

Innovative Approaches to Sustainable Asset Management

Presented to
the 2010 U.S. Coast Guard
Innovation Expo

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Securing the Homeland: Asset Management Strategies are Critical

Sustainability = Resilience

- Ability to withstand
- Ability to adapt
- Ability to recover
- Ability to respond
- Ability to defend



What are the Drivers?

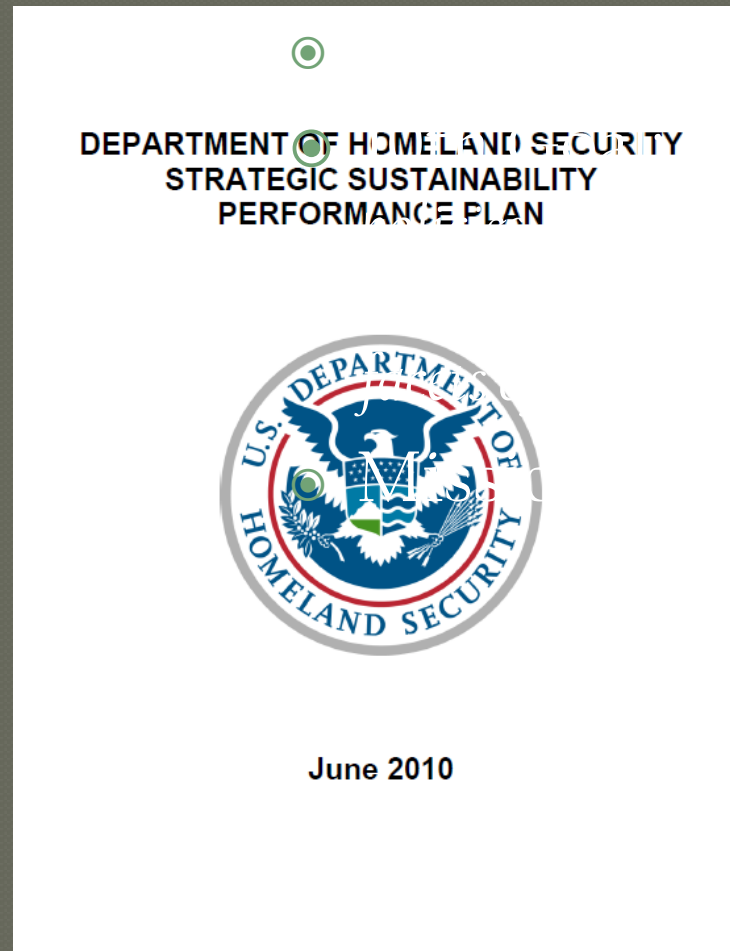
TRIPLE-BOTTOM LINE *PLUS*

- Environmental
 - Minimize inputs and outputs
 - Ensure energy security
(= national security)
- Economic
 - Reduce operating costs
 - Increase operating budget savings
 - Utilize savings on other projects
- Social
 - Entice new generations into service
 - Increase productivity

The Plus?.. EO 13514

- Federal Leadership in Environmental, Energy and Economic Performance
 - builds upon earlier EO guidance
 - strengthens requirements for managing energy, water, recycling
 - requires development of sustainability plan for assets

DHS SSPP



Goals

Develop innovative

projects, procedures

and sustainability into all

operations

Integration

Innovation in Asset Management

- Optimize assets not to just make them more efficient – sustainable -- but to ensure longer term mission critical value is gained
- Prioritize assets for upgrade, retrofit – invest...or divest – based on value of that asset to achieving your mission
- Continuously think outside-of-the-box in applying new techniques, technologies

Innovation in action!



Nike

- Green supply chain
- Carbon neutrality by 2015
- Reduced energy intensity through lighting, HVAC retrofits
- New teleconference system to cut travel
- Belgium, Netherlands HQs uses 100% renewable energy

Source: Newsweek, 2010 Nov

Innovation in action!



Yahoo

- Promotes green lifestyle tips to 600M users worldwide
- Improved efficiency of data centers
 - Improved energy efficiency by using renewables (hydroelectric)
 - Relocated centers to cooler climates, reducing AC costs
 - Lockport, NY, facility monitors all Yahoo infrastructure--consumes 40% less energy, uses 95% less water than conventional centers
 - Water saved = drinking water for 200K/yr

How to Make Innovation Happen

Creative Financing Models

Power of PPPs!

- Public-Private Partnerships
 - Significant underfunded, aged asset base combined with private equity investment, management expertise
 - BRAC is a leading program
 - Fort Sam Houston historic renovation
 - Innovative models integrate sustainability
 - City of Newark Solar PPA
 - USCG Kodiak Island, AK Performance Contract

Important to understand what the contract mechanisms are for PPPs!

What is Innovation and How Can I Get One?

- Keys to Building a Culture of Innovation*
 - Coordinate top-down and grassroots efforts
 - Define the challenge clearly
 - Remove organizational silos
 - Recognize successful innovators among your employees
 - Don't treat innovation as an event
 - Give people free, unstructured time to be innovative



Save waste fats for explosives

TAKE THEM TO YOUR MEAT DEALER

24 1943
G.A.M.T.

sn't new

TRUCKS AND TIRES MUST LAST TILL VICTORY

Call to Action!

- Everyone has a role and responsibility!
- Leadership is imperative to guide personal passions!
- Identify opportunities to maximize triple-bottom line benefits
 - Cleaner environment
 - Greater economic efficiency
 - Happier people

Sustainability isn't an option



U.S. Coast Guard Innovation Expo

Thank you!

Questions?

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