

Committee:	Executive	Agenda Item No.:	12.
Date:	8 th March 2010	Status	Open
Category	Part of the Budget and Policy Framework		
Subject:	Energy Management – Invest to Save Improvements		
Report by:	Director of Neighbourhoods		
Other Officers Involved	Climate Change Group Chief Executive Officer Director of Resources		
Director	Director of Neighbourhoods		
Relevant Portfolio Holder	Councillor D. Kelly, Portfolio Holder for Environment Councillor A.F. Tomlinson, Portfolio Holder for Regeneration (Strategy)		

RELEVANT CORPORATE AIMS

ENVIRONMENT – Promoting and enhancing a clean and sustainable environment
STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation.

A corporate approach to energy management requires challenges to the current ways that assets are managed by the Council.

TARGETS

Reduce CO2 emissions from our Council buildings by 3% year on year.

VALUE FOR MONEY

The invest to save principles proposed in this report would see the cost of improvements repaid over a maximum of 4.7 years with subsequent savings being available once the initial costs have been recouped.

THE REPORT

At it's meeting on 7th April 2008, the Executive approved an invest to save approach to improving energy management in Council buildings and delegated powers were granted to the Director of Strategy (now Neighbourhoods) in consultation with relevant Members and Officers to agree energy management improvements where there is a pay back of capital costs within 3 years.

Energy consumption benchmarks are published in the Carbon Trust's Good Practice Guides for different buildings and some processes. This

benchmarking guide indicates that overall energy consumption at Sherwood Lodge is better than average for this type of facility. Electricity consumption, however, is much higher than average and is an area that offers the greatest scope for energy savings.

Various opportunities for improved energy management are regularly reviewed and recently a proposal has been received which involves the installation of voltage optimisation equipment. Following surveys and readings from two sites at, Sherwood Lodge and Riverside Depot a proposal has been received that will guarantee savings of 5.4% and 22 tonnes of CO₂ at Sherwood Lodge. It is anticipated however, that savings of 9.5% and 39 tonnes of CO₂ will be generated. For Riverside Depot the guaranteed savings are 13.2% and 8 tonnes of CO₂ with anticipated savings of 17.6% and 11 tonnes of CO₂. The proposal specifies that if the guaranteed savings are not met these will be provided by the installer.

According to the estimates provided, capital costs for Sherwood Lodge has a payback of between 2.5 if the anticipated savings are achieved and 4.5 years if only the guaranteed savings are achieved. For Riverside Depot the payback period is between 3.5 to 4.7 years.

ISSUES FOR CONSIDERATION

As part of the National Indicators, the Council is required to demonstrate community leadership in reducing carbon emissions through NI 185 in respect of CO₂ reductions from the authority's own operations.

The costs of the proposals is £18,317 for Sherwood lodge and £7,054 for Riverside Depot.

IMPLICATIONS

Financial : All costs associated with the proposals can be met from existing approved budgets.

Legal : None.

Human Resources : None

RECOMMENDATIONS

It is recommended that approval be given for the installation of voltage optimisation equipment as detailed in the report.

REASON FOR DECISION

To assist the Council in meeting its carbon reduction target and to generate ongoing savings.

ATTACHMENT: None

FILE REFERENCE:

SOURCE DOCUMENT: Proposals from Powerstar