



newsline

June 2000

BOMA MEMBER BUILDINGS SAVE UP TO \$70,000 PER YEAR IN ENERGY COSTS

BOMA of Greater Los Angeles has been reviewing successful projects to cut energy costs. We learned that over 1,000 installations of an energy saving power factor control system have been completed in this area. Savings up to \$70,000 per year have been documented.

Can your building qualify for the savings opportunity?

If your building is served electricity by Los Angeles Department of Water and Power (DWP) under an A3A rate schedule, or is served by the City of Burbank, you may have the opportunity for significant guaranteed savings. Other utilities are soon expected to modify their rate structures, rewarding customers that improve their power factor.

How savings are achieved?

This opportunity is possible if you have a power factor under 90%. If so, you are most likely being charged a penalty by the utility. By installing a power factor correction system, you can eliminate most if not the entire penalty as well as the related taxes.

The low power factor penalty charge is a separate line item on your bill. You see the exact savings listed on your next bill and every month thereafter.

In addition to the power factor penalty savings, you can reduce charges for line losses in the electricity distribution system. In Burbank, you can also get a credit on your bill.

Members all over the city are cutting energy costs.

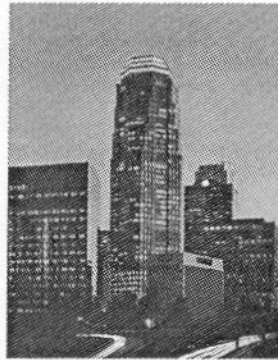
Larry Grohs, vice president of ABM Engineering Services, stated that ABM is looking at all buildings they service to determine which can reduce energy costs with the power factor correction system.

ABM has identified "Energy Saving Products (ESP)," which specializes in designing, supplying and installing turnkey power factor correction systems for over 15 years in the Los Angeles area, as one of the most experienced sources to assure proper system application and achieve the guaranteed result.

Greg Husebye, currently of Arden Realty, installed his first system through ESP in a Tishman West property in 1991, with a 19-month payback. Arden Realty and ESP are nearing completion on eighteen power factor correction systems in Arden's Southern California portfolio.

Many other installations have been in operation for up to 9 years in buildings owned and/or managed by Trizec-Hahn, Cushman & Wakefield, Equity Office Properties, Jones,

Lang, LaSalle, CB Richard Ellis, Transwestern, Hines Interests, and many other firms. These include, Sanwa Bank building, Citicorp Plaza, AT&T Center, The 1000 Wilshire Building, First Interstate Tower, Sun America Center, Warner Center, California Plaza, Wilshire Landmark, Equitable Plaza, Cedars-Sinai Office Towers, The Hilton Hotel, The Biltmore Hotel, Walt Disney Studios, Macy's, and IKEA.



Power Factor Control Systems have been producing profits in the Sanwa Bank Building.

The system is installed on motors or switchgear and can be applied to an entire building. It automatically adjusts to changing demand of a building to maximize savings and provide the level of power factor correction necessary at all times. The system is reported to be virtually maintenance free. The cost for an installation can be paid out of savings with no up-front capital outlay.

To learn more about this product, contact Sid Pelston of ESP at 310-306-4426 or spelston@earthlink.net to determine if your building can benefit. ESP will review your utility billing to determine if the savings opportunity can be meaningful. If so, ESP will provide BOMA members with a savings schedule and economic estimate of a potential installation. At no charge, ESP visits the building, analyzes equipment to determine if the system is a good application, reviews space requirements and establishes performance guarantees.