



# POSTAL NEWS

FOR IMMEDIATE RELEASE  
July 3, 2006

Contact: Media Relations  
202-268-2155  
News Release No. 06-045  
www.usps.com

## **POSTAL SERVICE TO AVOID \$110 MILLION IN ENERGY COSTS THROUGH PROJECTS FINANCED BY OTHER COMPANIES**

WASHINGTON—Ten energy conservation contracts, with an estimated value of \$1.3 billion, were awarded recently to six companies that will receive a percentage or “share” of the dollar savings attributable to the projects, in return for assuming all implementation costs. These contracts, which were issued under the Postal Service’s Shared Energy Savings (SES) program, will help the Postal Service avoid an average of \$11 million a year in energy costs over 10 years—or a total of \$110 million.

Under the SES contracting process, energy conservation measures are identified, financed, and installed by the supplier. These measures can include anything from use of renewable energy sources, such as wind power and geothermal heat pumps, combined heat and power, lighting retrofits and energy-efficient building controls.

Postal Service facilities from east to west and north to south will benefit from this contract, said Susan Brownell, Vice President, Supply Management. “Recognizing that the implementation of energy conservation measures can reduce costs significantly, the Postal Service established the Shared Energy Savings contracting mechanism not only to trim energy dollars, but also to improve energy efficiency. This program was also designed to produce environmental benefits and improve facility conditions for employees and customers,” she added.

According to Postal Service officials, energy expenditures are a significant portion of the annual Postal Service expense budget. In FY2005, energy costs were approximately \$550 million, not including costs for heating and transportation fuels.

The SES suppliers included in this award are BGA, Inc., Tampa, Fla; Chevron Corporation, San Francisco; ConEdison Solutions, White Plains, N.Y.; Energy Services Group, Wayzata, Minn.; Honeywell, Inc., Saugus, Mass.; and Noresco, L.L.C., Westborough, Mass.

Since 1775, the Postal Service and its predecessor, the Post Office Department, has connected friends, families, neighbors and businesses by mail. It is an independent federal agency that visits more than 144 million homes and businesses every day and is the only service provider delivering to every address in the nation. The Postal Service receives no taxpayer dollars for routine operations, but derives its operating revenues solely from the sale of postage, products and services. With annual revenues of \$70

billion, it is the world's leading provider of mailing and delivery services, offering some of the most affordable postage rates in the world. The U.S. Postal Service delivers more than 46 percent of the world's mail volume—some 212 billion letters, advertisements, periodicals and packages a year—and serves seven million customers each day at its 37,000 retail locations nationwide.

# # #