

AUGUST 2024

# SUSTAINABILITY CASE STUDY SERIES

**Utility Operations & Energy Management**  
Foundational In-House Expertise

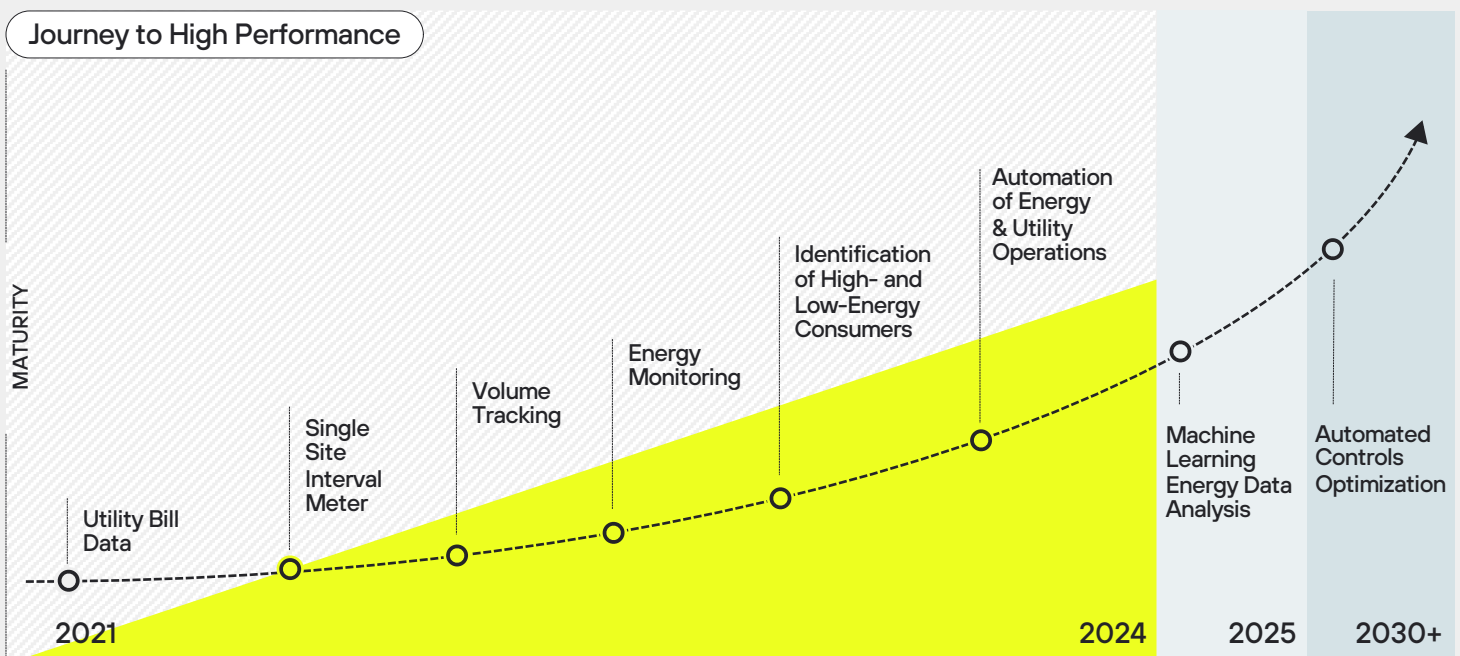
The first installment of the Link Logistics Sustainability Case Study Series offered a high-level view of Link Logistics' Energy Solutions product, the channel through which the firm will deliver decarbonization opportunities to its 10,000 customers. This second case study explores the firm's utility operations and energy management functions, which are a foundational offering from Energy Solutions.

## Business Thesis

To deliver a foundation of business process excellence and drive value through operational efficiencies, new professional disciplines, systems and technology are required to streamline utility billing procedures, validate high-integrity bill data and resolve utilities-related issues. In addition to solving general business needs, advanced aspects of Link Logistics' sustainability strategy, such as renewable energy integration and energy efficiency analysis, require dedicated subject-matter expertise in utilities management with consistent processes and access to high-integrity data.

## The Opportunity

Since 2021, Link Logistics has evolved and diversified its approach to energy management, which over time has grown to resolve numerous common challenges, including fragmented energy consumption and expense data, inconsistent bill auditing and suboptimal monitoring. Such issues are known to present tangible negative financial and operational consequences including failure to recover security deposits, incorrect billing, service disruptions and other utilities-related errors. The maturity curve below illustrates Link Logistics' strategy for sequencing its energy and utilities program, culminating in Energy Solutions. The firm's scale presents a significant opportunity to establish a value-accretive shared service model and advance its capabilities.



## Our Approach

Link Logistics took a three-step approach to enhance energy and utilities management in industrial real estate:

**Created** dedicated Utility Operations and Energy Management teams to centralize all utilities-related workstreams and processes, which allows the firm to resolve billing disputes and ensure billing accuracy through audits.

**Deployed** utility ticket case management technology to track and monitor all utility activity, which reduces disruption risks and ensures operational excellence through direct oversight.

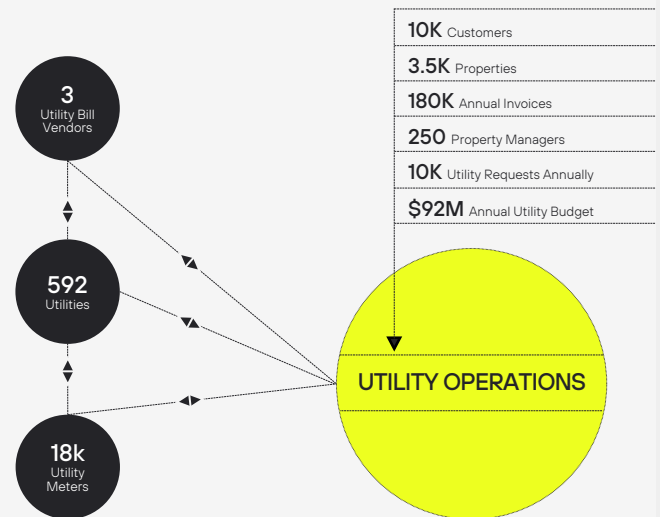
**Delivered** self-service tools for internal stakeholders to improve transparency and reporting on financials and metrics related to expense, recovery, consumption and capacity.

### Centralized Governance

The Utility Operations team serves as the single point of contact between Link Logistics' property operations function, approximately 10,000 customers and the nearly 600 utilities that service the firm's portfolio.

As gatekeeper of all utilities-related information flowing between the business and the bill processor, the Utility Operations team establishes and administers a robust controls environment on utility usage and cost data.

Utility Operations acts as the ultimate steward of data quality and problem resolution to ensure best-in-class energy and utilities management.



### Success Stories

#### 1. Bill Monitoring and Corrections

The Utility Operations team reviews bills on behalf of their customers, and when anomalies are detected, diligently pursues resolution with the utility company.

One recent example occurred in New Jersey, where a customer was overcharged nearly \$60,000 for electricity. The team successfully intervened on behalf of the customer and corrected the bill in three days.

#### 2. Utility Account Administration

Utility Operations achieves meaningful expense reductions for Link Logistics customers by identifying opportunities for them to receive refunds on security deposits, overpayments and final bills. So far in 2024, customers have benefited from:

- \$114,704 in security deposit refunds
- \$202,911 in overpayment refunds
- \$67,403 in final bill refunds

**2024 combined total: \$385,018**

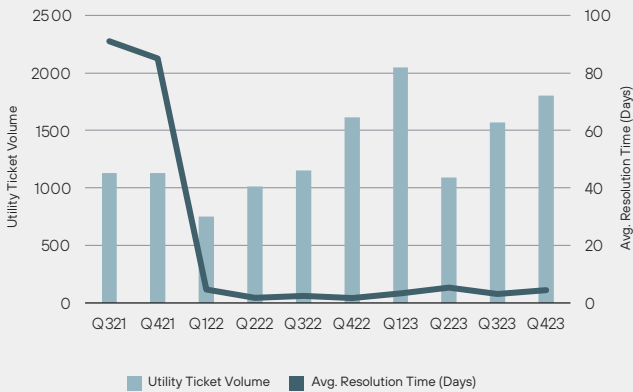
### Utility Ticket Case Management Technology

The Utility Operations team manages more than **150 utility work order requests (or "tickets") per week**, which totals approximately **7,500 utility tickets per year**. Link Logistics implemented Salesforce workflow and case management software to centralize all utility-related workstreams under a customer-service-focused CRM model while harvesting operational data and recording property-level utility attributes such as meter and account numbers.

This enhancement brought about several benefits to Link Logistics: the team can more effectively budget and forecast utility expense and consumption trends, resolve requests from customers, reduce risk of utility service disruptions, and increase speed to occupancy for our customers by streamlining utility service setups and managing security deposits.

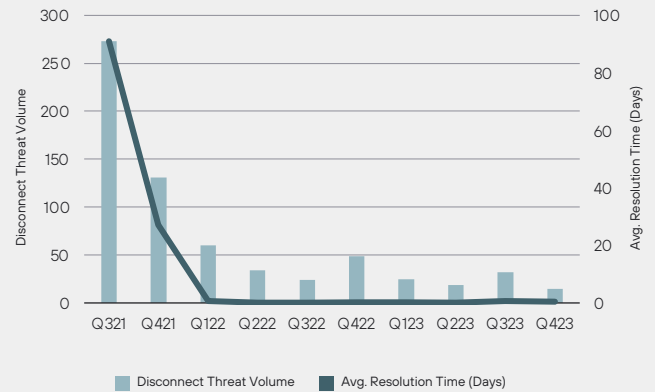
### Utility Ticket Volume vs. Resolution Time

Utility workflow ticketing system resulted in a 2,200% improvement in utility-issue resolution times from 2021\* to 2024.



### Disconnect Threat Volume vs. Resolution Time

Workflow organization drove a 95% reduction in disconnect threats from 2021 to 2024, with a 23,400% improvement in disconnect resolution time from 2021 to 2024.



### Utility Data Self-Service Tools

Leveraging dedicated people, processes and technology, Link Logistics built a repository for energy and utility consumption and expense data across its portfolio using a Power BI self-service dashboard. The initiative empowered internal stakeholders with unfettered access to high-integrity data, leading to improved decision-making across the firm's portfolio. In the first quarter of 2024, this approach reduced utility ticket volume by 20% and increased trust in the accuracy of data and systems.



\*2021 ticket data is estimated based on internal point-in-time records

## Results

The **Utility Operations and Energy Management** teams have produced business results across three categories:

### Financial

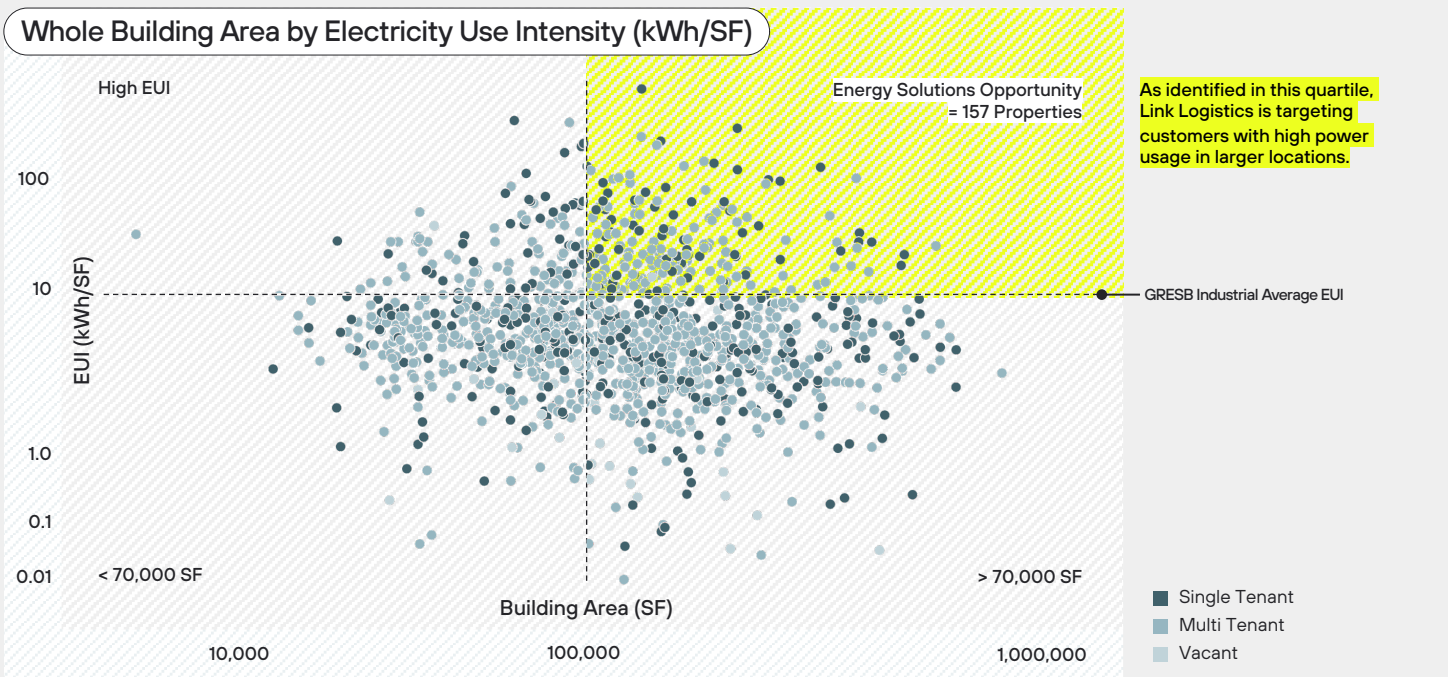
- Generated **\$500,000 of value year-to-date in 2024** and **\$3.1 million of lifetime value** since 2021.
- Drivers of this value include reduced administrative costs, improved audit processes for billing, enhanced security deposit recovery and optimized utilities-related data management.

### Operational

- **Successfully resolved 381 utility billing disputes** on behalf of customers.
- Achieved 2,200% improvement in utility workflow resolution and 95% improvement in utility disconnection threats since 2021.

### Strategic

- Using our inventory of high-integrity utility data relative to unit size, the Energy Management team plotted energy use intensity values for more than 10,000 individual units to identify opportunities where Energy Solutions can most likely result in savings for customers.
- Across 157 properties, **583 customers have been identified as high-value candidates for utility savings through Energy Solutions**. While Energy Solutions will eventually be available to all Link Logistics customers, this initial group has the greatest potential to drive savings and impact.



### What's Next?

Managing power supply risk is another key component of Energy Solutions. Customers can benefit from Link Logistics' scale through the firm's power hedging program, which seeks to create energy rate stability and insulate customers from increasingly unpredictable electricity markets. This will be examined in detail in the next installment of the Link Logistics Sustainability Case Study Series.

If you are a Link Logistics customer interested in learning more about Energy Solutions, please contact [EnergySolutions@linklogistics.com](mailto:EnergySolutions@linklogistics.com).