



OVERVIEW OF METHODOLOGY GREENSPACE ECOMETRICS™ ANALYSIS OF NETSUITE

Evaluating NetSuite's SaaS Cloud Computing Platform

NetSuite engaged Greenspace to identify and quantify the green benefits of its SaaS Cloud Computing platform. This study would be utilized for the purpose of explaining to potential customers through a White Paper, how their decision to outsource IT would create efficiencies, cost savings, and green benefits. The focus on providing customers with a way to further reduce energy and thus “reduce their carbon footprint” was a key driver of the study. Other environmental impacts were studied as well.

METHODOLOGY

Comparing NetSuite's Platform to On-Premise Solutions

ENERGY USAGE

Greenspace reviewed NetSuite's Production computing environment to determine the total annual energy usage. The analysis included the individual energy loads of servers, network equipment, battery backup equipment, server room air conditioning, and server room lighting. The total annual electricity usage for server electricity was calculated utilizing NetSuite's power monitoring device data (PUD) as well as a review of the electricity purchasing. Since NetSuite operates within a co-located data center facility, the data center operator was contacted to evaluate the total air conditioning and lighting loads. NetSuite's proportionate share of air conditioning and lighting loads was then calculated. The total electricity for all computer equipment, air conditioning, and lighting was totaled and annualized.

Greenspace then analyzed the computing requirements for a single company implementing an on-premise computing system. This included the equipment purchases, on-going maintenance, and energy usage in order to deploy a Production Environment for a comprehensive web-based ERP, CRM, and reporting system. We assumed a three tier-architecture (application server, web server, and database server) would be necessary to properly scale such a system for any company seeking high performance, web-based applications with 99% levels of availability.



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The following assumptions were utilized for the model customer site utilizing an on-premise, web-based ERP/CRM system:

- 3 Servers (Energy Star Rated)
- A 100 sq. ft. climate controlled server room kept at 76 degrees (24hrs/365 days / year)
- UPS backup for servers and network equipment
- Networking equipment specific to this configuration (not including desktop computing switches, etc.)

Note: The analysis of a customer site did not include energy usage for development or test servers (non Production environments) nor did it include the energy usage for client computers used to access the ERP/CRM applications. It was assumed that not all customers would have development / test environments.

Once the annual energy usage of the model customer was quantified, a comparison between NetSuite's system and the total number of customers (6,000 average during 2008) using NetSuite's platform was performed. The net annual energy savings was calculated as the difference between the projected energy usage of 6,000 companies less NetSuite's actual platform energy usage. This savings amounted to 595,134,538 kWh per year.

The analysis demonstrates that on a per customer basis, NetSuite is consuming far less electricity than what each individual customer would utilize with an on-premise computing platform. The 99% savings for NetSuite's customer was calculated by dividing the total energy usage of NetSuite's platform by 6,000 (customers) and comparing it to the model customer's energy usage.

Greenspace presented the finding that if each of NetSuite's customers installed and maintained their own servers and consumed the related energy each year, the amount of electricity that would be necessary for this group of companies would necessarily produce some level of green house gas emissions. These emissions can be calculated and a set of equivalencies can be used to illustrate the magnitude of the emissions reduced by customers not operating their own on-premise computing solutions.

To arrive at the environmental equivalencies cited in the White Paper, Greenspace consulted the U.S. EPA's Carbon Equivalency assumptions (current as of 12/08) to build a dynamic EcoMetrics™ calculator which utilizes an annualized kilowatt hour (kWh) input to estimate the amount of metric tons of carbon dioxide equivalent emitted to produce this amount of electricity. Other equivalencies use the same estimation of Metric Tons of CO₂ which for this analysis amounted to 423,736 Metric Tons of CO₂ gas equivalent each year.



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OTHER TRIPLE BOTTOM LINE BENEFITS

Greenspace also reviewed other aspects of the NetSuite computing platform to evaluate one or more of the following non-energy related benefits. The results of this review were included in the White Paper study.

- Economic Benefits – savings to customers
 - Traditional measures of Total Cost of Ownership and Return on Investment that NetSuite has previously studied and published data on.
- Environmental Benefits
 - Waste Reduction (e.g. paper savings, e-Waste, green purchasing)
 - Reduction of paper-usage for using document management
- Employee Benefits
 - Time savings from no longer needing to maintain on-premise servers
 - Overall IT productivity and use of resources to improve business operations

ABOUT GREENSPACE

Greenspace developed its innovative EcoMetrics™ scorecard system to help customers measure and report on the success of their green programs.

Greenspace's programs, product offerings and metrics are developed under the supervision of its LEED® Accredited Professionals.

Members of the Greenspace team have conducted hundreds of green building and lighting energy audits and utilize well established best practices for assessing the energy and environmental impacts of its customers' resource usage.

Greenspace also saves organizations money and increases their efficiency by developing cost effective green purchasing, building operations and maintenance programs. It is a one-stop source for office, janitorial, energy and maintenance supplies and solutions that make facilities greener, healthier and more efficient.

Northbrook, Ill.-based Greenspace (www.greenspacesupply.com) is a member of the U.S. Green Building Council and is an Energy Star Partner.

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