going green....

### *C-Level and Other Executives Suffer Energy Efficiency Perception Gap, Survey Says*

Mar 16 - Environmental Leader - Top-level executives disagree with other senior executives on how much their companies are doing to address energy efficiency, according to a study by the Economist Intelligence Unit (EIU)....

### *Utilities Offer a Range of Incentives for Improving Energy Performance*

April - Building Operating Management - Few businesses actually want their customers to purchase less — rather than more — of whatever it is they’re selling. Electric utilities, on the other hand, often do. Many have a range of programs that help their customers make more efficient use of the energy they buy....

## EFFICIENT BUILDINGS

### *Federal Agencies Release Performance Benchmarks for Energy and Sustainability Goals*

Apr 19 - Executive Office of the President Council on Environmental Quality - Today, Federal agencies released, for the first time, their scorecards on energy sustainability performance. These scorecards enable agencies to target and track the best opportunities to improve efficiency, reduce pollution, and eliminate waste....

### *USGBC Launches New LEED Standard for Healthcare*

Apr 12 - Greenbiz.com - The movement to make medical centers, hospitals and other healthcare facilities greener has taken a step forward with the U.S. Green Building Council formally launching its LEED standard for healthcare....

### *First Senior Care Communities Earn EPA’s Energy Star*

Apr 7 - EPA - The U.S. Environmental Protection Agency (EPA) is recognizing 30 Sunrise Senior Living communities as the first senior care facilities to earn EPA’s Energy Star for superior energy performance....

***The Difference Between Leadership and Improvement in LEED Requirements***

Apr 14 - Greebiz.com - A loyal reader asked me what I thought about the proposal currently floating around to allow fulfillment of the energy prerequisite in LEED-EBOM by simply showing a 20 percent improvement in the Energy Star score, rather than achieving the current minimum score of 69. Not to put too fine a point on it, I think this is a really, really, really bad idea....

***EPA Recognizes Leaders in Energy Efficiency / 2011 Energy Star Award winners announced***

Apr 12 - EPA - The U.S. Environmental Protection Agency (EPA) is honoring 111 Energy Star partners who have demonstrated leadership and commitment in protecting American’s health and the environment through energy efficiency achievements. 2011 Energy Star award winners include manufacturers, retailers, public schools, hospitals, real estate companies and home builders....

***The smart grid’s killer app? Smart buildings, says new study***

Apr 26 - Smart Grid Markets - Two new reports from IDC Energy Insights highlight the smart grid’s latest flavor of the month – namely, the intersection of smart grids and smart buildings. Until now, building owners have installed building automation to reduce energy bills, thereby making their buildings more appealing to tenants. With the onset of the smart grid, they can now tap into an additional payback – utility programs such as demand response and energy efficiency....

***Building Energy Management Systems Investment to Top \$10 Billion in the United States by 2016, Forecasts Pike Research***

Apr 8 - Businesswire - ...According to a recent report from Pike Research, the BEMS market holds significant opportunity for growth in the next few years, and the firm forecasts that investment in the sector will total \$10.1 billion in the U.S. during the period between 2010 and 2016, with a compound annual growth rate (CAGR) of 17.4%....

***Widespread deployment of smart grids is critical for a secure, cost-effective and clean energy future, IEA report says***

Apr 4 - IEA - Widespread deployment of smart grids is critical for a secure, cost-effective and clean energy future, IEA report says. “Smart Grids Technology Roadmap” shows how use of smart grid technologies can be expanded, identifies goals that must be met...

***Energy Modeling Makes Its Move Into the Mainstream***

Apr 5 - The black box “voodoo” that many consider building energy modeling to be today is being dragged into the spotlight....

***Commercial Building Retro-Commissioning Revenue Could Surpass \$1.8 Billion in the United States by 2014***

Mar 24 - Pike Research - Several substantial, durable drivers are expanding the potential market for energy efficiency retrofits in commercial buildings, which can provide energy savings ranging from 10% to more than 50%....

**EFFICIENT LIGHTING**

***EPA Announces Updated Energy Star Standards for Lighting***

Apr 5 - EPA - The U.S. Environmental Protection Agency (EPA) is announcing updated standards for light fixtures to qualify for the Energy Star label – an efficiency program that has saved consumers money on their energy bills while contributing to cleaner air and protecting people’s health since 1992....

***New Survey Points to Broad Consumer Support for Energy Efficient Lighting***

Apr 6 - Alliance to Save Energy - ...While 60 percent of those surveyed were unaware of upcoming changes to federal energy standards that will effectively phase-out incandescent bulbs by 2014, two-thirds of respondents believe that a phase-out of traditional incandescent bulbs in favor of more efficient technologies is a good idea....

*Shedding light on the future, not the past*

Apr 4 - TheHill.com - by Ed Crawford, CEO of Philips, and Kateri Callahan, President of the Alliance to Save Energy - Reports of the death of the incandescent light bulb in 2012 are greatly exaggerated, to paraphrase Mark Twain. In fact, the reports just aren't true...

**COMPANIES & EFFICIENCY**

*Walmart Scores First Absolute Emission Reduction, but Lags on Goal*

Apr 19 - Greenbiz.com - Walmart is lagging on it plans to cut emissions at stores that existed in 2005 by 20 percent, but for the first time emissions at all stores, including ones built since then, have dipped...

*Global Banking Industry Stands to Benefit from Green IT Practices*

Apr 7 - Greenbiz.com - Although banking is far from top-of-mind when the topic of green IT arises, the financial services sector is the industry with the largest IT footprint, rather than the Googles, Amazons and Microsofts of the world...

*Banco Santander Tops Bloomberg Markets Magazine's Greenest Banks*

Apr 5 - Bloomberg Markets - Spain's Banco Santander prevails as No. 1 in Bloomberg Markets magazine's inaugural ranking of the world's greenest banks in its May 2011 issue...

*Citi Cuts Carbon Relative to 2005 Levels for First Time*

Apr 21 - Environmental Leader - Citi reduced its greenhouse gas (GHG) emissions relative to 2005 levels for the first time in 2010, and the company says it is on track to meet its 2011 carbon reduction target, according to Citi's 2010 corporate citizenship report...

**NATIONAL ENERGY EFFICIENCY POLICY DEVELOPMENTS**

*US Education Department Launches Landmark Green Schools Program*

On Tuesday, the federal government launched an initiative that may be the biggest thing to ever happen to the green schools movement....

*Alliance Calls for Efficiency as a Key Component of Clean Energy Standard*

Apr 29 - ASE - ...In comments submitted to the Senate ENR Committee, the Alliance calls for energy efficiency to be considered a fully eligible resource for meeting any CES without limitation. In support of this proposal, the Alliance points to the 93 GWh of electricity and 53 trillion Btu of gas that utilities saved through ratepayer energy efficiency programs in 2009....

*Alliance to Save Energy Praises Senate Committee's Approval of Bill Strengthening Appliance Energy Efficiency Standards*

Apr 12- Alliance to Save Energy - The Alliance to Save Energy today commended the U.S. Senate Committee on Energy and Natural Resources for approving a bill codifying energy efficiency standards for appliances and other products as negotiated by manufacturers and efficiency advocates....

*Regional Energy Efficiency Organizations Offer Tailored Strategies for Promoting Energy Efficiency*

Apr 1 - Alliance to Save Energy - Due in part to history and geography, different regions of the United States have developed different industrial bases. Close to many iron ore deposits, the Midwest developed a robust iron and steel sector and concomitant sectors such as automobiles and fabricated metal parts....

## **REGIONAL ENERGY EFFICIENCY DEVELOPMENTS**

### ***NYSERDA Announces Benchmarking Initiative to Help Commercial and Multifamily Building Owners Reduce Energy Use, Control Costs***

Apr 20 - New York State Energy Research and Development Authority - More Than \$7 Million Available to Support Energy Benchmarking Services That Will Help Building Owners Reduce Energy Costs...

### ***NYSERDA Invests \$20 million in Combined Heat and Power Projects***

Apr 21 - NYSERDA - The New York State Energy Research and Development Authority (NYSERDA) will invest \$20 million in combined heat and power generation projects to improve energy efficiency at 19 hospitals, paper mills, supermarkets, apartment complexes and other facilities in New York City and upstate....

### ***New York City Pushes Ahead Toward Sustainability with PlaNYC***

The update to PlaNYC -- New York City's long-term plan for a sustainable future -- which was released last week, continues to demonstrate Mayor Michael Bloomberg's leadership on clean energy and climate change....

### ***With PlaNYC Update, New York City Continues to Lead on Energy and Climate***

Apr 22 - NRDC - New York City's long-term plan for a sustainable future -- which was released yesterday, continues to demonstrate Mayor Bloomberg's leadership on clean energy and climate change....

### ***Western Governors Identify Industrial Energy Efficiency as Policy Priority***

Apr 5 - ACEEE - The industrial sectors of the western U.S. states are responsible for, on average, 28% of their state's energy use. Though considerable efficiency gains have been made in the nation's industrial sector, evidence suggests that industrial companies can continue to reduce their energy intensity by 2-3% per year....

### ***California Boosts RPS to One-Third Renewables by 2020***

Apr 13 - EERE News - A new California law requiring public utilities to get one-third of their electricity from renewable energy in less than a decade took effect on April 13. Governor Edmund G. Brown, Jr. signed the legislation, which increases California's current 20% renewables portfolio standard (RPS) target in 2010 to a 33% RPS by December 31, 2020....

### ***Kentucky Utilities asks to expand energy efficiency programs***

Apr 25 - Kentucky.com - Kentucky Utilities has asked the state Public Service Commission for permission to expand its energy efficiency programs. If approved, the request would create three new offerings and tweak five existing ones....

### ***Appalachian Power Launches Energy Efficiency Programs in West Virginia***

Apr 20 - Appalachian Power - Appalachian Power is launching a series of energy efficiency incentive and rebate programs to help West Virginia residential and business customers offset rising electricity costs and become better consumers of energy....

### ***Texas Energy Efficiency Investments Would Save Money for Consumers and Businesses While Creating Thousands of Jobs***

Mar 22 - ACEEE - Investments in energy efficiency in Texas can meet the state's growing electricity needs while saving businesses and households \$14 billion on utility bills and creating 47,000 local jobs per year by 2030....

## **GLOBAL ENERGY EFFICIENCY**

### ***UN Is Looking to Encourage Energy-Efficiency Projects in the Carbon Market***

Apr 14 - Bloomberg - The regulators of the United Nations' Clean Development Mechanism are seeking to increase the number of projects to boost energy efficiency in the carbon-reduction program....

# About Lime Energy

## The Total Package

Lime Energy is a leading provider of energy efficiency and renewable services. Our integrated energy engineering, consulting and implementation solutions dramatically save energy at client facilities, reduce operations and maintenance costs and improve building infrastructure and value. We actively assist clients in managing their carbon footprint to limit the environmental impact of operations. Our projects include lighting upgrades, better controls, building envelope, water efficiency, on-site generation and renewable energy. We perform for the largest corporations, utilities, and government facilities; and also for small businesses from coast to coast. Our clients enjoy maximum benefit from the best combination of efficiency measures that meet their needs and energy goals.



## Lime Energy Locations Nationwide

