

ADAPTING TO CHANGING EXPECTATIONS

BY TIM UNRUH

Environmental, Social and Governance (ESG) investing means investing with a purpose to both seek positive returns, but also to have a long-term impact on society and sustainability. With the increasingly frequent and severe symptoms of global climate change affecting our lives, the importance of energy efficiency, sustainability and resiliency is present every day.

With renewable power becoming cost effective, what the future holds for our traditional methods of energy production and distribution, power generation, transmission and consumption is uncertain. What's indisputable, though, is the need for investors and executives in the U.S. energy sector to prepare for the inevitable: changing expectations.

It's for this reason that we at the National Association of Energy Service Companies (NAESCO) are determined to make 2020 a year of reflection and renewal—a year of building trust among our customers, member and non-member energy service companies (ESCOs), policymakers, investors and other stakeholders in the U.S. energy community.

With our roots in the energy crisis of the 1970s, ESCOs in the United States have for decades been critical in helping thousands of customers navigate the risks associated with energy scarcity, rising costs, changing regulatory environments and activist investors and consumers.

The current U.S. energy efficiency market that ESCOs have built is worth nearly \$100 billion, supports millions of jobs and, most importantly for today's ESG investor, cuts millions of tons of greenhouse gas emissions on an annual basis.

Simply put, together ESCOs—many of whom are proud NAESCO members—are credited with the modernization of America's building infrastructure. As a result, ESCOs are rightly considered an essential piece of any energy sustainability, security or resiliency puzzle. But the advent of ESG-principled investment, governance and consumption makes this puzzle more complicated. For ESCOs and their customers, this spells a unique opportunity.

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In 2020 and beyond, NAESCO—as the leading advocacy and accreditation organization for ESCOs—will seek to build upon the proven success of the industry's public-private partnerships model that's delivered America's major energy consumers vital energy expenditure and emissions savings for years.

We at NAESCO understand that while energy savings remains crucial in the performance contracting market, rapidly evolving consumer expectations require increasingly more of our member and accredited companies. Like our members, we must and are adapting to a maturing marketplace. Our organization's founding mission—to be a vocal and visible advocate, educator and leader for our industry—resonates today more than ever. ❁

Timothy D. Unruh,
Ph.D., PE, CEM, LEED AP
Executive Director
National Association of
Energy Service Companies



Dr. Timothy D. Unruh is the Executive Director of the National Association of Energy Service Companies (NAESCO). In this role, he manages the representation of its member Energy Service Companies. NAESCO provides advocacy for the industry at the Federal, State and Local levels, and provides for member company Accreditation.

Prior to this role, Dr. Unruh was the Deputy Assistant Secretary of Renewable Power at the Energy Efficiency and Renewable Energy (EERE) Office of the US Department of Energy (DOE).

As the Deputy Assistant Secretary, Dr. Unruh managed the nation's renewable power research, while also providing oversight to the Grid Modernization Initiative.

Also while at the DOE EERE, Dr. Unruh directed the Federal Energy Management Program (FEMP). As FEMP Director, Dr. Unruh oversaw the implementation of policy and actions that resulted in energy efficiency implementation, renewable energy adoption, and reductions in energy and water use in Federal government operations. Dr. Unruh coordinated with DOE national laboratories and other Federal agencies in that capacity.

During his career, Dr. Unruh has performed numerous assessments, project analyses, and energy engineering services for an array of facility types. He is involved in the development of electrical power quality standards with the Institute of Electrical and Electronics Engineers (IEEE) Power Quality Subcommittee.

Dr. Unruh has doctorate, master's, and bachelor's degrees in electrical engineering from Wichita State University in Wichita, Kansas.