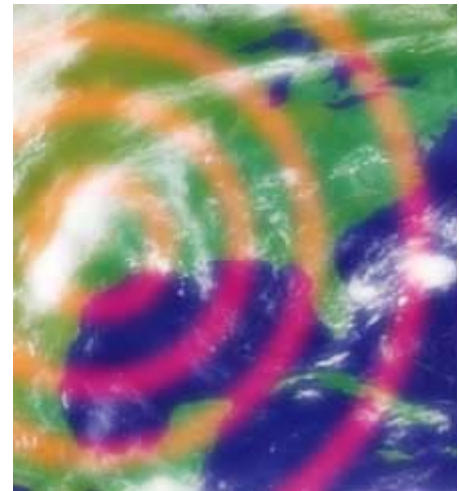



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## In Face of Record Heat Waves across U.S. this Summer Companies Compensated for Reducing Demand

As we approach yet another stretch of hot weather, consider this: the growth of available electricity supply is greatly outpaced by the Herculean growth in the demand for electricity. Without sufficient supplies, utilities and grid operators will be strapped and will have to find ingenious ways of preventing rolling or whole community blackouts.

In the United States, we value electricity. Whereas 10 years ago, perhaps one out of every three homes had a computer, now it seems the inverse is true – two or three computers per home. We have several televisions, huge refrigerators, central air conditioning, and we don't seem to keep as close an eye on what we leave on when we walk out of the room (not like our parents). There are more people, more houses and more electricity-sponging equipment. The result is outrageous electricity demand growth and no end in sight.



Unfortunately, this ever-increasing demand for electricity has seemingly gone unnoticed. It is as difficult as it is to get a power plant permitted. Furthermore, in most areas of the country, transmission lines are unable to handle the supply necessary to meet the demand (that is, if we have supplies it appears to be a recipe for disaster).

In the face of this crisis, one company has attempted to re-focus attention towards one alternative to reduce the demand - and no, they aren't advocating the abolition of multi-computer homes. Energy Consultants, Inc. (ECI), a demand response and energy consulting company headquartered in Buffalo, New York, has spent the last few years fine tuning a straightforward program: Reduce your demand and get paid – that easy!

ECI pays New York facilities to reduce or curtail their electricity a few times per year upon a day-ahead "reduction" of electricity usage could be by way of running an on-site generator or simply shutting down non-essential equipment. Compensation can be significant, depending on how much electricity a company can reduce. In New York, for example, the dollars are big enough to entice the likes of The New York Post, Steinway Park, and hundreds of schools, universities, residential properties, office buildings, hotels, hospitals, nursing homes, and industrial facilities.

ECI believes that as a society we cannot wait until our grids are stretched beyond their limits. Just this week, several states and control areas have recorded their highest demands ever. In New York, NYISO reported that of all time on July 19. That same day, Con Edison, Long Island Power Authority, Connecticut, NEPCO, and other control areas also reported record demands. According to Con Edison (the electric utility for New York), the past 10 years, demand has increased by 20 percent in their service area. ECI intends to offset that only on those days that the State of New York is facing imminent blackouts.

What a simple idea: Pay people not to use electricity when there's not enough electricity available. That's more incentive than money --- and ECI offers higher payments! Companies are looking at this program as a way to fight back and reduce their energy costs. Dennis Tortora, vice president and controller at Queens-based Sons Piano, said, "The revenue that we derive from our participation in this program helps insure our position in our markets."

Others, including New York Community Hospital and DeWitt Rehabilitation Nursing Home, point out the other facet of participating. "Our experience has been very favorable...we have earned significant dollars a year from the city [New York City] from a blackout..." said Ismael Fontanez, senior VP of facilities at Brooklyn's New York Community Hospital.

Ed Joskow of DeWitt Rehabilitation in Manhattan adds that, "Simply by reducing our electricity usage year over year and running our on-site generator, we are able to help out the City, State and receive compensation."

ECS President, Glen Smith, has been at the forefront of crafting demand response programs ever since the blackout crisis in California in the early parts of this decade. He formed the company with Stephen L. Smith, who was the plant manager at a large Niagara Falls manufacturer that had long seen the merit of participating in such programs. Together, they have developed a no-risk program that companies are tripping over to participate in – and in the meantime they have become the largest demand response provider in the country. The program participants act as the State of New York's last line of defense against blackouts.

For information regarding this article or how you too can earn dollars while preventing blackouts, contact Corinne Bevilacqua, ECS' director of communications, toll free at 1-877-711-5453.

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