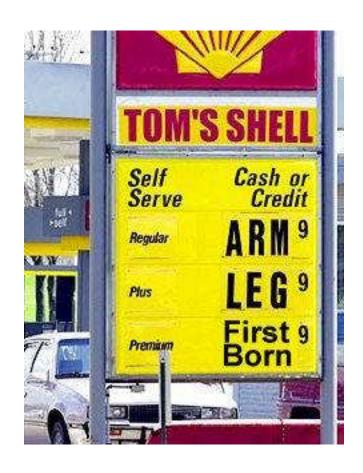
CKE RESTAURANTS, INC.

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OUCH!



CKE Restaurants, Inc.

- Parent Company of 3,092 Carl's Jr. and Hardee's restaurants
 - 1,149 Carl's Jr.
 - 1,927 Hardee's
 - 42 States
 - 13 Countries
 - 32% Company Operated
 - 68% Franchise/Licensee Operated

CKE Restaurants, Inc. Cont.

- Electric Spend \$94 million
 - Corporate \$35 million
- Natural Gas Spend \$33 million
 - Corporate \$12.4 million
- Water & Sewer Spend \$16 million
 - Corporate \$6 million
- 843 Corporate Vendors

What did the baby light bulb say to the mommy light bulb?

"I love you watts and watts!"

CKE's Energy Strategy

Assess and Benchmark all Systems - Both Sides of the Meter

- What are current utility rates
- Existing contracts
- What states/utilities are de-regulated
 - Rules and regulations governing de-regulations
- How much gas and electricity are we using today
 - What is our load profile
 - Establish benchmarks

Measure, Monitor and Maintain

- Insert a process for capturing all applicable usage information
 - Outsource bill pay
 - Sub-metering
- Monitor usage for changes
- Maintain the benchmark with training, educations and reward programs

Improve The Benchmark

- Request rate audits from your utility to ensure your sites are on the best rate
- Implement a purchasing strategy
- Improve the benchmark with training, education and reward programs
- Request energy audits from your utility
- Set energy efficient goals and put together a plan to achieve those goals

Set a New Benchmark

What can you do for CKE?

Assess and Benchmark Systems

- Have a good knowledge of the rate options available
- Know what each line item is on our bills
- If de-regulated, what are the rules and regulations governing 3rd party purchases
- Provide usage/cost reports for individual sites and aggregated sites
- Assist in benchmarking individual sites

What can you do for CKE cont...

- Measure, Monitor and Maintain
 - Provide online reports for individual sites and aggregate
 - Provide year over year energy/cost comparisons
 - Provide educational materials and training

What can you do for CKE cont...

- Improve the Benchmark
 - Energy Audits
 - Rebates/Incentives
 - Rate Analysis
 - Educational material and training
 - Assistance in measurements and verification of new technology

New Construction Challenges

- Clear concise instructions on what applications/paperwork is required and when
- No consistency between Service Planning Departments
- Terminology is different from utility to utility
- Developers responsibility

Please Don't.....

- Insist that Carl Karcher is the only authorized person to make changes to the account
 - Phone numbers and names all change from time to time
 - Tax ID should be the identifying authorization
- Insist that we show up in person to pay deposits
- Insist that snail mail is the only way you can send me a copy of my missing bill
- Confuse franchisee sites with corporate sites
- Penalize the corporate sites for previous franchisee transgressions
- Hit me with a \$50,000 bill with out some previous conversations

Thank you for the little things....

- Single point of contact for all issue
- Accepting credit card payments
- Automated call back system
- Quick call backs
- Knowing the difference between Corporate and Franchisee
- Email notifications of planned outages
- Having email addresses
- For being calm during my periods of utility rage

CKE's Environmental Responsibility Plan

- Pressure from Investors
- Established a "Green" team, sanctioned from the top down and consisting of members of all departments
- Began by establishing our current status on energy efficiency initiatives, sustainability and any initiative affecting the environment
- To date, decisions have been made based on a reasonable return on investment
- Where do we go from here?

Why did the lights go out?

Because they liked each other!