

STATE OF NEW YORK  
OFFICE OF GENERAL SERVICES  
John C. Egan, COMMISSIONER



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**OGS ENERGY SAVINGS STRATEGIES YIELD AVOIDED COSTS OF \$3.1 MILLION**

New York State Office of General Services (OGS) Commissioner John C. Egan today reported that the agency's energy conservation and efficiency efforts have brought about a significant reduction in energy consumed at state facilities. Through these efforts, coupled with a nationally recognized innovative natural gas contract, new legislation authorizing OGS to expand aggregate electricity purchasing, and an increasing number of Energy Star-rated state office buildings, OGS is saving millions to help close New York State's budget gap.

At the midpoint of the 2009-10 fiscal year, OGS' statewide energy consumption, including electricity, oil, and natural gas, was down 5.15 percent compared to the first half of last year, and 13.11 percent compared with 2007.

"Every unit of energy we are able to conserve when we heat and light state buildings helps to meet Governor Paterson's goal of stretching taxpayer dollars and keeping state government running," said Commissioner Egan. "By working together, OGS' team of energy management professionals and agency tenants have both thought creatively and made sacrifices resulting in a cost avoidance of \$3.1 million."

OGS manages a portfolio of more than 50 buildings totaling more than 19.5 million square feet of office space, including the vast Empire State Plaza and Harriman Research and Technology Campus in Albany. During the heating season, OGS sets building temperature controls at 70 degrees with an objective of maintaining indoor air temperatures in state offices within a range of 69-71 degrees; during the summer, temperature controls are set at 76 degrees with the objective of maintaining indoor air temperatures within the 75-77 degree range.

Additional strategies implemented that reduce consumption are:

- Readjusting light levels in offices;
- Replacing older fixtures and bulbs with high-efficiency ballasts, compact fluorescents, and light emitting diodes (LEDs); and
- Maximizing the use of centralized energy management systems to identify opportunities for improved efficiency on a statewide basis.

The combination of these efforts resulted in a cost avoidance of \$1.6 million in utility expenses since the beginning of 2009.

The OGS-managed Henderson Smith State Office Building, located in Hornell (Steuben County) and the Dulles State Office Building, in Watertown (Jefferson County) have been jointly certified as Energy Star Buildings by the U.S. Environmental Protection Agency and the U.S. Department of Energy. This national mark of excellence is based on each facility's energy performance and efficiency. OGS is seeking to replicate this performance and transfer technological achievement by pursuing a similar designation for several additional properties in its portfolio. During the six-month period April-September 2009, the Henderson-Smith State Office Building reduced energy consumption from 2007 levels by 25.2 percent, and the Dulles State Office Building reduced energy consumption from 2007 levels by 13.4 percent.

OGS is also pursuing fuel purchasing strategies that result in lower operational costs. It was recently awarded the George Cronin Award for Procurement Excellence by the National Association of State Purchasing Officials for an innovative natural gas contract that contributed \$1.5 million in savings during the 2008-09 heating season. Under this contract, OGS negotiated a fixed price agreement with its natural gas supplier to allow it to exclusively burn this fuel at two dual-fuel heating and cooling facilities that service more than 19,500 employees in the Albany area. OGS expanded this aggressive alternative purchasing program for the 2009-10 heating season by locking in 80 percent of its projected natural gas needs through January 2010, and 50 percent through July 2010. This action took advantage of current low rates and assists to minimize price risks within the volatile energy marketplace.

OGS is expanding its energy management and purchasing practices through the aggregated purchase of electricity for state agencies. Governor Paterson signed legislation earlier this year authorizing OGS to make direct energy purchases from the New York Independent System Operator on behalf of other state agencies, rather than those agencies buying individually through local utilities or energy service companies. This approach provides the opportunity to purchase electricity at lower unit costs, avoid certain tariff surcharges, and eliminate administrative costs that utility companies pass on to customers. The first of these direct purchase pilots are expected to take place in December 2009.