Organizational Energy Policy Development

March 19, 2003
About the Web Conferences

• Monthly

• Topics are structured on a strategic approach to energy management

• Help you continually improve energy performance

• Opportunity to share ideas with others

• Slides are a starting point for discussion

• Open & Interactive
Today’s Web Conference

• Introductions
• Why Implement An Energy Policy?
• Policy Elements & Sample Policy
• Developing, Establishing, & Using A Policy - Examples:
  – Mobil
  – 3M
• Open Discussion
What do you mean by policy?

• A stand alone statement of commitment to improving energy performance
• Different than a directive
• Provides a vision or mission statement for the future
• Is organizational wide
• Is often a public statement
Why An Energy Policy?

• Establishes a corporate commitment to energy efficiency - more resources for your program

• Gives focus to an energy program - help in doing your job

• First step towards establishing a strategic approach to energy management - makes energy management easier & more effective
Why An Energy Policy?

• Helps integrate energy efficiency into corporate culture - *all employees are part of your energy team*

• An important part of your commitment to continuous improvement - *demonstrates environmental leadership*
Key Elements of A Policy

- Objective
- Goal-oriented
- Commitment to Continuous Improvement
- Accountability
- Scope & Applicability
- Measures for Progress
- Update Mechanisms
- Training
- Endorsement by Management
ABC Inc. Corporate Energy Policy

**Objective:** ABC Inc. is committed to using and purchasing energy in the most efficient, cost effective, and environmentally responsible manner possible. Towards this end, ABC shall:

Improve energy efficiency continuously by establishing and implementing effective energy management programs worldwide that support all operations and customer satisfaction while providing a safe and comfortable work environment.

**Applicability:** This policy shall apply to all ABC Inc., facilities, business units, and employees.

**Approval:** M. G. Watt, CEO & Chairman of the Board
Optional add-on’s:

• Sets product development, process, and facility design objectives

• Set purchasing objectives – such as equipment (e.g. ENERGY STAR) or energy (e.g. Renewables)

• Assigns responsibilities and accountabilities for energy management

• Conduct, record and publish annual audits of energy use and the Program
Considerations

- Tailor to corporate culture
- Should be understandable to employees and public alike
- Must fit within the ability of management and employees
- Should be applicable to day-to-day operations.
Creating An Energy Policy

Key Steps:

– Developing the policy
– Policy Endorsement
– Review & Buy-in by Energy Team Members
– Using the policy
Mobil is committed to the efficient, cost-effective, and environmentally responsible use of energy throughout its worldwide operations. Mobil will promote the energy efficiency by implementing cost-effective programs that will maintain or improve the quality of the work environment, optimize service reliability, increase productivity, and enhance the safety of our workplace.
Developing the policy

• Collect and review policies from other companies
• Have Energy Manager develop draft
• Get feedback and buy-in from a few key people
Policy Endorsement

- Selling the policy is selling the energy management program
- Demonstrate how the policy is integral part of the program
- Stress the important public role of having a policy
- Show the energy policy supports the company goals
- Stress that an energy policy does *not* require sacrifice in safety & comfort
Review & Buy-in

- Have Energy Team Members review and contribute to policy language
- Create linkage with other departments and energy stakeholder
Using the policy

- Distribute & post widely
- Use in monthly reports
- Incorporate into newsletters, web sites, and other communications
- Let PR people know
- Tell investor relations
- Use as entrée to other business units
- Use to focus energy program
Applicability
This Policy applies to all the 3M U.S. and O.U.S. operations

Introduction
The objectives of this policy are to improve energy consumption efficiently, reduce cost, decrease capital investment, reduce environmental emissions and conserve natural resources.

Policy Statement
3M ensures the effective use of energy to produce and deliver products and services to its customers by implementing the strategies listed below.
3M Corporate Energy Policy

Strategies

• Improve energy efficiency continuously by establishing and implementing effective energy management programs worldwide that support manufacturing capabilities and customer satisfaction while providing a safe and comfortable work environment.

• Emphasize energy efficiency as a factor in product development and in process and facility design.

• Secure adequate and reliable energy supplies at the most advantageous rates and implement contingency plans to protect operations from energy supply interruptions.

• Encourage continuous energy conservation by employees in their work and personal activities.

• Support further development of internal and external energy efficient technologies.

• Cooperate with governmental agencies and utility companies on energy problems.

• Support national energy efficiently policies.
Questions
Discussion

- Hurdles to establishing policy
- Door-openers for establishing a policy
- Policy vs. Mission Statement
- Separate Energy & EH&S Policies?
- Energy efficiency vs. conservation
- Voluntary or edict
Thank you for participating!