

OCCUPANCY-  
BASED  
STRATEGIC  
ENERGY  
MANAGEMENT  
(OB SEM)





# AGENDA

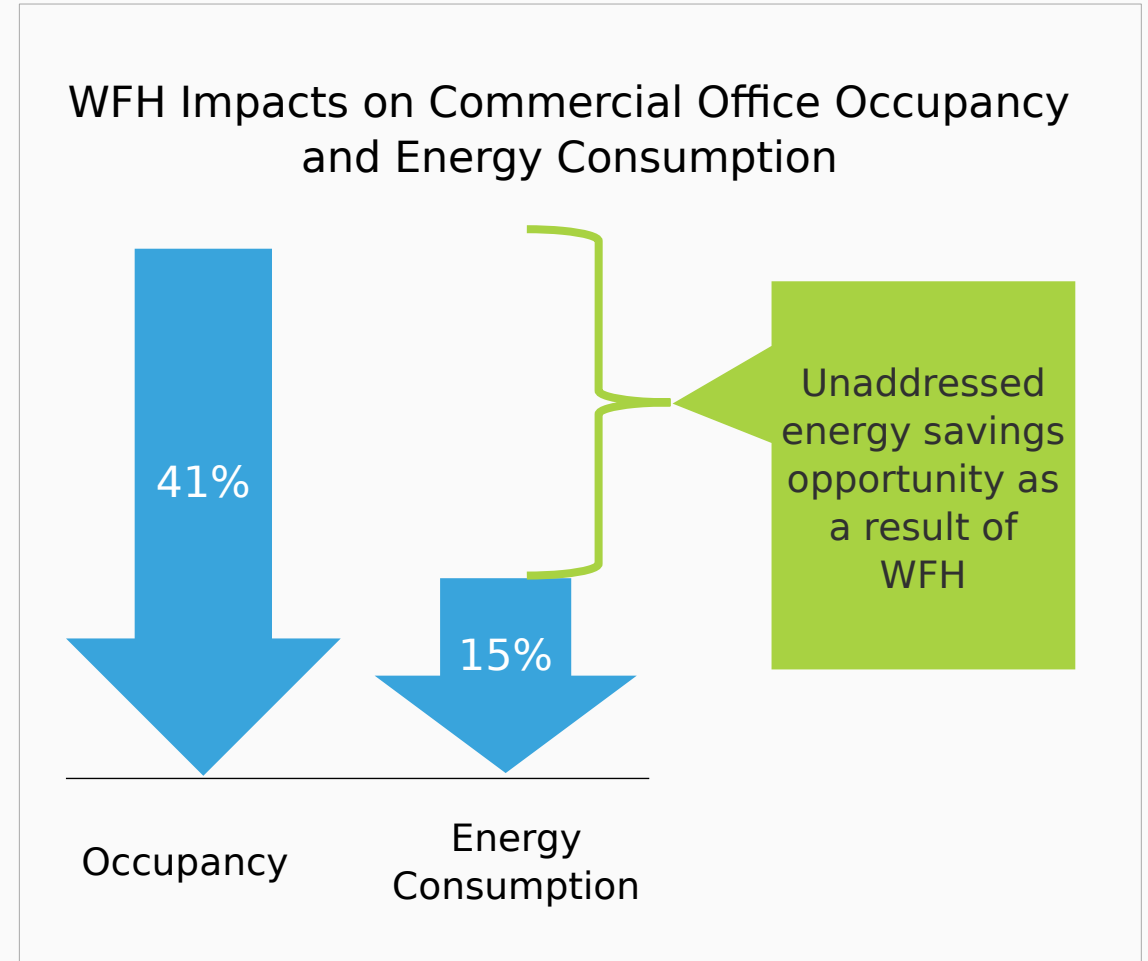
1. Customer Problem & Solution
2. OB SEM Overview
3. Key Program Elements & Outcomes
4. Case Studies
5. Summary



# THE CUSTOMER PROBLEM

## Current State of CRE Offices

- Occupancy and Energy Usage Disconnect
  - Office occupancy is down **41%**
  - Office energy usage down **15%**
- Hybrid Work is now Permanent
  - **3/2 In Office/Remote** is the dominant WFH policy
- Customers are struggling with how to address this





# SOLUTION

## Occupancy Based Strategic Energy Management (OB SEM)

- OB SEM is designed specifically to address **occupancy shifts** in commercial buildings while utilizing CRE levers and SEM advantages to drive outsized success
- OB SEM builds off the Strategic Energy Management (SEM) framework laid out in DOE ISO 50001 and adds the following components:
  - Leverage CRE Portfolios
  - Address Office Occupancy/Vacancy
  - Evaluate CRE Levers
  - Include CapEx Measures



# OB SEM OVERVIEW

Start

1  
Customer  
Targeting &  
Enrollment



2  
Portfolio  
Energy  
Benchmarking



3  
Occupancy &  
Vacancy  
Assessment



4  
CRE Lever  
Analysis



5  
Building  
Energy  
Assessment



*Repeat  
Annually*

8  
Reporting



7  
Leverage  
incentives  
and  
implement  
energy  
projects



6  
Energy  
Coaching  
Modules



OB SEM differentiators



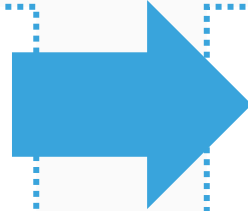
# KEY PROGRAM ELEMENT & OUTCOME



## Key Program Element:

### **Leverage CRE Portfolios**

- Target Commercial Real Estate portfolio owners/managers
- Develop long-term relationships with customers through year one wins which allows for expansion across the portfolio in subsequent years



## Outcome:

- Increased customer participation = greater energy savings
  - Top-down engagement
  - Single-entity decision making
  - Economies of scale for outreach
- Long term engagement via relationships = Portfolio Expansion over time

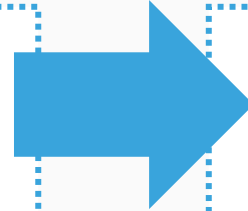


# KEY PROGRAM ELEMENT & OUTCOME



Key Program  
Element:  
**Address Occupancy &  
Vacancy**

- Conduct occupancy & vacancy assessment at onset of customer engagement



Outcome:

- Occupancy and vacancy focus are *critical hooks for enrollment*
  - Customers know this is a problem, but don't have tools to address it
- Addressing occupancy & vacancy = increased energy savings
  - Past programs *found 55% - 60% of savings are from Operational measures*

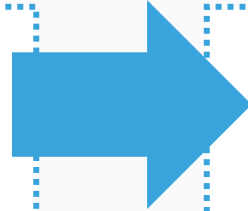


# KEY PROGRAM ELEMENT & OUTCOME



Key Program  
Element:  
**Evaluate CRE Levers**

- Acquisition Date
- Hold Period
- Lease Expiration
- Lease Structure
- Refinancing Targets
- Corporate Sustainability Targets



Outcome:

- Increased project conversion rate by 20-25%
- Incorporate projects into capital budgets cycle
- Build long-term energy savings pipeline



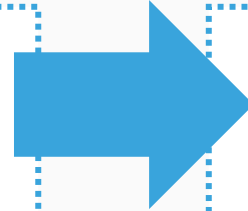


# KEY PROGRAM ELEMENT & OUTCOME



Key Program  
Element:  
**Include CapEx Measures**

- Energy Assessments include operational & CapEx measures
- Energy Assessments are CRE-focused
  - Include NOI & Asset Value



Outcome:

- Energy savings significantly greater than traditional SEM approach
  - Past programs found 40-45% of savings are from CapEx measures
- Customers realize greater savings per engagement with utility



# CASE STUDY - OCCUPANCY OPPORTUNITY

**4 story office building totaling 85,934 ft<sup>2</sup>**

- **OB SEM Opportunity:**
  - All zones kept at 72F (heat/cool) during the day
  - 42 individual heat pumps + BMS
  - Building occupancy:
    - M - Th is 70% occupied. Friday is quiet
  - Occupancy EEMs Identified
    - Temp setbacks - 34,000 kWh
    - Occupancy Sensors - 7,206 kWh



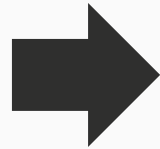
*“We are able to control the different zones better, but it’s easier to run everything at 72 degrees than to run around with hot/cold complaints. It’s tough to know who is in their offices and when. So your occupancy survey will be really helpful to get to know the ins and outs of the tenants to fine tune the different zones.”*

-Joshua, Facilities Coordinator



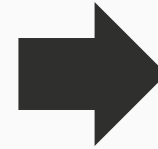
# SUMMARY

- Build lasting relationships with portfolios of customers
- Focus on occupancy & vacancy pain points
- Provide CRE-centric business cases & support
- Address whole building systems
- Educate & empower customers



## OB SEM

*Real  
solution*  
that  
addresses  
a *real*  
*customer*  
*problem*



- 20-25% greater customer participation
- 40-45% greater energy savings
- Builds pipeline for utility's prescriptive programs
- Scalable
- Cost-effective



# THANK YOU!

Thank you for coming!



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