



ENERGY STAR PARTNER MEETING

Breakout Session #3A

How It's Done: Engaging Tenants on Energy Efficiency

Lisa Mize, SVP, Shorenstein Properties LLC

Thursday, October 11 1:30-2:45



About Shorenstein



SHORENSTEIN PROPERTIES: ONE OF THE OLDEST AND MOST SUCCESSFUL OWNERS AND OPERATORS OF U.S. OFFICE PROPERTIES

- A fully integrated investment and operating company with over 250 professionals
- Sponsor of ten closed-end funds with aggregate capital commitments of \$6.7B
- Currently owns and manages 21.5 msf of office properties located in major U.S. markets
- Sustainability program managed by the Shorenstein G.R.E.E.N. Committee and Sustainability Program Manager

Tenant Engagement Why?



SRS ENERGY WORLD TOUR RESULTS:

- Strategies Implemented** : 330+ implemented nationally
- Identified kwh Savings** : 26,250,000
- Identified Cost Savings** : \$3.5 million (10% of total costs)
- Equivalent to** : 3,549 cars off the road, or
2 million gallons of gas, or
electricity for 2,257 homes/year

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Rule of thumb: Occupants control 70% of building energy usage.



CLIMATE SUMMIT

WHAT IF IT'S
A BIG HOAX AND
WE CREATE A BETTER
WORLD FOR NOTHING?

- ENERGY INDEPENDENCE
- PRESERVE RAINFORESTS
- SUSTAINABILITY
- GREEN JOBS
- LIVABLE CITIES
- RENEWABLES
- CLEAN WATER, AIR
- HEALTHY CHILDREN
- ETC. ETC.



Tenant Engagement at Shoreinstein



EDUCATION

- Flip the Switch Campaign – 2011
- Consumption Reduction Strategies Pamphlet
- Tenant Website
- Successes

WHAT'S NEXT?

- Targeted Tenant Conversations – 2012 into 2013

Tenant Engagement: Information



“FLIP THE SWITCH” CAMPAIGN

- **Purpose:**
Efficiency education
- **Outreach:**
Tenants in all markets
- **#1 Concern:**
Turning off computers!
- **Lesson Learned:**
 - Promotion
 - Multiple reminders
 - Interest ≠ action
 - Targeted follow-up



Flip the Switch
for a greener tomorrow

Tenant Engagement: Education



- Consumption Reduction Strategies Pamphlet
- Tenant Website

A screenshot of the Shorenstein tenant website. The page features a green header with the Shorenstein logo and navigation links for 'Shorenstein.com', 'Contact Us', and 'Search'. Below the header is a grid of 12 clickable boxes, each with a different image and a label: 'Shorenstein' (building), 'Green Tips' (plant), 'Industry Designations' (chairs), 'Water Conservation' (water drop), 'Sustainability Program' (building), 'Flip the Switch Campaign' (lightbulb), 'Energy Calculator' (compact fluorescent bulb), 'Recycling' (recycling symbol), 'Resources & Useful Websites' (keyboard), 'Energy Efficiency' (hand holding coin), 'Employee Engagement' (person with laptop), 'Commuting' (bicycle), 'Articles & Case Studies' (document), and 'Sustainable Purchasing' (hand holding globe). At the bottom of the page, there are logos for 'SOMA 7-Point CHALLENGE', 'Blue Cross of California', and 'GreenSource', along with the address: 'San Francisco - Headquarters and Corporate Office - Ross Building - 235 Montgomery Street, 18th Floor - San Francisco, CA 94104'.

Tenant Engagement: Education Successes



KINGSLEY VS. SHORENSTEIN

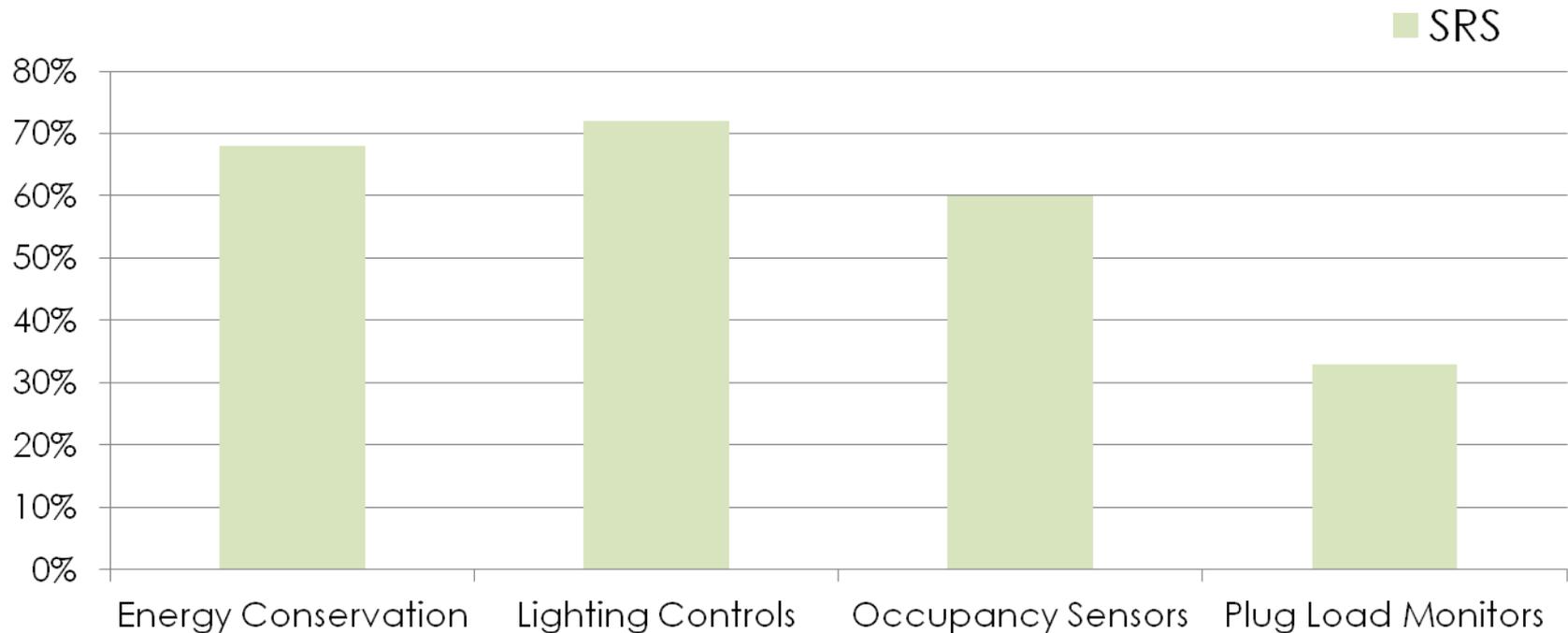


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Source: Kingsley Research

Tenant Engagement: Education Successes



% OF TENANTS LIKELY TO IMPLEMENT EFFICIENCY STRATEGIES



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Source: Kingsley Research

Tenant Engagement: What's Next?

- Targeted tenant conversations
- Consumption data required
- NYC tenant outreach
- National submeter policy



Tenant Engagement: What's Next?



- **National submeter policy** — issued May 2012
 - All new and renewing tenants to be submetered
- **Tenants will have direct control over energy use and cost**
 - When you pay for what you use, you will use less
- CBRE Study: Submetered buildings use 21% less energy

Tenant Engagement: What's Next?



SUBMETER PROJECT IN WASHINGTON, DC

Building s.f.	176,000
Meter:	E-Mon, Class 3400 (revenue grade)
Cost:	\$32,000 - approximately \$3,000/floor \$0.18 psf
Anticipated Savings:	kWh reduction: 523,633 \$ savings: \$45,000 or 0.26 psf
Impact:	201 metric tons of CO2 avoided = 39 cars off the road or 31 homes off the grid



Tenant Engagement: What's Next?



SUBMETER PROJECT IN WASHINGTON, DC

Food for Thought:

- More than one feed per floor – add another \$2,000
- Costs go down if not using revenue grade meters
- Less expensive to do during TI (10-30% less)



Tenant Engagement: Final Thoughts



- Education is essential
- Interest ≠ action
- Many tenants are motivated but need technical assistance
- Tenants need to see consumption & savings (submeter)