

Meralco - Insular Life Energy Saving Partnership:

Energy Savings That Future-Proof Your Company? This Partnership Proves It's Possible

Insular Life pushes down power costs by working with MSERV

by Zen Schwartz

The Philippines has been through a lot over the last 100 years—economic uncertainties, natural calamities, even a world war. For a company, weathering these ups and downs requires smart, unshakable prudence.

That's what's kept The Insular Life Assurance Co. Ltd. steady for more than a century. Since 1910, it has been helping local and overseas Filipinos secure their financial future, even through the rockiest times.

When it comes to managing its own books, Insular Life also leaves little to chance.

At their Insular Life Corporate Centre (ILCC) headquarters, it constantly seeks ways to reduce operational costs, especially its energy consumption.

So the largest Filipino life-insurance company turned to another venerable institution with over a century of experience and know-how: the Manila Electric Co. (Meralco).

Cool numbers

Completed in 2000, the ILCC in Alabang, Muntinlupa is a high rise commercial building with twin towers; Tower 1 has 34 stories, while Tower 2 has 29 stories. At the heart of the corporate headquarters is a state-of-the-art auditorium which seats 524 people. "A good chunk of electricity consumption went to our air-conditioning system," recalls Hector Caunan, first vice president and head of the real property division of Insular Life.



Hector Caunan, First Vice President and Head of the Real Property Division, The Insular Life Assurance Co. Ltd. IMAGE Jun Pinzon

To put that into numbers, the ILCC used up a hefty 6.2 million kilowatt-hours (kWh) in 2015. That was enough to power 25,000 homes for an entire year.

Caunan says Meralco stepped up to the plate through MSERV, its energy-solutions subsidiary, which conducted an energy audit for the ILCC. "They came up with a lot of suggestions for improvements."

Using MSERV's expert advice, heaters were installed to turn the building's air-cooling setup into a variable-flow chilled water system. Oil-lubricated chillers were replaced with magnetic oil-free chillers. The ILCC also acquired a digital monitoring chiller management system that made it efficient and very safe.

The jaw-dropping results? Energy consumption fell by a whopping 53 percent to 2.8 million kWh!

Surprisingly, 2017 saw even lower numbers, as power consumption fell to 2.5 million kWh, a jaw-dropping 60-percent drop from 2015, Insular Life's baseline year, when the headquarters' monthly bill averaged PHP6-7 million monthly or PHP72-79 million annually from 2014 to 2016.

The company saved P24 million in 2016, and P26 million in 2017, double the projected annual savings of P12 million. This lets Insular Life achieve its return on investment in the ILCC in 3.5 years instead of five.



Nina Aguas, Executive Chairman, The Insular Life Assurance Co. Ltd. IMAGE Jun Pinzon

Invested in the future

The success of this initial collaboration means even more partnerships to come.

"MSERV is upgrading the ILCC's building management system," reveals Caunan. The update delivers improved accuracy in monitoring the center's electrical, mechanical, and electromechanical equipment.

The newly renovated Insular Life building, at the heart of the Makati central business district, also gets an upgrade when MSERV supplies and installs its harmonics filter.

To Caunan, Insular Life and MSERV share similar values. Just like Insular Life sticks to tough criteria in all its financial actions, MSERV ensures all its solutions meet local regulations, international standards, and the needs of its customers.

"Insular Life is very thorough when it comes to auditing, integrity, and transparency," Caunan maintains. "We follow strict rules when spending because we are only caretakers of the policy holders' money."



Mona Lisa B. de la Cruz, President and CEO, The Insular Life Assurance Co. Ltd. IMAGE Jun Pinzon

This is how the company continues to do well despite economic challenges, declares Mona Lisa B. de la Cruz, president and chief executive officer of Insular Life.

She reports, the parent company turned in a sterling performance in 2017. "We generated a net income of P4 billion, up from P3.7 billion in 2016. We also posted P18.3 billion in revenues, while our total assets grew to P140.1 billion."

She believes that this growth is a result of the company's ability to stay relevant to its customers, especially the digital-savvy millennials.

"Some Asian markets have an aging population, and the Philippines is just beginning to reap the so-called 'demographic dividend,'" she observes. "Insular Life invests in the future of our millennial customers by helping them save for their future and be more conscious about reaching their financial goals."

This kind of future-proofing is one of many reasons why countless customers continue to entrust their future to the Insular Life well into the 21st century and beyond.

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