



Sizing the cost of keeping your head in the sand

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There are obvious and hidden costs of not acting on energy efficiency projects. Investing in new efficiency technology can be laborious and costly. Often the excuses to wait seem loud and clear; something new on the horizon such as relocation, a merger, or waiting for the perfect time.

When there is a "drain" on efficiency there is a drain on financial performance. It's like a slow leak, if it still works...the fact is the water is going down the drain, and you are not maximizing the use of your assets.

Simply preserving what you have is not acceptable when you are losing the competitive advantage, and shortening your string to survive during leaner times. Businesses often are neglecting to take advantage of ConEd, NYSRDA, Federal incentives, and Tax abatements. Often decision makers assume the incentives will be there indefinitely. How can a decision maker explain their inaction when the projects may truly become too expensive without incentives?

Survivors are market leaders that don't wait for the building or business up the block to act. If one is doing nothing, chances are your rivals are not. While doing nothing may make some feel safe and comfortable, there is opportunity cost. While the obvious preventative maintenance costs will chip at your bottom line, businesses often neglect to consider the scheduling of staff, staff moral, incremental costs and other costs that "tax" an inefficient system.

There are many reasons for an organization's inaction, ranging from their focus on risk aversion, focus on cutting costs for the short term, as well as organization fatigue and plain old ignorance.

With a problem so ignored and widespread, there are energy consultants, like TLR Energy, that are making it easier to present efficiency projects to management and provide financing for them. Consultants like TLR energy facilitate financing that will have payments pass through their utility bills. This "one page strategy" allows the cost of the project to be transparent, easy to audit, and keeps the cost of the project and changes in consumption of the facility after implementation, all on one page. The strategy of financing often leads to payments less than the savings, providing an immediate increase in cash flow.

TLR Energy has been a provider of market based and technology solutions to clients since 1990. TLR's clients span international and are leaders in the dialogue on efficiency, sustainability and energy procurement.

Michael Thaler is president of TLR Energy Inc., New York, N.Y.