

MAKING THE CASE FOR ENERGY MANAGEMENT PROJECTS

A 5-step guide to building an effective business case

1 PROJECT DEFINITION

Define the project with the simple “Who, What, Where, When, and How” approach. Include only relevant details, ideally in a catchy elevator pitch style.



2 VALUE PROPOSITION

This step is the “Why”? Why is this project worth doing and what problems does it solve? Evaluate and articulate the direct and indirect financial, operational, environmental, and societal project benefits.



3 DECISION MAKERS

Understand the decision-making process of your company and key players. Match the key benefits to each stakeholder.



4 RISK EVALUATION

Be real and honest and perform a risk assessment. Consider risks around operations, value, and society. Develop mitigation plans as required.



5 BUSINESS CASE

Create a one-page business case summarizing each of the steps presented below. As required, develop a business case for each key stakeholder.



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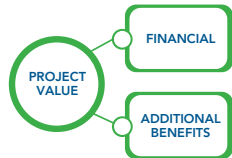


PROJECT DEFINITION

Define the Project: Use the "Who, What, Where, When, and How" approach to summarize the project (the "Why" is addressed in Step 2). Include only key details: What is the project? Where will it be implemented? How will it save energy? Who will be impacted, and who will lead it? Present these points as a compelling elevator pitch.

VALUE PROPOSITION

Articulate the "Why": Clearly define why the project is worth pursuing and the problems it addresses. Evaluate and highlight the benefits - financial, operational, environmental, and societal.



- **Financial Benefits:** Identify the project financial value by consulting your finance team. Use metrics such as Simple Payback Period (SPP), Return on Investment (ROI), Internal Rate of Return (IRR), or Net Present Value (NPV). Collaborating with finance can speed up approvals.
- **Incentives and Grants:** Explore funding opportunities from municipal, utility, provincial, or federal programs. Click on the City of Toronto Programs and the NRCan Incentive Database to the right to identify relevant incentives for your project.
- **Think Beyond Savings:** Consider benefits beyond cost reductions. Will the project boost productivity, lower maintenance, enhance employee well-being and comfort, support environmental sustainability, or improve property market value? Highlight how these factors make the project more impactful overall.



Incentive Database

Better Buildings Partnership

Better Buildings Navigation & Support Services

DECISION MAKERS



Stakeholder Engagement: Identify key decision makers and understand their priorities. Tailor your pitch to align project benefits with the focus of each stakeholder. For instance, operational leaders may prioritize productivity and reliability, while finance leaders focus on cost-effectiveness. Addressing their unique concerns improves your chances of approval.

RISK EVALUATION

Risk Assessment: Conduct an honest evaluation of risks related to operations, value, and societal impact. Anticipate decision makers' "What if" concerns by identifying potential risks and preparing mitigation strategies. Proactively addressing these risks increases the likelihood of project approval.



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BUSINESS CASE

Refer to the business case example below for inspiration when crafting your own. Use it as a guide to structure and strengthen your approach.



AT A GLANCE

Insert elevator pitch here.

PROJECT DESCRIPTION

Brief project description providing an overall project summary. This can include status updates.

KEY METRICS

Use this space to grab the reader's attention with the most compelling metrics of your project.



\$75K

ANNUAL SAVINGS



20 TONNES

CO₂e ANNUAL
REDUCTION

BENEFITS

1

Benefit One

Add the most important benefit here - likely financial.

2

Benefit Two

Secondary benefit such as environmental.

3

Benefit Three

Tertiary benefit, tailor this one to the audience if necessary.



COMPANY NAME
YOUR TAGLINE HERE

Contact Information

RISK ASSESSMENT

Describe any risks associated with the implementation of the project and your plan to mitigate or eliminate them.

NEXT STEPS AND ACTIONS

State what your ask is and the next steps of your project plan.