

EAP – Create a Corporate Energy Management Function

Action Plan Lead: A C-Level Officer

Implementation Timing:

Next 90 days

Stakeholders: Business Centers & Operations

Organizational Driver:

Structure & Talent

Overview

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| Description | Design and implement an energy management organization focused on strategically managing energy through energy consumption and spend reduction, allocation of energy-related capital, and oversight of energy measurement and verification. Lay out specific roles and responsibilities at different levels of the organization (i.e., corporate, BU, property), and define and enforce decision-making hierarchy. | | |
| Where to Apply | Enterprise | Key Steps | <ul style="list-style-type: none"> ▪ Develop detailed org structure aligned with responsibilities matrix ▪ Create job descriptions for Energy Management function ▪ Communicate changes to key executive leadership and establish clear and responsibilities ▪ Reallocate staff and leadership as necessary |
| Lead Function | C-Level Officer | | |
| Supporting Functions | <ul style="list-style-type: none"> ▪ Energy ▪ Engineering & Design ▪ All Business Units | | |

Benefits

Costs & Complexity

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| <p>Quantitative:</p> <ul style="list-style-type: none"> ▪ Determine Budget according to scope and size of company & mission | <p>Costs: MEDIUM</p> <ul style="list-style-type: none"> ▪ Retraining and repurposing of employees that currently perform certain functions within SBUs': determine if additional FTEs are needed |
| <p>Qualitative:</p> <ul style="list-style-type: none"> ▪ Supports virtually all other Action Plans ▪ Oversight supports consistency and coordination across the organization; a single mission, vision, objective, and strategy as it relates to energy management allows Company to capitalize on energy management investments ▪ Ensures that initiatives are evaluated against standard investment thresholds across the organization and only the prioritized initiatives are funded and implemented | <p>Complexity: HIGH</p> <ul style="list-style-type: none"> ▪ Energy is currently managed at the business unit level with minimal overall coordination ; moving to a consolidated model for certain activities can be perceived as a major change culturally ▪ Roles and responsibilities may change, requiring significant change management and training |

Implementation & Change Considerations

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| <ul style="list-style-type: none"> ▪ Reporting lines and structure will be a significant change, some dotted line reporting may be required. ▪ Energy management organization must be given adequate authority (potentially through standing of its Executive Sponsor) without adding complexity or bureaucracy, with over sight provided by other company leaders to ensure that their mission is aligned with the overall company plan. ▪ Based on approval requirements, funding and implementation of energy projects could be perceived as taking additional time, but could result in better allocation of time and capital |
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