

Writing an Energy Policy

Most organisations have policies in place for sectors such as HR, Finance and Purchasing. An Energy Policy is equally important, perhaps even more so today. They can comprise as little as a few sentences or paragraphs, but for them to gain effect, they should be concise, documented and publicised.

A documented and published Energy Policy will show your stakeholders that Energy Management is an organisational core value. It will allow you to commit your organisation to an energy efficiency strategy which will lead to enhanced financial stability and a reduced environmental impact.

How Do I Start?

Before addressing the salient issues, it must be stressed that a comprehensive Energy Management reporting platform underpins and supports the implementation of any Energy Policy.

At the strategic level, an energy policy is a public commitment or undertaking which states, for the benefit of employees and contractors, what your organisation expects of them in general terms and what the organisation's objectives are in energy terms of its overall energy performance. It defines the scope and boundaries of the energy management system and provides a framework for action.

ISO 50001 stipulates that the policy needs to include four specific commitments:

- 1 To continual improvement in energy performance.
- 2 To ensure the availability of information and of all necessary resources to achieve objectives and targets.
- 3 To comply with all applicable requirements (legally required or otherwise);
- 4 To support the purchase of energy-efficient products and services, and design for energy performance improvement.

Of these commitments, the first two are crucial since they bind the senior management of the organisation to creating the necessary environment and resources to make progress.

Given the varied circumstances of different organisations, what key elements should be included?

An Energy Policy should be at pains to establish top management's commitment to energy performance improvement and state the organisation's principal energy priorities. Key though, is that the policy is published, and all staff, suppliers and customers are able to understand it.

- who has accountability?
 - what the overall energy targets are
 - how progress will be monitored and reviewed.
 - human resources and training commitments
 - how energy management will be integrated into wider processes
 - economic investment criteria
 - integrating energy efficiency into existing capital investments
 - reporting procedures
 - links to other energy/carbon reduction program
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The following 2 examples are for different types of organisations with different approaches

Example 1

Example Organisation - Energy Policy - Date:

In pursuit of this mission, *Example Organisation* will strive to achieve an exceptional reputation for energy management. We are committed to using energy in the most efficient, cost-effective, and environmentally responsible manner possible.

Energy management will play a key role in our organisation, across all aspects of our buildings and our operations. It will support our plan to minimise waste, strengthen our financial position, and provide customers (*visitors*) with the highest quality services and facilities. Our efforts to reduce energy use and reduce our carbon footprint will also support our commitment to our employees, the environment, and the communities of which we are a part.

Toward this end, *Example Organisation* shall work towards continuously improving energy performance. We will establish specific implementation plans by [date/timeframe] and will have made significant achievements in this area within [X] years' time.

Example Organisation's objectives as related to this policy are the following:

- Provide the best possible environment for occupants of our facilities, while simultaneously maximising energy and water performance
- Reduce operating expenses by actively and responsibly managing energy and water consumption
- Make available staff, funding, tools and equipment for projects with a proven energy efficiency value.
- Demonstrate commitment to our community and leadership in the [insert industry] by reducing our carbon output associated with energy use

Example Organisation will endeavour to meet or exceed the following energy management targets in service to these objectives: [Select or modify an appropriate, realistic set of targets]

- Reduce energy consumption in existing buildings by [insert %] over a 5-year period
- Reduce energy intensity [insert kWh target] by [insert %] in existing buildings over a 5-year period
- Achieve and maintain ISO5001 certification within our organisation by [insert date]. *Optional
- Ensure all capital purchases consider energy and water efficiency and achieve [insert %] savings.
- Reduce carbon emissions associated with energy and water consumption by [x%] by [year]
- Continually measure and improve our energy and water performance against our baseline of [insert baseline consumptions – gas and electricity] [insert date]
- Reinvest savings from our energy efficiency programs into additional energy efficiency projects.

This policy shall apply to all of *Example Organisation's*, sites, employees, and contractors in service to our organisation.

Example 2

Example Organisation is committed to improving its energy and carbon performance by developing a culture of continuous improvement, through monitoring, setting targets, training and communication.

Our short-term objectives are:

- Set and publish energy and water saving targets through Divisional annual targets.
- Monitor energy and water usage through accurate monthly consumption data.
- Communicate the energy and water used and improvement measures to all staff on a regular basis.
- Comply with all legislation, standards and practices relating to energy use at both organisational and individual level.
- Provide support and resources to ensure operations are run in a manner that demonstrates both good professional practice and our commitment to this policy.
- Support, along with the Supply Chain and Procurement Policy, the purchase of energy and water efficient products and services and design for energy performance improvement.
- Consider a life cycle perspective when assessing capital and operational costs of energy and water efficiency investments.
- Provide regular management reports on consumption.
- Audit to ensure that staff are familiar with and fully understand the Energy Management System (EnMS).

Our long- and medium-term goals are to:

- Commit organisational resources to energy and water management.
- Continual improvement in energy and water performance.
- Review energy and water efficiency investments.
- Reduce CO₂ emissions.
- Procure renewable energy sources.

Accordingly, we require all employees to be familiar with the EnMS and conduct their duties in a manner that is compatible with our objectives. In addition, by undertaking the above there is an associated benefit in reducing our carbon footprint. This policy will be reviewed annually and can be adapted if changes to the organisation occur.

The above example has not established specific targets within the policy, instead, choosing to allow them to be set at divisional level. Ideally, specific targets would be established and published within the policy.

Tip: Be realistic

Try and establish realistic and attainable targets derived from actual consumption data. If possible, at least 12 month's data should be used to benchmark past and current performance. If additional historical data is available, so much the better.

There is no one policy that fits all scenarios but the model in Figure 0.1 is suggested as a starting point.

Figure 0.1 — Model energy and water policy

Proposed text	Comments to be taken into account during drafting
Improvement in energy and water efficiency: <i>[name of organisation]</i> is committed to: • continuous improvement in the efficiency with which energy and water is used; and • the prevention and avoidance of energy and water waste.	—
Scope and boundaries: this policy covers all uses of energy and water in our buildings, processes, and transport operations.	<i>This will need to be customized to your particular organisation and might, for example, be extended to include business travel, raw materials or even non-energy supplies. It may need to state explicitly that it includes outsourced operations and services.</i>
Objectives and targets: our prime objective is to reduce our total energy and water consumption each year by [X]% after taking account of changes in levels of activity, weather and other relevant factors. Other objectives and targets will be set and reviewed from time to time. We expect staff and contractors alike to support our objectives and to cooperate actively in achieving them. We will publish the results every two years.	<i>There is a danger here of setting a goal which is either unachievable or too easy. In some ways it may be preferable not to set a specific percentage, especially as the percentage which can be saved would usually be expected to decline year on year as the quick wins are exploited.</i>
Compliance: we undertake to comply not only with all relevant legislation relating to energy and water use but to additional voluntary requirements which may be agreed from time to time.	—
Design and procurement: we will treat energy and water efficiency as one of the key criteria in the purchase of products and services and actively encourage energy-efficient design.	—

Figure 0.1 — *Model energy policy*

Proposed text	Comments to be taken into account during drafting
Availability of information: we will ensure the availability of all the information and resources necessary • to achieve our objectives and targets; • to plan and supervise the necessary projects and programs; • to maintain an energy management system (<i>compliant with ISO 50001</i>) * and any subsequent standard which supersedes it; • to monitor energy and water performance; and • subject to justification on reasonable criteria, to fund physical improvement projects.	<i>*Only if working towards ISO 50001 certification</i>
We undertake to carry out such awareness raising, training, and maintenance optimisation programs as may be required in pursuit of improved energy and water efficiency and reduced losses.	
We expect staff and contractors alike to support our objectives and to cooperate actively in achieving them.	

Apart from a corporate policy, you may wish to develop technical policies defining in detail how things are to be done. For instance, what lighting levels will be provided in corridors? Will computer workstations be turned off at night? The idea is to define a common set of expectations and to remove the need for debate at the micro-level.

Technical policies provide ready-made answers to common everyday questions and are the tactical counterpart of what the corporate policy does at a strategic level.

For help in writing your Energy Policy, or more information:

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