GLOBAL SUPERIOR ENERGY PERFORMANCE



Energy Management Systems: A More Comprehensive Approach to Energy Efficiency

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Global Superior Energy Performance PROJECT-BASED APPROACH TO ENERGY EFFICIENCY

Project - based approach focuses more on investments in new, more efficient technologies.

Technological Change

Key challenges with this approach:

- <u>Investments in projects are cyclical</u>, depending on a number of internal and external factors (i.e., energy prices, cost of capital, regulatory environment, etc.)
- <u>Energy saving of projects are often</u> <u>not sustained</u> due to lack of sound operational practices

The result is that over time energy performance fluctuates and efficiency potential goes unrealized!



Energy & Cost Savings (over time)



A MORE COMPREHENSIVE APPROACH TO ENERGY EFFICIENCY IS NEEDED

Organizations that target behavioral and organizational barriers, as well as technological, can achieve <u>continual improvement in energy performance</u>.





THE PDCA MODEL FOR ACHIEVING CONTINUAL IMPROVEMENT



Time

- Based on the scientific method Hypothesis, experiment, evaluate
- Used as a foundation for best practices widely used in business LEAN, Six Sigma
- Applied to a range of organizational objectives including quality, environmental, etc.



Global Superior Energy Performance PDCA FOR ENERGY - ENERGY MANAGEMENT SYSTEMS (EnMS)

Plan

- Loarn onorgy	DO		
management basics		Chack	
 Understand and communication benefits 	- Assure resources are allocated for action plan		
 Secure senior leadership commitment 	- Address training and communication needs		
- Establish an energy policy	- Execute action plan	 Monitor and analyze performance metrics 	 Management reviews progress of EnMS
 Establish an energy team Conducts an energy 	- Establish operational control over actions taken	- Compare actual vs. anticipated results of	- Management reviews energy performance
review - Identify energy		action plans – internal audits	- Take actions to sustain
performance improvements		preventive action	gains - Recognize successes
 Establish an energy baseline and goals 		1	and communicate results
- Design an action plan			



ENERGY MANAGEMENT SYSTEMS: A FOCUS ON COMMUNICATION AND CAPACITY BUILDING



Keys to success - Communication, engagement and training of key personnel.

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GLOBAL BEST PRACTICE: ISO 50001 INTERNATIONAL ENERGY MANAGEMENT SYSTEM STANDARD

Published: June 15, 2011

- Uses the Plan-Do-Check-Act framework for continual improvement
- Provides the requirements for energy management systems
- Applicable to any organization that uses energy.

Global Best Practice

- Over 50 countries currently involved in standard making process – many countries adopting ISO 50001 as national standard
- The standard offers the opportunity for increasing consistency and success in energy management system implementation



International
Organization for
Standardization

Win the energy challenge with ISO 500	01
 ISO 50001 erry magement	ISO

7,100 certified <u>sites worldwide</u> as of May 2014



UPTAKE OF COMPREHENSIVE ENERGY MANAGEMENT PRACTICES

Evidence has shown that organizations implementing EnMS have <u>saved around to 10-30%</u> of their total energy use, with most savings coming from <u>no- to low cost operational improvements</u>.

There is increasing recognition of the value that energy management and energy management systems can bring to an organization. <u>All types of organizations</u> from different parts of the world have implemented energy management systems:

- Industrial facilities
- Commercial buildings
- Water/wastewater facilities
- Hospital/university campuses
- Transport sector
- Power generation and distribution
- Cities
- **Etc.**



CITY ENERGY EFFICIENCY EFFORTS ARE CRITICAL

Cities occupy just 2% of the Earth's land, but account for **60-80%** of energy consumption and **75%** of carbon emissions.

- EE efforts in cities are <u>necessary</u> to:
 - Contribute to global energy and climate change mitigation goals
 - Deliver significant energy and non-energy benefits such as improved the provision of city services.
- Municipal governments often control significant city energy uses
- City policies and programs can also promote energy efficiency in the private sector and residential sectors.

Significant Sources of Energy Use in Cities Under Direct Control of Municipal Governments

- ☑ Municipally-owned buildings
- ☑ Power distribution systems
- ☑ Public transportation
- Water/wastewater treatment facilities
- ✓ Public lighting systems



Global Superior Energy Performance ENERGY MANAGEMENT SYSTEMS FOR CITIES

How can an Energy Management Systems be integrated into city operations?

- Standalone EnMS
- Integrate in city master plan or economic development plan
- Strategy for achieving broader climate action or sustainability goals/plans
- Should be integrated into budget planning cycle
- Should complement existing policies and activities to facilitate coordination and leverage resources

New to energy management?

- **EnMS allows significant flexibility**
 - Cities can define the EnMS scope based on their energy management experience - start small and then expand scope!





CASE STUDY: ENERGY FOR MAYORS



- **Description:** Europe-based organization that supported work of 8 municipalities in 5 countries (Italy, Bulgaria, Greece, Poland and Spain) to implement an EnMS compliant with ISO 50001
- **Goal:** Evaluate how ISO 50001 could help European cities meet commitments to reduce GHG emissions by at least 20%, as outlined through adopted Sustainable Energy Action Plans (SEAP)

• **Conclusion:** *ISO 50001 is the best tool for reaching sustainability goals*

 EnMS enabled the municipalities to define realistic actions and obtain highly reliable energy data, and created processes for evaluating and improving actions giving them more confidence in the impact of SEAP implementation

http://www.energyformayors.eu/en/project-results



INTERNATIONAL COLLABORATION TO PROMOTE ENERGY MANAGEMENT SYSTEMS

The Global Superior Energy Performance Partnership (GSEP) leverages the extensive expertise of its 11 member countries to **accelerate the adoption and use of <u>energy management systems such as ISO 50001.</u>**

- <u>Membership</u>: Government representatives from ministries leading domestic energy efficiency efforts in the public, commercial and industrial sectors.
- <u>Partners</u>: GSEP also partners with a range of other organizations promoting energy efficiency and energy management (i.e., UNIDO, International Organization for Standardization, Institute for Industrial Productivity, etc).





CURRENT GSEP WORK



www.cleanenergyministerial.org/energymanagement



INTERNATIONAL PARTNERSHIP FOR ENERGY EFFICIENCY COOPERATION (IPEEC)

IPEEC is an international government forum that provides global leadership on energy efficiency by facilitating implementation of policies and programs to yield energy efficient gains.

IPEEC is dedicated to facilitating rapid deployment of energy efficiency worldwide and promoting information exchange on best practices to facilitate initiatives that improve energy efficiency.





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CLEAN ENERGY MINISTERIAL (CEM)

The Clean Energy Ministerial (CEM) is a high-level global government forum focused on accelerating the transition *to a global clean energy economy*.

>90% of Global Clean Energy Investment > 80% of Global GHG Emissions

The CEM is focused on three global climate and energy policy goals:

- Improve energy efficiency worldwide
- Enhance clean energy supply
- Expand clean energy access





THANK YOU!

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Main site: <u>www.cleanenergyministerial.org/energymanagement</u> Additional information: <u>www.ipeec.org/GSEP</u>



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