# Webinar

**ESG Innovators in Real Estate**

Date: February 02, 2023

| | |
|---|---|
| **00:00:00 --> 00:00:02:** | Another reason why we have these, you know, types of. |
| **00:00:02 --> 00:00:03:** | Yes, absolutely. |
| **00:00:09 --> 00:00:12:** | Hello everyone, welcome. We'll wait for some folks to trickle |
| **00:00:12 --> 00:00:12:** | in. |
| **00:00:24 --> 00:00:27:** | I'll give it about 2 minutes. I see our participant |
| **00:00:27 --> 00:00:30:** | numbers jumping up. Thank you for joining us. |
| **00:00:57 --> 00:01:00:** | All right. Welcome everyone. It's one O 2, so we'll |
| **00:01:00 --> 00:01:03:** | get started here. My name is Kara Kochanek with you |
| **00:01:03 --> 00:01:06:** | Ali, and welcome to UL i.e SG Innovators and real |
| **00:01:06 --> 00:01:09:** | estate webinar. A few items to talk about before we |
| **00:01:09 --> 00:01:13:** | jump into the webinar content. There will be a recording |
| **00:01:13 --> 00:01:16:** | of today's session and it will be shared along with |
| **00:01:16 --> 00:01:19:** | all of the presenters. Contact info. There will also be |
| **00:01:19 --> 00:01:23:** | a post session survey that we strongly encourage you to |
| **00:01:23 --> 00:01:25:** | fill out. It's the best way we can get feedback |
| **00:01:26 --> 00:01:27:** | on a type of programming. |
| **00:01:27 --> 00:01:30:** | And we offer through UI and the Green Print Center |
| **00:01:30 --> 00:01:34:** | for building performance. Green Print is a worldwide alliance of |
| **00:01:35 --> 00:01:39:** | leading real estate owners, investors and strategic partners committed to |
| **00:01:39 --> 00:01:44:** | improving the environmental performance of the global real estate industry. |
| **00:01:44 --> 00:01:48:** | Today, we're going to focus on innovative technologies and services |
| **00:01:48 --> 00:01:53:** | that are driving sustainability with present presentations from our green |
| **00:01:53 --> 00:01:57:** | print innovation partner program. This program is an exclusive. |
| **00:01:57 --> 00:02:01:** | Opportunity for the technology and service providers to engage with |

**00:02:01 --> 00:02:06:** green print real estate members in advancing sustainability across their
**00:02:06 --> 00:02:10:** portfolios and to support the overall greenprint goal of reducing
**00:02:10 --> 00:02:13:** carbon emissions and increasing building value. The goal of the
**00:02:13 --> 00:02:17:** session today is really a sharing session. So it's for
**00:02:17 --> 00:02:21:** the GREENPRINT members to share the impact that their innovation
**00:02:21 --> 00:02:24:** partners are having on their sustainability programs and then for
**00:02:25 --> 00:02:28:** the innovation partners themselves to share more about how their.
**00:02:28 --> 00:02:32:** Technologies and services work, and to see if those solutions
**00:02:33 --> 00:02:35:** might work for you on on the call and the
**00:02:35 --> 00:02:39:** webinar and others in the real estate supply chain.
**00:02:39 --> 00:02:43:** So I would jump over into who our presenters are
**00:02:43 --> 00:02:45:** today and then we'll, I'll pass it off to our
**00:02:46 --> 00:02:48:** presenters and at the end we'll have a Q&A. If
**00:02:49 --> 00:02:53:** you have questions during the discussion or presentation, please just
**00:02:53 --> 00:02:55:** put them in the chat or the Q&A box and
**00:02:56 --> 00:02:58:** we'll address them at the end of the webinar.
**00:02:59 --> 00:03:03:** So starting us off is a Alexis Sofianos scenario, yarish
**00:03:03 --> 00:03:07:** from Isuzu and Melissa Rodriguez at Jared Lynch. And they're
**00:03:07 --> 00:03:10:** going to be talking about using data to address housing
**00:03:10 --> 00:03:14:** inequality. Next we'll have John Kovach with Siemens and John
**00:03:14 --> 00:03:19:** Mcnicholl at the Pennsylvania Convention Center Authority, and they will
**00:03:19 --> 00:03:22:** be speaking about investing in sustainability.
**00:03:23 --> 00:03:26:** And then lastly, we will have David Blair and Jeremy
**00:03:26 --> 00:03:31:** Lowe at Transparent Energy and Michael Ashworth and Mckisson talking
**00:03:31 --> 00:03:36:** about renewable energy procurement. Again, questions we will address after
**00:03:36 --> 00:03:39:** the presentation. And now I will pass it over to
**00:03:39 --> 00:03:44:** our first presenters and innovation partners, Alexis, Ariel and Melissa.
**00:03:46 --> 00:03:48:** Thank you, Cara. Then we can toggle to the next
**00:03:48 --> 00:03:51:** slide. Excited to talk to everyone today about a Susu.
**00:03:51 --> 00:03:55:** We are a financial technology platform whose vision is to
**00:03:55 --> 00:03:58:** bridge the racial wealth gap through the power of data
**00:03:58 --> 00:04:01:** with a mission to dismantle barriers to housing for working

**00:04:01 --> 00:04:05:** families. We were founded in 2018 and have been growing
**00:04:05 --> 00:04:08:** rapidly since, and we'll walk through more practically how we
**00:04:08 --> 00:04:12:** work with owners, operators, investors and other stakeholders in multifamily
**00:04:13 --> 00:04:15:** real estate to not only build more financially.
**00:04:15 --> 00:04:20:** Resilient renters and communities but also improve property and portfolio
**00:04:20 --> 00:04:23:** performance. Before we get into that, if we can go
**00:04:23 --> 00:04:26:** to the next slide, talk about why we do what
**00:04:26 --> 00:04:29:** we do, why we have the mission that we do.
**00:04:29 --> 00:04:33:** Historically the housing finance structure in America has while one
**00:04:33 --> 00:04:36:** been one of wealth and opportunity. The flip side of
**00:04:36 --> 00:04:40:** that is that there is also been persistent inequity and
**00:04:40 --> 00:04:44:** and exclusion whether that be through redlining, deed restrictions or
**00:04:44 --> 00:04:46:** other discriminatory practices.
**00:04:46 --> 00:04:50:** With the past, those past practices continue to linger and
**00:04:50 --> 00:04:54:** persist in not just today's housing finance system, but the
**00:04:54 --> 00:04:58:** the, the, the patchwork of America today. And so examples
**00:04:58 --> 00:05:02:** of that are the homeownership gap or the wealth and
**00:05:02 --> 00:05:07:** income disparities, particularly between different different races of individuals across
**00:05:08 --> 00:05:11:** America and also within the credit building space, which is
**00:05:12 --> 00:05:15:** where a Sue Sue plays, so doing a double click
**00:05:15 --> 00:05:16:** on credit building.
**00:05:16 --> 00:05:20:** On the next slide, the reason why ISUSU focuses and
**00:05:20 --> 00:05:24:** and very much launched our platform with the focus on
**00:05:24 --> 00:05:28:** financial identity and credit building is because today less than
**00:05:28 --> 00:05:32:** 10% of America's 80 + 1,000,000 renters in the US
**00:05:32 --> 00:05:36:** have their rental payments or their monthly housing payments benefit
**00:05:36 --> 00:05:40:** their credit score. On the flip side, homeowners have their
**00:05:41 --> 00:05:45:** mortgage payments benefiting their credit score every single month. And
**00:05:46 --> 00:05:47:** So what that means is.
**00:05:47 --> 00:05:50:** When you look at the credit score data between a
**00:05:50 --> 00:05:54:** potential homeowner or a home buyer and one of a
**00:05:54 --> 00:05:57:** renter, there's on average 100 point delta in those credit
**00:05:57 --> 00:06:01:** scores. And that delta unfortunately widens when you layer in
**00:06:01 --> 00:06:05:** race. And so from the renter impact or the consumer
**00:06:05 --> 00:06:08:** impact, what that means is higher interest rates, lack of

**00:06:08 --> 00:06:13:** inclusion or or exclusion from certain financing capabilities, leasing and

**00:06:13 --> 00:06:17:** financing a vehicle, acquiring a credit card or or purchasing

**00:06:17 --> 00:06:18:** a home or.

**00:06:18 --> 00:06:21:** Financing and education. And so a Susu addresses that and

**00:06:21 --> 00:06:24:** and intends to, to flip that script. And so more

**00:06:24 --> 00:06:28:** practically, on the next side, it's a great illustration of

**00:06:28 --> 00:06:31:** what we had assumed. Do we have 3 core products

**00:06:31 --> 00:06:35:** within our ecosystem that all of our, again, multifamily owners,

**00:06:35 --> 00:06:39:** operators, investors and other stakeholders take advantage of. And the

**00:06:39 --> 00:06:42:** first is rent reporting. So when life is going well

**00:06:42 --> 00:06:45:** and renters are paying their rent on time and in

**00:06:45 --> 00:06:49:** full every month, we report those rental payments.

**00:06:49 --> 00:06:52:** All three credit bureaus, it helps build, establish and grow

**00:06:52 --> 00:06:56:** a renters credit score and an area will walk through

**00:06:56 --> 00:06:59:** the the impact we've had in terms of newly established

**00:06:59 --> 00:07:03:** credit scores which is really astounding. And from the property

**00:07:03 --> 00:07:07:** performance perspective, it helps drive on time rental payments and

**00:07:07 --> 00:07:11:** improve collections. That's when life is going well, when life

**00:07:11 --> 00:07:14:** is not going well. The second piece of our puzzle

**00:07:15 --> 00:07:17:** is our rent relief option and so if a renter

**00:07:17 --> 00:07:19:** in an exclusive community.

**00:07:19 --> 00:07:23:** Experience a short term financial shock. They can apply for

**00:07:23 --> 00:07:26:** up to three months of rent relief through our sister

**00:07:26 --> 00:07:29:** 501C3 who we've partnered with. That's that rent relief is

**00:07:29 --> 00:07:33:** 0% interest, zero fees wired directly to property management. And

**00:07:33 --> 00:07:37:** so why that's important is from the renters perspective, it's

**00:07:37 --> 00:07:40:** eviction prevention. It keeps a roof over their head and

**00:07:40 --> 00:07:44:** it promotes housing stability and housing security. From the owner

**00:07:44 --> 00:07:47:** operator perspective it's a direct infusion of cash flow and

**00:07:47 --> 00:07:49:** a direct reduction of property.

**00:07:49 --> 00:07:53:** Add that, so again aligning interest both socially and economically

**00:07:53 --> 00:07:57:** to keep renters in their homes, but keep property performance

**00:07:57 --> 00:08:01:** healthy and thriving. And then lastly is our SG reporting

**00:08:01 --> 00:08:04:** said simply, we help capture and quantify the S piece

**00:08:04 --> 00:08:07:** of ESG for our multifamily partners. And So what that

**00:08:07 --> 00:08:11:** means is being able to show renters the number of
**00:08:11 --> 00:08:14:** renters in a property or a portfolio who are enrolled
**00:08:14 --> 00:08:17:** who have seen an improvement in their credit score and
**00:08:17 --> 00:08:19:** able to capture and quantify the.
**00:08:19 --> 00:08:22:** Exact point increase at that property is seen on average
**00:08:23 --> 00:08:26:** the number of credit scores established for the very first
**00:08:26 --> 00:08:29:** time through our platform. So a previously credited invisible renter
**00:08:30 --> 00:08:33:** now has a prime credit score which opens financial doors
**00:08:33 --> 00:08:35:** for them and we can also capture and quantify our
**00:08:35 --> 00:08:39:** rent relief data. So how many evictions are being prevented,
**00:08:39 --> 00:08:41:** the cot which which come with a cost to the
**00:08:41 --> 00:08:44:** direct influx of cash flow at the property and portfolio
**00:08:44 --> 00:08:47:** level and then we can take that a step further
**00:08:47 --> 00:08:49:** and connect an additional dot, so post a susus.
**00:08:50 --> 00:08:53:** Um, implementation across a port or portfolio of community or
**00:08:53 --> 00:08:56:** a property, we can show after our services have been
**00:08:56 --> 00:09:00:** launched for renters, whether those renters are establishing credit for
**00:09:00 --> 00:09:03:** the very first time or growing their credit score with
**00:09:03 --> 00:09:07:** issues platform. What are they then going and doing overwhelmingly,
**00:09:07 --> 00:09:10:** which is really great to see is residents are for
**00:09:10 --> 00:09:13:** the very first time being able to lease or purchase
**00:09:13 --> 00:09:16:** a vehicle. That's economic mobility, that's getting to a better
**00:09:16 --> 00:09:20:** job, that's getting your kids to a better school district.
**00:09:20 --> 00:09:22:** And so on and so forth. We also see a
**00:09:22 --> 00:09:25:** lot of folks qualifying for a mortgage for the very
**00:09:25 --> 00:09:28:** first time or being able to finance their education. So
**00:09:28 --> 00:09:31:** really it's connecting those dots and the ability to tell
**00:09:31 --> 00:09:34:** that story, whether it be for EG reporting social impact
**00:09:35 --> 00:09:37:** or other purposes both internally and externally.
**00:09:38 --> 00:09:40:** And so with that, I will pass it over to
**00:09:40 --> 00:09:43:** my colleague Ariel, who who overseas ESG for us here
**00:09:43 --> 00:09:46:** at Azusa to walk through our impact at a high
**00:09:46 --> 00:09:49:** level, but then more granularly with our partner Gyre Ledge.
**00:09:51 --> 00:09:54:** So Azusa was stands for if you want to go
**00:09:55 --> 00:09:58:** fast, go alone, but if you want to go far,
**00:09:58 --> 00:10:02:** go together. And so this impact that we have is
**00:10:02 --> 00:10:07:** really a representation of all of our partners. So Azusa
**00:10:07 --> 00:10:11:** is going over 3.5 million units across the United States,
**00:10:11 --> 00:10:16:** which is really exciting. And collectively we were able to

**00:10:16 --> 00:10:21:** impact more than 1,000,000 renters and be able to serve.
**00:10:21 --> 00:10:26:** Families in various ways. And so through the rent reporting,
**00:10:26 --> 00:10:31:** we've actually prevented 3000 families from becoming evicted. We've been
**00:10:31 --> 00:10:36:** able to establish more than 45,000 credit scores, people going
**00:10:36 --> 00:10:40:** from credit invisible to having credit and being able to
**00:10:40 --> 00:10:45:** unlock capital. Additionally, through our rent reporting, we see on
**00:10:45 --> 00:10:50:** average a 30 point increase in credit scores helping to
**00:10:50 --> 00:10:52:** move people from subprime.
**00:10:52 --> 00:10:55:** The prime which as Alexis was saying really helps with
**00:10:55 --> 00:11:00:** economic mobility. Additionally, we we work with various housing including
**00:11:00 --> 00:11:06:** affordable class, A single family, single family student housing, manufactured
**00:11:06 --> 00:11:09:** housing and more. So I'm really excited to pass it
**00:11:09 --> 00:11:13:** over to Melissa, one of our partners at Jair Lynch
**00:11:13 --> 00:11:16:** on the next slide to talk about the impact we
**00:11:16 --> 00:11:17:** have together.
**00:11:17 --> 00:11:20:** Hi everyone. My name is Melissa. I am the resident
**00:11:20 --> 00:11:24:** engagement manager at Gyre Lynch and it's an absolute, absolute
**00:11:24 --> 00:11:27:** pleasure to be here to speak about our company, our
**00:11:28 --> 00:11:31:** partnership with the Zoo Zoo and the positive impact that
**00:11:31 --> 00:11:34:** we currently have on ESG. For those of you who
**00:11:34 --> 00:11:38:** are unfamiliar, JIRA Lynch real estate partners is located in
**00:11:38 --> 00:11:41:** Washington DC We are a real estate investment and development
**00:11:41 --> 00:11:46:** firm that focuses on creating extraordinary places for extraordinary people.
**00:11:47 --> 00:11:52:** Our current multifamily portfolio includes communities throughout DC, Maryland, Virginia
**00:11:53 --> 00:11:56:** and most recently Atlanta. We have a focus on attainable
**00:11:56 --> 00:12:01:** housing, ensuring that we combine our social responsibility with our
**00:12:01 --> 00:12:03:** sound economic development.
**00:12:04 --> 00:12:07:** When it comes to ESG in our company, we believe
**00:12:07 --> 00:12:12:** that DEI, sustainability, health and Wellness are all vital building
**00:12:12 --> 00:12:13:** blocks of prosperity.
**00:12:14 --> 00:12:17:** Our dedication to being a catalyst of positive change is
**00:12:17 --> 00:12:21:** reflected in our companies EG Committee, otherwise known as the

| | |
|---|---|
| **00:12:21 --> 00:12:22:** | Green Team. |
| **00:12:23 --> 00:12:27:** | This team combines our company's core service and leadership groups |
| **00:12:27 --> 00:12:30:** | and we are responsible for ensuring that our SG policies |
| **00:12:30 --> 00:12:34:** | are embedded in the work throughout our growing portfolio and |
| **00:12:34 --> 00:12:36:** | in our day-to-day operations. |
| **00:12:37 --> 00:12:41:** | Our main focus for our companies Green Team. I am |
| **00:12:41 --> 00:12:45:** | the social officer and I am committed to dismantling barriers |
| **00:12:46 --> 00:12:51:** | that are often encountered by attainable housing, communities and residents. |
| **00:12:51 --> 00:12:53:** | By doing so, we have. |
| **00:12:54 --> 00:12:57:** | Impacts categories that could be seen on the right hand |
| **00:12:57 --> 00:13:00:** | side of the slide and they act as an umbrella |
| **00:13:00 --> 00:13:04:** | to more specific and intentional service areas that support the |
| **00:13:04 --> 00:13:08:** | social, physical and health mental well-being, financial well-being and mental |
| **00:13:08 --> 00:13:12:** | well-being of our residents. The dedication that we have across |
| **00:13:12 --> 00:13:17:** | these impacts categories speaks to the underserved communities and our |
| **00:13:17 --> 00:13:20:** | firm's core values. If there is more to learn about |
| **00:13:20 --> 00:13:23:** | our company or if you would like to download our |
| **00:13:23 --> 00:13:24:** | SG policy, you. |
| **00:13:24 --> 00:13:26:** | Can visit the link provided or contact me or my |
| **00:13:26 --> 00:13:28:** | colleague Tony and directly. |
| **00:13:29 --> 00:13:31:** | We can go to the next slide to speak about |
| **00:13:31 --> 00:13:35:** | our wonderful partnership with the Zuzu in conjunction with our |
| **00:13:35 --> 00:13:39:** | investment partners at Nuveen. Isuzu has been implemented at ten |
| **00:13:39 --> 00:13:44:** | of our attainable housing properties across our portfolio. This program |
| **00:13:44 --> 00:13:48:** | allows our residents to build their credit scores and achieve |
| **00:13:48 --> 00:13:52:** | positive financial health by reporting on time rental payments. For |
| **00:13:52 --> 00:13:56:** | those who may be faced with financial challenges, Isuzu offers |
| **00:13:56 --> 00:13:59:** | residents and opportunity to access rent relief funds. |
| **00:13:59 --> 00:14:03:** | By providing them with interest free loans to better understand |
| **00:14:03 --> 00:14:06:** | the impact felt across our portfolio, I'll turn it back |
| **00:14:06 --> 00:14:09:** | over to our friends at Isuzu to dive deeper into |
| **00:14:09 --> 00:14:11:** | the data that is provided on the slide. |

**00:14:12 --> 00:14:17:** Thank you so much, Melissa. We are extraordinarily grateful for

**00:14:17 --> 00:14:21:** our partnership which are Lynch and just the impact that

**00:14:21 --> 00:14:24:** they have through Melissa and Tony Ann and the entire

**00:14:24 --> 00:14:28:** company. So through this partnership that we have together as

**00:14:29 --> 00:14:32:** mentioned with Nuveen as a partner, we are serving over

**00:14:32 --> 00:14:36:** 1500 units, nearly 2000 people. And what we're seeing is

**00:14:36 --> 00:14:40:** that from people are truly moving this chart at the

**00:14:40 --> 00:14:43:** bottom, they're moving from poor credit scores.

**00:14:43 --> 00:14:47:** Into good and excellent. So not only are we helping

**00:14:47 --> 00:14:51:** renters unlock capital be able to increase their credit score,

**00:14:51 --> 00:14:57:** but really creating opportunities for healthier, happier lives. And additionally,

**00:14:57 --> 00:15:01:** through our rent relief, we have been able to prevent

**00:15:01 --> 00:15:06:** 52 evictions serving with over $120,000 specifically to these renters

**00:15:06 --> 00:15:10:** highlighted above. So thank you so much for listening and

**00:15:10 --> 00:15:14:** if you have any questions, please feel free to reach

**00:15:14 --> 00:15:14:** out to the.

**00:15:14 --> 00:15:17:** Access, Melissa and our team. We would love to hear

**00:15:17 --> 00:15:18:** from you.

**00:15:21 --> 00:15:24:** Great, thank you. It is so amazing to hear about

**00:15:24 --> 00:15:26:** all the impacts that you all have had and I'm

**00:15:26 --> 00:15:29:** sure that will be increasing in the in the future.

**00:15:29 --> 00:15:32:** So right now we'll hold all questions for that first

**00:15:32 --> 00:15:36:** presentation and we'll move right into investing in sustainability with

**00:15:37 --> 00:15:37:** John and John.

**00:15:39 --> 00:15:43:** Good afternoon. Thanks very much. And and I'm, I'm blown

**00:15:43 --> 00:15:46:** away by the presentation that preceded us. So we'll try

**00:15:46 --> 00:15:49:** and hold up to a very high standard. Thank you

**00:15:49 --> 00:15:52:** all for that presentation. I was really riveted by it.

**00:15:53 --> 00:15:56:** And then absolutely, absolutely going to reach out and learn

**00:15:56 --> 00:16:00:** more. So my name is John Mcnicholl. I'm the President

**00:16:00 --> 00:16:04:** and CEO of the Pennsylvania Convention Center Authority located here

**00:16:04 --> 00:16:08:** in Philadelphia, in the heart of Philadelphia, the heart of

**00:16:08 --> 00:16:09:** the NFC Championship.

**00:16:09 --> 00:16:13:** Without the Eagles. I apologize to folks from other towns,

**00:16:13 --> 00:16:16:** but we don't get to brag very much, so we're

**00:16:16 --> 00:16:19:** going to brag about that. I John, do you want

**00:16:19 --> 00:16:20:** to say hello real?

**00:16:20 --> 00:16:24:** Fast hi, I'm John kovach. I have responsibility for our
**00:16:24 --> 00:16:29:** energy and performance services business, for Siemens, for the American
**00:16:29 --> 00:16:29:** zone. So.
**00:16:30 --> 00:16:33:** So we can advance to the next slide where I'll
**00:16:33 --> 00:16:37:** just talk briefly about the Pennsylvania Convention Center at the
**00:16:37 --> 00:16:39:** facility itself and how it's structured. We're a.
**00:16:39 --> 00:16:44:** Taxpayer funded to Pennsylvania Convention Center is owned by the
**00:16:44 --> 00:16:48:** PAX Taxpayers of the Commonwealth of Pennsylvania. We're one of
**00:16:48 --> 00:16:52:** the largest convention centers in the Northeast corridor of the
**00:16:52 --> 00:16:56:** United States. We welcome a little over 1,000,000 people a
**00:16:56 --> 00:17:00:** year attending conferences and conventions here at our center. We
**00:17:00 --> 00:17:04:** are located in the heart of Center City, which makes
**00:17:04 --> 00:17:07:** it somewhat unique. We occupy about five as city square
**00:17:08 --> 00:17:10:** blocks right down in downtown.
**00:17:10 --> 00:17:13:** Center City Philadelphia about a block away from City Hall
**00:17:13 --> 00:17:17:** which is fairly unique for a building of our size
**00:17:17 --> 00:17:20:** and the Convention Center that the building itself is about
**00:17:21 --> 00:17:24:** 2,000,000 square feet of which about 60% of it is
**00:17:24 --> 00:17:28:** sellable space to our customers. So substantial size of facility
**00:17:28 --> 00:17:31:** with a lot of moving parts and mechanicals. But more
**00:17:31 --> 00:17:36:** importantly we're really consider ourselves to be an economic engine
**00:17:36 --> 00:17:40:** which drives the entire hospitality industry here in our great
**00:17:40 --> 00:17:41:** city of.
**00:17:41 --> 00:17:45:** Philadelphia, the Convention Center's job is to bring people here
**00:17:45 --> 00:17:50:** from international destinations domestically, regionally and then to stay in
**00:17:50 --> 00:17:54:** our hotels and use our restaurants and enjoy our historic
**00:17:54 --> 00:17:58:** Philadelphia and our museums and the arts and culture in
**00:17:58 --> 00:18:02:** the city. And then that drives the economy to the
**00:18:02 --> 00:18:06:** tune of about $750,000,000 a year in economic impact. So
**00:18:06 --> 00:18:09:** we're a major player in our local and regional economy,
**00:18:10 --> 00:18:11:** in fact, hospitality.
**00:18:11 --> 00:18:15:** Travel and tourism, but hospitality specific jobs really are the
**00:18:15 --> 00:18:19:** number 2 employer now in our region only to healthcare
**00:18:19 --> 00:18:23:** and education. So we are a significant player. And it's
**00:18:23 --> 00:18:27:** also important probably to note that times have changed in
**00:18:27 --> 00:18:30:** our industry. We'll talk a little bit about the some

**00:18:30 --> 00:18:33:** of the impacts of the pandemic and what it's had

**00:18:34 --> 00:18:37:** on the travel and tourism industry, but I dare say

**00:18:37 --> 00:18:41:** that there's been no industry that was impacted more significantly.

**00:18:42 --> 00:18:45:** And had a greater lasting effect in terms of the

**00:18:45 --> 00:18:48:** recovery curve than the pandemic did on on our industry.

**00:18:48 --> 00:18:52:** So coming out of the pandemic we realized that we

**00:18:52 --> 00:18:55:** were going to be in a very competitive environment and

**00:18:55 --> 00:18:59:** and needed to keep pace with that. So the Pennsylvania

**00:18:59 --> 00:19:03:** Convention Center as I said, it's a taxpayer funded organization,

**00:19:03 --> 00:19:07:** we're a pseudo governmental authority, but our charge comes not

**00:19:07 --> 00:19:10:** only from our Board of Directors but also from our

**00:19:10 --> 00:19:12:** city and it comes from.

**00:19:12 --> 00:19:15:** Our state as well. So the commitment that I'm going

**00:19:15 --> 00:19:18:** to talk about today to sustainability and the efforts that

**00:19:18 --> 00:19:22:** we've taken to make the facility great, really our top

**00:19:22 --> 00:19:24:** down to us and then we hope that we'll be

**00:19:24 --> 00:19:28:** done here at the Convention Center drives additional investment and

**00:19:28 --> 00:19:32:** dedication and commitment to the same principles and the same

**00:19:32 --> 00:19:35:** culture that we've tried to adopt here at the Pennsylvania

**00:19:35 --> 00:19:38:** Convention Center. If you can move to the next slide

**00:19:38 --> 00:19:41:** that's great. So our goal was really in in all

**00:19:41 --> 00:19:42:** of this was to.

**00:19:42 --> 00:19:46:** Improve obviously the facility operations that deal with that as

**00:19:46 --> 00:19:49:** best we could to get as many guaranteed savings in

**00:19:49 --> 00:19:53:** place as we could from the capital investments that we

**00:19:53 --> 00:19:56:** intended to make. But to really focus on the customer

**00:19:56 --> 00:20:00:** experience, whether they be our employees, whether they be visitors

**00:20:00 --> 00:20:04:** to the center, keep it as safe, comfortable environment for

**00:20:04 --> 00:20:08:** folks and a very positive experience throughout. Part of our

**00:20:08 --> 00:20:12:** commitment is not only to sustainability, but will also touch

**00:20:12 --> 00:20:12:** on the DI.

**00:20:13 --> 00:20:16:** Component in the fact that we are fully committed and

**00:20:17 --> 00:20:21:** have been in 2011, we expanded the Convention Center. It

**00:20:21 --> 00:20:25:** was originally built in 1993 and then we virtually doubled

**00:20:25 --> 00:20:28:** the size of it in 2011. And we set records

**00:20:28 --> 00:20:33:** for WM DBE participation on just the construction portion of

**00:20:33 --> 00:20:37:** that project. It was $789 million project, the largest public

**00:20:37 --> 00:20:42:** works project in the history of the Commonwealth of Pennsylvania
**00:20:42 --> 00:20:43:** at the time.
**00:20:43 --> 00:20:47:** And it achieved record numbers and that minority participation on
**00:20:47 --> 00:20:50:** the actual construction, which isn't as as many of you
**00:20:50 --> 00:20:53:** will appreciate, it's not an easy thing entirely to do
**00:20:53 --> 00:20:56:** because you really have to do a lot of very
**00:20:56 --> 00:20:59:** aggressive outreach and we and we had a great program
**00:20:59 --> 00:21:02:** in place and we're very happy with the results that
**00:21:02 --> 00:21:05:** we achieved. And then of course we want to position
**00:21:05 --> 00:21:09:** the Convention Center at the forefront of the hospitality industry
**00:21:09 --> 00:21:12:** so we can drive a lot of our local partners
**00:21:12 --> 00:21:13:** like our hoteliers and our.
**00:21:13 --> 00:21:17:** Restaurant and lodging folks to follow suit and do what
**00:21:17 --> 00:21:21:** we had done in those areas. So let's Fast forward
**00:21:21 --> 00:21:24:** to trying to be respectful of time and.
**00:21:25 --> 00:21:27:** Might only because I'm so passionate about so many of
**00:21:28 --> 00:21:30:** these issues, I could talk well beyond our allotted 10
**00:21:30 --> 00:21:30:** minutes.
**00:21:32 --> 00:21:35:** We have an obligation to put forth A5 year capital
**00:21:35 --> 00:21:39:** budget plan. And so every year we're refreshing that plan,
**00:21:39 --> 00:21:43:** looking at the facility and trying to accomplish what we
**00:21:43 --> 00:21:47:** can accomplish. My budget rolls up to the Budget Secretary
**00:21:47 --> 00:21:50:** and Harrisburg, PA, our state capital. So every year that's
**00:21:50 --> 00:21:54:** being reviewed and I'd like to believe that we've done
**00:21:54 --> 00:21:57:** a good job of fiscally managing the authority here and
**00:21:58 --> 00:22:01:** we had accrued some capital reserves enough that we were
**00:22:01 --> 00:22:03:** able to take a good hard look at.
**00:22:04 --> 00:22:09:** Accelerating some of our sustainability efforts with really major capital
**00:22:09 --> 00:22:12:** investment. So back in 2016 to 2018 we started mapping
**00:22:12 --> 00:22:16:** out against that five year plan what are some of
**00:22:16 --> 00:22:20:** the really substantial meaningful things that we can do to
**00:22:20 --> 00:22:23:** attack the the issues and some of the challenges we
**00:22:24 --> 00:22:28:** have on the operating side through smart and strategic capital
**00:22:28 --> 00:22:31:** investment. And so we went out for a RFQ at
**00:22:31 --> 00:22:34:** first and then we issued a subsequent.
**00:22:34 --> 00:22:36:** RFP and we asked for an ESCO to come in
**00:22:36 --> 00:22:39:** and take a look at our facility with us to
**00:22:39 --> 00:22:43:** do the engineering studies. And the successful bidder in that

**00:22:43 --> 00:22:46:** process was no stranger to us because Siemens as a
**00:22:46 --> 00:22:50:** company has been with the Convention Center authority since 1993
**00:22:50 --> 00:22:54:** since the building opened doing a lot of our building
**00:22:54 --> 00:22:57:** automation systems. Though, John, do you want to talk a
**00:22:58 --> 00:23:02:** little bit about that engagement because you were the successful
**00:23:02 --> 00:23:02:** bidder.
**00:23:02 --> 00:23:03:** On our face.
**00:23:04 --> 00:23:07:** Thanks John. And and as John said, you know we've
**00:23:07 --> 00:23:10:** been uh a partner with uh with the Convention Center
**00:23:10 --> 00:23:13:** since 93, so go on 30 years now, right John.
**00:23:13 --> 00:23:16:** And one of the things that I know was important
**00:23:16 --> 00:23:19:** to to the team there is that they were able
**00:23:19 --> 00:23:24:** to to really aggressively go after savings through the implementation
**00:23:24 --> 00:23:28:** of these various facility improvement measures, right. And and so
**00:23:28 --> 00:23:32:** really competitive pricing model with really no change order policy
**00:23:32 --> 00:23:35:** and and not a shared savings approach.
**00:23:35 --> 00:23:39:** But but maximizing the amount of savings that they could
**00:23:39 --> 00:23:41:** get and and take it at the center. And then
**00:23:42 --> 00:23:46:** another important piece was that we're both of our organizations
**00:23:46 --> 00:23:49:** are really perfectly aligned on you know minority women in
**00:23:50 --> 00:23:54:** the disability business engagement and participation. We even had numerous
**00:23:54 --> 00:23:58:** MW DBE events at the Convention Center to help drive
**00:23:58 --> 00:24:02:** that engagement locally as John mentioned before is something that
**00:24:02 --> 00:24:03:** that they're very.
**00:24:04 --> 00:24:07:** Passion about we share that passion and and really trying
**00:24:07 --> 00:24:09:** to increase the engagement not only the community but also
**00:24:09 --> 00:24:12:** participation on these projects. And then finally we were selected
**00:24:13 --> 00:24:15:** to do an investment grade audit of the entire facility
**00:24:15 --> 00:24:17:** and we conducted that in 2018. So thanks John.
**00:24:18 --> 00:24:21:** Yeah. And they did a great job with that and
**00:24:21 --> 00:24:24:** we did. We discovered a lot about ourselves. But the,
**00:24:24 --> 00:24:27:** the strength of the partnership leading up to that time
**00:24:27 --> 00:24:30:** gave us great comfort to. And my board of directors,
**00:24:30 --> 00:24:33:** led by Dave Master here in the city, get great
**00:24:33 --> 00:24:37:** comfort to understand that, you know, this was a partnership

**00:24:37 --> 00:24:40:** that could last well into what are going to be
**00:24:40 --> 00:24:42:** 3 phases. We're going to talk about now in the
**00:24:43 --> 00:24:45:** next slide, if you don't mind. So we really broke
**00:24:46 --> 00:24:48:** the because of some financial constraints.
**00:24:49 --> 00:24:53:** These are big projects. There's large scope involved. John, do
**00:24:53 --> 00:24:57:** you remember exactly how many ECM's we had? I think
**00:24:57 --> 00:24:59:** there was at least 15 or 20.
**00:24:59 --> 00:25:01:** Yeah, I think it was, it was getting close to
**00:25:01 --> 00:25:02:** 20, right, John?
**00:25:02 --> 00:25:05:** So, yeah, yeah, I think it was. And in that
**00:25:05 --> 00:25:09:** first there's a ECM's or the energy conservation measures, the
**00:25:09 --> 00:25:14:** specific deliverables under the ESCO agreement with Siemens and that
**00:25:14 --> 00:25:17:** was phase one, you could call it low hanging fruit,
**00:25:17 --> 00:25:19:** but it had a $15 million.
**00:25:19 --> 00:25:22:** Price tag on it and over the course of the
**00:25:22 --> 00:25:26:** year or the 20 year life of that, the project
**00:25:26 --> 00:25:30:** scope, we imagine it will be recovering at least $14
**00:25:30 --> 00:25:34:** million just in energy savings. Just in the savings from
**00:25:34 --> 00:25:37:** the things that we did like LED lighting and it
**00:25:38 --> 00:25:42:** in a building of this size 2,000,000 square feet. I'm
**00:25:42 --> 00:25:46:** talking about like 500 large incandescent fixtures that got all
**00:25:46 --> 00:25:49:** swapped out for LED's and then LED.
**00:25:49 --> 00:25:54:** Throughout the building central plant interconnection, I mentioned that we
**00:25:54 --> 00:25:57:** had two phases of construction. So we tied the East
**00:25:58 --> 00:26:01:** and West ends of the building in the central Plains
**00:26:01 --> 00:26:05:** together. We did AVAV system upgrades. So we were getting
**00:26:05 --> 00:26:08:** much more efficiency out of that. We just a lot
**00:26:08 --> 00:26:11:** of duct cleaning, but at the end of the day
**00:26:11 --> 00:26:15:** that $15 million investment that we funded through capital reserves
**00:26:15 --> 00:26:19:** we didn't need any financing for was going to realize
**00:26:19 --> 00:26:19:** about 14.
**00:26:19 --> 00:26:23:** $1,000,000 in in just the energy savings. That doesn't count
**00:26:23 --> 00:26:27:** what we expect to receive back in terms of operational
**00:26:27 --> 00:26:31:** savings because we'll get extended life. Of course LED's last
**00:26:31 --> 00:26:35:** much longer than traditional lighting and and the like and
**00:26:35 --> 00:26:40:** we're going to get through greater building automation system controls
**00:26:40 --> 00:26:43:** of all of our systems where we're going to realize

**00:26:43 --> 00:26:47:** much more operational savings on the maintenance side as well.

**00:26:47 --> 00:26:49:** So that was basically phase one.

**00:26:49 --> 00:26:53:** Uh, a VSCO that was done in 2019, then the

**00:26:53 --> 00:26:56:** pandemic hits and at that point in time around 2020

**00:26:57 --> 00:27:00:** through 2022, we launched into phase two. But we had

**00:27:00 --> 00:27:05:** spent a significant amount of taxpayer dollars and a lot

**00:27:05 --> 00:27:08:** of our reserves and our industry shut down. So we

**00:27:08 --> 00:27:12:** literally had went almost to a baseline AT0 in terms

**00:27:12 --> 00:27:16:** of actual revenue coming in to the to the center

**00:27:16 --> 00:27:20:** to fuel our capital program. So we turned to our

**00:27:20 --> 00:27:20:** friends.

**00:27:20 --> 00:27:24:** Siemens and they were able to produce for us it's

**00:27:24 --> 00:27:28:** $7 million chance of funding for phase two and phase

**00:27:28 --> 00:27:32:** two was all COVID related, all health and safety related.

**00:27:32 --> 00:27:36:** So we did some very interesting things driven by in-depth

**00:27:36 --> 00:27:40:** research and a lot of consulting input. And we put

**00:27:40 --> 00:27:44:** in things like bipolar ionization to R&R handler systems, additional

**00:27:44 --> 00:27:48:** V upgrades. We did some additional duct cleaning, we did

**00:27:49 --> 00:27:51:** escalator and rail sanitization.

**00:27:51 --> 00:27:55:** Units in every escalator in the building, so ultraviolet light

**00:27:55 --> 00:27:59:** constantly sanitizing those units. But John talked about the offer

**00:27:59 --> 00:28:01:** that Siemens gave to us. Please.

**00:28:03 --> 00:28:07:** You know when um COVID-19 really challenging time and particularly

**00:28:07 --> 00:28:11:** in the Convention Center, but it did yield some unprecedented

**00:28:12 --> 00:28:16:** financing opportunities and we recognize together with with PEN that

**00:28:16 --> 00:28:20:** that's that historically low environment we take advantage of. So

**00:28:20 --> 00:28:24:** we were it gave us an opportunity to finance the

**00:28:24 --> 00:28:27:** debt at at really great levels from an interest rate.

**00:28:27 --> 00:28:31:** So we worked really closely with various financiers and Siemens

**00:28:31 --> 00:28:33:** actually has a Siemens.

**00:28:33 --> 00:28:37:** Financial Services is a separate entity that provides financing and

**00:28:37 --> 00:28:41:** we locked in a 10 year municipal lease at interest

**00:28:41 --> 00:28:44:** rates you know South of 2.5%. So it worked out

**00:28:44 --> 00:28:47:** really well. We were able to to provide the capital

**00:28:47 --> 00:28:51:** as needed to to do these these facility improvement measures.

**00:28:51 --> 00:28:54:** So worked out well for everybody I think John.

**00:28:55 --> 00:28:58:** Indeed it did indeed. So Fast forward to where we

**00:28:58 --> 00:29:02:** are today. We're about to launch a third we're we're

**00:29:02 --> 00:29:03:** nearly buttoned up.

**00:29:03 --> 00:29:06:** I think we we've already got through most of our

**00:29:06 --> 00:29:09:** checklists on phase two and all the work that have

**00:29:09 --> 00:29:12:** been done there. So we took full advantage of the

**00:29:12 --> 00:29:16:** downtime during the pandemic pandemic to implement phase two. That

**00:29:16 --> 00:29:19:** did a lot for a spree decor here. It kept

**00:29:19 --> 00:29:22:** a lot of our workforce active and engaged and employed

**00:29:22 --> 00:29:25:** during that time. So it was not only strategic for

**00:29:25 --> 00:29:28:** the building and sustainability but it also sustained a lot

**00:29:28 --> 00:29:32:** of employment and and jobs related to the center. So

**00:29:32 --> 00:29:34:** now this spring coming up we are going to launch.

**00:29:35 --> 00:29:37:** Page 3 and phase three is going to be about

**00:29:37 --> 00:29:41:** more efficiencies and you know we're we're really excited to

**00:29:41 --> 00:29:44:** launch into that. I'll be about another $7 million process.

**00:29:44 --> 00:29:47:** I'm going to accelerate here for you to go to

**00:29:47 --> 00:29:48:** the next slide.

**00:29:49 --> 00:29:52:** I just wanted to make you know that that there

**00:29:52 --> 00:29:56:** was a major survey done by Convention Center Trade Association

**00:29:56 --> 00:30:00:** and sustainability ranks right at the top along with DEI

**00:30:00 --> 00:30:04:** efforts among the most important issues for meeting planners, our

**00:30:04 --> 00:30:05:** customer's next slide.

**00:30:06 --> 00:30:10:** Thank you. This is just one natural products. They received

**00:30:10 --> 00:30:14:** a platinum certification for the first trade show to achieve

**00:30:14 --> 00:30:18:** their event Industry Council sustainability event standards. It happened here

**00:30:18 --> 00:30:21:** at the Convention Center and they got full credit for

**00:30:22 --> 00:30:24:** the work we had done in the facility to get

**00:30:24 --> 00:30:27:** to that point. And you can see some of the

**00:30:27 --> 00:30:30:** other nice notables from that conference. Thank you.

**00:30:31 --> 00:30:34:** And with that, we'll look forward to answering any questions

**00:30:34 --> 00:30:36:** at the end. I'm sorry that we ran a little

**00:30:36 --> 00:30:38:** long on you, but as you can tell, this is

**00:30:38 --> 00:30:40:** very important to us. Thank you.

**00:30:41 --> 00:30:43:** Thank you so much for presenting that is it's great

**00:30:43 --> 00:30:46:** to see hear the progress that you've made and looking

**00:30:46 --> 00:30:49:** forward to hearing about phase three and certainly looking

forward
**00:30:49 --> 00:30:52:** to hearing you about how occupants of the of the
**00:30:52 --> 00:30:55:** buildings respond to all the measures that you've implemented. So
**00:30:55 --> 00:30:58:** looking forward to to see what you all have in
**00:30:58 --> 00:31:00:** the future as well. So now I will I will
**00:31:00 --> 00:31:02:** pass it on to our last presentation.
**00:31:05 --> 00:31:08:** Good afternoon everyone and thank you to you online for
**00:31:08 --> 00:31:09:** hosting this webinar.
**00:31:10 --> 00:31:13:** On behalf of Transparent Energy, we're really excited to share
**00:31:13 --> 00:31:16:** the innovation we're bringing to the real estate market.
**00:31:19 --> 00:31:22:** So a little bit about our firm. We were founded
**00:31:22 --> 00:31:26:** in 2009 and since then we've served over 2000 customers.
**00:31:28 --> 00:31:32:** In terms of procurement, over 15 terawatt hours have been
**00:31:32 --> 00:31:36:** procured. And most notably, we're really proud of the fact
**00:31:36 --> 00:31:40:** that we've done more than 3.5 million Rex procured. Actually,
**00:31:41 --> 00:31:44:** we just checked today and it's more like 4.6 million
**00:31:44 --> 00:31:49:** Rex procured. So really excited about renewable energy credits.
**00:31:50 --> 00:31:55:** Over $2 billion have been spent near our online platform
**00:31:55 --> 00:31:59:** and that's resulted in in about 120 million U.S. dollars
**00:31:59 --> 00:32:03:** in budget savings. So really proud of that.
**00:32:03 --> 00:32:06:** You know what we do is we take our best
**00:32:07 --> 00:32:12:** in class processes, our in-house expertise and our proprietary technology
**00:32:12 --> 00:32:17:** to take the complexity out of procurement power and off-site
**00:32:17 --> 00:32:18:** sustainability.
**00:32:20 --> 00:32:24:** Our mission is really to help real estate operators source
**00:32:24 --> 00:32:28:** the most cost effective off-site renewable solutions to help accelerate
**00:32:28 --> 00:32:30:** the green transition.
**00:32:31 --> 00:32:32:** For a more sustainable future.
**00:32:36 --> 00:32:39:** So just the levels that electricity really is a local
**00:32:39 --> 00:32:42:** market and from what you can see in this map,
**00:32:42 --> 00:32:45:** you can see that it varies state by state, commodity
**00:32:46 --> 00:32:46:** by commodity.
**00:32:47 --> 00:32:51:** And when we think about a strategy that employs renewables
**00:32:51 --> 00:32:54:** with the fact that the markets are varied state by
**00:32:54 --> 00:32:58:** state, we have to think about national versus regional.
**00:32:58 --> 00:33:03:** So for example, Green E national Rex renewable energy credits,
**00:33:03 --> 00:33:09:** they're available by national suppliers offering bundled and unbundled across

**00:33:09 --> 00:33:10:** the US.

**00:33:11 --> 00:33:15:** As well, virtual power purchase agreements known as VPN's are

**00:33:15 --> 00:33:17:** also offered across all the states.

**00:33:21 --> 00:33:22:** Next slide, please.

**00:33:24 --> 00:33:28:** So green energy can be a complex process and where

**00:33:28 --> 00:33:32:** that process starts really is with the commitment all of

**00:33:32 --> 00:33:35:** you have made on this call to reduce the carbon

**00:33:35 --> 00:33:39:** building values. So if you find this slide confusing, that's

**00:33:39 --> 00:33:42:** what it's meant to be because the process can be

**00:33:42 --> 00:33:46:** confusing. It can be crowded, it's complex. There are things

**00:33:46 --> 00:33:50:** like on site solar and on-site generation that are point

**00:33:50 --> 00:33:54:** solutions that you could consider. You certainly have to organize.

**00:33:55 --> 00:33:59:** Fly contracts and employ racks and then perhaps you look

**00:33:59 --> 00:34:02:** at battery storage or VPA or ABR. There's a lot

**00:34:02 --> 00:34:06:** of complexity and sometimes what we find is it can

**00:34:06 --> 00:34:10:** lead to data paralysis and unfortunately, hesitation.

**00:34:11 --> 00:34:13:** And what we don't want it to do is lead

**00:34:13 --> 00:34:16:** to increased cost and increased risk.

**00:34:18 --> 00:34:19:** Next slide, please.

**00:34:20 --> 00:34:23:** So we believe that transparent energy can be a green

**00:34:23 --> 00:34:28:** accelerator for off-site renewables. We think the statement walk before

**00:34:28 --> 00:34:31:** you run is really, really a good mission, a good

**00:34:31 --> 00:34:34:** mantra rather to live by. And so we suggest following

**00:34:35 --> 00:34:37:** our road map sequence for success.

**00:34:37 --> 00:34:42:** There's definitely several good strategies along the way to VPA.

**00:34:42 --> 00:34:45:** You don't have to jump to the end of the

**00:34:45 --> 00:34:48:** story and and go straight to the EPA. We think

**00:34:48 --> 00:34:52:** there are three stages. Stage one is partnering with the

**00:34:52 --> 00:34:55:** client and and what that means is we bring the

**00:34:55 --> 00:34:59:** road map to life and there's immediate solutions that can

**00:34:59 --> 00:35:00:** be employed.

**00:35:01 --> 00:35:06:** Stage two is defining best practice processes and using technology

**00:35:06 --> 00:35:10:** to make the data efficient to manage the contracts. And

**00:35:10 --> 00:35:15:** we have a proprietary mind digital auction that helps make

**00:35:15 --> 00:35:16:** it cost effective.

**00:35:18 --> 00:35:22:** Stage three is enhanced offsite renewables and while we're working

**00:35:22 --> 00:35:25:** on stage one and two, we are positioning ourselves for

**00:35:25 --> 00:35:29:** asset backed renewables and virtual power purchase agreements. So all

**00:35:29 --> 00:35:33:** of these stages are important, but they're like building blocks

**00:35:33 --> 00:35:34:** one after the other.

**00:35:35 --> 00:35:37:** On the right side you can see there's a QR

**00:35:37 --> 00:35:41:** code and when you receive this presentation we invite you

**00:35:41 --> 00:35:43:** to go and look at the buyers guide.

**00:35:43 --> 00:35:47:** We collaborated last year with you online and put together

**00:35:47 --> 00:35:49:** an off site renewable energy buyers guide.

**00:35:50 --> 00:35:53:** And it's basically your encyclopedia, your Google for all things

**00:35:53 --> 00:35:55:** off site. A lot of good information.

**00:36:00 --> 00:36:03:** And so just like there is stages in the process,

**00:36:03 --> 00:36:07:** there's a sequence for the products. We believe that begins

**00:36:07 --> 00:36:12:** with efficient renewable purchasing with Rex. These are the most

**00:36:12 --> 00:36:15:** established products. They provide annual offsets.

**00:36:16 --> 00:36:20:** We think it then moves to integrating asset backed renewables

**00:36:20 --> 00:36:21:** ABR.

**00:36:21 --> 00:36:26:** These are actually slices of a power purchase agreement that

**00:36:26 --> 00:36:31:** are combined into the supply contract from existing renewable assets,

**00:36:31 --> 00:36:35:** and these projects can be tied directly to the supply,

**00:36:35 --> 00:36:39:** showing the actual wind or solar energy that is being

**00:36:39 --> 00:36:42:** procured and supplied for your buildings.

**00:36:44 --> 00:36:48:** And then lastly, we think planning for virtual power purchase

**00:36:48 --> 00:36:51:** agreements is the last part of the sequence. They're project

**00:36:51 --> 00:36:52:** specific.

**00:36:53 --> 00:36:54:** They could be financially settled.

**00:36:55 --> 00:36:58:** And there's a lot of complexity there, so it takes

**00:36:59 --> 00:37:02:** time to make sure that the budget risk that it

**00:37:02 --> 00:37:04:** can introduce is managed properly.

**00:37:05 --> 00:37:08:** So I did want to distinguish between on site versus

**00:37:08 --> 00:37:09:** off site.

**00:37:10 --> 00:37:13:** At the top or the off-site solutions and that's really

**00:37:13 --> 00:37:14:** our focus.

**00:37:15 --> 00:37:17:** At the bottom of the slide or the on site

**00:37:17 --> 00:37:21:** solutions like on site solar and battery storage and they

**00:37:21 --> 00:37:24:** have their pros and cons as well. And there are

**00:37:24 --> 00:37:27:** a lot of good partners within the UI organization that

**00:37:27 --> 00:37:30:** can help with that. We think they complement each other.

**00:37:30 --> 00:37:34:** We certainly don't think they're mutually exclusive and all of

**00:37:34 --> 00:37:38:** these solutions should be considered in the ecosystem and they

**00:37:38 --> 00:37:39:** should be sequenced.

**00:37:41 --> 00:37:44:** From a start to intermediate stage into a more advanced

**00:37:44 --> 00:37:44:** stage.

**00:37:46 --> 00:37:47:** Next slide, please.

**00:37:48 --> 00:37:52:** So we've talked about a process, we've talked about a

**00:37:52 --> 00:37:56:** sequence of products and solutions, but the goal really is

**00:37:56 --> 00:38:00:** to have outcomes, milestones. We we hear oftentimes about Rd.

**00:38:00 --> 00:38:04:** maps, sustainability, Rd. maps, renewable procurement, Rd. maps.

**00:38:05 --> 00:38:08:** And along the way to the finish line.

**00:38:09 --> 00:38:13:** Every organization wants to show progress, wants to show achievements

**00:38:13 --> 00:38:16:** to their board of directors, to their managers, to their

**00:38:16 --> 00:38:20:** customers, to the community, to stakeholders. So although net zero

**00:38:20 --> 00:38:23:** targets might be 10 or 20 years away, we certainly

**00:38:24 --> 00:38:27:** don't want to wait to show progress along the journey.

**00:38:28 --> 00:38:31:** We believe that using the process we just described will

**00:38:31 --> 00:38:34:** allow milestones one through 4.

**00:38:34 --> 00:38:39:** So that there is efficient and cost effective solutions along

**00:38:39 --> 00:38:39:** the way.

**00:38:40 --> 00:38:44:** The first one is really just organizing procurement and that

**00:38:44 --> 00:38:48:** sounds easy, but as a lot of you know it's

**00:38:48 --> 00:38:53:** terribly time-consuming. Portfolios of buildings that have 1020, a 100

**00:38:53 --> 00:38:58:** or more buildings with individual contracts for supply means that

**00:38:58 --> 00:39:03:** managing this list with different contract end dates, different volumes,

**00:39:03 --> 00:39:05:** different decision makers.

**00:39:06 --> 00:39:10:** It's a real challenge and so getting through that first

**00:39:10 --> 00:39:13:** milestone is the foundation for doing the next three things.

**00:39:14 --> 00:39:18:** And in a moment, we'll talk about bundled rec options,

**00:39:18 --> 00:39:21:** but Green E National renewable energy credits.

**00:39:22 --> 00:39:25:** Are the first phase the first milestone that can be

**00:39:25 --> 00:39:28:** achieved in showing progress towards decarbonization?

**00:39:29 --> 00:39:33:** Asset backed renewable contracts are probably the next and what

**00:39:33 --> 00:39:35:** they do is they replace brown power.

**00:39:36 --> 00:39:38:** With existing local green power.

**00:39:40 --> 00:39:43:** And then the most complex, but certainly the most exciting
**00:39:43 --> 00:39:48:** is the virtual power purchase agreement. They cover the entire
**00:39:48 --> 00:39:50:** portfolio with additional green power.
**00:39:52 --> 00:39:53:** Next slide, please.
**00:39:55 --> 00:39:58:** I'd like to turn the conversation over to to David
**00:39:58 --> 00:40:02:** and he's going to introduce and reintroduce Michael at McKesson
**00:40:02 --> 00:40:06:** to share the client partner experience that we've had recently.
**00:40:12 --> 00:40:13:** Thank you very much.
**00:40:15 --> 00:40:16:** Well, said Jeremy and I, a man who needs no
**00:40:16 --> 00:40:19:** introduction. But I'll do it again anyway. Michael Ashworth.
**00:40:19 --> 00:40:23:** Is with McKesson based based over in Dallas, he's a
**00:40:23 --> 00:40:26:** client of ours. He's currently serving as the director of
**00:40:26 --> 00:40:30:** Sourcing real estate facilities and DC operations. I've had the
**00:40:30 --> 00:40:34:** pleasure of working with Mr. Ashworth for gosh, five years
**00:40:34 --> 00:40:38:** now with his previous placement employment also a large global
**00:40:38 --> 00:40:42:** corporation now with the McKesson team. We've really made strides
**00:40:42 --> 00:40:45:** in addressing some of the some of the near term
**00:40:45 --> 00:40:49:** goals of sustainability, but also looking at the the long
**00:40:49 --> 00:40:50:** term framework.
**00:40:50 --> 00:40:53:** Or for some of the green strategy behind behind this
**00:40:53 --> 00:40:56:** organization. So Michael, if you just want to touch briefly
**00:40:56 --> 00:40:59:** on some of these, some of these metrics here.
**00:41:01 --> 00:41:01:** Be grateful.
**00:41:03 --> 00:41:06:** Yeah, sure. So thank you David. So you know we
**00:41:06 --> 00:41:09:** have 76,000 employees globally and as you see we have
**00:41:09 --> 00:41:12:** roughly around 32 million square feet. So you can imagine
**00:41:12 --> 00:41:15:** you know when we talk about utilities and ESG, it's
**00:41:16 --> 00:41:18:** a large part of who we are and what we
**00:41:18 --> 00:41:21:** do as an organization and where we want to go
**00:41:21 --> 00:41:23:** to be a a better steward for our communities in
**00:41:23 --> 00:41:27:** which we serve and being in the healthcare industry that
**00:41:27 --> 00:41:30:** we are also making sure that we're we're doing our
**00:41:30 --> 00:41:33:** part there as well. One of the things that I'll
**00:41:33 --> 00:41:34:** say about the.
**00:41:34 --> 00:41:37:** Transparent energy and using them in the past few years
**00:41:37 --> 00:41:40:** and only just being here at McKesson, but in my
**00:41:40 --> 00:41:44:** previous roles their their platform is extremely easy to use.
**00:41:44 --> 00:41:47:** You know, going through reverse options makes a whole lot

**00:41:47 --> 00:41:51:** of sense and using a commodity type environment like electricity,
**00:41:51 --> 00:41:54:** it's it's easy to use, it's fast. I mean the
**00:41:54 --> 00:41:57:** the process is usually done in about 30 minutes. The
**00:41:57 --> 00:42:00:** suppliers like it because they can also go in there
**00:42:00 --> 00:42:03:** and see where they actually stand along the way and
**00:42:03 --> 00:42:05:** see how they can become.
**00:42:05 --> 00:42:08:** Competitive even throughout the life of an agreement as well.
**00:42:08 --> 00:42:11:** And then the other thing is that's nice is the
**00:42:11 --> 00:42:15:** contracts are actually completed within you know usually within 24
**00:42:15 --> 00:42:18:** hours time. So it truly this thing goes extremely fast
**00:42:18 --> 00:42:21:** and it's extremely efficient and how it operates and and
**00:42:21 --> 00:42:24:** in the savings world we see roughly around 10 to
**00:42:24 --> 00:42:27:** 20% in savings and that's compared to market and also
**00:42:27 --> 00:42:30:** even the existing rates that we have and in some
**00:42:30 --> 00:42:32:** of the the site specific agreements that we have out
**00:42:33 --> 00:42:33:** there.
**00:42:34 --> 00:42:36:** And the last few events that we did, we actually
**00:42:36 --> 00:42:39:** compared and actually did two events. We did one event
**00:42:39 --> 00:42:41:** for for the same locations, one event for Brown and
**00:42:42 --> 00:42:44:** one event for green. And you say, well, why would
**00:42:44 --> 00:42:46:** you do that? Well, we did that for a couple
**00:42:46 --> 00:42:49:** reasons. One of the reasons is really to really compare
**00:42:49 --> 00:42:52:** the pricing to see the difference between the green and
**00:42:52 --> 00:42:55:** the brown. Of course, we found, of course we found
**00:42:55 --> 00:42:58:** that this is truly parity. So there's no difference between
**00:42:58 --> 00:43:00:** the green and the brown. So it makes it easy
**00:43:00 --> 00:43:03:** decision, it makes it easy business decision. So all of
**00:43:03 --> 00:43:04:** our existing.
**00:43:04 --> 00:43:06:** Our needs we're moved over to green now when we
**00:43:06 --> 00:43:09:** have a situation where the Brown may have been much
**00:43:09 --> 00:43:12:** cheaper than the green, this is where we can have
**00:43:12 --> 00:43:15:** the option of going back to some of the locations
**00:43:15 --> 00:43:18:** say hey you know would you like to you know
**00:43:18 --> 00:43:21:** increase you know the pricing at least not giving them
**00:43:21 --> 00:43:24:** that the option of going either green or brown and
**00:43:24 --> 00:43:28:** making that decision business decision on their own. So in
**00:43:28 --> 00:43:30:** any case I over the years it's been a great
**00:43:30 --> 00:43:34:** relationship working with with transparent energy and also the.
**00:43:34 --> 00:43:37:** Want to work they do before these events is quite
**00:43:37 --> 00:43:39:** large and actually they they help us gather in all

**00:43:39 --> 00:43:42:** the necessary data to perform these events efficiently.
**00:43:44 --> 00:43:45:** And I'll turn it back to you David. Thank.
**00:43:47 --> 00:43:51:** Thank you. Thank you, Michael. So really.
**00:43:51 --> 00:43:56:** You know the the revolutionary technology of reverse reverse auctions
**00:43:56 --> 00:44:00:** isn't isn't new but this is our own proprietary software
**00:44:00 --> 00:44:04:** that we provide perfected in our ownership has invested millions
**00:44:04 --> 00:44:09:** back into the platform. So it's intuitive appreciate the kind
**00:44:09 --> 00:44:12:** words Michael easy to use large customers like it because
**00:44:13 --> 00:44:15:** in a in a busy world they can budget down
**00:44:15 --> 00:44:19:** to the penny per unit of kWh, MW hour whatever
**00:44:19 --> 00:44:22:** measure metric they find success within but.
**00:44:22 --> 00:44:25:** Just to briefly cover this and Jeremy feel free to
**00:44:25 --> 00:44:28:** chime in. We we really do three things when looking
**00:44:28 --> 00:44:32:** at at a bundled wrecks auction. We've got the traditional
**00:44:32 --> 00:44:35:** brown brown auction that will run on the open market.
**00:44:35 --> 00:44:39:** It usually takes about 15 minutes. All relevant blue chip
**00:44:39 --> 00:44:43:** financially viable suppliers will participate. If we have any issues
**00:44:43 --> 00:44:47:** or questions we'll they simply won't be allowed to participate
**00:44:47 --> 00:44:51:** on the platform, but we run that alongside usually just
**00:44:51 --> 00:44:52:** directly after.
**00:44:52 --> 00:44:55:** Uh percentage of of Rex, that auction is percentage based.
**00:44:55 --> 00:44:59:** The customer really can run whatever they want. What this
**00:44:59 --> 00:45:01:** does is it allows them to get a full sort
**00:45:01 --> 00:45:04:** of exploratory discovery what the market will yield in a
**00:45:04 --> 00:45:07:** given day at a given time. As Michael mentioned, we
**00:45:07 --> 00:45:10:** do all the work ahead of time. We look at
**00:45:10 --> 00:45:14:** things like weather, market conditions, the actual cost of the
**00:45:14 --> 00:45:17:** of the green Percentage 25, fifty, 75% whatever the customer
**00:45:17 --> 00:45:19:** wants. We run all these within a 30 to 45
**00:45:20 --> 00:45:22:** minute time period and Michael for instance.
**00:45:22 --> 00:45:24:** And look back this with this team and make a
**00:45:24 --> 00:45:28:** very educated decision. We've already reviewed budget, we've already covered
**00:45:28 --> 00:45:31:** the spectrum of pricing brown and green of what we
**00:45:31 --> 00:45:34:** think we can achieve. And then we do something internally
**00:45:34 --> 00:45:36:** where we'll look at just suppliers that offer only the
**00:45:37 --> 00:45:39:** Rex. Jeremy feel free to touch base on that. But
**00:45:39 --> 00:45:42:** these these two pieces here what the customer sees and
**00:45:42 --> 00:45:44:** then we also do an internal check before running these
**00:45:45 --> 00:45:47:** events and then 95 plus percent of our auctions result

**00:45:47 --> 00:45:50:** in award day of again not to be repetitive because
**00:45:50 --> 00:45:52:** all the works done ahead of time the attorneys asked
**00:45:53 --> 00:45:53:** their questions.
**00:45:53 --> 00:45:57:** We review the market, the customers are calm, cool, collected.
**00:45:57 --> 00:45:59:** We even will show what we believe based on the
**00:45:59 --> 00:46:02:** other however many 100 auctions we've run, what the Brown
**00:46:02 --> 00:46:05:** and green pricing, what we can achieve through the platform
**00:46:05 --> 00:46:08:** and so there's no sticker shock, there's no surprises. The
**00:46:08 --> 00:46:11:** pre auction call comes before the actual auction about a
**00:46:11 --> 00:46:14:** week ahead. That's really where we know what's going to
**00:46:14 --> 00:46:17:** happen and then the auction is simply a formality. But
**00:46:17 --> 00:46:19:** it has been a pleasure to work with Michael these
**00:46:19 --> 00:46:22:** years. I appreciate the kind words and and and and
**00:46:22 --> 00:46:23:** onward and upward with McKesson.
**00:46:24 --> 00:46:27:** Jeremy, feel free to to add to that if if
**00:46:27 --> 00:46:28:** if you want.
**00:46:28 --> 00:46:30:** Yeah. I'll try to wrap it up so we can
**00:46:30 --> 00:46:33:** move to Q&A. Really what you're seeing here are.
**00:46:34 --> 00:46:38:** 2 graphs and they're screenshots from our live auction. And
**00:46:38 --> 00:46:41:** what we're trying to show you here is we have
**00:46:41 --> 00:46:44:** a very deep reach into the market in terms of
**00:46:45 --> 00:46:45:** suppliers.
**00:46:46 --> 00:46:49:** Now we've had to redact the names of those suppliers,
**00:46:49 --> 00:46:52:** but you can see in many cases there's five to
**00:46:52 --> 00:46:55:** 10, we'll even do more than 10 in auction. So
**00:46:55 --> 00:46:59:** in any given auction situation we might receive up to
**00:46:59 --> 00:47:02:** 300 bids from top suppliers. And we we put quotes
**00:47:02 --> 00:47:06:** here very conservatively of savings between 5 and 10% and
**00:47:06 --> 00:47:10:** that's, that's very conservative. That's from the beginning of the
**00:47:10 --> 00:47:13:** auction to the end result. But you heard Michael say
**00:47:14 --> 00:47:14:** 20%.
**00:47:14 --> 00:47:17:** So that's certainly a very great outcome as well. One
**00:47:17 --> 00:47:20:** of the things we really want to stress is that
**00:47:20 --> 00:47:23:** when we work with our partners and clients, we're in
**00:47:23 --> 00:47:24:** their office in person.
**00:47:25 --> 00:47:30:** We're watching the digital auction with the sustainability manager, the
**00:47:30 --> 00:47:32:** procurement manager, the CFO.
**00:47:32 --> 00:47:35:** They're saying prices being bid down.
**00:47:35 --> 00:47:39:** We take such a granular approach that the price compression

**00:47:39 --> 00:47:41:** allows for bid discovery.
**00:47:42 --> 00:47:45:** And we're done in about 15 or 20 minutes. That
**00:47:45 --> 00:47:50:** is very different than the lived experience of most procurement,
**00:47:50 --> 00:47:55:** most sustainability procurement operators. Oftentimes it's a crazy day, maybe
**00:47:55 --> 00:47:58:** two days or three days of trying to get bids
**00:47:58 --> 00:48:02:** apples to apples following up with contracts. We we we
**00:48:02 --> 00:48:06:** provide the easy button and and that's what we're trying
**00:48:06 --> 00:48:07:** to do.
**00:48:08 --> 00:48:11:** So this message right here from this slide is that
**00:48:11 --> 00:48:15:** cost effective, efficient and in granular approach.
**00:48:16 --> 00:48:18:** And we believe that when we talked about today our
**00:48:19 --> 00:48:20:** effective tactics.
**00:48:20 --> 00:48:23:** To your road map strategy. We want to help bring
**00:48:23 --> 00:48:26:** it to life. We want to take planning and strategy.
**00:48:26 --> 00:48:30:** To launching and showing results. So with that, we'll turn
**00:48:30 --> 00:48:33:** it back to you Kara and happy to answer questions.
**00:48:34 --> 00:48:38:** Great. Thank you. Great presentations all around. What I think
**00:48:39 --> 00:48:42:** is really interesting and to lead off our Q&A is
**00:48:42 --> 00:48:45:** that you know we talked, you all shared progress up
**00:48:45 --> 00:48:49:** to date obviously. But I think the impact that you
**00:48:49 --> 00:48:52:** shared today can only grow bigger. And I really wanted
**00:48:52 --> 00:48:56:** to start that question and answer out with a question
**00:48:56 --> 00:49:00:** for the first presenters and I know we already answered
**00:49:00 --> 00:49:03:** this question in the chat, but it was asking about
**00:49:03 --> 00:49:05:** is the technology.
**00:49:05 --> 00:49:08:** Available for small commercial and I know that you all
**00:49:08 --> 00:49:12:** answer that it's just currently residential, but are there any
**00:49:12 --> 00:49:16:** other plans to expand the isusu technology beyond residential? We
**00:49:16 --> 00:49:19:** can answer that question 1st and then we'll go right
**00:49:20 --> 00:49:22:** into some of the Q&A's from from the group.
**00:49:24 --> 00:49:26:** Sure. I could take that one, Kara. So because we
**00:49:26 --> 00:49:30:** focus predominantly on the consumer side, to have a credit
**00:49:30 --> 00:49:33:** score, you have to be an individual. And so for
**00:49:33 --> 00:49:37:** that reason other commercial industries don't work with our current
**00:49:37 --> 00:49:39:** model. So no plans for that yet, but we do
**00:49:39 --> 00:49:43:** have other exciting ideas on our road map to continue
**00:49:43 --> 00:49:46:** to be that one stop shop for financial inclusion, identity
**00:49:46 --> 00:49:50:** and wealth building for both renters and property owners of

**00:49:50 --> 00:49:51:** multifamily going forward.
**00:49:53 --> 00:49:54:** Great. Thank you.
**00:49:55 --> 00:49:58:** And then I'll hop right into our Q&A here. The
**00:49:58 --> 00:50:01:** first question is from one of our attendees, our Escos
**00:50:01 --> 00:50:05:** only relevant for public sector buildings or can the private
**00:50:05 --> 00:50:07:** sector also benefit from this mechanism?
**00:50:10 --> 00:50:12:** John, do you want to chime in on that?
**00:50:13 --> 00:50:16:** Yeah, you bet. You know we do um, so both
**00:50:16 --> 00:50:19:** for ESCO and energy as a service we work with
**00:50:19 --> 00:50:23:** both both public and private entities. So there are there
**00:50:23 --> 00:50:28:** are statutes that that govern for public entities in different
**00:50:28 --> 00:50:32:** states, but we can, we will do performance contracts and
**00:50:32 --> 00:50:37:** energy savings contracts with with really a multitude of customers
**00:50:37 --> 00:50:37:** so.
**00:50:38 --> 00:50:38:** Yeah.
**00:50:41 --> 00:50:45:** Great. Thank you. Next question is.
**00:50:46 --> 00:50:50:** Since renewable energy credits are not actually being used by
**00:50:50 --> 00:50:53:** the purchaser, but purchased to offset their carbon usage, would
**00:50:53 --> 00:50:57:** this incentive also be offered by the government for other
**00:50:57 --> 00:50:59:** environmental causes such as clean water?
**00:51:00 --> 00:51:03:** Noting that construction and manufacturing uses a lot of water
**00:51:03 --> 00:51:03:** globally.
**00:51:08 --> 00:51:12:** Yeah, I'll start with that answering this question and invite
**00:51:12 --> 00:51:16:** John and John to also opine with regard to construction.
**00:51:17 --> 00:51:22:** But yes, renewable energy credits are focused specifically on power
**00:51:22 --> 00:51:25:** electricity. One rack is equal to 1 Meg one hour.
**00:51:26 --> 00:51:30:** And CRS verifies the qualifications. They call them attributes of
**00:51:30 --> 00:51:34:** their renewable energy credit, whether it be solar or wind,
**00:51:34 --> 00:51:38:** in some cases hydro. But the quality of the project
**00:51:38 --> 00:51:41:** is very important. It must be very efficient and it
**00:51:41 --> 00:51:45:** can't be terribly old. So the vintage of the particular
**00:51:45 --> 00:51:46:** wreck is important.
**00:51:47 --> 00:51:51:** And as these reps are purchased, they were also retired.
**00:51:51 --> 00:51:55:** And so that's the process for renewable energy credits. We
**00:51:55 --> 00:51:59:** don't focus on water today at transparent, but I certainly
**00:51:59 --> 00:52:03:** think that public and private policymakers will look at other
**00:52:03 --> 00:52:05:** credits in the water industry as well.
**00:52:06 --> 00:52:08:** John and John, you have any thoughts on that?

**00:52:11 --> 00:52:15:** I mean Jeremy, honestly I think he handled you answered
**00:52:15 --> 00:52:18:** it perfectly. So you know if and also if you're
**00:52:18 --> 00:52:21:** looking from a incentives perspective.
**00:52:22 --> 00:52:26:** I I think the the new Inflation Reduction Act has
**00:52:26 --> 00:52:30:** a number of new incentives that can drive, not for
**00:52:30 --> 00:52:33:** not that I know for water, but for a number
**00:52:33 --> 00:52:38:** of different technologies that make those projects make fiscal sense
**00:52:38 --> 00:52:42:** when in the past they haven't. So if it's something
**00:52:42 --> 00:52:47:** we were looking to do a sustainability project, strongly recommend
**00:52:47 --> 00:52:52:** looking further into some of the direct pay attributes.
**00:52:52 --> 00:52:55:** Which which help um, you no longer have to be
**00:52:55 --> 00:52:58:** you know have have a tax basis. So it really
**00:52:58 --> 00:53:01:** helps for public entities with the IRA. So not water
**00:53:01 --> 00:53:04:** specific but I'll add that Jeremy answer the water piece
**00:53:04 --> 00:53:07:** perfectly. So nothing else to add there.
**00:53:08 --> 00:53:11:** Only thing I would add is it maybe it's outside
**00:53:11 --> 00:53:15:** the rec world, although we've taken pretty good advantage of
**00:53:15 --> 00:53:18:** that in the past. But there's also the demand response
**00:53:18 --> 00:53:22:** programs that are available out there and something probably where
**00:53:22 --> 00:53:25:** everyone worth at least looking at. In fact last month
**00:53:25 --> 00:53:28:** I just entered into a new contract for a short
**00:53:28 --> 00:53:32:** term voluntary demand response that will probably save $350,000 this
**00:53:32 --> 00:53:36:** year just by making ourselves available to power down for
**00:53:36 --> 00:53:38:** brief periods and we're talking about.
**00:53:38 --> 00:53:43:** 51015 minute periods to avoid brownouts or blackouts during peak
**00:53:43 --> 00:53:47:** demand. So look for those opportunities as well because they
**00:53:47 --> 00:53:50:** could be you could be richly rewarded if that now
**00:53:50 --> 00:53:54:** that's where very large facility but there's no cap on
**00:53:54 --> 00:53:57:** you know your size. If you have to operate any
**00:53:57 --> 00:54:00:** kind of facility of any size with any kind of
**00:54:00 --> 00:54:04:** draw then you're likely to be eligible and participate in
**00:54:04 --> 00:54:06:** something along those lines.
**00:54:06 --> 00:54:08:** And and to to John's point.
**00:54:08 --> 00:54:11:** There I mean the opportunities for demand response and returns
**00:54:11 --> 00:54:13:** on that is really is is good as I can
**00:54:13 --> 00:54:16:** remember. So don't I would I would take a look

**00:54:16 --> 00:54:18:** at that if you if you think you have an
**00:54:18 --> 00:54:20:** opportunity to take advantage of it.
**00:54:23 --> 00:54:26:** Great, thank you. And the next question is for Sue.
**00:54:26 --> 00:54:29:** Sue, but also a little bit of a hint that
**00:54:29 --> 00:54:32:** I I mentioned earlier is how are how is tenant
**00:54:32 --> 00:54:35:** data being gathered when I asked John you about you
**00:54:35 --> 00:54:39:** know occupant comfort or what they thought about the the
**00:54:39 --> 00:54:43:** sustainability attributes that have been added to the facility. But
**00:54:43 --> 00:54:47:** this question is wondering how a Susu gathers resident outcome
**00:54:47 --> 00:54:51:** data outside of the quantifiable metrics as you mentioned rental
**00:54:51 --> 00:54:52:** assistance and.
**00:54:52 --> 00:54:56:** Credit scores, are there other, is there other data that
**00:54:56 --> 00:54:59:** you are collecting, is it through tenant surveys? And I
**00:54:59 --> 00:55:02:** think this really hits on the the SES that you
**00:55:02 --> 00:55:04:** mentioned in your presentation.
**00:55:06 --> 00:55:08:** Yeah, absolutely. Happy to take that one. So a zoo
**00:55:09 --> 00:55:11:** zoo, as Alexis mentioned, we do report to all three
**00:55:12 --> 00:55:16:** credit bureaus, so TransUnion, Experian and Equifax. And through those
**00:55:16 --> 00:55:19:** partnerships, we actually are able to get data back from
**00:55:19 --> 00:55:23:** the credit bureaus, analyzing that and putting together comprehensive insights
**00:55:23 --> 00:55:26:** so that it could enhance your SG story and be
**00:55:26 --> 00:55:29:** able to leverage that data in your Investor reports and
**00:55:29 --> 00:55:32:** other ESD reporting. So, yeah, the way we collect it
**00:55:32 --> 00:55:35:** is in partnership with the credit bureaus.
**00:55:36 --> 00:55:39:** But you haven't sent out any tenant surveys or any
**00:55:39 --> 00:55:41:** any direct contact to tenants thus far?
**00:55:42 --> 00:55:45:** Yeah. So the the way that we collect testimonials from
**00:55:46 --> 00:55:49:** the rent relief side of the house is through tenant
**00:55:49 --> 00:55:53:** surveys and contacting the renters, but we don't actually contain,
**00:55:53 --> 00:55:57:** we don't actually do credit, excuse me, tenant surveys to
**00:55:57 --> 00:56:00:** gather data to provide in that impact report that you
**00:56:00 --> 00:56:03:** all would receive through our partnership.
**00:56:03 --> 00:56:07:** OK, great. Thank you. This next question is for McKesson
**00:56:07 --> 00:56:11:** and Transparent Energy. How did the project divert 75% of
**00:56:11 --> 00:56:15:** new construction waste from landfills? Are there any key measures
**00:56:15 --> 00:56:19:** that you implemented that you could share with us?
**00:56:28 --> 00:56:29:** Michael, are you still on the call?

**00:56:32 --> 00:56:34:** Yes, if you could repeat the question, please.
**00:56:34 --> 00:56:38:** Sure. It the question is just asking how did you
**00:56:38 --> 00:56:43:** hit that 75% construction waste diversion from from the projects,
**00:56:43 --> 00:56:46:** if there's any specific measures or strategies?
**00:56:48 --> 00:56:51:** We look at Umm, you know, everybody's goals, you know,
**00:56:51 --> 00:56:54:** in terms of ESG of course are in my previous
**00:56:54 --> 00:56:56:** life, our goal is to be, you know, top on
**00:56:56 --> 00:56:59:** the barons list of, you know, number one and we
**00:56:59 --> 00:57:02:** all know who that is, right to Best Buy. So
**00:57:02 --> 00:57:04:** we try to take some of the things that they
**00:57:04 --> 00:57:07:** do in far as recycling and all that stuff, whether
**00:57:07 --> 00:57:11:** it's our construction projects or anything else, we take our,
**00:57:11 --> 00:57:11:** our.
**00:57:13 --> 00:57:13:** Our.
**00:57:13 --> 00:57:16:** Recycling very serious in terms of you know who do
**00:57:16 --> 00:57:19:** we use for for our waste disposal, whether it's medical
**00:57:19 --> 00:57:22:** waste or even our construction wise. Hopefully that answers your
**00:57:22 --> 00:57:22:** question.
**00:57:25 --> 00:57:28:** No, great. Thank you. And I just wanted to make
**00:57:28 --> 00:57:31:** a quick note here that we do have two minutes
**00:57:31 --> 00:57:34:** left. So I wanted to do a quick final round
**00:57:34 --> 00:57:37:** Robin to ask you all if you wanted to share
**00:57:37 --> 00:57:41:** any final challenges that you faced when trying to innovate
**00:57:41 --> 00:57:44:** in the market or if there are any industries that
**00:57:44 --> 00:57:48:** you want to collaborate or work with more in 2023.
**00:57:48 --> 00:57:50:** So we can do, we can start with Isuzu and
**00:57:50 --> 00:57:54:** Jr. Lynch and then move around pretty quickly here like
**00:57:54 --> 00:57:55:** a 32nd.
**00:57:56 --> 00:57:56:** Take.
**00:57:59 --> 00:58:02:** I'm happy to start it off for their lynch. I
**00:58:02 --> 00:58:05:** believe that one of the challenges that we're seeing across
**00:58:05 --> 00:58:09:** the board as it pertains to CSG innovation and reporting
**00:58:09 --> 00:58:13:** is the lack of universally accepted frameworks of the principles
**00:58:13 --> 00:58:17:** by which CRE firms can collectively operate these organizations. There
**00:58:17 --> 00:58:21:** are organizations out there which we have joined such as
**00:58:21 --> 00:58:25:** the Multifamily Impact Council that are bringing companies together from
**00:58:25 --> 00:58:29:** a wider range of different backgrounds and they're able to
**00:58:29 --> 00:58:29:** then.

| | |
|---|---|
| **00:58:29 --> 00:58:34:** | Advance the efforts towards creating framework that is more generalized |
| **00:58:34 --> 00:58:37:** | and standardized across different companies. |
| **00:58:41 --> 00:58:41:** | Anyone. |
| **00:58:41 --> 00:58:45:** | Else from the Azure perspective, it really aligns with what |
| **00:58:45 --> 00:58:48:** | Melissa just said is working with those frameworks and making |
| **00:58:48 --> 00:58:51:** | sure that a zuzu is able to provide you the |
| **00:58:51 --> 00:58:54:** | comprehensive data necessary so that when you guys do your |
| **00:58:54 --> 00:58:57:** | reporting, it's easy and seamless. So just making sure that |
| **00:58:57 --> 00:59:01:** | we're attuned and keeping keeping close connections with those frameworks. |
| **00:59:04 --> 00:59:06:** | Great. Anything else? We are at the top of the |
| **00:59:06 --> 00:59:08:** | hour, but any final comments? |
| **00:59:08 --> 00:59:10:** | I would just say this is a this is David |
| **00:59:10 --> 00:59:13:** | Blair. I would just recommend some of this can be |
| **00:59:13 --> 00:59:17:** | overwhelming. We really live in a revolutionary time. The the |
| **00:59:17 --> 00:59:20:** | 70s, eighties, 90s were kind of false starts but we |
| **00:59:20 --> 00:59:23:** | are really in it. You watched the Super Bowl go |
| **00:59:23 --> 00:59:25:** | chiefs here in a week. It's no longer just one |
| **00:59:25 --> 00:59:29:** | small group doing electric cars. All major car companies, the |
| **00:59:29 --> 00:59:32:** | EV's are here. These these products are here. It's time |
| **00:59:32 --> 00:59:34:** | and as as Michael did. |
| **00:59:34 --> 00:59:37:** | We face some challenges getting some of these things arranged, |
| **00:59:37 --> 00:59:40:** | but just start. We're here to help you organize your |
| **00:59:40 --> 00:59:43:** | strategy. If you sit back and you're waiting for the |
| **00:59:43 --> 00:59:46:** | perfect day where everything aligns and you have this beautiful |
| **00:59:46 --> 00:59:49:** | green plan, the day will never come. It's growing, it's |
| **00:59:49 --> 00:59:52:** | evolving in real time. Just start small and groups like |
| **00:59:52 --> 00:59:55:** | ours can help you along the way. Create that goal |
| **00:59:55 --> 00:59:57:** | and make sure that you're part of the new energy |
| **00:59:57 --> 01:00:00:** | normal as as it were. That's my that's my take. |
| **01:00:00 --> 01:00:03:** | Care. One last thing too is. |
| **01:00:04 --> 01:00:07:** | There's a number of different model even if your CapEx |
| **01:00:07 --> 01:00:10:** | constrained, there's models out there that allow you to to |
| **01:00:10 --> 01:00:13:** | enact the, you know, the initiatives that you want to |
| **01:00:13 --> 01:00:16:** | enact either through as a service or or other financial |
| **01:00:16 --> 01:00:18:** | models. So don't just view CapEx constraints as a as |
| **01:00:18 --> 01:00:21:** | a reason to not move forward kind of piggyback on, |
| **01:00:21 --> 01:00:22:** | on David's comment so. |

**01:00:23 --> 01:00:27:** I really appreciate John and David your final comments there

**01:00:27 --> 01:00:29:** and and with that you know a note that we

**01:00:29 --> 01:00:33:** we learned today and shared about a few singular projects

**01:00:33 --> 01:00:34:** and impact.

**01:00:34 --> 01:00:37:** They've had, but I'm really looking forward to see how

**01:00:37 --> 01:00:40:** they progress and what other projects we talk about as

**01:00:40 --> 01:00:44:** our innovation partner program progresses. So stay tuned for that.

**01:00:44 --> 01:00:48:** We will be sharing the recording, a transcript and the

**01:00:48 --> 01:00:50:** slides. Feel free to reach out to me or Ben

**01:00:50 --> 01:00:54:** with any questions. And I really appreciate everyone participating and

**01:00:55 --> 01:00:57:** attending today. Thank you all very much.

**01:00:58 --> 01:00:59:** Thank.

**01:00:59 --> 01:00:59:** You.

**01:00:59 --> 01:01:00:** Thank you.

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