

# ENERGY PRICE RISES AND DECARBONIZATION PRESSURES ARE FORCING FIRMS TO RECONSIDER ENERGY MANAGEMENT STRATEGIES

## Surging and volatile energy prices

Wholesale electricity prices in 2022 have almost tripled in many major markets since 2021, according to the IEA



## Net zero targets are coming ever closer

Executive and investor-led net zero targets in 2030 and 2050, and emissions disclosure requirements, such as TCFD and EU SFDR, are fuelling the need to decarbonize business operations

2030 2050

Reducing energy costs is now front of mind for real estate executives

Reducing costs is the **number 1** objective for the next 3 years \*

Building portfolios will be at the forefront of many corporate net zero strategies

Decarbonizing the building portfolio is the **number 2** objective for the next 3 years \*

47%

of real estate executives seek to reduce energy expenditure \*

39%

of real estate executives are setting new decarbonization targets for building operations \*

\*According to the Verdantix 2022 Survey of 350 real estate executives

## ADVANCES IN ENERGY MANAGEMENT SOFTWARE ENABLE FIRMS TO TAKE A MULTI-DIMENSIONAL APPROACH TO REDUCING ENERGY CONSUMPTION

*Energy management has advanced over the last decade, enabling firms to unlock new efficiencies and opportunities for cost and emissions reduction.*

Enhanced maintenance to improve asset efficiency and reliability

Identify, diagnose and predict asset faults to avoid unnecessary energy usage

Powerful AI analytics for actionable insights into energy consumption

Quickly identify and tackle facility-level inefficiencies and track improvements. Use predictive insights to avoid high energy prices and unnecessary consumption

Deep integration with building controls to optimize operations

Adjust operational building systems, to reduce energy consumption

Granular energy data capture through advances in IoT

Obtain a deeper view into facility-level energy consumption with higher quality data

Closer interaction with the grid to flex energy consumption

Use demand response programmes to dynamically reduce energy consumption at times of peak demand

Emissions reporting for investors

Provide investors and stakeholders with robust and reliable data on portfolio-wide operational carbon emissions

## KEY TAKEAWAYS FOR FIRMS LOOKING TO UPDATE THEIR CORPORATE ENERGY MANAGEMENT



Plan for continued **uncertainty** in energy prices



Update assumptions around energy management software and embrace **new technological developments**



Run integrated energy programmes to deliver more **meaningful insights** and **higher returns**



Track **innovative building-to-grid** solutions



Align **investment plans** with CEO ESG agendas