



**For Immediate Release**

## **Risk mitigation top concern among Fortune 500 corporate energy managers**

BOULDER, COLO, September 18, 2006. The annual E SOURCE survey of Fortune 500 corporate energy managers (CEMs) shows that the hot-button issue of recent years—high and volatile energy prices—is only one of several factors driving CEMs to find ways to more actively mitigate and decrease exposure to energy-related risks for their firms.

Survey responses indicate a shift in the primary responsibilities of CEMs from engineering, procurement, and facilities administration to managing corporate risks related to these activities. CEMs ranked fuel price volatility, forecasting and budgeting, and carbon emissions among their primary energy-related concerns. Fully 82 percent of energy managers at the largest corporations reported that energy management issues had risen in importance to their firms' senior executive management teams. This represents a dramatic increase over just 24 percent giving the same response in 2003 (the last time that question was included in the annual survey).

"Rates, reliability, and risk form the three R's of energy management today. The energy managers we work with consistently emphasize the importance of these interrelated issues to utility key account managers and energy service providers," says Arthur Venables, manager of the *E SOURCE Corporate Energy Managers' Consortium*.

For the past 11 years, E SOURCE has surveyed a "Who's Who" mix of leading commercial and industrial businesses and governmental agencies—some with annual energy budgets in excess of \$1 billion and with facilities in thousands of locations throughout North America and the world. Among those surveyed this year were major healthcare providers, automobile and equipment manufacturers, pharmaceutical companies, banks and other financial institutions, grocery chains, hoteliers, high-tech firms, universities, national retail chains, department stores, and news and entertainment providers.

Many of the CEMs who participate in this annual survey have developed industry-recognized best-practice programs in procurement, energy efficiency and energy productivity, and the views of this elite group have proven indicative of coming market trends. This year a majority of firms reported that they were setting business strategies around climate-change issues, and nearly half of the respondents expressed interest in receiving information and assistance from their energy service provider for developing an emissions management plan.

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In addition, 55 percent of the respondents indicated that their firms were taking advantage of at least some utility-sponsored energy-efficiency programs. "More of them wanted to," says Venables, "but they have been thwarted because utilities often don't tell them about specific rebates and incentives or they learn about them too late in their budget cycles. We also consistently hear that utility paperwork is often too cumbersome, and that utilities fail to create programs that adequately address the specific needs of their biggest customers."

The results of year's survey also revealed the most common failings of utility key account managers, the five-year trend in energy budgets, the preferred strategies for managing price volatility, and a multiyear ranking of the most-wanted products and services.

On September 20, 2006, E SOURCE will host a web conference to discuss survey findings in detail with its members. A sample of the web conference will be available to nonmembers on the E SOURCE web site ([www.esource.com](http://www.esource.com)) beginning the first week of October.

E SOURCE has also produced a report on the survey results that includes an analysis of the trends and an explanation of their connection to broader forces within the industry. To learn more or to purchase the report, please visit [www.esource.com](http://www.esource.com).

### **About E SOURCE**

E SOURCE is an independent energy business intelligence firm headquartered in Boulder, Colorado. For more than 18 years, E SOURCE has provided information services focused on retail energy markets, services, and technologies. At our core is an exceptional team of research professionals whose technical and analytical skills and real-world experience have earned E SOURCE international acclaim. Clients include roughly 300 electric and gas utilities, other energy service providers, large energy users, government agencies, and other organizations from nearly two dozen countries worldwide.

**Contact**  
**Becky Hamilton**  
**E SOURCE**

Tel 303-345-9158  
E-mail [becky\\_hamilton@esource.com](mailto:becky_hamilton@esource.com)

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