

>> BUSINESS LEADERS OF THE YEAR

Managing Energy In A Changing World

Efficiency's time has come, but George Sakellaris has been here all along.

BY BRANDON BUTLER

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George Sakellaris, president, CEO, founder and chairman of the board of Framingham-based national energy efficiency contractor Ameresco, is really excited about the energy efficiency industry.

For 30 years, he has been preaching about how lower energy use, conserving power and installing energy efficiency measures are good things for consumers, businesses and the world.

Now, finally, he said, people are starting to catch on. Need evidence?

Look no further than the company Sakellaris founded 11 years ago. In a little more than a decade, he has grown Ameresco from a startup into a \$700-million, nationally recognized business. It's helped hundreds of clients save millions of dollars on their electricity bills by upgrading to more efficient equipment and — in some cases — installing the newest renewable energy resources.

But Sakellaris, the Worcester Business Journal's Business Leader of the Year for large businesses, is nowhere near done.

The story of George Sakellaris begins in a small village outside Sparta, Greece, where the young Sakellaris excelled in math and science. He remembers a teacher telling him he must use his math skills to either become a teacher or engineer. He chose the engineering route and hasn't looked back.

He came to the United States to attend the University of Maine in Orono. He waited tables to get through college and eventually landed a job at New England Electric System (NEES).

In a matter of years, he moved from short-range single-unit planning on individual power-generation systems to long-range transmission, distribution, facility and power line planning. He was soon transferred to NEES's Westborough headquarters.



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LARGE BUSINESS

George Sakellaris
*President, CEO, board chairman
Ameresco Inc., Framingham*

- **Hometown:** Milton
- **Biggest leadership challenge:** Finding the right talent and expertise, and getting the best resources in place.
- **Most satisfying moments:**
Starting Ameresco, getting the company going and signing the original contracts
Taking the company public in 2010
Ameresco's completion and the final acceptance of the DOE Savannah River Site Biomass Cogeneration Facility in 2011
- **Favorite management authors:** Peter Drucker and Jim Collins
- **Business leaders and others who inspire:** Guy Nichols, Joan Bok, John F. Kennedy and Ronald Reagan

At the time, NEES executives asked: What would happen if, instead of building additional power plants to serve more customers, the company encouraged customers to save energy?

Intrigued, Sakellaris led a long-range study on the issue. What he found would impact the rest of his career.

The idea of using less energy is accepted today as a positive on a number of fronts: It saves customers money, it reduces U.S. dependence on foreign energy markets, it's better for the environment, and more efficient for businesses.

"Several studies have shown that even if energy efficiency measures are installed at only a small percentage of ratepayers' systems in a service territory ... all ratepayers benefit," said Terry Singer, executive director of the National Association of Energy Service Companies (NAESCO), an industry trade group based in Washington, D.C., that includes Ameresco among its members.

Cutting consumption reduces a system's overall capacity, which saves money for businesses and consumers, she said. Sakellaris embraced this philosophy and found a new way to manage it.

In the late 1980s and early 1990s, Sakellaris noticed that many competing companies offered energy efficiency programs, but also required customers to buy the company's products and services. Sakellaris had a different idea: Unbundle the energy efficiency services and the commodity. Consumers, he believed, wanted to buy energy from one company and another to do energy efficiency work. He was right.

The first company Sakellaris founded, NORESKO, is an offshoot of the division he

started at NEES and it embraced this way of doing business. He sold the company in 1997, seven years after starting it. He said increased volatility in the market made him believe it was the right time to sell. He remained with the company as an adviser and, within three years, founded another company, Ameresco. Today, that company is a publicly traded firm that's "technology agnostic," Sakellaris said. When Ameresco works with a client, it doesn't install a pre-specified brand of new boilers, for example: it works with different vendors to choose the best product.

The process' success has won Sakellaris notice and recognition.

In 2007, former President Bill Clinton asked him to speak at the Clinton Climate Initiative and, in 2009, Sakellaris was awarded the first Gabby Award from the Chicago-based Greek America Foundation.

"Green has been a really hot industry lately, and I think George symbolizes that in a lot of ways," said Greg Pappas, founder of the Greek America Foundation. "He combines two important things: doing something good for the environment and running a successful company."

Sakellaris doesn't focus on his honors and awards, though; he's genuinely interested in moving the energy efficiency industry forward. As one of the founding members of Singer's NAESCO industry trade group in 1983, Sakellaris remains one of its most influential members, she said.

"George has always been a leader," Singer said. "He's been on the cutting edge of trends, which has allowed his companies to really be well positioned for wherever the market is moving." ■