



Allergan



Terry Thomas,
Manager, Facilities, and
Michael Whaley, P.E.,
Director, Allergan

Energy Management at Allergan: Award-Winning Success as a Corporate Way of Life

The 2005 Flex Your Power Awards, California's recognition to companies and institutions for achievements in energy management, must have seemed like déjà vu for Allergan. In 2004, the Irvine-based global specialty pharmaceutical company won for cutting energy use on its research and development campus 9% over five years through promoting energy awareness, upgrading manufacturing equipment, and consolidation of facilities. The savings totaled 12,785,530 kWh in 2005, which effectively was another 11% of avoided electrical energy consumption.

Allergan was back again in 2005 as the first two-time Flex Your Power winner. "This time, the award acknowledged Allergan's achievements in building efficiency into our new R&D facility," say Terry Thomas, Manager, Facilities, and Michael Whaley, P.E., Director, Environmental Health and Safety. "Proud as we were of the energy reduction we achieved to win the first award, we're still working to make additional improvements. By taking advantage of every available rebate and savings from Southern California Edison (SCE) for our Irvine campus, we've seen a steady downward trend in electricity

consumption normalized against sales, down almost 44% between 1991 and 2005. And we're aiming to do even better."

The High Cost of Being Average

"By taking advantage of every possible SCE rebate and energy efficiency program," Thomas explains, "we're building \$500,000-600,000 in savings per year into our facilities. SCE's rebates under the Customized Solutions Program, for example, are extremely helpful to us as we invest in retrofitting. The Savings By Design Program helps us plan efficiency into new buildings. SCE joins our team at the design stage and suggests every possible way to save before construction begins. The energy we've saved in new facilities versus what we'd be using without these measures is significant — about 2,800 kW."

"Allergan has always made energy management a way of life," Whaley continues. "Since 1991, we've saved over 67,000,000 kWh by continually optimizing our usage. We're in the 90+ percentile for our industry. We look at the industry average as a benchmark, and ask ourselves, how much more product would we need to sell if our performance was just industry

Estimated Savings by Managing Energy

- *Location:* Irvine, CA
- *Industry:* Manufacturing
- *SCE Programs Utilized:* Customized Solutions, Savings by Design
- *Results:* 12,785,530 kWh saved in 2005, effectively avoiding 11% of additional electrical energy consumption facility-wide; reduced demand of 2,800 kW in new facilities

ESTIMATED SAVINGS

12.7 million kWh+

Energy Management Success Story

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average? The assumption that managing energy wisely will inhibit your research program or your product development is mistaken — we've proven that sound energy management means reduced cost of operations. That helps us keep our dollars focused on R&D, where they really need to go."

Continual Optimization for Continual Improvement

Because its research programs undergo continual adaptation, Allergan's facilities undergo continual changes to meet new demands. "Our task now," Whaley says, "is retro-commissioning our facilities where the research program is operating outside the building's original design. We want to go back through our older systems and make sure that we're operating them appropriately for the uses to which they're now being put,

particularly when those uses aren't the ones for which those space were built. SCE will be a member of the team as we go forward."

"Assuming that anything is working perfectly is assuming too much," Thomas affirms, "especially when we're constantly revising and redirecting our scientific programs. So we use SCE's online tools — EnergyManager® Basic, Cost Manager® and Bill Manager® — to monitor our performance and look for improvements. This campus isn't just a pharmaceuticals laboratory, it's an energy management lab, too. And it's not just about saving money. We have a commitment to Southern California, and we want to see it thrive. We're good citizens and good neighbors, and managing energy well goes along with Allergan's dedication to making life better."



Michael Whaley, P.E., Director, and Terry Thomas, Manager, Facilities, Allergan

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Terry Thomas, Manager, Facilities, and Michael Whaley, P.E., Director, Environmental Health and Safety, Allergan

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