NOVEMBER 2024

SUSTAINABILITY CASE STUDY SERIES

Leveraging ENERGY STAR® Portfolio Manager® to Drive Value

LINK

ENERGY STAR AWARD 2024
PARTNER OF THE YEAR
Sustained Excellence

The Link Logistics Sustainability Case Study Series explores how the firm is driving both decarbonization and value for its customers. Previous installments focused on the firm's Energy Solutions product, utility operations and energy management functions, and unique power hedging program. This fourth case study examines how Link Logistics uses the U.S. Environmental Protection Agency's ENERGY STAR® Portfolio Manager® tool to comply with local laws, measure energy performance and identify key customers for strategic engagement.

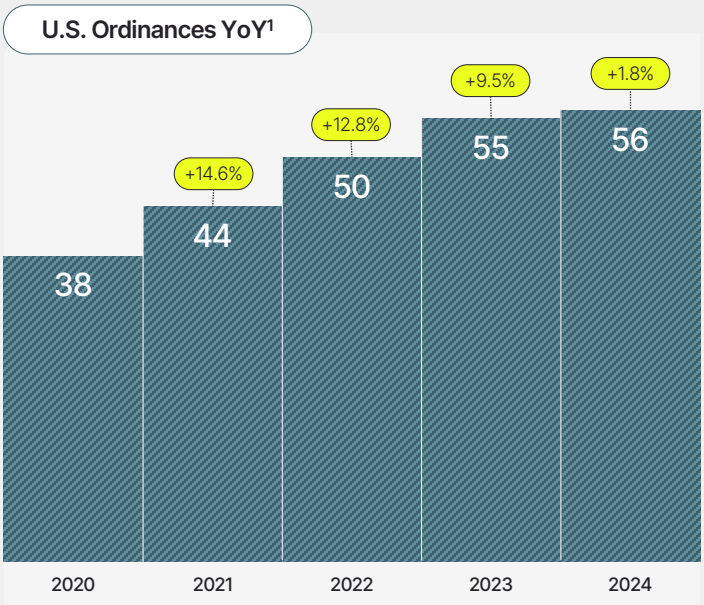
Business Thesis

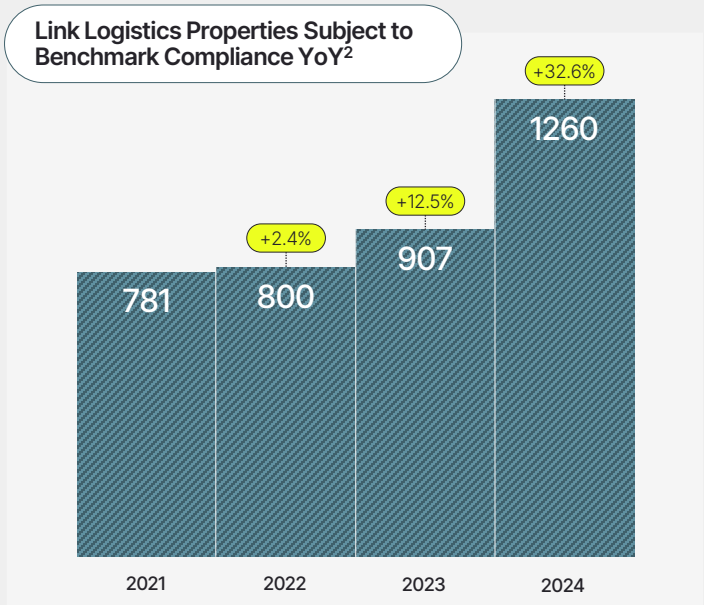
Link Logistics' key initiatives of managing compliance risk, reducing utility costs and running its Energy Solutions program require clear, high-integrity insights into energy consumption across its portfolio. By leveraging the U.S. Environmental Protection Agency's ENERGY STAR Portfolio Manager (ESPM) tool to manage and monitor whole-building utility data, Link Logistics bolsters its sustainability work with reliable information from a single source of truth. Link Logistics' track record of upholding the ENERGY STAR label and use of ESPM has earned the firm the prestigious Partner of the Year designation from ENERGY STAR for the past three years.

As energy and emissions regulations increase, building-performance data helps the firm to proactively plan for compliance with these regulations and prepare its portfolio to meet evolving performance standards across the 35+ markets where Link Logistics is subject to benchmarking compliance today. By using ESPM as its compliance submission tool, Link Logistics gains access to site-specific energy use intensity (EUI) and ENERGY STAR scores. This enables the firm to identify opportunities to invest in energy efficiency to improve performance and reduce costs, as well as identify which customers are most primed for enrollment in the firm's Energy Solutions program.

The Opportunity

As benchmarking ordinances expand across the U.S., Link Logistics sees an opportunity to find efficient ways to meet diverse local regulations. These ordinances require property owners to report whole-building utility data, which means collecting energy consumption details across multiple customers and utility types. Each ordinance has its own criteria, such as market, property type, square footage and location, which can make compliance complex. Meanwhile, non-compliance can lead to fines, making accurate and timely reporting crucial.

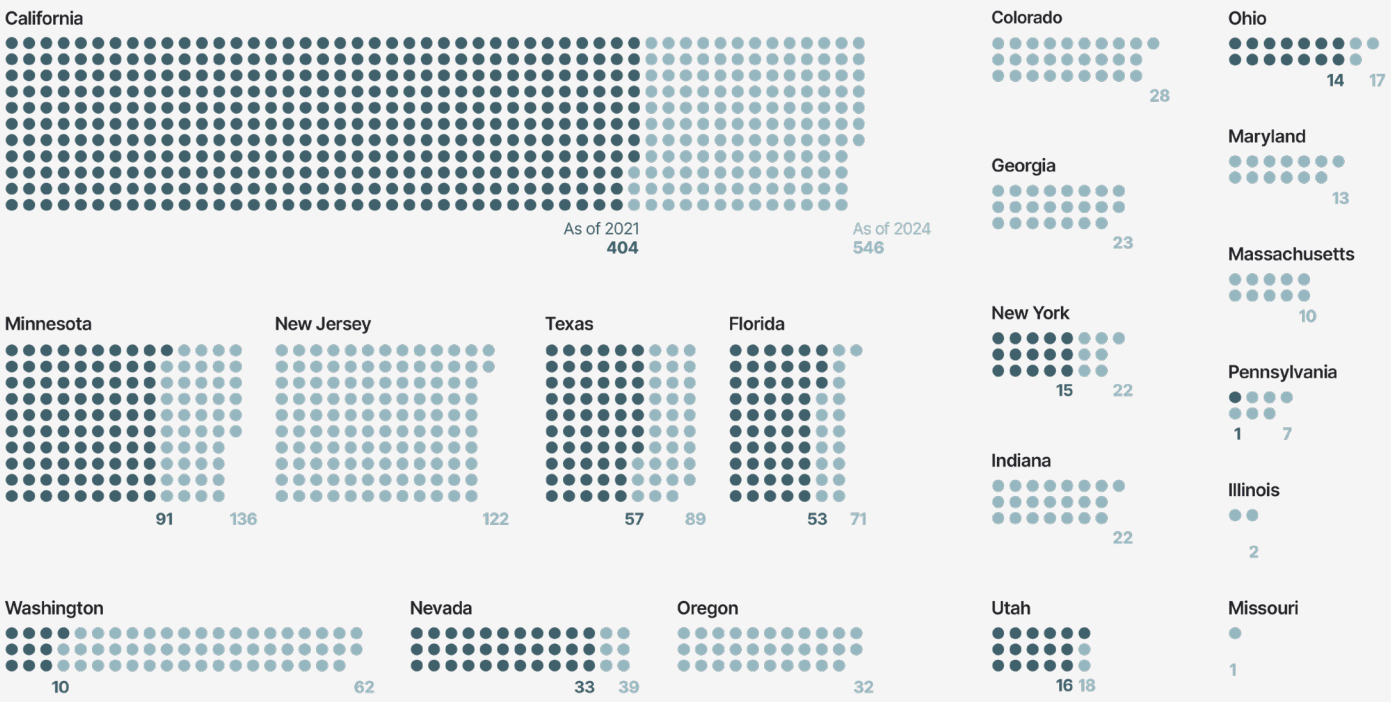




1. "Comparison of U.S. Commercial Building Energy Benchmarking and Transparency Policies." *IMT*, Institute for Market Transformation, 9 May 2024, imt.org/resources/comparison-of-commercial-building-benchmarking-policies/.
2. Note: YoY fluctuation is also impacted by firm's acquisition and disposition activity.

By leveraging ESPM to accurately and efficiently track whole-building utility data, Link Logistics is able to navigate the ever-increasing number of local compliance ordinances across its portfolio.

Link Logistics Properties Subject to Environmental Compliance Laws



Link Logistics' 3,400+ building profiles comprise approximately 4.4 million individual data points across 9,000+ customers and 45,000+ utility meters representing some 500,000 utility bills every year.

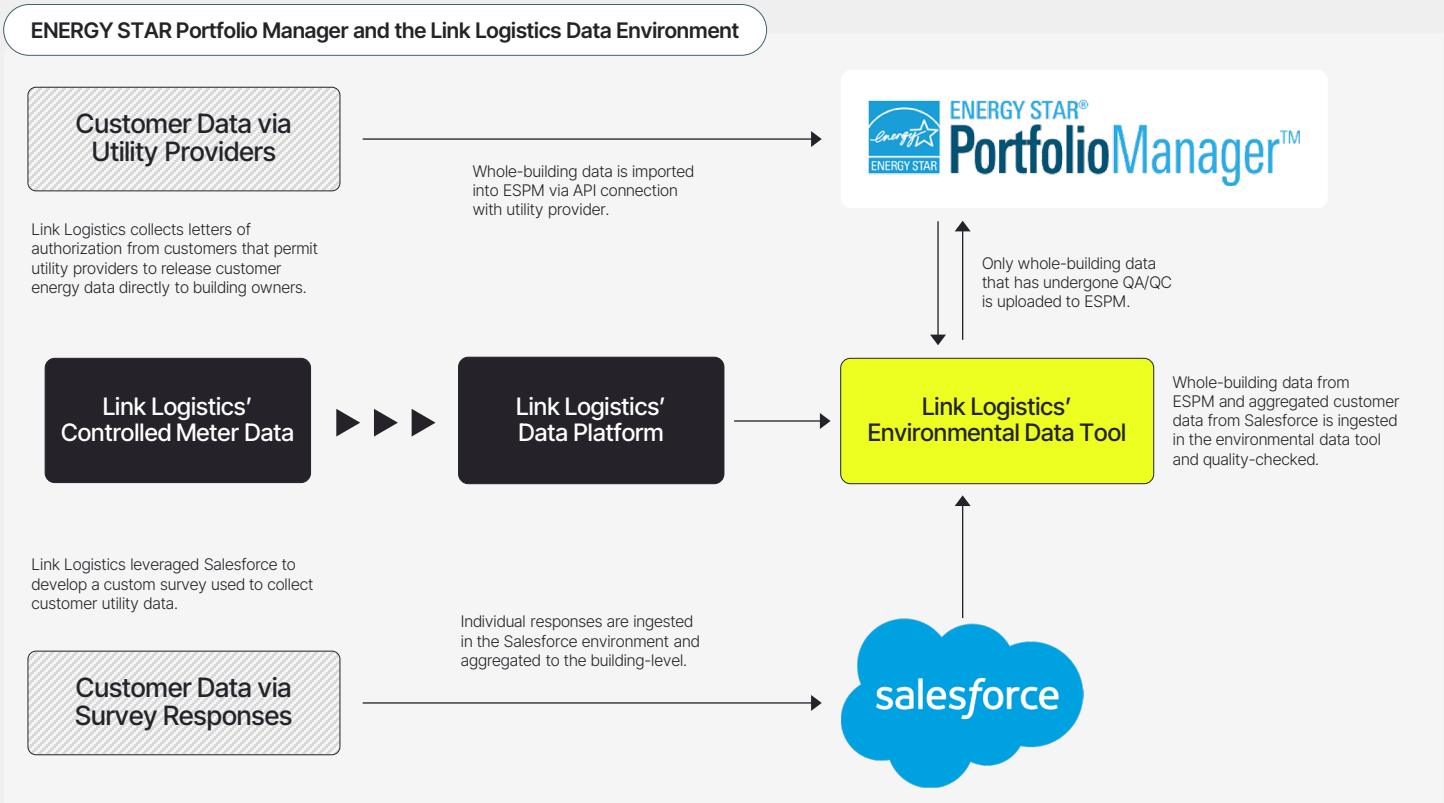
As is the case for local ordinances, the benchmarking framework provided through ESPM requires whole-building utility data, which Link Logistics assembles through three primary sources: landlord-controlled meters (for vacant units, common areas and units covered under landlord-paid utilities), direct customer data and utility provider data.

To meet compliance requirements, all relevant data must be collected, validated and aggregated. In addition to ensuring compliance with diverse local ordinances, this process helps Link Logistics ensure ENERGY STAR scores (a metric scored from 1 to 100 reflecting the energy performance of buildings) are accurate and representative of exclusively whole-building data. This, in turn, maximizes the effectiveness of ESPM in targeting sites where customer enrollment in the firm's Energy Solutions program could drive the most value. By monitoring the ENERGY STAR scores and other metrics provided through ESPM, the firm can also measure and verify the impact of completed energy efficiency projects and other decarbonization efforts.

Scaling enrollment in Energy Solutions reduces the need for manually intensive utility data requests. With direct access to consumption data, the firm's Sustainability team can both streamline compliance and support broader strategic objectives around energy efficiency.

The Approach

Less than 20% of the over 600 utilities that service Link Logistics' properties provide building owners with a path to obtaining whole-building customer data. Therefore, the firm relies in most cases on multiple data sources to build a comprehensive energy profile for a single asset, making quality assurance essential. The graphic below represents Link Logistics' highly automated data collection process and sophisticated data environment, developed by the firm in 2024 to ensure only high-integrity, whole-building data is populated in ESPM.



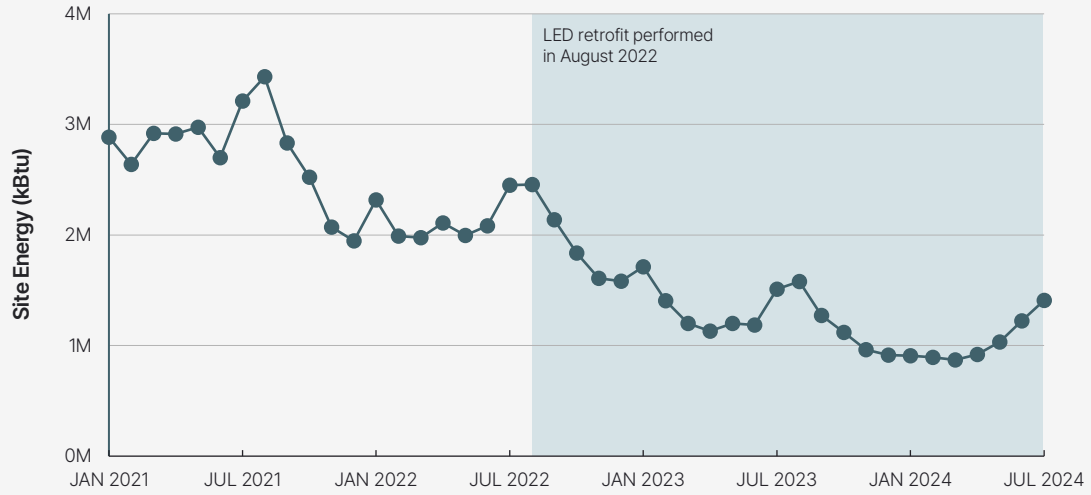
Data accuracy is essential to using ESPM to its full potential for both compliance and the prioritization of efficiency projects. In addition to building a bespoke QA/QC vehicle for utility data, structuring and maintaining building profiles in ESPM plays a crucial role in Link Logistics' ability to use the tool as a strategic advantage. To help streamline compliance submissions and maintain the integrity of its properties' utility data and ENERGY STAR scores, Link Logistics:

- Transitions existing building profiles from previous owners and establishes Link Logistics as the Property Data Administrator within ESPM to enable full access for editing and data management.
- Applies unique identifiers such as internal property IDs to each building profile to enhance reporting capabilities.
- Adds ordinance-specific compliance identifiers to facilitate smoother regulatory submissions.
- Ensures building property types are updated to align with internal asset classifications and local ordinance requirements.
- Establishes data connections with utility providers through utility portals wherever possible to minimize reliance on customers for data access and maximize the firm's access to whole-building utility information.

Success Story

The importance of high-quality data in ESPM: The graphic below represents energy consumption at a property in Georgia where Link Logistics has access to whole-building data for multiple years. The property received an LED retrofit in 2022; as illustrated in the graphic below, the data and scoring impacts displayed in ESPM validate the EUI reduction of 60%, the energy savings generated by the project of over $370,000 annually, and a 45-point increase in ENERGY STAR score.

LED Retrofit Results—Energy Use by Calendar Month as Shown in ESPM



BEFORE LED RETROFIT	
Avg EUI (kBtu/ft²)	42.4
Avg $/SF	$1.70

AFTER LED RETROFIT	
Avg EUI (kBtu/ft²)	16.8
Avg $/SF	$1.22

The Results

Link Logistics' use of ESPM continues to drive strong results for both risk mitigation and energy efficiency upgrades.

100%

2023 Benchmark compliance rate of 100%

$1.52M

Estimated $1.52 million in 2023 non-compliance fines avoided.

50+ Properties

More than 50 properties certified by ENERGY STAR in 2023 for meeting strict energy efficiency standards, which is more than any other industrial property owner in the U.S.

ENERGY STAR AWARD 2024
PARTNER OF THE YEAR
Sustained Excellence

Link Logistics has also earned ENERGY STAR Partner of the Year recognition three years in a row, as well as **Sustained Excellence and Excellence in Data Innovation distinctions** in 2024.

What's Next?

The fifth installment of the Link Logistics Sustainability Case Study Series will examine the firm's national LED program, including how a dedicated internal team of energy experts audits current lighting fixtures, determines viability, and delivers a standard repeatable installation process with a national partner while harvesting high-integrity data for reporting and ROI analysis.

If you are a Link Logistics customer interested in learning more about Energy Solutions, please contact EnergySolutions@linklogistics.com.