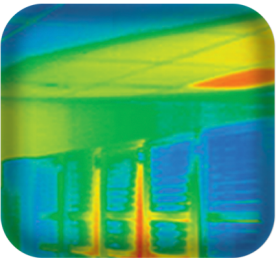


Guide to Energy, Carbon and Sustainability Software

Highlights from the Enterprise Carbon Accounting & Sustainability software report plus an exclusive vendor profile of **ENABLON** by Groom Energy



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Introduction

Guide to energy, carbon and sustainability software

This Guide to energy, carbon and sustainability software presents the main drivers for companies to invest in sustainability software. The guide describes the biggest challenges, identifies key software features to look for and offers recommendations for selecting sustainability software.

The findings are based on Groom Energy's recently published *2013 Enterprise Carbon Accounting (ECA) and Sustainability Software* report. The ECA report is based on an analysis of 75 vendors, 30 vendor briefings and demos, and interviews with 26 companies that recently purchased software. Currently in its fifth version, this ECA report has become the definite guide for organizations seeking to purchase software and names Market Leaders in each report.

ENABLON vendor profile

ENABLON was ranked by Groom Energy as one of the five Market Leaders for the third consecutive report. ENABLON provides comprehensive software for corporate responsibility, energy and carbon management, environmental health and safety, and risk and compliance. ENABLON serves more than 1,000 global companies with 300,000 users worldwide.

In this guide readers will find a detailed profile and scoring of ENABLON along the five criteria used for vendor evaluation by Groom Energy. The number of new customers in 2011-12 was verified through press releases, reference calls and case studies and carried considerable weight.

The Business Need To Manage Emissions and Other Sustainability Metrics

Most of the methodology used to calculate carbon emissions comes from the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). In general, when companies report company-level emissions, Scope 1 and Scope 2 emissions for all emitting sources (facilities, fleet, etc.) are reported. Carbon regulation is generally at a specific facility level and typically focuses on Scope 1.

Five trends that justify the business case for managing and reporting carbon emissions are:

1. Requests from top customers
2. Improved company/brand image
3. Cost savings
4. Investor pressure
5. GHG regulation

Driver #1: Requests from top customers and RFPs. Walmart continues to sets the standard.

Requests from top customers for both carbon emission and other environmental data increased significantly in 2011-12 and represent the most important new pressure point for emissions disclosure.

Carbon emissions embedded in upstream activities for many companies can represent a large portion of their total carbon emissions. Interest in tracking the carbon footprint of individual products and their supply chain grows. Large companies such as Dell, HP, Tesco and Walmart are requesting disclosure of emissions from their suppliers.

"Justification for our investment in a comprehensive GHG inventory was easy. Walmart asked us."


--Large supplier of beverage cans

Environmental reporting requirements and supplier rankings are flowing through the supply chain. For example, Walmart asks for carbon and environmental data from its key suppliers, such as P&G, and P&G does the same for its suppliers.

Data requests flow up-stream. One supply chain example:
P&G suppliers <= P&G <= Walmart

In 2009, the Walmart Sustainability Index initiative caused thousands of companies to increase their awareness and investment in sustainability and related carbon emission reporting. Walmart has requested environmental data from suppliers, including measurement and public reporting of GHG emissions. The Walmart effort was a milestone event for many suppliers, many of which heretofore were not planning on calculating their carbon emissions. In 2012, Walmart announced the movement toward 100 category-specific supplier scorecards and more financial incentives on sustainability for its buyers.

Supplier Surveys from Walmart and Procter & Gamble

 1-800-331-0085 www.walmartstores.com Supplier Sustainability Assessment: 15 Questions for Suppliers <u>Energy and Climate: Reducing Energy Costs and Greenhouse Gas Emissions</u> 1. Have you measured your corporate greenhouse gas emissions? 2. Have you opted to report your greenhouse gas emissions to the Carbon Disclosure Project (CDP)? 3. What is your total annual greenhouse gas emissions reported in the most recent year measured? 4. Have you set publicly available greenhouse gas reduction targets? If yes, what are those targets? <u>Material Efficiency: Reducing Waste and Enhancing Quality</u> 1. If measured, please report the total amount of solid waste generated from the facilities that produce your product(s) for Walmart for the most recent year measured. 2. Have you set publicly available solid waste reduction targets? If yes, what are those targets? 3. If measured, please report total water use from facilities that produce your product(s) for Walmart for the most recent year measured. 4. Have you set publicly available water use reduction targets? If yes, what are those targets? <u>Natural Resources: Producing High Quality, Responsibly Sourced Raw Materials</u> 1. Have you established publicly available sustainability purchasing guidelines for your direct suppliers that address issues such as environmental compliance, employment practices and product/ingredient safety? 2. Have you obtained 3 rd party certifications for any of the products that you sell to Walmart? <u>People and Community: Ensuring Responsible and Ethical Production</u> 1. Do you know the location of 100 percent of the facilities that produce your product(s)? 2. Before beginning a business relationship with a manufacturing facility, do you evaluate the quality of, and capacity for, production? 3. Do you have a process for managing social compliance at the manufacturing level? 4. Do you work with your supply base to resolve issues found during social compliance evaluations and also document specific corrections and improvements? 5. Do you invest in community development activities in the markets you source from and/or operate within?	Supplier Environmental Sustainability Scorecard Company Name:																																																																					
	Enter Scope Code (based on your capability to measure): P = P&G-specific materials and services (DESIRED) S = Site(s) (combined total) that create for P&G C = Corporate level NA = Measure does not apply to my industry/service	Enter Calendar Year data: 2009 (most recent calendar year) 2008 (previous calendar reference year) yyyy (optional historical reference year) (If not calendar year, enter actual months)																																																																				
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“Over 40% of the RFPs request some type of environmental data, from footprint to ISO 14001. Most of the requests came from our European customers. We expect this trend to increase.”

-- VP of Sustainability at a large telecom company

Driver #2: Improved company/brand image. Green ratings cannot be ignored.

Image enhancement and protection is an important driver for disclosure, especially for organizations with extensive public interactions (e.g., Tesco, Starbucks or Yale University) or firms that sell products and services to environmentally sensitive consumers (e.g. Seventh Generation or Timberland).

“Green” rating systems for companies and products proliferate, with Climate Counts as one example. Many ratings programs exist, including Calvert Ratings, CR Magazine 100 Best Corporate Citizens, Dow Jones Sustainability Index, FTSE4Good, Goldman Sachs GS Sustain, FTES KLD Global Climate 100, and Ethbel Sustainability Index.

Climate Counts Ranks Companies

New scores and final company scorecards will be updated to our main website throughout the week following our December 7 release

Striding
 Starting
 Stuck

★ Companies scoring 7 or more points out of a possible 10 points on the Climate Counts Scorecard's Policy Stance section

Sector/Company	2010-2011 Score	Change from 2009
AIRLINES		
Southwest Airlines	57	+17
American Airlines	47	-1
Alaska Airlines	47	+24
British Airways	45	+9
US Airways	44	+1
Delta Airlines	43	+3
JetBlue	37	+4
United Airlines	35	-2

Newsweek started ranking companies: Green Rankings 2011 for Global Companies

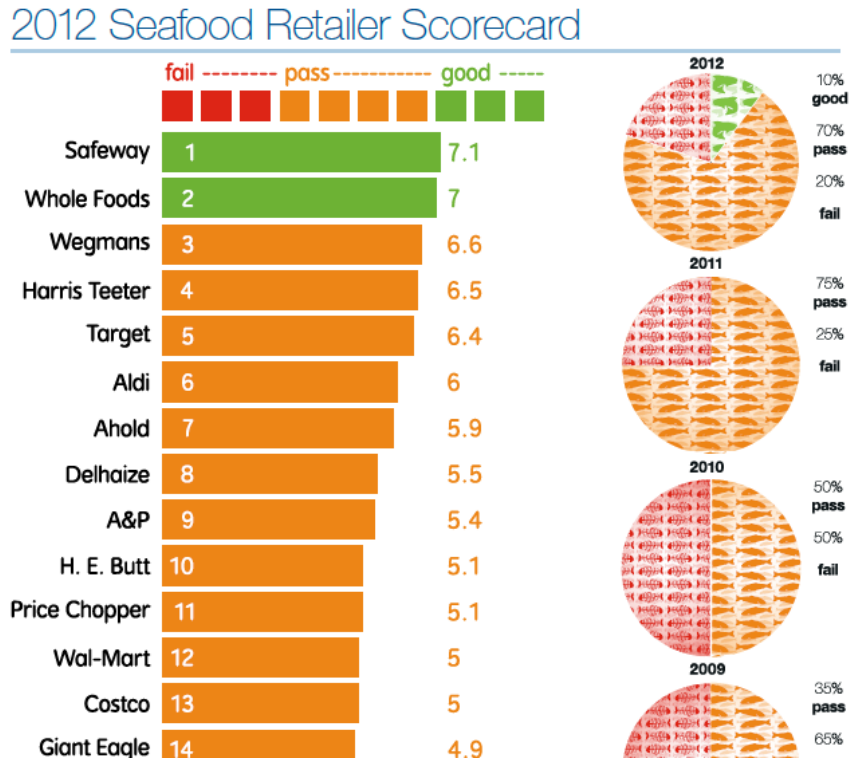
Showing Results 1 to 25 of 500 Global Companies - Green Rankings 2011

View: **25** 50 100 ALL ◀ Next ▶

RANK	COMPANY	COUNTRY	INDUSTRY SECTOR	GREEN SCORE	ENVTL. IMPACT	ENVTL. MGMT.	DISCLOSURE
1	Munich Re	Germany	Financials	83.6	87	83.4	69.4
2	IBM	United States	Information Technology & Services	82.5	78.8	86.2	83
3	National Australia Bank	Australia	Financials	82.2	80.6	80.9	95.3
4	Bradesco	Brazil	Financials	82.2	88.1	82	56.3
5	ANZ Banking Group	Australia	Financials	80.9	84.9	73.6	95.8
6	BT Group	United Kingdom	Telecommunications	80.4	76.2	80.8	97.5
7	Tata Consultancy Services	India	Information Technology & Services	79.1	73.3	81.8	93.2
8	Infosys	India	Information Technology & Services	77.3	75.3	81.8	66
9	Philips	Netherlands	Capital Goods	77.2	59.7	92.2	87.8

<http://www.thedailybeast.com/newsweek/features/green-rankings/2011/international.html>

Some environmental activist NGOs target specific industries. For example, Greenpeace publishes Carting Away the Oceans, an influential scorecard of supermarkets seafood practices and now in its sixth year. Retailers and seafood suppliers ignore such efforts at their peril. Below are scores from the recent Greenpeace report.



Source: Greenpeace Carting Away the Oceans VI report

Driver #3: Carbon abatement moves to cost savings. Energy reduction takes a priority.

Firms have not historically tracked or managed carbon and energy data at the corporate level, and many still do not today. This is changing as pressure to reduce carbon emissions and energy use intensifies and firms realize that both efforts largely rely upon energy usage data.

Firms have increased job responsibilities in this area and titles such as VP of Energy, Director of Carbon and Energy, and Energy Manager are now more common than before. Visibility into energy usage, particularly monthly or even on 15-minute intervals, enables organizations to identify cost saving opportunities and benchmark energy usage more easily across their facilities and operations.

Since carbon measurement is now well understood by companies and stakeholders, companies are increasingly looking to reduce their carbon emissions to save money or to meet publicly stated reduction goals.

Driver #4: Investor pressure. Investor activism continues.

Companies face investor pressure for disclosure through such programs as Carbon Disclosure Project (CDP) and investor inquiries. U.S. shareholder resolutions requesting more environmental disclosure continue to increase. One Fortune 500 company told us that they enrolled in CDP and the Dow Jones Sustainability Index due to investor and Board interest related to peer benchmarking.

Investor-orientated rating systems are becoming more common and accepted. Ceres rates organizations on a number of carbon accounting areas including annual carbon inventory, public disclosure of emissions, setting a carbon baseline, and third-party verification of carbon data.

Some companies integrate financial and environmental reporting

Investors are slowly demanding the same level of quality for environmental data as they do today for financial data. Timberland is one company that has tried reporting GHG emissions and goals on a quarterly basis. Here is an excerpt from their Q4 2011 report



Timberland CSR Reporting
Updated KPIs & Targets - Summary

Pillar Goals	Category	Indicator	Past Performance		Quarterly Data				Year End
			2009	2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	2011 Total
1. Climate: Protect the Outdoors	GHG Inventory	Metric Tons of Carbon Emissions ¹	16,216	15,889	4,228	4,186	4,428	3,638	16,480
	Renewable Energy	Renewable Energy as Percentage of Total Energy Use	11.56%	12.95%	11.7%	14.4%	16.1%	17.8%	15.0%
	Supply Chain	% Continued Partner factories achieving GSCP Level 2 or 3 (climate portion) ²		Baseline	5.8%	5.9%	16.9%	17.0%	13.3%
2. Product: Innovate Cradle to Cradle	Green Index	% of Product Line that is Green Index @ scored ³	4.2%	11.6%	Software updates prohibit quarterly Green Index scoring in 2011.				5%
	Chemicals	Average grams/pair of Volatile Organic Compounds (VOCs)	68.1	63.1	63.0	63.1	59.0	57.9	61.6
	Leather	% tanneries that score Silver or Gold according to Leather Working Group protocols (Footwear)	92%	96%	96%	93%	93%	80%	80%
	Raw Materials	% Materials that is Renewable, Organic, or Recycled - (apparel)		Baseline	34.3%	21.5%	16.40%	30.55%	25.40%
3. Factories: Improve Workers Lives	Factory Conditions	% Factories with prioritized remediation (High Priority) ⁴	32%	32%	34%	34%	33%	29%	33%
	High Risk	% footwear and TBL-branded apparel that has high risk, such as significant threats to life and health	3%	0%	0.24%	0%	0%	0%	0.05%
	Environmental Performance	% of Continued Partner Factories achieving GSCP Level 2		Baseline	3.5%	5.8%	6.8%	9.0%	7.0%
	Remediation Effectiveness	% Factories Making Improvements	68%	54%	57%	59%	58%	58%	59%
	Responsible Sourcing	% of new factories that don't meet minimum standards		Baseline	52%	52%	48%	36%	47%
4. Service: Engage Communities	Employee Engagement ⁵	Hours Utilization Rate (HUR) year to date	41%	38%	7%	21%	36%	42%	42%
		Benefit Utilization Rate (BUR) year to date	78%	68%	28%	55%	75%	79%	82%
	Scale	% of non-TBL volunteer hours served at TBL service events (compared to TBL employee hours served) ⁶							

<http://responsibility.timberland.com/wp-content/uploads/2012/04/Q4-Year-End-2011-Dashboard.pdf>

The number of firms submitting CDP reports continues to climb and its supply chain program grows.

The CDP is the leading registry for large companies to report carbon emissions and thousands of companies now report to the CDP. CDP data have clearly become the benchmark for large company reporting

CDP data is displayed on Bloomberg terminals used by investors on Wall Street

Carbon Emissions Disclosure - CDP		Reporting Year: 20		
Total Global Emissions (Metric Tons)				
Scope 1 Activity Emissions Globally	21,394,070	Intensity (Metric Tons/Million US\$)		
Scope 1 Activity Emissions Annex B	13,912,390	Scope 1/Sales	520	
Scope 2 Activity Emissions Globally	30,626,090	Scope 1/EBITDA	1,010	
Scope 2 Activity Emissions Annex B	4,058,350	Scope 2/EBITDA	1,450	
Emissions from Disposal of Services	329,993,000	Emissions by Country (Metric Tons)		
Emissions from Distribution/Logistics	N.A.	Scope 1	Scope 2	
Emissions from Employee Business Travel	172,450	Australia	12,565,660	
Company Supply Chain	N.A.	South Africa	4,544,870	
Electricity Purchases (Megawatt Hours)		USA	1,162,430	
Global Electricity Use	33,973,690	Mozambique	933,480	
Global Electricity Use Annex B	5,039,900	Colombia	668,160	
Electricity from Renewables	1,717,300	Chile	431,740	
Electricity from Renewables - Annex B	735,020	EU Emissions Trading (Metric Tons)		
Total Costs of Energy Consumption (US\$)*	2,570	Year	Allowance	Emissions
% of Total Operating Costs	18	2005	306,165	333,193
% Energy Costs from Renewables	3	2005	306,165	333,193
		2006	415,652	332,522
		2006	415,652	332,522
		2007	415,652	323,020

CDP data is also available via Google Finance (the CDP rating for Google itself is available to investors).

Jul 19, 2012
Q2 2012 Google Earnings Conference Call

[More events from DailyFinance »](#)

Key stats and ratios

	Q2 (Jun '12)	2011
Net profit margin	22.80%	25.69%
Operating margin	26.22%	30.69%
EBITD margin	-	35.53%
Return on average assets	13.69%	14.93%
Return on average equity	17.67%	18.66%
Employees	54,604	-
Carbon Disclosure Rating	-	89/100

[Screen stocks with similar metrics »](#)

In addition to its traditional corporate reporting program, CDP Supply Chain Program, where companies such as Accenture, Coca-Cola Company, Colgate-Palmolive Company, Jaguar Land Rover, Johnson & Johnson and Philips Electronics ask their suppliers to disclose carbon emissions and climate risk data, has increased. In 2012, 54 companies asked an unprecedented 6,000 plus suppliers to report environmental data.

Driver #5: GHG regulation. Regulation momentum stops but is still a driver for heavy emitters.

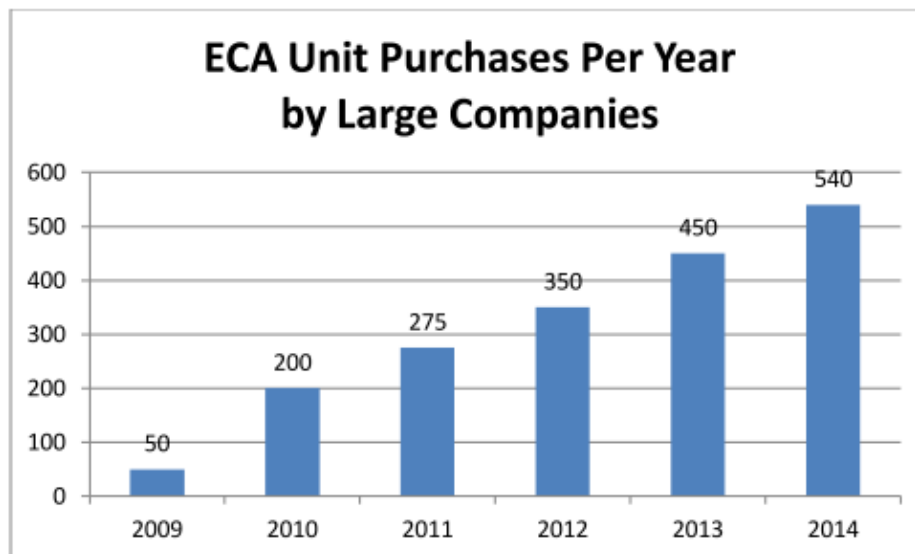
Legally mandatory carbon emission regulation exists in only a few geographic locations and generally affects only the largest emitters. Carbon regulation is usually based on a Scope 1 emissions threshold at a facility level, rather than for the entire company. Accordingly, a large global corporation with hundreds of facilities and emitting sources may have only a handful of sites that face regulation. In contrast, voluntary emission reporting to investors, customers and NGOs is frequently for the entire organization, i.e., all facilities and emitting sources, and is typically Scope 1 and Scope 2 emissions.

In many countries, new carbon emission regulations have been delayed or no longer have political support. Governments raided funds raised by RGGI and the Carbon Reduction Commitment (CRC) to meet general fund deficits, and implementation of carbon regulations in other countries was delayed. The European cap-and-trade program faces fraud allegations.

A few exceptions exist. In the U.S., California is an important exception to this trend as it moves forward with state-wide cap-n-trade regulation. The U.S. Environmental Protection Agency continues to proceed with mandatory carbon reporting.

ECA software purchases by large companies

From analyzing trends in participation rates in voluntary disclosure programs, discussions with ECA software vendors, our online survey, and interviews with executives, companies are clearly planning to purchase ECA software products in the next several years. We estimate that the actual unit sales of ECA software to large enterprises in 2011 and 2012 global were 275 and 350, respectively.



Large companies are defined as organizations with 3,000+ employees or \$500m+/yr sales and that use ECA software for organization-wide management of Scope 1 and 2 carbon data. Estimates exclude carbon applications at the project, product, or facility-only level. Estimates include stand-alone products and modules of larger product suites. Estimates are from Groom Energy but based on vendor press releases, vendor interviews, investor interviews and Groom research.

The Problem with Spreadsheets

Spreadsheets are by far the most common tool used to track carbon emissions and energy, but as needs expand, spreadsheets become unwieldy and costly. Employees assigned to track and report carbon data need to spend their time understanding the company's needs and implementing carbon and energy reduction projects, not manipulating spreadsheets. Leaders can save money and increase staff productivity by abandoning spreadsheets and investing in secure, database-driven, and multi-user ECA software packages. Large spreadsheets are also error prone, which produces risk for reporting sustainability data.

For valid reasons, spreadsheets are often the default choice when modeling a new business process and are currently used by the vast majority of firms to aggregate, calculate, and report carbon emissions.

Spreadsheets allow a single user to enter, manipulate, analyze and visually represent numerical data with great flexibility and which can be easily distributed via email or a network-accessible location. However, without a content management system to coordinate and track changes from multiple sources, spreadsheets quickly become unwieldy and error-prone. Lack of proper documentation, validation, and testing of spreadsheet formulas and macros present significant exposure for data veracity. This problem is compounded when a spreadsheet becomes so complex that only the original author can make required fixes and improvements.

As carbon data collection and reporting needs increase, spreadsheet disadvantages become more acute and lead to additional labor costs and frustration when coordinating changes and updates. Additional drawbacks and challenges of using spreadsheets for carbon accounting include the following:

- Obtaining ad hoc reports and analysis
- Reconciling year-to-year datasets
- Creating and enforcing data ownership, including global standards for asset types and energy usage
- Entering data error-free, especially without proper cell protection and validation formulas
- Generating real-time reports and viewing reports across the organization
- Managing and sharing large files

Spreadsheets Grow Large

"We manage our carbon data for the entire company in an excel file, which is now 25MB."

– Fortune 500 pharmaceutical firm, which publicly reports carbon emissions

Spreadsheet frustration

"We had numerous problems with spreadsheets. We had 6 spreadsheets with one sheet that pulled it all together. We could not restrict some users to data entry only and the linked spreadsheets kept getting fouled up. This reduced our ability to have data entry at each site. Moreover, the spreadsheets created a "my data, my tool" problem, where a spreadsheet expert exerts control and access to create "award winning" graphs for management."

-- From a frustrated sustainability consultant working on a GHG inventory project with a team at Fortune 500 consumer goods manufacturer

When do spreadsheets make sense?

ECA software recommendations vary by size of the firm and the sophistication of existing processes. For small- and medium-sized firms where the majority of emissions are Scope 2, spreadsheets or free tools are fine for initial carbon calculation and tracking. For larger firms in the early stages of their respective projects and only calculating emissions for a particular country, spreadsheets are a great way to get started. The following table lists the key criteria to consider when deciding whether to continue using spreadsheets or to invest in ECA software.

Criteria for when spreadsheets fail

Criteria	Spreadsheet	ECA Software
Number of users who collect data	few (<10)	many
Number of people who need specialized reports	few (<10)	many
Number of sites tracking	few (<5)	many
Number of emitting sources	few (<5)	many
Need for verification, audit trails	none/low	high
Financial or brand risk to data errors	low	high
Reporting frequency	annually	daily, monthly
Linkage with energy mgmt and operations	none	managed together
Time spend reconciling years, types of reports	little (<20 hr/yr)	high
Reconciliations (year/year, report/report)	rarely	common
Restate or adjust data inputs	rarely	frequently
Number of custom reports	few (<5/yr)	many

[Natural Evolution from spreadsheets to RFP](#)
*“We began several years ago with spreadsheets in-house.
 Now we will be evaluating ECA software vendors in 2013.”*
 – Director of EHS at a Fortune 500 company

Capture of energy usage data is the biggest challenge

Collecting energy usage data is often the most labor-intensive part of any sustainability project. Except for carbon-intensive industries (e.g. oil, utility, or heavy manufacturing), most organizations have simply never extensively tracked energy usage. Energy information for vehicle fleets and buildings, for instance, are rarely tracked in accounting or information systems. If energy information is tracked, it is frequently measured at the cost level (e.g., “we spent \$3m in electricity”) and not at usage level (e.g., “we used 45,490 kWh of electricity in our Charleston facility”).

Calculating carbon emissions for a given year may involve tracking down utility invoices for hundreds of buildings and contacting numerous plant managers to ascertain use of propane, natural gas, purchased steam and other energy. Estimating energy use for such items as chillers, truck fleets, remote offices, and generators can be extremely time-consuming. In many cases, 60 to 80% of a project’s total budget is dedicated to collecting data.

Monthly energy bills are a good source of energy use data for carbon emission calculations, but they can a bit level from month to month. Detailed energy use analysis in smaller time incremental (say 15 minute intervals) for specific energy consuming assets lead to specific cost savings identification.

20 Key ECA Software Features

The benefits of ECA software are similar to those seen when spreadsheet-based applications are replaced in other areas such as financial reporting, sales commissions, and employee compensation. The table below highlights key features that drive the business justification for making the transition to ECA tools.

20 Key ECA Software Features

Business Benefit	Key Features to Look For
Reduce cost: data capture <i>Reduce consultant fees</i>	1. Automated real-time or batch feeds with data validation, field mapping, and error reporting 2. Deployable “data ownership model” where each piece of data is owned by a specific person in a specific role (e.g., facility manager, Jim Miller in the Houston plant) 3. Email reminders sent to data owners and exception reports (e.g., “Data Missing”) reports sent to management 4. Alerts and reports that highlight “newly entered data may be out of the norm” 5. Reports that list data needed, owner, due date, status, and place for notes 6. Data auditing, including name of owner and source of data
Reduce cost: verification <i>Reduce verification cost</i>	7. Easily upload source documents (invoices, actual use, etc.) for remote third-party audit review 8. Instant reports that show which carbon emissions calculations are based on actual or estimated numbers
Reduce risk from incorrect data, data misuse, hacking <i>Increase CFO and CIO confidence</i>	9. Change control: audit trails that show which specific data was modified and by whom 10. User authentication and role and access control for data manipulation operations (Create, Read, Update, Delete) 11. Ability to restrict view or change data by role 12. Version control: versioning of data, calculation assumptions and reports by year. System can handle multiple “states” for one year (i.e., in process, in verification, approved, etc.) 13. Imported data goes through a verification check 14. Data is stored in a secure database with standard corporate security and with standard data backup and archiving procedures
Increased employee productivity <i>More analysis time; less spreadsheet work</i>	15. Easy way for many users to generate read-only adhoc reports 16. Enhanced data capture features (discussed above) 17. Reconciliation reports by type, year, etc. (e.g., reconcile differences among corporate footprints reported to 1605b, EPA, and CDP for previous fiscal years) 18. Optional re-state by year based on changes in conversion factors (e.g., eGrid), including easy-to-run what-if scenarios 19. Scenario planning 20. Easy way to manage users and to monitor system use

Recommendations for Companies Purchasing ECA Software

While selecting and purchasing ECA software is similar to other corporate purchases of enterprise software (good requirements must be written and prioritized, alignment is essential, and justification for “yet another corporate application” is required), companies should also keep in mind the following questions:

Questions to help determine and prioritize requirements:

- Determine the breadth of the application
 - o Are your needs solely carbon/sustainability data or do you want to manage energy purchasing and consumption? Is energy management for facilities only, or does it include operations?
- How extensive is your energy management need?
 - o Do you need a system for energy accountability for energy costs, or do you need a system that provides 15-minute interval data so that operators and facilities managers can make daily decisions for reduction?
 - o What specific features are needed to link energy cost data to corporate profit and loss centers?
 - o Will this system need to manage proposed and planned energy initiatives and tie these to the capital budgeting process?
- How long do you need the software application system?
 - o Is the software mainly a department application that helps reduce the spreadsheet problem for the corporate sustainability team for three years? Or is it a corporate, enterprise-wide tool to be used for the next ten years?
- What are likely key requirements in 1-2 years?
 - o Are environmental supplier scorecards a key upcoming requirement? What about linking the bill of material information with suppliers and restricted substances?
- What features strengthen your business case and provide internal support for the project?
 - o What key requirements are needed to help the company respond to environmental data requests in RFPs and from top customers?
 - o How can the software help the CFO assess climate risk for SEC disclosures?
 - o What requirements do product managers and engineers have to design greener products and packaging?
 - o How can the software help with energy accountability?
 - o How can the software support senior management financial incentives tied to carbon and energy reduction goals?
- What existing systems need to be integrated (EHS, building information systems, etc.)?
- What are the essential requirements for global offices, especially in gathering energy use data?
- What is the frequency of carbon and energy data reporting – Monthly? Quarterly?
- Who are the highest priority internal users and what are their top few reports needs?

Questions to develop a vendor short list

- What are the capabilities of your existing energy management, EHS, or ERP vendors? How close do these match your requirements?
- If you are considering a Specialist vendor, how strong are the energy management capabilities of this particular vendor, or can this vendor integrate with your existing energy management or utility bill management applications?
- Are there any restrictions on software deployment? Does software have to reside in your corporate data center (commonly called “premise software”), or can the solution be hosted by the vendor as well?
- How important is global support and global services (such as utility bill management for foreign countries)?

Advice from a Fortune 500 retailer who purchased ECA software

“The best piece of advice I can offer is to provide to prospective vendors scenarios of normal activity you expect to do or reports you would like to create. The vendor should then demonstrate how the scenario would be accomplished in their system. You might quickly find the system will not do exactly what you want, may require an inordinate amount of steps, or may not be intuitive to the normal user. Bottom line, what you need to see is just as important as what the vendor wants to show you.”

– Senior Manager, Environmental Sustainability



Profile of ENABLON with Evaluation Scoring Summary

Vendor evaluation criteria

In response to requests from organizations considering solutions and due to the large number of ECA products in the market, we analyzed 75 vendors to determine which ones are true market leaders. Our analysis evaluated vendors along five dimensions with the following weights:

Criteria	Description	Weight
Financial strength/ viability	Strength of balance sheet	10%
Carbon product strength / technology	Strength of features Ease of use Strength of technology	25%
Number of carbon module deployments with large customers	Number of deployments Quality of customers and references	35%
Sales momentum	Sales deals in 2011-12	20%
Vision	Vision for carbon and energy management	10%

Vendors were assigned a score for each dimension and an overall score. Input for each weighting was based on discussions and demos with the vendors and on discussions with customers. The number of new customers in 2011-12 we verified through press releases, reference calls and case studies carried considerable weight.

ENABLON: 2013 Enterprise Carbon Accounting Market Leader

We conclude that ENABLON is one of the 5 Enterprise Carbon Accounting (ECA) Market Leaders in 2013. Below, we show the detailed profile and score of ENABLON for each of the five evaluation criteria:

Vendor summary

URL	www.enablon.com
HQ location	Paris, FR and Chicago, IL, US
Year founded	2000
# of employees	320
Name of carbon product	Enablon Energy & Carbon Management Suite (Enablon ECM)

Financial strength/ viability:**Score: High**

ENABLON has a 13-year track record and a broad customer base clients globally. With a diversified customer base of large companies, profitable operations, and \$15M in venture capital money raised in 2011, ENABLON is a vendor with financial wherewithal.

Carbon product strength/ technology:**Score: Med-High**

Enablon Energy & Carbon Management Suite (Enablon ECM) is a flexible and proven product. The modular structure and pricing allow customers to use the product for many applications such as EHS, carbon and energy, and supply chain. The flexibility of the data model is proven with implementations at complex, global companies. The user experience is intuitive.

Number of customer module deployments:**Score: High**

ENABLON has an large set of companies, including Accenture, American Airlines, Amgen, Anglo-American, ANZ, Aramark, Baxter International, Bombardier, Bosch, BNP Paribas, Carlsberg, Centrica, Covidien, Enbridge, Fairmont Hotels & Resorts, Goldcorp, GDF Suez, Hospira, HSBC, Lend Lease, Manpower, Mars, Occidental Petroleum, Puma, Sainsbury, TD Bank, Texas Instruments, Total, UBS, UPS, Veolia, Volkswagen, Woolworths, and Xstrata.

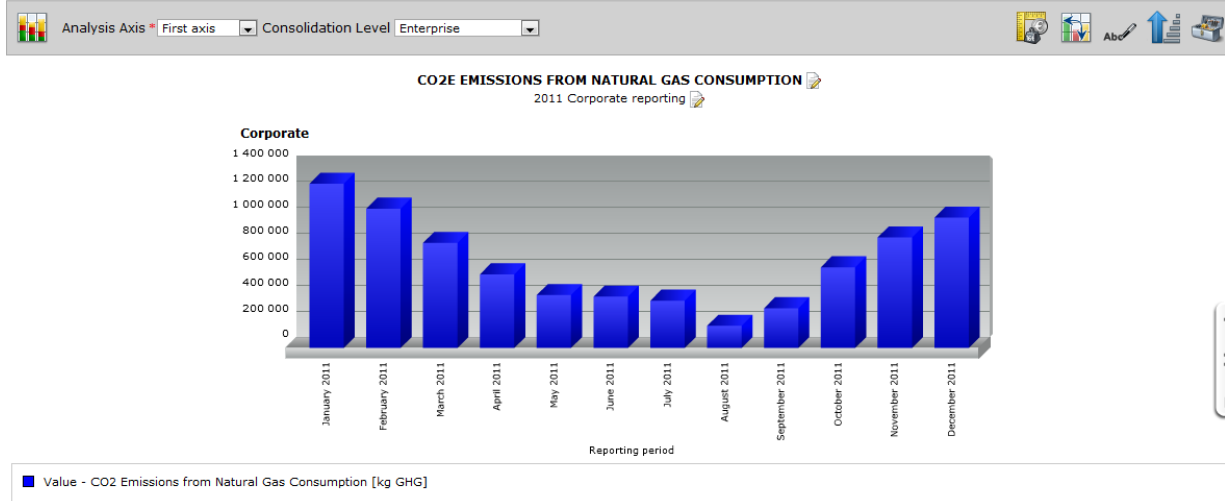
Sales momentum in 2011-12:**Score: High**

The vendor market for ECA products has changed dramatically in the last five years as some vendors have left the market for a variety of reasons. Vendor with sales wins in 2011-12 demonstrate recent and continued market adoption. ENABLON has impressive sales wins in this period including: American Airlines (AMR), Bendigo and Adelaide Bank Ltd, Enbridge, Fairmont Hotels & Resorts, Goldcorp, Manpower, Magna International, Occidental Petroleum Corp., TD Bank, and XStrata.

Vision:**Score: High**

The category evaluates the strength of a vendor's product roadmap. ENABLON has consistently exhibited a commitment to sustainability and innovation over the years in terms of the breadth of its offerings and new features. In addition to expanding on its strength in EHS to sustainability, ENABLON has improved its energy management and supply chain capabilities. ENABLON also launched Wizness, a unique online collaboration site for sustainability professions to share best practices.

ENABLON software screen shot



About the Author and Groom Energy

About the Author

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Groom Energy is a leading provider of commercial and industrial energy solutions with customers including Bed, Bath & Beyond, General Electric, Ocean Spray, and Thermo Fisher Scientific. The company delivers a range of services from corporate sustainability and whole building energy assessments to turnkey installations at enterprise facilities across the U.S. Groom's projects help their customers reduce costs while positively affecting the environment. For more information, visit www.groomenergy.com.