

Boosting Energy Efficiency and Economic Development through Chambers of Commerce



The Institute for Market Transformation (IMT)

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Project Summary

Timeline:

Start date: September 1, 2016

Planned end date: August 31, 2019

Key Milestones

1. Owners and tenants of 400 buildings participate in project activities and 200 energy assessments completed; June 2017
2. Hosted an Energy Efficiency Symposium; September 2017
3. 300 energy assessments completed; December 2017

Budget:

Total Project \$ to Date:

- DOE: \$262,712
- Cost Share: \$544,072

Total Project \$:

- DOE: \$829,994
- Cost Share: \$856,210

Key Partners:

The Institute for Market Transformation (IMT)
Greater Cleveland Partnership/ Council of Smaller Enterprises (GCP/ COSE)
Chapel Hill-Carrboro Chamber of Commerce
TraverseCONNECT
Great Plains Institute and Lake Street Council (“Twin Cities Small Business Energy Initiative”)
Small Business Association of Michigan (SBAM)

Project Outcome:

Small and medium-sized buildings make up more than 90% of the U.S. commercial building inventory square footage and are often occupied by small businesses.. Reaching this market requires a multi-faceted approach by partnering with their trusted though leader-the chamber. The project provides energy efficiency education paired with tailored technical and financial resources to chamber leaders and their small business members. The goal is to solidify an energy efficiency model that is applicable to any chamber or membership organization in the country to execute and maintain.

Team

PROJECT LEADS

Aligns project goals to individual market needs; identifies best practices for small businesses to execute; provide technical guidance on energy efficiency programing to chamber leaders



- Washington D.C.: 35 staff
- Technical experts in building energy efficiency policy and programming



- Cleveland, OH: 10,000 members
- In-house energy audit program funded by utility

PROJECT PARTNERS

Lead engagement of local businesses and identify energy efficiency champions; align chamber objectives with new and existing energy efficiency programs



- Chapel Hill, NC: 750 members
- Enhancing utility-run program with leads and expertise



- Traverse City, MI: 1,500 Members
- In-house revolving loan fund funded by utility



- Minneapolis, MN: 1,400 members
- Leads a steering committee in Twin Cities for effective energy efficiency

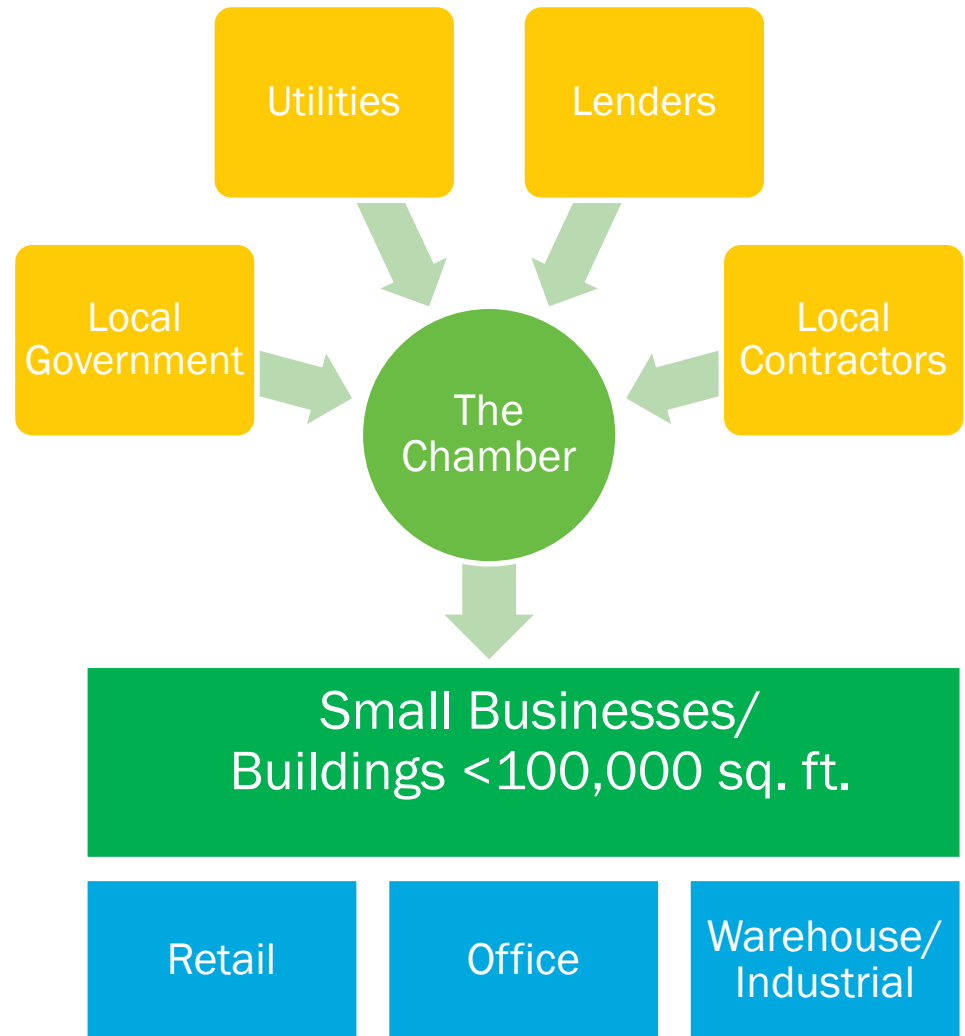


- State of Michigan: 20,000 members
- Delivers energy efficiency programs for businesses not covered under existing utility

Challenge & Approach

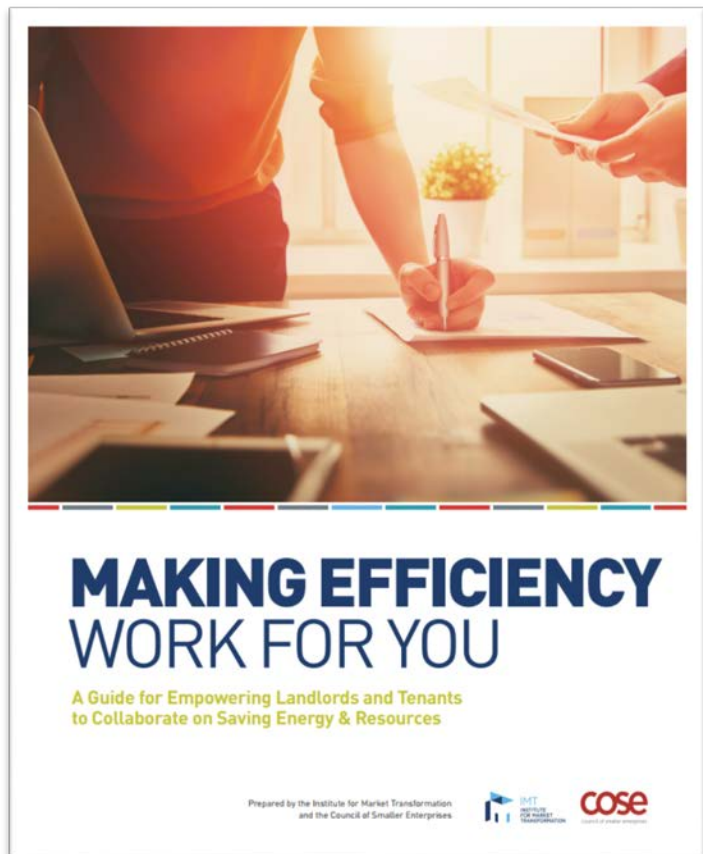


- Small and medium-sized buildings (<100,000 SF) account for over 90% of U.S. commercial buildings (Source: *U.S. DOE*) and are often occupied by small businesses.
- These space types are difficult to engage due to:
 - lack of energy-saving expertise
 - limited access to cash or debt
 - reduced staff time to make operational changes
- Engaging small businesses requires partnering with organizations they already work with and value such as **the Chamber: the trusted community mediator**.
- Empower chambers to deliver energy services for their members by engaging key efficiency influencers.
- Through chamber leadership, engage small businesses to improve efficiency of small-to-medium buildings.



Approach

Building Off Proven Success: Cleveland Pilot



http://www.imt.org/uploads/resources/files/Making_Efficiency_Work_for_You.pdf

2 year pilot (2014-2016) with IMT and GCP/COSE

- 250+ small businesses (7 million square feet) participated in:
 - Green leasing consultations
 - Energy efficiency workshops
 - Energy audit consulting
 - Energy improvement technical assistance

6,052 metric tons of CO_e² in potential savings

Approach

Small businesses need access to energy efficiency information

- Find small business through their trusted network – the Chamber
- Pair basic energy education with easy steps for improvement

Small businesses do not have time and money for energy efficiency

- Present business owners with near-immediate availability of local services such as:
 - energy assessments
 - lease reviews
 - trusted contractors
 - financing opportunities


“As the leader of our chamber of commerce, I connect our members to resources they need to be successful. We’re working to be an energy-efficiency leader by example and also a coach and advisor to our members.”

-Aaron Nelson, president and CEO, Chapel Hill-Carrboro Chamber of Commerce.

“Energy efficiency is great for our businesses because the vast majority are 50 employees or less. A big reason they become chamber of commerce members is to leverage incentives to save money, so efficiency helps boost their bottom line.”

- Leonardo McCarty, president and CEO of Howard County Chamber of Commerce.

Impact




Phase 1: Education & Outreach

Address informational barriers

Host Energy Efficiency Symposium

400 Businesses Reached



Phase 2: Energy Assessment and Lease Review

Overcome Technical Barriers

Energy Assessments

Green Lease Reviews

400 Energy Assessments

30 Green Lease Reviews




Phase 3: Financing & Retrofit

Mitigate Transactional Barriers

Business receive retrofit and financing administrative support

65 businesses complete energy improvements



Phase 4: Longevity and Scaling

Project Expansion and Refining Best Practices

2 case studies

Best practices guide

1 Additional Organization Joins

Year 1

Year 2



April
2018

Year 3

3+ chamber-like organizations with distinct geographies and unique energy efficiency opportunities representing **12,250+** small businesses.

85 billion BTU or \$2.5 million in potential energy savings for **400** small to medium-sized buildings.

Progress



Phase 1: Education & Outreach

5/9 workshops
held

✓ 15 organizations
attended Energy
Symposium

✓ 450+ businesses
Reached



Phase 2: Energy Assessment and Lease Review

330/400

Energy
Assessments
completed

13/30 Leases
Reviewed



Phase 3: Financing & Retrofit

47/65

businesses
complete

energy
improvements



Phase 4: Longevity and Scaling



3 Case Studies



2 Additional
Organizations
Joined

Year 1

Year 2

April
2018

Year 3

Energy assessments and green leasing efforts have uncovered **97 Billion BTU** or **\$2.9 million+** in potential energy savings for **7.5 million SF** of space

Assessment uncovered average **21.3%** potential annual energy reduction

Progress

The Chamber Symposium: Chamber-to-Chamber Leadership



SAVE THE DATE
**Energy Efficiency
Symposium**
SEPTEMBER 18TH & 19TH 2017 | CLEVELAND, OHIO

- **Objective:** Chambers learn to craft an energy efficiency program
Turn-out: 15 organizations, representing 55,000 businesses from all over the country.
- **Results:** 2 additional organizations join the Initiative; resource guide with best practices

Progress

Pairing Audits with Green Leasing



- **\$11,198** in potential annual savings from ECMs
- **\$3,632** in savings from natural gas aggregation

- Businesses partnered with GCP/ COSE to complete audits at 5 locations
- IMT reviewed their lease and made suggestions for improvement
- Took advantage of chamber's natural gas aggregation program

Progress

Fueling Small Business Savings through Energy Efficiency Financing



- Chamber subsidiary administers interest-free loan funds for 12 businesses
- Fund started with \$50,000 (2012) grown to \$6 million (2017)
- Mission supports economic growth and community development through funding options



- Type of Project : LED lighting upgrades
- Investment: \$25,000 loan over 2 years
- Payback period: 18 months
- Savings: \$5,000 – \$6,000 annually

Stakeholder Engagement

Small Business Outreach

Project partners reach small businesses through door-to-door outreach, cold-calling, traditional promotional campaigns, and targeted seminars.



Lender Engagement

In Cleveland, COSE presents their audit findings with financial opportunities featuring a preferred lender.

Utility Engagement

In North Carolina, the Chamber promotes the utility's free audit program featuring 0% financing for improvements with co-branded materials.

Local Government Engagement

In Traverse City, the Chamber aids in helping their members navigate improvement rebates and incentives from the State-run Michigan Saves program.



Stakeholder Engagement

Lessons Learned

- Motivating small businesses requires a multi-faceted approach
 - To increase improvement uptake, **assemble resources** (cost analyses, lease administration, recommended contractors, rebates & incentives administration, etc.) to remove transactional barriers.
 - Small business respond best to **door-to-door engagement, cold calls, and in-person consultations**, rather than traditional promotional efforts like mail and social media campaigns.
- Build on existing energy efficiency programs and other local infrastructure
 - Chambers and similar organizations can easily start their energy efficiency program when **existing programs** from the utility, lenders, or local governments are readily available and are open to collaboration.
 - Design educational **programs to be locally relevant**. Feature local energy efficiency business champions to inspire small businesses. Co-host events with community stakeholders (utilities, local government, non-profits universities, etc.) who can advertise attractive energy-saving opportunities.

Remaining Project Work

- **Develop best practices resources –May 2018**
 - New chamber resource guide will feature checklists and templates designed for chambers to engage key stakeholders
- **Onboarding and approach refinement for new organizations – June 2018**
 - Twin Cities Small Business Energy Initiative
 - Small Business Association of Michigan
- **Assisting small businesses in overcoming informational and transactional barriers – August 2019**
 - Energy assessments to identify cost-effective efficiency solutions for **70** small businesses
 - **18** green lease reviews and executed revisions to overcome the split incentive
 - Financing and contracting services and solutions guidance for energy efficiency improvements for **18** small businesses
 - **4** seminars for small- and medium-sized building market about local utility expense saving solutions
- **Measurement and verification – August 2019**
 - Track energy and dollar savings related to completed energy improvements

Thank You

Institute for Market Transformation

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REFERENCE SLIDES

Project Budget

Project Budget: The U.S. Department of Energy has approved a project budget total of \$1,686,203, with \$829,993 (49.2%) in federal funds and \$856,210 (50.8%) in cost share.

Variances: Variances occurred related to how energy assessments were to be completed. Budget shifts occurred which allowed for additional chamber organizations to join the Initiative.

Cost to Date: \$806,784 (47.8%) has been spent to date.

Additional Funding: GCP/ COSE and Chapel Hill-Carrboro Chamber of Commerce are collectively providing 50.8% in cost share.

Budget History

September 1, 2016– FY 2017 (past)		FY 2018 (current)		FY 2019 – August 31, 2019 (planned)	
DOE	Cost-share	DOE	Cost-share	DOE	Cost-share
\$119,845	\$453,983	\$400,453	\$206,102	\$291,858	\$149,596

Project Plan and Schedule

Project Schedule		
Project Start: 9/1/2016		Completed Work
Project End: 8/31/2018		Active Task (in progress work)
Task and Milestone	Anticipated Completion Date	Actual Completion Date
Past Work		
Task 1.1.0: Energy efficiency and financing eco-system created	Feb 2017	Jun 2017
Task 1.1.1: Execute a KABB survey	Nov 2016	May 2017
Task 1.2.1: Distribute educational collateral to chambers	Jan 2017	Dec 2016
Task 1.2.2: Conduct local chamber energy efficiency seminars	Nov 2016	Mar 2017
Task 1.3.1: Host energy efficiency symposium	Jul 2017	Sept 2017
Task 1.3.2: Reconnect twice with Symposium participants	Apr 2018	Dec 2017
Task 1.4.1: Chamber membership reviewed for likely participants	May 2017	Jul 2017
Task 2.1: Up to 200 audits completed	Aug 2017	Dec 2016
Go/ No Go 1: 400 participate in project, 200 audits completed	Aug 2017	Jul 2017
Task 2a.1: Up to 300 audits completed	Aug 2018	Dec 2017
Task 3.1: 5 Leases Reviewed	Aug 2017	Jul 2017
Go/ No Go 2: 300 audits completed.	Aug 2018	Dec 2017
Task 4.2: 25 small businesses utilize third party contractors or financing	Aug 2018	Mar 2018
Task 5.1.1: Create 2 case studies	Nov 2018	Feb 2018
Active Task (in progress work)		
Task 2b.1: Complete 400 audits	Aug 2019	
Task 3a.1 15 leases reviewed	Jul 2018	
Task 3b.1: Reconnect with at least 10% of Task 2 participants	Jul 2019	
Task 3b.2: 1 participating business executes a green lease	May 2019	
Task 3c.1: 30 leases reviewed	Aug 2019	
Task 4.1: Energy efficiency financing feasibility study	Jul 2018	
Task 4a.1: 65 small businesses utilize third part contractors or financing	Aug 2019	
Task 5.1: Project summary report sent to current and future markets	May 2018	
Task 5.1.2: Solidify project findings in project summary report	May 2018	
Task 5.1.3: Generate project expansion feasibility report	May 2018	
Task 5.2.1: Execute a post-KABB survey	May 2019	
Task 5.3.1: Meet with partners to discuss project sustainability	Apr 2019	