

Companies find energy savings in utility bills

Heather Leiphart
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Vanderbilt University officials saved hundreds of thousands of dollars by enlisting a firm to help pour over its utility bills and find discrepancies in areas where they were paying too much.

When the economy is rough, companies are looking for every way they can to save money. One key area to focus on — which often can be done with little investment — is utility bills, which not only helps the bottom line but saves energy, too.

Revenue Source Group Inc. — a Nashville, Tenn., firm that offers utility bill audits for commercial, industrial and institutional clients — helped Vanderbilt save more than \$100,000 on its water bill, says Mark Petty, the university's assistant vice chancellor for plant operations.

"We came to them and had them audit our billing. We have about 300 to 400 water bills coming in every month. And the people that pay bills aren't the people that know the infrastructure," Petty says.

Revenue Source Group is only paid if it finds ways to cut costs for its clients, based on a percentage of that savings — so there's no upfront investment.

The group found Vandy had a constant surge of water from storm sewers and discovered an open line.

It also found meters that weren't working properly, Petty says.

Loews Vanderbilt Hotel also turned to Revenue Source Group to find ways to save money. The hotel has saved about \$5,000 a year on waste removal since its audit. The firm also found surcharges that no longer applied on the hotel's telephone bills and negotiated lower rates.

"Unless you have somebody in your organization that knows all of the fees and rate structures, you've got nothing to lose. It's savings you wouldn't have otherwise. You are crazy not to, if they find something, it's just money in your pocket," Loews controller Tory Peek says.

Peek wants Revenue Source Group to take a look at the hotel's water bills, too.

Loews also has started using a third-party natural gas provider that saves the hotel thousands of dollars a year, he says.

Revenue Source Group, a 19-person operation, looks at a company's electric, natural gas, water and sewer, telephone, recycling and waste-removal bills as well as property taxes, says Joe Basile, managing director at the firm. About 80 percent of

its clients are being over-charged in some area, he says. The company has developed a unique expertise over the last 19 years for finding opportunities to help companies save, he says.

And it's up to the clients whether they want to pursue any or all of the group's recommendations, Basile says.

At the Nashville Bun Co., customers like McDonald's started asking suppliers about their energy use several years ago. That set the company on the path toward finding ways to be sustainable and save money.

Alan Edington, vice president of operations, says the bun company has adopted several measures that cost little money but yield significant energy and money savings.

It has, for example, switched to energy-efficient LED lights, and the company uses free resources at the Tennessee Valley Authority to test for air leaks and conduct energy audits through an energy-reduction program. It also is recycling more products.

A program through TVA called curtailment allows the bun company to see minute by minute how much energy is being used instead of just waiting for a bill to arrive later. Revenue Source Group also helped the bun company cut its waste removal costs by finding inaccuracies in its billing.

All these programs have saved the company about \$300,000 a year, Edington says. And the focus on sustainability has drawn new customers.

"The business component of this is there is real potential for sustainability to create revenue streams for companies that it's not their core product," he says.

Other businesses are finding ways to make small investments that add up to big savings over time.

Jim 'n Nick's Bar-B-Q, a restaurant chain with three locations in the Nashville area, is using a touch-screen control panel called EcoView that monitors its energy usage. EcoView is a product developed by a San Diego company.

The EcoView costs \$700 to \$1,000, but companies make that money back in a few months with the 12 percent to 25 percent energy savings that the system generates, says Gus Ezcurra, CEO and co-founder of **Advanced Telemetry LLC**, the company that makes EcoView. The company charges \$40 a month for monitoring.

So far, Jim 'n Nick's has saved \$1,000 over four months at two locations and has reduced energy usage by 16 percent at one location, says Sam Burn, the

restaurant's marketing director.

