

Producing The Business Case For Energy Efficiency



The Business Case

Being able to identify potential energy saving opportunities is only the first step in achieving actual savings. Being able to get the recommended measure installed can be a far more difficult task. In order to stand the best chance of proceeding, a sound business case should be produced.

The business case should include:

- Realistic savings and the likelihood of achieving the stated savings.
- Internal return on investment is a key figure - If we invest in this how quickly will it pay back?
- The projected long term costs if the measure is not installed.
- Potential for publicity or dissemination of the project to staff and clients.
- Additional Benefits - effects on maintenance costs or life of equipment, reduced noise, better comfort.
- Carbon savings and Environmental impact are usually not on the finance directors agenda, but these can be pointed out if it is known to be a genuine interest/policy of the business.

Being Open

It is important to be open and honest about a proposal:

- Identify and assess risk factors
- Identify other options, but make a clear recommendation on which is best and why.
- Don't ramble on or hide behind unexplained technical jargon.
- State installation costs
- Will there be any disruption to the business during installation - How can this be minimised?

If you are interested in energy efficiency improvement measures then take a look at the installer or supplier section of the Link to Energy website:

www.linktoenergy.org.uk