

What's better - buying more energy efficient devices or power managing existing devices?

By J.P. Garcia on 02/02/2012

I heard recently about a big Spanish bank that published a request for proposal (RFP) to buy computer monitors. In evaluating the various RFPs, the bank calculated the effective cost of the monitor as the purchase cost plus the incremental energy cost for the less efficient models over five years. That got me thinking about the logic (or lack thereof) in this approach. I've worked closely with a number of banks over the past few years including a very large bank. So, with some "real" numbers in mind, I ran some comparisons to determine if there might be a more effective approach.

Let's suppose that "Display A" is the one that consumes less energy at 18W, and "Display B" is the one that consumes more at 20W.

Now, assume this bank has typical utilization patterns of 16 hours per day (no joke - I've personally measured it in a really BIG bank) and does not use any PC power management product. By installing an energy management solution like Verdiem Surveyor, actual display utilization can be reduced to 6 hours (again, this is not a supposition; it's a real number I've seen in one of my projects).

The difference in spending for both displays is:

Without Energy Management

"Display A" - €13.60 per year

"Display B" - €16.50 per year

With Energy Management

"Display A" - €5.62 per year

"Display B" - €6.64 per year

(Note: these numbers are oversimplified using 365 work days, i.e., no holidays or vacations)

In the scenario where no energy management solution is in place, the bank would save a measly €2.90 annually by purchasing a more energy efficient display. However, in the other scenario with active energy management, the bank can save 3x, or approximately €10 per display per year, even with a less energy efficient display.

Green purchasing initiatives are reasonable and important, but sometimes companies can

lose sight of the forest among the trees or behave like the person that eats three Big Macs but washes them down with a Diet Coke.

Generally, the refresh cycle in big companies is 4 year or longer cycles with lots of old equipment in use (the old ones spend more energy).

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