

The Metrus Story

Based on an interview conducted on February 5, 2013 with Metrus' President and CEO, Bob Hinkle

Metrus was born out of the simple truth that energy efficiency is a valuable resource hidden inside most buildings today. Early in my career, I spent a lot of time working overseas to develop energy efficiency programs and large-scale power projects. No matter which country I was in, time and again my favorite maxim proved true: **the cheapest and cleanest KWh is the one you don't use.**

When I returned home from my time overseas, solar energy and other renewables were gaining momentum in the U.S. This was terrific, but I was struck by the fact that energy efficiency, despite its cost effectiveness, was not really part of the conversation. On closer look, it became clear to me that effective financing solutions were driving the expansion of the market for solar energy by removing the barrier of first-costs. I remember asking myself, "Why can't the same be done for energy efficiency?"

I realized that many of the principles that underlie the financing of power purchase agreements (PPAs) for large-scale solar projects could be extended to energy efficiency. For instance, if energy reductions could be effectively measured and quantified, then these energy reductions – negawatts – could be sold as an output the same way that energy generation – kilowatts – were being sold as an output in PPAs.

This realization evolved into Metrus' Efficiency Services Agreement. By figuring out how to deliver energy efficiency as a service, we enabled building owners to overcome the issue of first-cost by tapping energy savings to pay for retrofits and upgrades.

It is a new idea, and it still takes a bit of a mind-shift, but it makes sense. Why not embrace energy efficiency as a resource? Why not save energy and redirect money otherwise spent on utility bills towards something more lasting and beneficial?