

How Schneider Electric commits in energy efficiency

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Building a New Electric World



I. Sustainable Development: a common attitude

**II. Energy Efficiency:
challenge and opportunity**

**III. Schneider is dynamic & active
in EE business**

IV. Thinking Energy Efficiency

V. Conclusion



I. Sustainable Development: a common attitude



Build a more sustainable world in all the regions in which we operate by providing customers with products and solutions that facilitate efficient access to energy and help reduce and manage the consumption of energy.

- Creating value for the *Planet, People and our Investors*
 - Developing **energy management businesses** to limit environmental and financial impact related to over consumption in our world.
- Creating **value for Customers** through energy efficiency
 - With our **business partners**, provide tailored solutions to help customers improve their environmental and economic performance through the reduction of energy consumption





I. Schneider Electric: a sustainable development actor



- **An environmental policy** which goes beyond legal constraints and regulations
- **A complete solution offer** (products and services) designed to reduce energy consumption and costs in order to help customers reduce their environmental impact (resource consumption, carbon emissions)
- **An ambitious internal program, “Schneider Energy Actions”,**
to demonstrate our ability to be an Energy Efficiency champion and to contribute to global sustainability.



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II. Energy Efficiency: a challenge for all of us



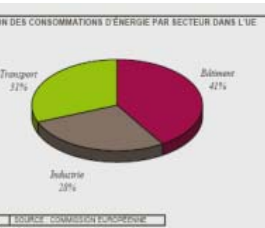
- **A long term market potential with an estimated growth rate of 15 to 20%**
 - Growing global challenges to manage energy usage and energy independence for global sustainability, business competitiveness and national security.

- Our Products, Solutions, and Services are present at every link in the energy value chain and facilitate **energy savings from 10 to 30% and reliable delivery**
 - Control and Reduction of energy consumption
 - Monitoring & analysis of energy usage
 - Management and optimization of energy costs
 - Reliable and highly available delivery of electricity





II. Energy Efficiency: a good business opportunity



■ Buildings: the biggest consumer hence a priority

- Consume over 40% of total energy
- 3 key areas : HVAC, lighting and integrated building solutions
- Renovation can yield up to 30% of energy savings

■ Industry: a key target, especially around motors

- Energy represents 25% to 50% of production costs
- Motors account for 60 % of the electricity usage
- Average facility can reduce its energy consumption by 10 to 20%

■ Residential: fragmented but high potential !

- 20% to 25 % of the consumed energy (EU & US)
- Using energy efficient products may save 10 to 40% of electricity



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III. Energy Efficiency Mission

- Schneider Electric is committed to **improving its customers' business competitiveness** through improved energy management and energy savings
 - A wide range of energy efficiency solutions, services and products for the building, infrastructure, industry and residential markets
 - People and expertise to recommend and support the best solutions to meet our customers' growing focus on energy usage
- An **Energy Efficiency Company Program** has been established by executive management to rapidly build and deploy a clear differentiating position in the Energy Efficiency market, meeting customers' growing focus on energy usage





III. Focus on Three Strategies for Comprehensive Energy Management

■ Reduce Consumption of Energy

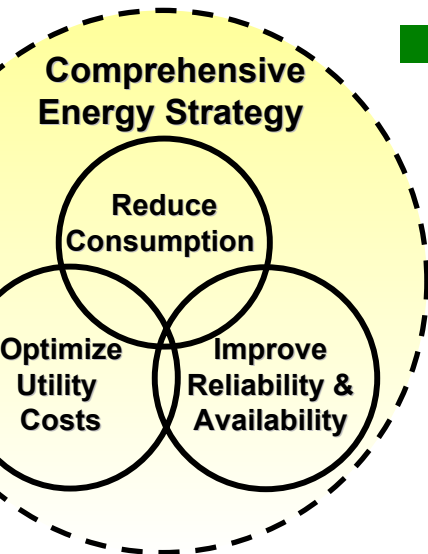
- Reduce consumption of all types energy in all aspects of an operation

■ Optimize Energy Cost

- Reduce the acquisition cost of energy utilized by an operation

■ Improve Reliability & Availability

- Sustain gains through reliable and efficient equipment operation
- Minimize risk of outage through design and strategy





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IV. Thinking Energy Efficiency

- **Monitoring and Analyzing** improves awareness of energy consumption and usage
 - Identifies benchmarks and opportunities for savings
 - Facilitates validation and sustained energy management
 - Metering plus monitoring and management software & services
- **Control and Management** systems enable more efficient use of energy
 - Lighting and HVAC control, building management systems, automation solutions for equipment and processes
 - Stand-alone controls – presence detectors, time clocks, thermostats and remote control devices
 - Variable speed drives for efficient motor control
- **Specialized Equipment** reduces loss, damage, and outage.
 - Power factor correction and Low Loss Xfmers reduce losses
 - Power Quality – filters, conditioners, harmonics suppressors,...
 - High availability designs reduce outage and damage





IV. Thinking Energy Efficiency Helping partners to sell EE solutions



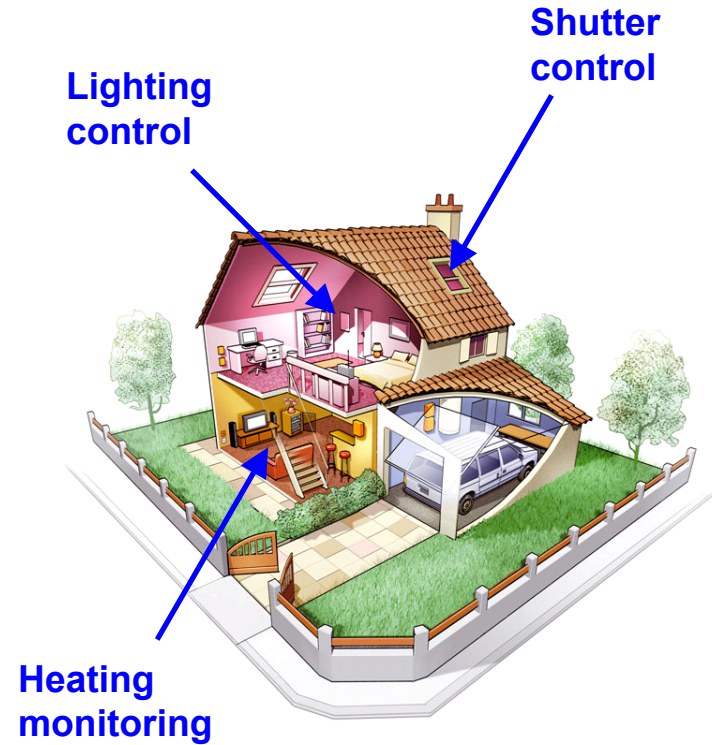
- Providing **comprehensive & tailored solutions** to help customers improve their economic performance and reduce energy consumption
- Developing communication tools to **create the demand** on the targeted markets
- Developing ROI tools to help customers understand savings
- Developing **pull actions** towards investors, End Users, specifiers, contractors ...
- Providing **solution guides** for channel partners





IV. Thinking Energy Efficiency in residential and small commercial markets

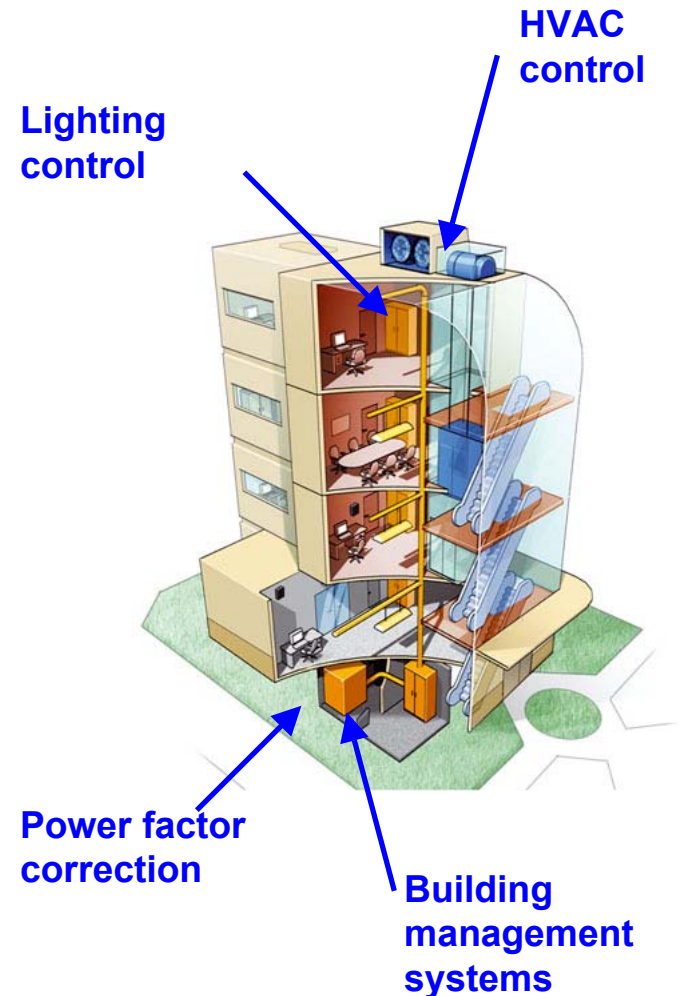
- **Lighting control**
dimmers, timers, movement and presence detectors, specific switches, light sensitive switches
- **Temperature control**
thermostat, floor heating control
- **Shutter control**





IV. Thinking Energy Efficiency in medium and large commercial markets

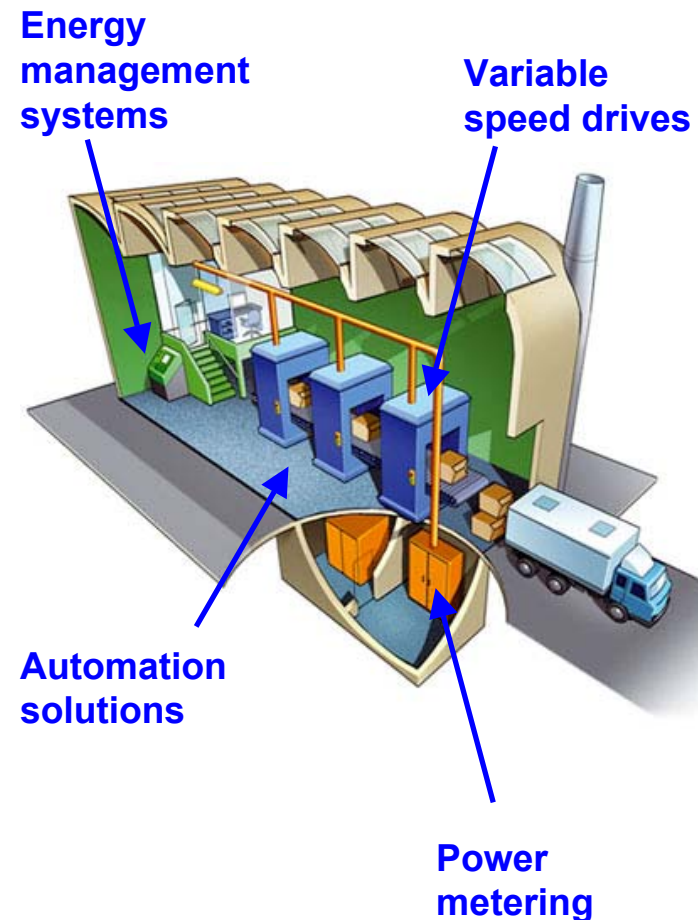
- Lighting control, temperature control, shutter control : stand alone electronics, modular solutions and **Networked integrated systems**
- **Air conditioning, ventilation** variable speed drives for HVAC, pumps, and fans.
- **Energy management** power factor correction, filtering, power monitoring and analysis
- **Facility Services** Integrated building solutions for sustained maintenance and management of energy savings and supply





IV. Thinking Energy Efficiency in industry and infrastructure markets

- **Air conditioning, ventilation, compressed air, conveying machines**
variable speed drives for HVAC, pumps, fans, and equipment.
- **Energy management**
power factor correction, transient filtering, remote monitoring of energy consumption, power monitoring and analysis
- **Industrial Services**
solutions for sustained maintenance and management of energy savings and supply, consultative engineering services





IV. Thinking Energy Efficiency Innovation for tomorrows solutions

■ Lead Energy Efficiency to the next stage

- **LED** based energy efficient lighting solutions devoted to specific segment including control and electrical distribution architecture
- **HOMES**, new power and control products and solutions for Building and Residential applications.
- **Smart Electricity**, miniaturized, intelligent electrical distribution components and ancillaries for smarter energy management
- **SHOPS**, flexible and open solution between energy suppliers and consumers, to promote energy efficiency in a competitive new market through improved measurement, control, and payment services.



■ Contribute to the development of solar energy

- In 2007, Schneider Electric will launch new offers supporting Photovoltaic energy in the French and Spanish markets.



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V. Three main messages on Energy Efficiency

- A potential market with a growth rate of 15 - 20% with solutions contributing to energy saving from 10 to 30%
- An amazing opportunity to boost growth and profitability enhancing added value services to customers
- An integrated approach where business and social responsibility go hand in hand