

## ➤ Business Energy Analysis

### A. Description

The Business Energy Analysis product is an indirect impact product that offers analysis services to identify energy saving opportunities for Colorado business and industrial customers. The goals of this product are to provide a method and entry way for commercial and industrial customers to learn how their businesses use energy today and to identify measures that will help them save energy and reduce operating costs in the future. This service is a first step for customers to uncover energy saving opportunities with little capital investment and risk. Audits have the capability to use interval usage data to identify opportunities where customers can shift their energy usage from peak to off-peak periods. Public Service representatives have and continue to use this as a selling point for engagement in other energy efficiency products. Participation is heavily dependent on promotion by internal Public Service representatives, as well as the trade partners and outside business customer assistance programs.

The Business Energy Analysis product offers two types of assessments: onsite audits and engineering assistance studies, which vary in customer involvement and capital investment. The reports in both assessments provide detailed information about costs and paybacks, which will assist in creating a business case to make energy efficiency upgrades.

- *Onsite energy audit:* Public Service sends an energy advisor from a contracted third-party vendor to a customer's facility to conduct an onsite energy audit, which is a comprehensive audit of the facility and its energy use. The customer receives a detailed report including energy conservation opportunities with the associated payback, savings, cost, and available rebates. Qualified third-party contractors are selected through an RFP process to perform the onsite energy audits.  
Customers with an annual peak demand of less than 100 kW will qualify for participation in the direct-install component of the product. While onsite for the audit, the third-party implementer will perform free installation of the following energy savings measures, where applicable:
  - Select screw-in LED lamps; and
  - Aerators in public restrooms and kitchen sinks
  - Pipe insulation
  - Water conservation showerheads
  - Water conservation kitchen spray valves
  - Select Energy Star certified smart thermostats

Customers with an annual peak demand greater than 100 kW can also receive a direct-installation of select Energy Star smart thermostats however additional costs to the customer may apply. Savings for these measures will be claimed and paid for in their respective products.

- *Engineering assistance studies:* Provides guidance when the customer is seeking to replace or upgrade a major process or system. The customer will hire a trade partner of their choice to analyze the facility and develop recommendations for the most energy

efficient equipment options. The analysis targets customers who are focused on analyzing their refrigeration, cooling, custom, or space and processing heating systems.

## **B. Targets, Participants & Budgets**

### Targets and Participants

The targets were developed by analyzing historical participation data, and the commercial and industrial customer market segment.

### Budgets

The budget was developed based on historical data, auditor pricing, forecasted participation and the presumed size and location of participating buildings, to estimate an average assessment cost.

Labor, promotions, and consulting drive the budget level:

- *Consulting*: Developed using average auditor pricing and participation goal.
- *Labor Charges*: Estimated costs for program management, execution of the marketing strategy, and rebate processing.
- *Promotions and Advertising*: The estimated promotional budget anticipates several customer and trade communications during the year and support for general energy efficiency advertising campaigns.

## **C. Application Process**

Customers may become aware of this product through their Account Manager or the Business Solutions Center, contracted trade allies, external customer assistance products, and/or marketing efforts including mailings, emails, newsletters, and the Company's website. All avenues are essential for increasing product awareness in conjunction with marketing efforts.

Onsite energy audits and engineering assistance studies require preapproval prior to project initiation. Customers may access the onsite audit preapproval application on the Company's website<sup>1</sup> and work with Public Service to complete the process by collecting their billing history information. Once the application is complete with customer and building information, an auditor will be assigned to assess the building. The customer will typically receive their final report from the engineer within three months of applying for preapproval. This time allows for internal processing, onsite engineer walkthrough of the facility, creation of the report, and a final review by Public Service internal engineering staff, as needed. The customer must select a trade partner prior to preapproval, because a project proposal including the scope of work must be included with the preapproval application to determine funding levels. Engineering assistance studies typically take three months to complete and will be reviewed and approved by Public Service internal engineering staff.

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[https://www.xcelenergy.com/Programs\\_and\\_Rebates/Business\\_Programs\\_and\\_Rebates/Energy\\_Audits\\_and\\_Studies/Energy\\_Analysis](https://www.xcelenergy.com/Programs_and_Rebates/Business_Programs_and_Rebates/Energy_Audits_and_Studies/Energy_Analysis)

## **D. Marketing Objectives & Strategies**

The main goal of the Business Energy Analysis product is to raise awareness and knowledge of Public Service's other energy efficiency products. The Company will rely heavily on trade partners and stakeholder resources, such as city- and county-driven projects throughout Colorado, to increase awareness in the Business Energy Analysis product and partner in the audit process. Though the target markets will differ by assessment type, onsite audits are popular with small business customers. Methods used to reach and educate customers include:

- *Company website*: Provides a description of the product offering, and links product collateral and study brochures;
- *Collateral*: Product brochure, case studies, applications, frequently asked questions, and study templates that give the customer an idea of the resources they will receive by participating;
- *Direct mailings*: Informational piece to gain awareness and understanding of the product offerings;
- *Email campaigns*: Brief email from Public Service representatives to gain interest in the product from customers;
- *Newsletters*: Another medium to gain customer awareness and participation in the product; and
- *Customer seminars*: Educate customers about the product offering and benefits.

## **E. Product-Specific Policies**

Products in the Company's Indirect Program, such as Business Energy Analysis, have no immediate savings attributed to them. Business Energy Analysis is meant to open the door for customers to participate in Public Service's other energy efficiency offerings and rebates that have direct impacts that contribute to achievement of goals. Once an onsite audit or engineering report is complete, the customer will receive a summary of energy efficiency opportunities available in their facility. When a customer moves forward with implementation, they follow the guidelines of the specific product in which they participate (i.e. Motor & Drive Efficiency), based on the opportunities identified in the report.

## **F. Stakeholder Involvement**

Public Service worked closely with the contracted audit trade partners to develop and streamline the audit process. The Company also receives recommendations and feedback from stakeholders via the DSM Roundtable.

## **G. Rebates & Incentives**

Customers do not receive a rebate for participation in the Business Energy Analysis product, but they do receive study funding assistance. Business Energy Analysis offers two types of study

funding based on whether an onsite audit or engineering assistance study was completed. Onsite audit participants with facilities under 50,000 square feet receive the audit free of cost, while larger square footages will be responsible for paying a small fee dependent on square footage and location. Public Service will pay up to 75% of the engineering study cost, up to \$25,000; funding is based on the potential energy savings of the project and the cost of the study.