

Data and Expertise Drive Savings

Energy Management Initiative Reduces Costs and Consumption

In today's competitive landscape, companies have an increasingly complex list of demands. Often, these business issues take precedence over day-to-day operations—leading many companies to rely on the expertise of specialized firms to manage resource-intensive components. Such was the case with a client of Newmark Grubb Knight Frank (NGKF), a global commercial real estate services firm.

In 2009, NGKF's client launched a corporate procurement initiative to integrate energy management into their real estate management services across the country. Having worked with NGKF at a regional level since 1999, the client now looked to them for a solution that could integrate these services and extend them across their portfolio. NGKF had the ability to align their regional portfolio management into a national account platform, but needed a partner with expertise in both energy management and capturing/reporting on nationally distributed facilities. That's when they reached out to ENGIE Insight.

NGKF knew the key to their client's success was accurately measuring and communicating the initiative's effectiveness. ENGIE Insight's energy and data management services provided the necessary detail to meet this objective. NGKF Vice President and National Account Executive Tara Molnar worked closely with ENGIE Insight and their client to create a strategic energy plan to execute across the entire national account portfolio. "As a group we were able to consolidate the various data sets and metrics taken from the individual property perspective and integrate them into a national platform," explained Tara Molnar. "This data was evaluated from a regional and national perspective for an in-depth analysis of the energy spend, where we were really able to find savings." Within the first year, the initiative drove a substantial reduction in both energy and cost through operational efficiency initiatives, rate analysis, contract negotiation and retrofits.

ENGIE Insight partnered with NGKF and their client on data collection, organization, validation, auditing and payment. Through these initial first steps, the client realized immediate cost savings and a drastic reduction in wasteful utility spending. ENGIE Insight's expertise ensured that the client paid only for what they used, not what they were charged, by resolving billing discrepancies on their behalf. Additional savings were realized through the elimination of late fees and reduction or elimination of utility deposits. Since 2009, the client has paid no late charges. The data captured by ENGIE Insight established a critical foundation for the client's overall energy management program, positioning them for long-term, sustainable success.

ENGIE Insight tracks and monitors energy cost and consumption data at the site level, which NGKF's property management team can access and use to build reports and review savings opportunities. This energy data serves as a critical communication tool when discussing the client's energy portfolio; its accuracy has been validated by external year-end environmental audits.



At a Glance

Results:

The initiative developed by NGKF and ENGIE Insight provided the critical visibility needed to lower their client's **energy consumption and costs**.

The client realized **immediate cost savings** through a drastically reduced utility spend, yielding **\$295,700** in annual cost avoidance.

NGKF's client has also **reduced consumption** by 2-8 percent across their portfolio.



CASE STUDY

Having one central energy database enabled the development of a strategic energy plan for NGKF's client. Supply opportunities were identified and worked through within the regulated and deregulated markets. In the regulated market, rate schedules were analyzed on an annual basis to ensure an optimal rate schedule for each site. The client has subsequently achieved rate tariff changes resulting in immediate cost savings by moving accounts to optimal utility rates. One rate change even led to a full-year retroactive utility refund.

In the deregulated market, ENGIE Insight helped interpret the client's energy contracts and worked with NGKF to assemble RFP packages and evaluate cost-saving opportunities based on budget. New contracts negotiated and implemented through this initiative have generated approximately \$295,700 in annual cost avoidance for the client.

While the cost savings alone have been significant, the client has also reduced energy use—a vital part of their corporate responsibility strategy, which prioritizes the greening of sites. The NGKF facility management team used ENGIE Insight's online reporting tool to review consumption data, benchmark property by property, view normalized data, evaluate outliers in terms of consumption and identify laggards. Site-by-site energy profiles identified facilities that were using energy inefficiently, leading NGKF to establish an energy conservation program for their client.

This program drove savings through no- and low-cost projects, supported by new employee education program. Adjusting HVAC systems according to operating hours and installing occupancy sensors at many sites further increased efficiency, while lighting audits and CFL retrofits accounted for a reported \$8,000 in annual savings at one site alone. Overall, NGKF's client has reduced consumption by 2-8 percent across their entire portfolio.

The powerful partnership between NGKF and ENGIE Insight has far exceeded the client's initial focus on localized consumption metrics and spend. A data-driven energy management approach, integrated fully into national facility management, has helped the client's bottom line while positioning them for long-term savings. Today, the client has found their single source for facility and energy management and NGKF has deepened their capabilities by teaming up with ENGIE Insight.



See More

Gain broad visibility and precise insight into inefficiencies, with truth in data. We work with our clients to analyze resource use, target risks and inefficiencies with pinpoint accuracy, and model and measure past, real-time and future impacts.



Save More

Lower expenses and increase return on capital investments, with truth in results. Make better use of your capital, equipment, facilities and people by managing demand and lowering costs across more categories. Fund and extend efficiency programs to more sites and clients.



Sustain More

Build lasting advantages for the bottom line and environment, with truth in partnership. Change behavior among employees, clients and communities to manage and reduce carbon footprints. In turn, build a positive brand reputation, political capital and business value.

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