



# Creating an Effective Assessment Implementation Strategy

ENERGY STAR Monthly Partner Meeting

Call in number: 866 299 3188

Conference Code: 202 343 9965#



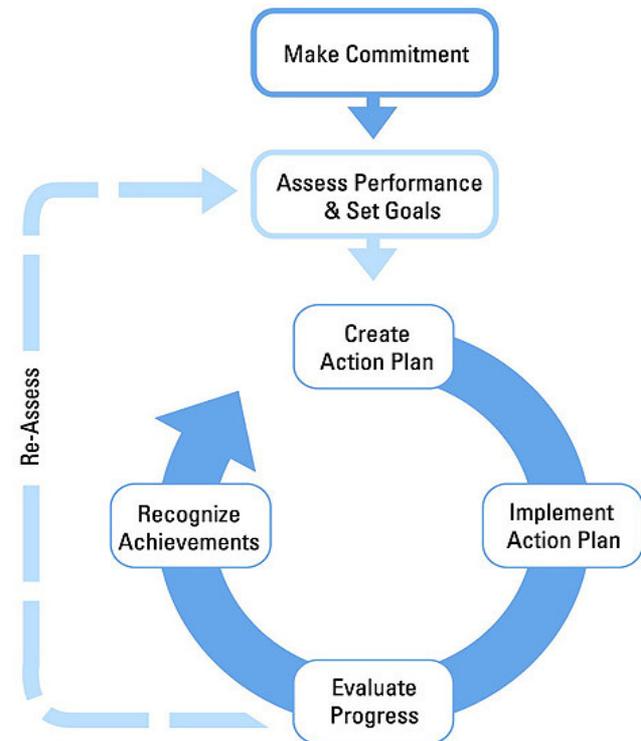
Learn more at [energystar.gov](https://energystar.gov)

# Partner Web Conferences



- Held monthly
- Address energy management topics
- Forum for ENERGY STAR partners to share best practices
- You are strongly encouraged to ask questions and add comments!
- Slides will be sent out after the web conference
- All phones will be muted – use # 6 to un-mute / \* 6 re-mute

## ENERGY STAR Guidelines for Energy Management



# Implementation Strategies



- Is your energy assessment reaching its full potential?



# Today's Web Conference

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- Fred Schoeneborn – ENERGY STAR  
Strategic Energy Advisor & President FCS  
Consulting

# Creating an Effective Assessment *Implementation* Strategy

An **ENERGY STAR**® Energy Management  
Networking Web Conference

January 26, 2011



# Fred Schoeneborn, CEM

- President, FCS Consulting Services, Inc.
- ENERGY STAR Account Manager since 2000, advising hundreds of companies on strategic energy management programs
- 38-year career with Mobil
- Created and managed Global Energy Program
- Managed hundreds of energy assessments
- Consultant with many Fortune 100 Companies
- Recognized by ACEEE in 2005 as a “Champion of Energy Efficiency”

# Assessment is Done - Now What?

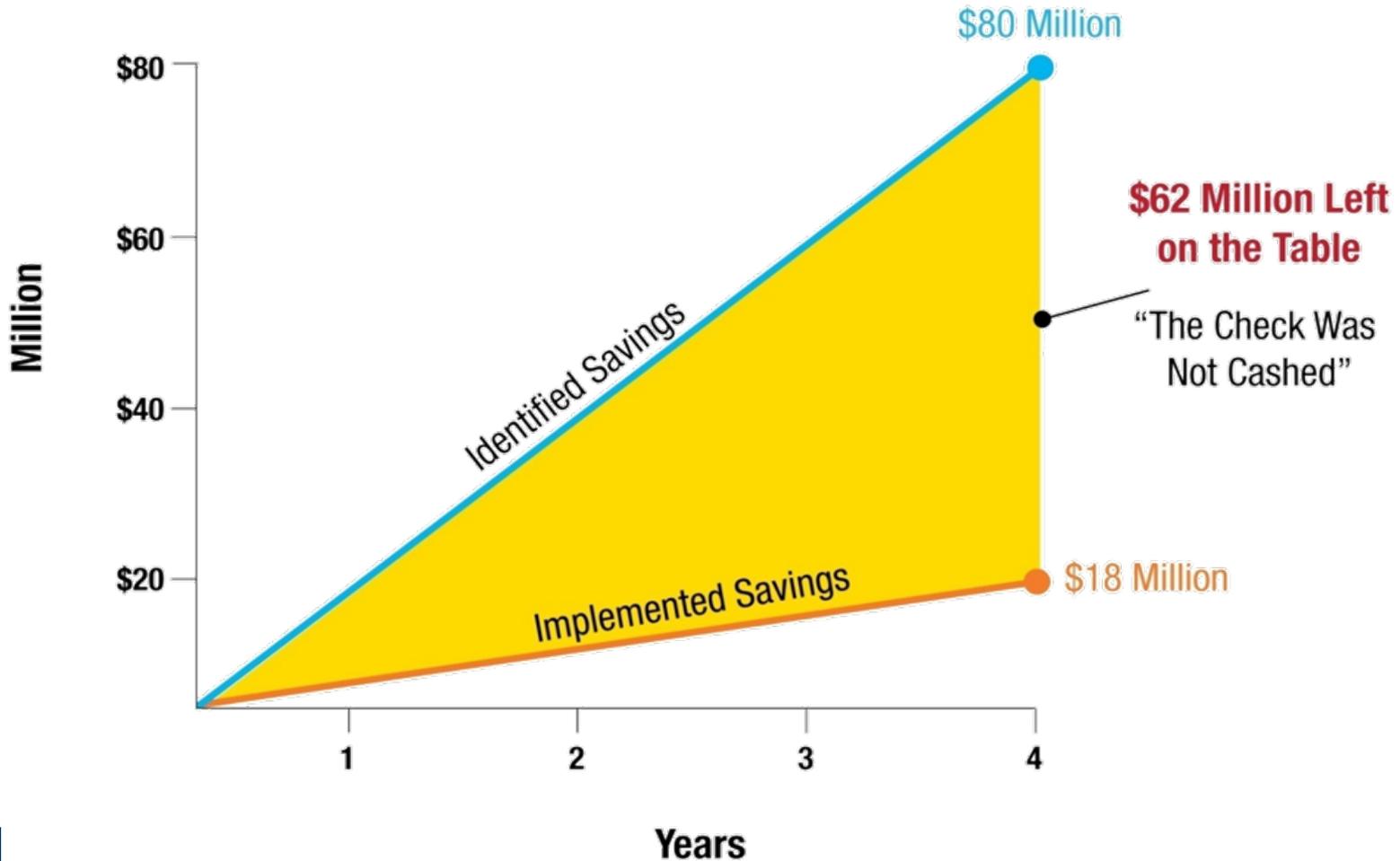
*You identified great opportunities...  
Life is Good !*



# How a Plant Manager Sees It

- Can't spend **potential** savings
- Assessment has **cost** time and effort
- Hold assessment host **accountable**
- Turn potential savings into **real savings**
- Corporate could “**seize**” the money identified

# Implementation Career Trap



# Implementation Strategy

- Review results with management – get **buy-in**
- **Accept** findings/recommendations/estimates
- **Announce** acceptance of findings formally
- **Praise** the plant participants
- Show the “**prize**”
- Assign and publicize **accountability**
- **Educate** the staff to facilitate implementation
- Celebrate identified **best practices**
- Use easy tracking and reporting **tools**

# Calculating the PRIZE

To get senior management's attention, you should identify the “**PRIZE.**”

- This will answer the question “What's in it for Me?” (WII-FM: management's favorite radio station)
- The following describes a method to identify the “**PRIZE.**” Use the space in the appropriate box to plug in the values for your company and calculate your “**PRIZE.**”

# Calculating the PRIZE

STEPS:	EXAMPLE:
1. Determine the <b>annual energy expense</b>	Assume energy expenses total \$100,000,000 per year
2. Set a long term energy expense <b>reduction goal</b>	3% per year usage reduction for 5 years means usage will be 15% lower in Year 5 than if there was no program
3. Multiply the annual expense by the cumulative goal to get the <b>\$ savings</b> in the last year	$\$100,000,000 * 15\% = \$15,000,000$
4. Determine the company's <b>annual revenue</b> or sales \$	Assume \$5,000,000,000.
5. Determine the company's <b>net profit</b>	Assume \$250,000,000
6. Determine the company's <b>margin</b> on sales \$ by dividing the profit (Step 5) by the revenue (Step 4)	$\$250,000,000 / \$5,000,000,000 = 5\%$
7. Divide the savings (Step 3) by the margin (Step 6) to identify <b>equivalent sales \$</b> required to provide the same impact on the “bottom line”	$\$15,000,000 / 5\% = \$300,000,000$
<b>OPTIONAL (Equivalent Units of Sale)</b>	
8. Determine <b>price per unit</b>	Assume \$0.50 per unit
9. Divide equivalent sales \$ (Step 7) by unit price (Step 8) to identify <b>equivalent unit sales</b>	$\$300,000,000 / \$0.50 = 600,000,000$ units

# Implementation Tactics

- Focus on “**big ticket**” items for impact
- Keep **score**
- Report progress to plant management at weekly plant operating **meetings**
- Consider these four **real world tools**

# Assessment Project Implementation Scorecard

Key:

ON TIME

GRACE  
PERIOD  
(DAYS)

10

LATE

STATUS

Project Description	Subtask	Project Manager	STATUS			
			Initial Assessment Due/ Completed	Project Submitted Due/ Completed	Project Implemented Due/ Completed	Project Follow-Up and Verification Due/Completed
Steam System Repair		Joe Blow	9/1/2009	10/1/2009	12/31/2009	1/31/2009
			9/12/2009	10/3/2009	10/4/2009	10/5/2009
			10/6/2009	10/3/2009	10/4/2009	10/5/2009
			10/10/2009	10/14/2009	10/12/2009	10/13/2009
			10/10/2009			
			10/10/2009	10/11/2009	10/12/2009	10/13/2009
			10/10/2009	10/11/2009	10/12/2009	10/13/2009

# Project Tracking Spreadsheet

ProjectTrackingSpreadsheet12-09 [Compatibility Mode] - Microsoft Excel

Home Insert Page Layout Formulas Data Review View Add-Ins Acrobat

Cut Copy Paste Format Painter Clipboard

Arial 10 Bold Italic Underline Font

Wrap Text Merge & Center Alignment

General Number Conditional Formatting Styles

F2 Compressed Air

	A	B	C	D	E	F	G	H	I	J	K	L	M
	Plant	Division	Business	Project Description	Owner	Technology	Annual Savings Estimate	Cost to Implement Estimate	Implementation Status	Funding Status	Project Origination	Electricity Savings (kWh)	Natural Gas Savings (MM Btu)
1													
2	St. Louis	Glass	Automotive	Reduce pressure	Paul Owner	Compressed Air	\$10,000	\$5,000	Planned	No Funding Needed	Plant Audit		
3						Boilers			Identified	Not Ready for Funding			
4						Chillers			Being Evaluated	Funding Requested			
5						Compressed Air			Planned	Funding Approved			
6						HVAC			Implemented	Funding Denied			
7						Lighting			On-hold	No Funding Needed			
8						Process			Dropped				
9						Other							
10													
11													
12													
13													
14													
15													
16													
17													
18													
28													
38													
39													

Sheet2 Sheet1

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# Implementation Checklist

- Stress **importance** of focusing on implementation not identification.
- Obtain management “**buy-in**” before concluding the assessment.
- Have Site Energy Leaders (SEL) schedule status **review meetings** with management.
- Announce acceptance of findings **formally**.
- Praise** the plant participants.
- Publicize **best practices** found.
- Assign **accountability** for each recommendation.
- Lead discussions with “**benefits**” not features.

# Implementation Checklist (cont.)

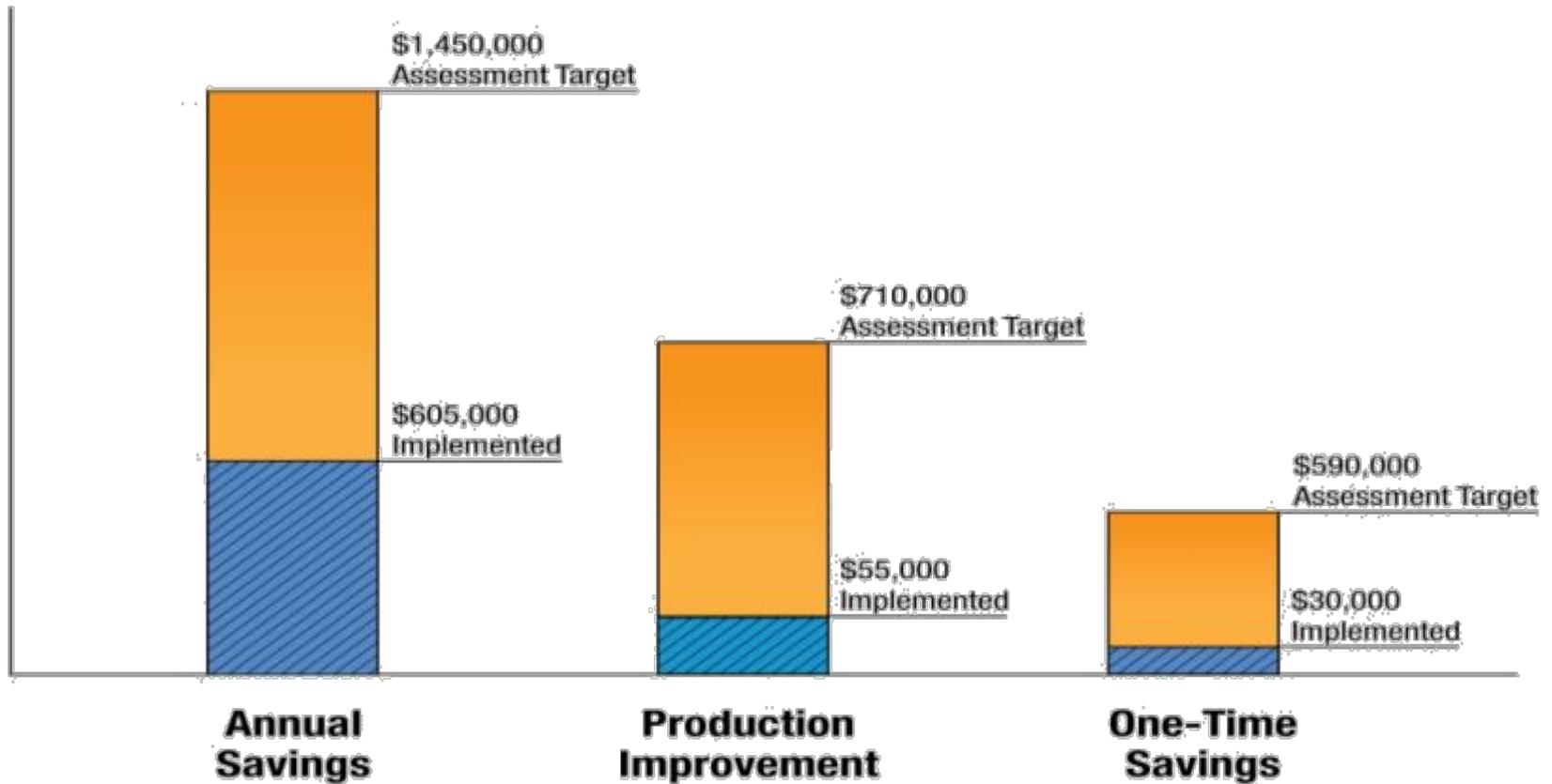
- Talk **\$\$\$** not Btu or kWh.
- Have SELs get a “**seat at the table**” (at budget meetings).
- Identify the “**Prize**” (WII FM – What’s in it for me?).
- Facilitate developing an “**elevator speech**” – brief interest grabber.
- Give priority to “**big ticket**” items that are easy to explain.
- Assign **owners** for each project and publicize this information.
- State planned **completion dates**.

# Implementation Checklist (cont.)

- Review **funding** options, rebates, incentives, and potential assistance.
- Discuss project **tracking** mechanisms.
- Consider **scorecard** approaches like the “thermometer”.
- Plan **recognition** for accomplishments.
- Share **100% Completion Award** template.
- Encourage identifying **PR** resources and communication opportunities.
- Educate** SELs about implementation issues.
- Share a copy of the **checklist**.

# Assessment Thermometer

## ASSESSMENT IMPLEMENTATION RESULTS



# Thank You



***Fred Schoeneborn***

***ENERGY STAR Account Manager***

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- Questions?

# Link to referenced tools

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- [http://www.4shared.com/dir/HYP--IS-/Assessment\\_Implementation\\_Tool.html](http://www.4shared.com/dir/HYP--IS-/Assessment_Implementation_Tool.html).

# Upcoming Web Conferences



Month	Topic
February	ENERGY STAR Update
March	Enterprise Energy Tracking Systems
April	Award Winning Energy Management Programs
May	Federal SmartGRID Initiatives & Updates
June	Cool Energy Savings

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- Thank You!