

Waypoint Building Group: Utility Connect

ACEEE Market Transformation Symposium, March 2016



Agenda

- Barriers to Utilities Reaching the Commercial Real Estate Market
- Solution: Waypoint's Utility Connect Program
- The Process behind the Utility Connect Program
- Results to Date
- Case Study: 201 Spear

Market Barriers to Utility & CRE Engagement

The CRE industry is a highly complex environment marked by multiple stakeholders with conflicting incentives, complex investment cycles and priorities, and multiple decision makers

Market Barrier	Utility Challenge
Split-Incentive	Costs and benefits of an energy efficiency improvement are misaligned between owners and tenants, causing one or both parties to reject EE projects
Lack of Customer Access	Bill-paying customer of record may not align with the decision-making authority for EE improvements in the space, and underlying tenants are invisible to the utility
Difficulty Meeting Commercial Real Estate Project Timing	Property life cycles and budget cycles are structured and immovable – if a project is recommended after a capital planning cycle has ended or a TI improvement is completed the utility must wait a year for it to be considered
Difficulty Identifying Project Opportunities	Property managers do not know which EE projects are best for their space and with such a long list of utility incentives, they struggle with too many options

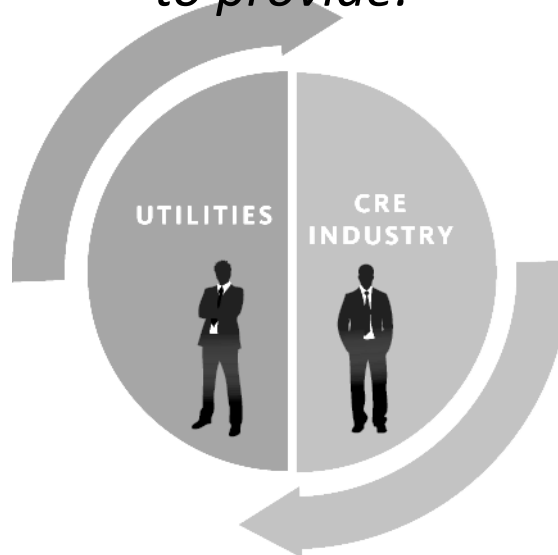
Solution: Waypoint's Utility Connect Program

Waypoint's Connect Program channels utility program resources to a key segment of the Commercial Real Estate industry that has traditionally been difficult to engage in EE programs due to the split incentive barrier

*The Connect Program works directly within the Commercial Real Estate (CRE) industry to identify and engage the **right decision makers**, with the **right programs**, at the **right time**, in coordination with Utility Account Execs to provide:*

Utility Key Benefits

- Deeper Customer Relationships
- More Effective CRE Industry Channels
- Increased Market Penetration and Adoption

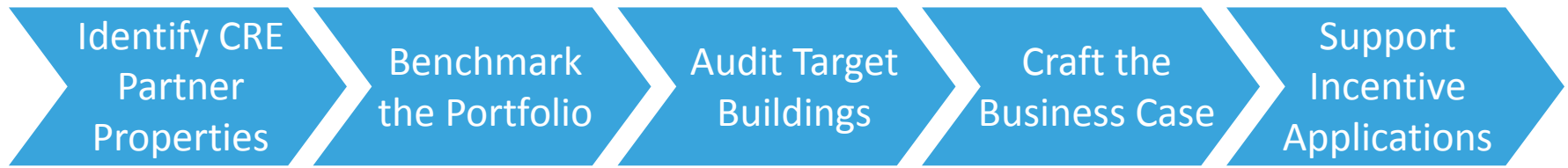


CRE Key Benefits

- Relevant and Timely Information
- Streamlined Implementation Processes
- Ongoing Efficiency Support

Process Behind the Utility Connect Program

A portfolio approach with a long-term timeline to establish CRE and Utility relationships and result in win-win situation for CRE and Utility stakeholders



CRE Engagement Process:

- Work with leading CRE firms to provide early insight into buildings at critical timing junctures to make building energy improvements
- Leverage multiple staff throughout the property management chain to engage owners

Resulting Utility Innovations:

- Improve utility program performance through staff education and development
- Establish long term customer relationships
- Improve customer experience through innovative engagement strategy
- Develop pipeline of future projects for capture by utility programs
- Increase program effectiveness by generating customer applications

Connect Program Results to Date

By the end of 2015, the Connect program had:

- 241 buildings benchmarked & 41.0M sqft
- 54 buildings audited & 10.2 million sqft
- 271 identified measures
- 17.9 million total annual kWh, 70,200 therms savings, \$1,930,000 incentive dollars identified
- 16 incentive applications submitted, resulting in 4.9 million total annual kWh, 8600 therms savings submitted, \$133,000 incentive dollars (estimated)

“The technical support and energy audit were both very helpful in identifying areas where efficiency could be easily increased and rebates would help offset project costs.”

Customer Satisfaction Survey Quotes from San Francisco Property Managers

“This is an excellent way for our property teams to get qualified assistance with not only identifying energy saving opportunities but with the implementation process as well. Keep up the excellent work.”



Case Study: 201 Spear

- 201 Spear St is a 252,591 sqft, Class A LEED Gold office tower built in 1984 and located in San Francisco, managed by Cushman & Wakefield.
- C&W developed a successful business case for ownership to achieve:
 - Over \$47,000 annual energy cost savings
 - Estimated 293,000 kWh annual electricity savings
 - Up to \$34,000 PG&E rebates



"The wealth of information and in-depth report that is provided by Waypoint is a very useful tool for identifying energy efficiencies and cost-saving projects. Clear, concise information was always presented along with great input, expertise and knowledge of energy efficiencies. I look forward to continuing to work with Waypoint to track the project's progress and continue to identify opportunities over time."

**Jill Vivanco,
201 Spear
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