



Power Smart Forum – Oct 15 Vancouver

What is an Energy Manager and Why do You Need One?

Companies are looking for a triple bottom line: profitable, environmental, social
An energy manager is more than conservation or efficiency –comparable to a safety program: people and equipment.

1. Commitment throughout the organization
2. Understand energy usage
3. Reduce waste
4. Improve efficiency
5. Fully integrate the Energy Manager into your business.

www.carbontrust.co.uk – good practice guide

3 Ps – People (behavior), Projects, Processes (Organization) – just as you write safety into procedures and equipment, you should write energy into procedures and equipment.

There should be the same kind of reporting structure for energy as for safety. *Energy use should have the same scrutiny as money use.*

BC Hydro provides funding for Energy Manager coaching – www.energypathfinder.com

Another term for an Energy Manager is “Reliability Engineer”

Continuous Improvement – Your Path to Sustainability –

“At Walmart, sustainability efforts protect the company’s license to grow.”

Payoff of Continuous Improvement

Improved Revenue (Top Line)

- An efficient system enables – filling orders faster – filling more orders per year – make more money.

Improved Risk Management

- Liabilities associated with environmental impacts
- Reduced volatility in earnings – greater control over business processes

Improved Bottom Line

- Cost-effective waste reduction = expense reduction
- \$1 expense save = \$1 retained earnings created

Classic approaches to Continuous Improvement may be overwhelming to smaller companies.

Christopher Russell offered some ideas to tailor CI to a smaller organization

- Less data – more stakeholder discussion (staff, customers, suppliers)
- 80% of the problems are caused by 20% of the activity
- Narrow your focus to 2-3 issues, “What’s keeping you awake at night?”
- Articulate the desired outcome – work backward from there.
- Assign “task leader” to staff person for each issue
- Periodic debriefs among team leaders

Russell talked about looking at annualized cost rather than simple payback.



BC Food Processors

A S S O C I A T I O N

Using annualized cost vs. capitalized cost

Annualized Project Cost = Up-front project cost x Capital Recovery Factor – why annualize?

Operating budgets are annual; Energy savings are accounted annually; Compare Annual cost to Annual benefit; Compare 3 year project to 10 year or 5 year projects.

Break Even Point – Annualized Project Cost = Total Value of Annual Energy Savings

Click [here](#) for full presentation

[People Conserve](#) – Employee Awareness – Mark Hamilton, Strategic Energy Group

How much do you spend on energy? Who is in charge of managing that expense?

One of the best opportunities for savings is: turning equipment off, turn the lights off.

Case Study: Catalyst Paper *Power Watchers* program goals:

1. Raise visibility of Energy Management Plan
2. Change culture and behavior (“Low hanging fruit grows back!”) Take it to the floor – ensure that measurements are taken at the start of the program.
3. Generate suggestions and improvements
4. 2% per year in electricity.

Quality, safety, energy management...

Energy Management Activities – write energy management responsibilities into everyone’s job description

1. employee awareness – BC Hydro has posters, tool talk books, “people have to connect in a personal way.” <http://www.bchydro.com/powersmart/resources.html>
2. Business processes – life cycle analysis in purchasing
3. engage your vendors/suppliers
4. operations & maintenance – turning equipment off
5. Capital projects
6. Recognition & reward – send senior management 3-4 names – request that they go to the shop floor to thank employees

Click [here](#) for full presentation.