

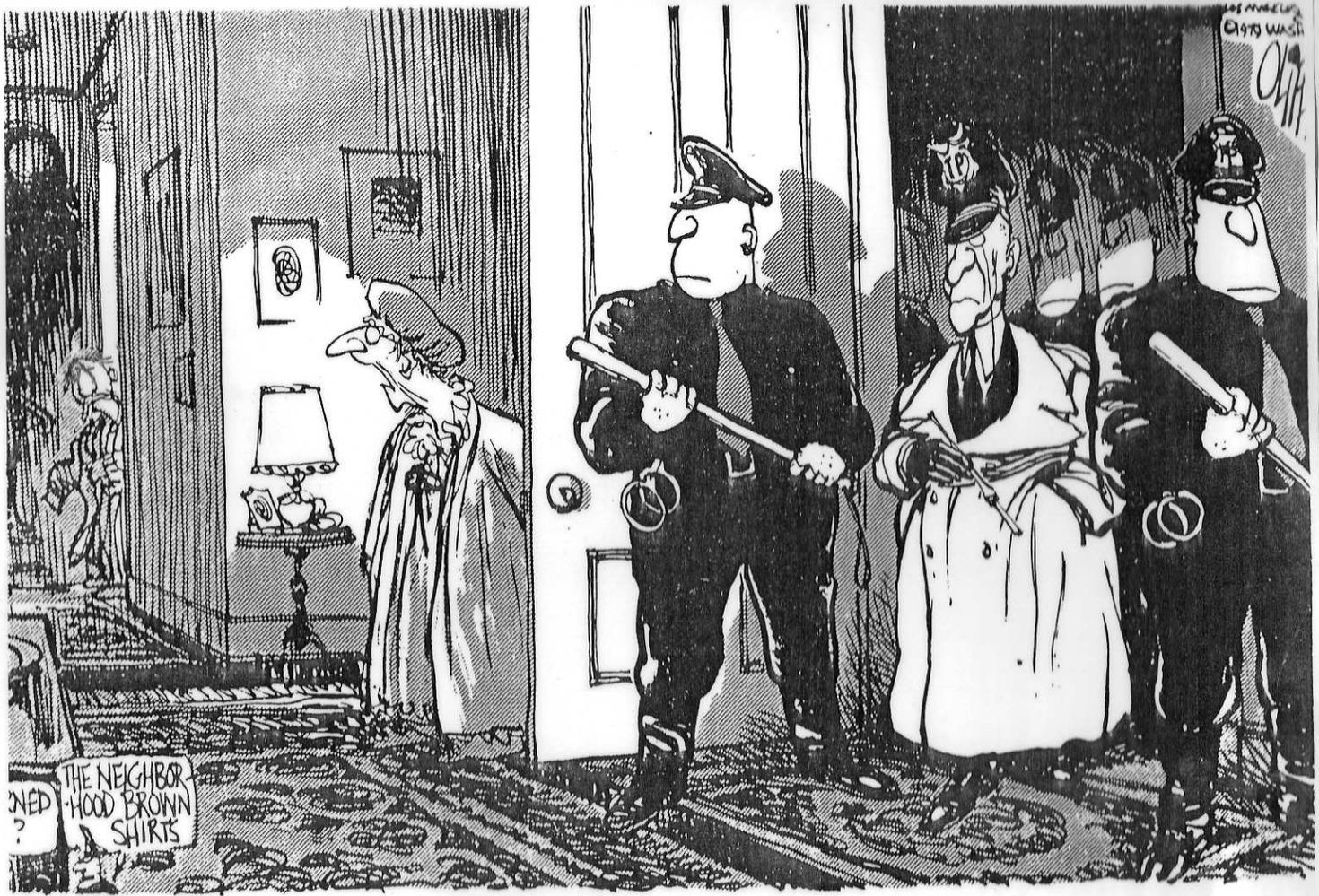


California Small Business Energy Efficiency & Financing

December 1, 2008 • CARB



Small Business Looks at the Energy Problem....



'Henry—It's the thermostat police!'

Businesses should be offered “fast track” alcohol permit backlog preference IF the business provides receipts showing the purchase of at least \$2500 in Energy Star rated refrigeration or other food service equipment.

- Time is important. The business, whether it be a restaurant or a liquor store, cannot sell alcohol until it gets the permit.
- In most cases, these businesses need to purchase refrigeration equipment, one of the most “energy dense” users of electricity.
- Alcohol permits are one of the first administrative hurdles new businesses address because the permits take several months to obtain. Therefore, there may be no better time to encourage businesses to invest in energy efficient equipment.

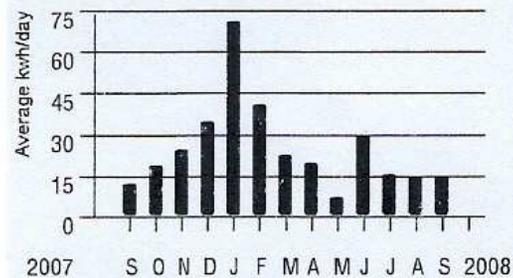
We're still stuck because....

- We need more information
- We're afraid AB32 will cost us \$\$
 - No cash – times are tough
- Who will offer financing to small businesses these days ?

We need to know more about what we're using.

BILLING DATE:	Sep 12, 2008
ACCOUNT NUMBER:	03985473-001 5
DATE DUE:	Sep 30, 2008
AMOUNT DUE:	\$41.44

Historical Data - ITEM 4



Your Average Daily kwh Usage by Month

PERIOD ENDING	SEP 2008	SEP 2007
Avg. Daily Temp.	66	67
Total kwh	432	337
Avg. kwh per Day	14	11
Cost per Day	\$1.38	

Looking for ways to pay?

Try ePay and pay online with your checking account. Or for a fee, use our pay by phone option by calling toll free 1-800-672-2403.

If we can get this kind of information, we can figure things out !

Even Better....



- “Smart Meters”
- Projected to cut use 5%
- Interactive – controlling max loads
- 15 minute intervals
- Opens the door for more attractive rates
- By the way, what rate do I have now ?
- Can I save \$\$ NOW with a different rate ?
- Will my utility help ?

Google.....

- **ENERGY STAR for Small Business**

This leads to the answers about where to save energy in your business and what to do once you know that.

- **Characterization and Analysis of Small Business Energy Costs**

How to compare your business against other kinds of operations and how much does a business like yours use on average ?

- **California Incentives for Renewables and Efficiency**

Is there any financial help available? Does my utility offer rebates or other incentives to use less energy ? (Wait a minute...they sell the stuff...why would they want to do that ??)

Step 1: *Putting Energy Into Profits* Guide



Putting Energy into Profits Small Business Guide

Guide for Small Business

This guide is designed to help you take advantage of the benefits of energy efficiency. Whether you own your building or are a tenant, you typically need lighting, heating, air conditioning, power for office equipment, and other services to stay in business. This guide can help you identify building equipment and systems that can be updated and maintained to save energy.

*We call this energy optimization;
you will just call it smart business.*



Get Started



Sure Energy Savers



Larger Opportunities



Leading Facility Types



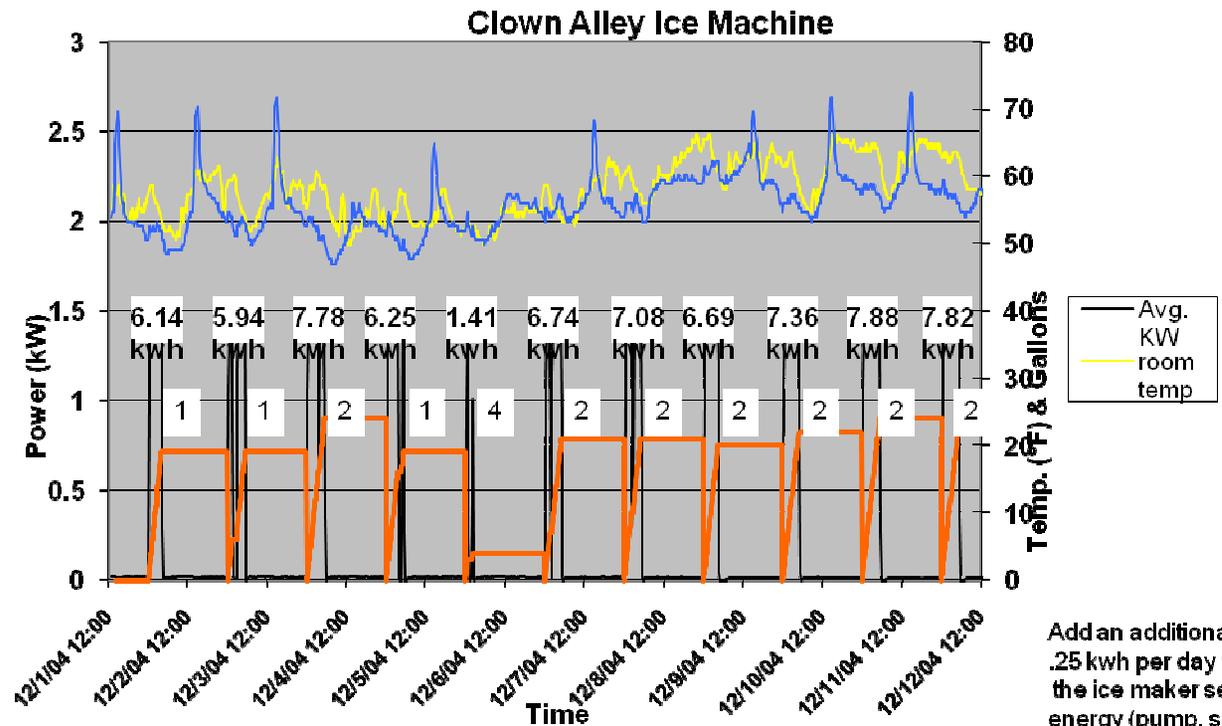
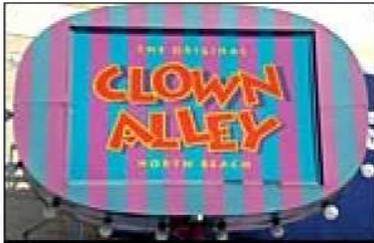
Calculate Savings



Green Your Business



Off Peak Ice Production



Add an additional .25 kwh per day for the ice maker section energy (pump, solenoi and conrols)

DOES THIS REFRIGERATED
DISPLAY COOLER HELP OR
HURT A TYPICAL SMALL
BUSINESS?



A SMART STEP FORWARD



Application ID: Glass Front Cooler Merchandiser Energy Use

Supporting Data

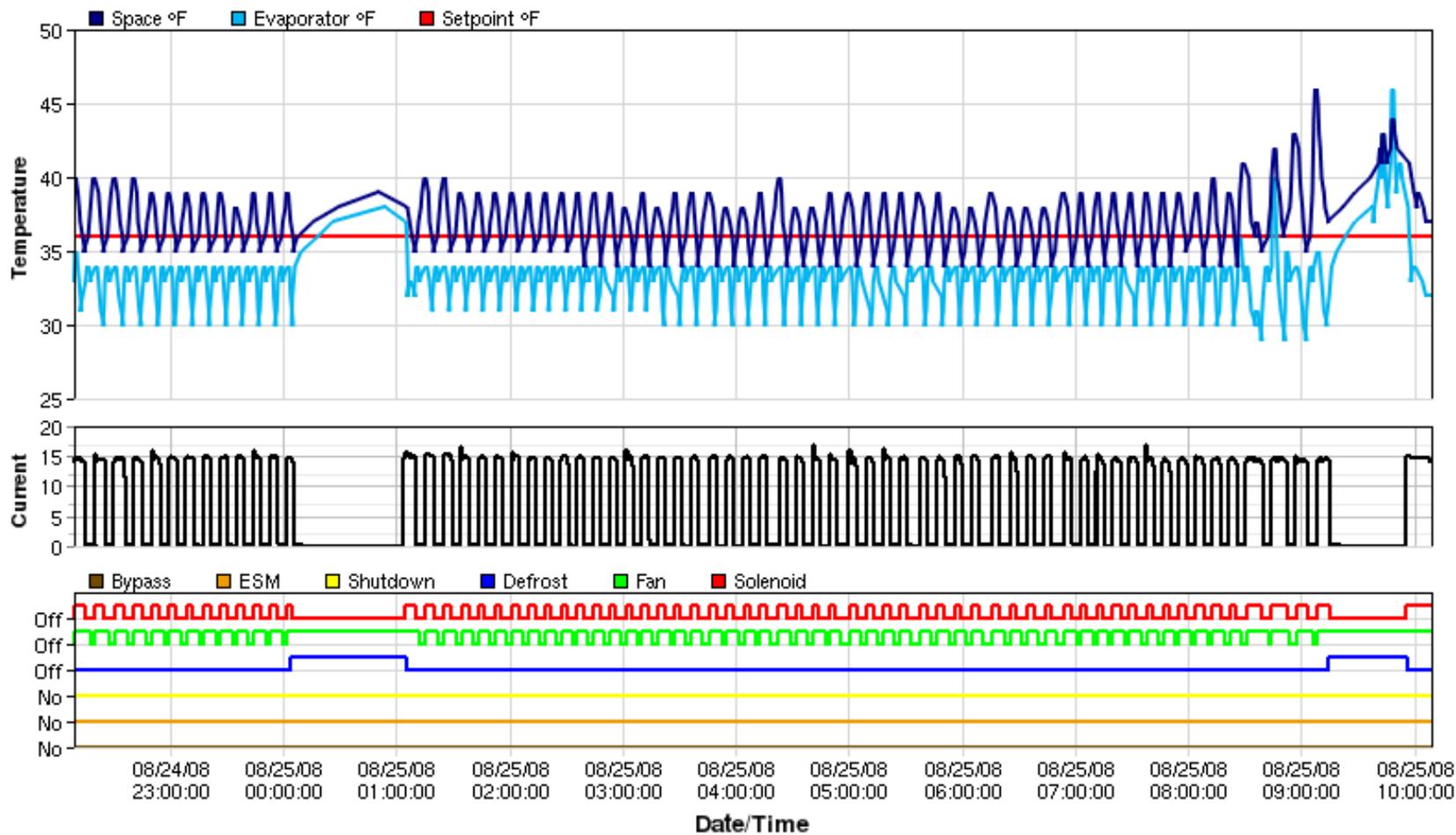
Table 1 Test data – Uncontrolled merchandising cooler energy use is captured in the lower 10 units marked “PG&E” – The data above that shows savings from a USA Technologies product called “CoolerMiser”.

Customer/Test Site	Manufacturer/Description	Model Number	Size	Average Baseline Power (Watts)	% Energy Savings
AutoZone Test #1 - Lafayette, CO	TRUE - 2 slide doors	GDM-33	1/2 HP, 33 cu.ft	361.5	16.5%
AutoZone Test #2 - Lafayette, CO	TRUE - 2 slide doors	GDM-33	1/2 HP, 33 cu.ft	390.8	26.9%
AutoZone Test #3 - Memphis, TN				323.3	22.5%
Blockbuster Test #1 - Fort Worth, TX	TRUE - 2 slide doors/front and back			336.5	33.3%
Blockbuster Test #2 - Fort Worth, TX	TRUE - 2 slide doors/front and back			299.7	28.6%
Dakota Electric				359.5	39.1%
Hollywood Video - Broomfield, CO	TRUE - 1 swing door	GDM-12	1/5 HP, 12 cu.ft	288.9	31.4%
Spicy Pickle Test #1 - 3315 S. Broadway, Denver, CO	Beverage Air - 1 swing door	UR30GFD	1/5 HP, 6.3 cu.ft	296.5	40.2%
Spicy Pickle Test #2 - 745 Colorado, Denver, CO	TRUE - 1 swing door	GDM-26	1/3 HP, 26 cu.ft	524.2	63.5%
Spicy Pickle Test #3 - 150 S. Union, Lakewood, CO	TRUE - 1 swing door	GDM-26	1/3 HP, 26 cu.ft	226.8	36.5%
Spicy Pickle Test #4 - 988 Lincoln, Denver, CO	TRUE - 1 swing door	GDM-26	1/3 HP, 26 cu.ft	313.8	30.7%
USA Tech Lab	Beverage Air - 1 swing door	MT27	1/3 HP, 27 cu.ft	309.8	59.9%
USA Tech Lab	QBD - 1 swing door	DC26HB	1/3 HP, 42.1 cu.ft	299.5	31.7%
USA Tech Lab	TRUE - 1 swing door	GDM-12	1/5 HP, 12 cu.ft	182.0	39.2%
USA Tech Lab	TRUE - 2 slide doors	GDM-47	1/2 HP, 47 cu.ft	280.5	46.3%
Vendo - Mexico				322.1	33.9%
PG&E Foodservices - Sandhu Liquors	TRUE - 3 slide doors	GDM-69	1/2 HP, 69 cu.ft	499.3	
PG&E Foodservices - Sandhu Liquors	TRUE - 1 swing door	GDM-26 (I)	1/3 HP, 26 cu.ft	248.4	
PG&E Foodservices - Sandhu Liquors	TRUE - 1 swing door	GDM-26 (II)	1/3 HP, 26 cu.ft	307.8	
PG&E Foodservices - Sandhu Liquors	Beverage Air - 3 slide doors	MT66	3/4 HP, 66 cu.ft	560.3	
PG&E Foodservices - PG&E deli	Traulsen - 2 swing doors	RFD22WSC	3/4 HP, 66 cu.ft	471.1	
PG&E Foodservices - Sandhu Liquors	Beverage Air - 1 swing door	MT27 (I)	1/3 HP, 27 cu.ft	441.3	
PG&E Foodservices - local deli	Beverage Air - 1 swing door	MT27 (II)	1/3 HP, 27 cu.ft	683.6	
PG&E Foodservices - local deli	Beverage Air - 1 swing door	MT27 (III)	1/3 HP, 27 cu.ft	425.9	
PG&E FSTC demo room	TRUE - 2 slide doors	GDM-45 (I)	1/2 HP, 45 cu.ft	388.1	
PG&E Foodservices - local deli	TRUE - 2 slide doors	GDM-45 (II)	1/2 HP, 45 cu.ft	570.2	
Average:				373.5	36.8%

Annual Average Energy Savings
Based on above samples

1205 kWh

Reach In Cooler



Sunday

Monday

**GET PAID TO FLIP A SWITCH!
CALL 415.626.8723**



**San Francisco Community Power Demand
Response Program**

2325 3rd St., Suite 344 San Francisco, CA 94107

www.sfpower.org

415.626.8723 phone 415.626.8746 fax paul@sfpower.org

HOW IT WORKS:

The amount of electricity you choose to reduce is up to you. To participate, you should be able to reduce when called upon for at least four hours between 11 am and 7 pm.

The program runs from June through September.

You'll be asked to reduce for no more than 24 hours within a given month.

If you're unable to reduce your electricity use when called upon, you can simply drop out of the program.

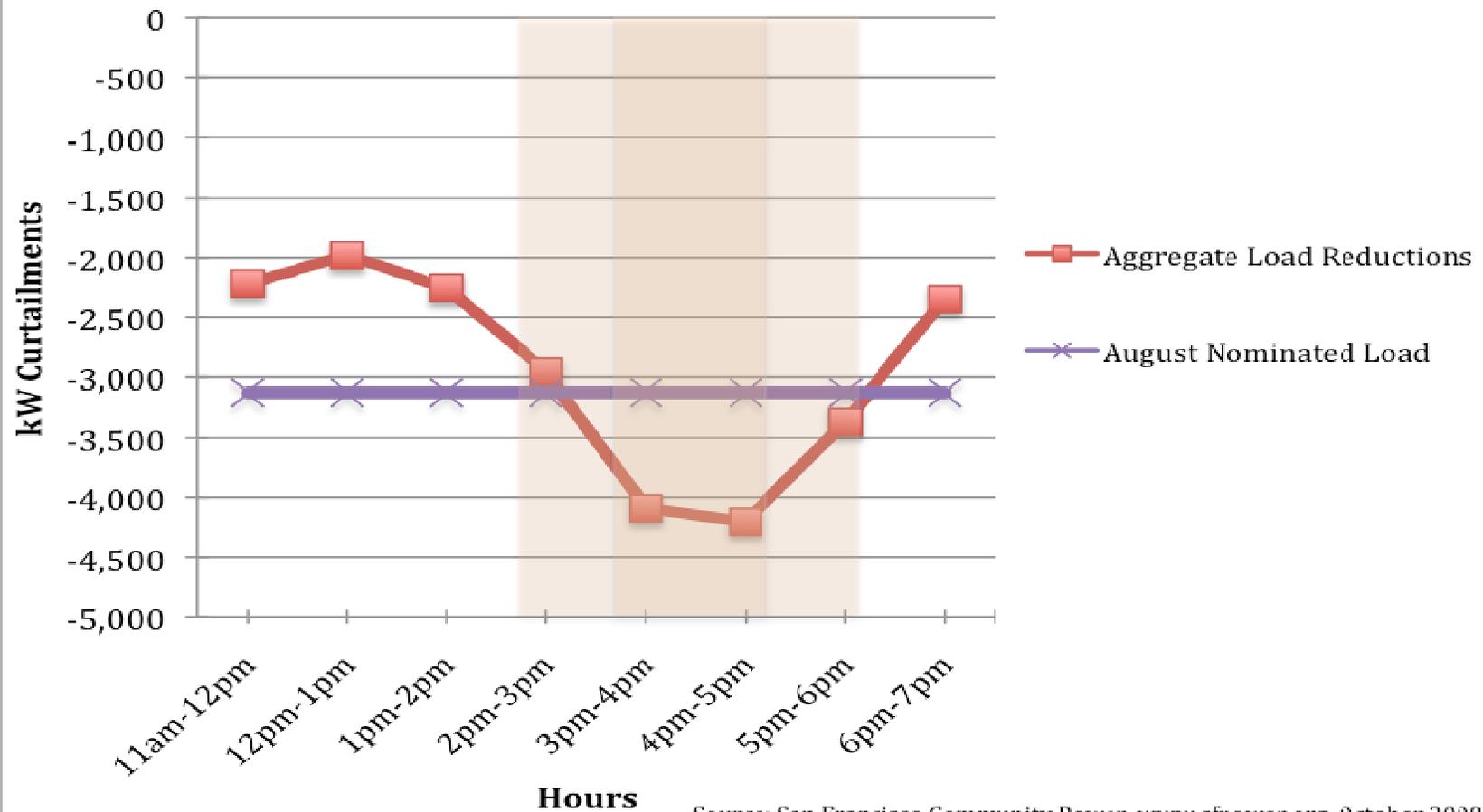
You'll never be charged a penalty or fee of any kind.

WHAT YOU GET PAID:

\$10.00 a month per kilowatt (kW) of nominated electricity reduction.

For example, if you agree to reduce 20 kW you'll be paid \$200 a month whether or not you're actually called upon to lower your electricity use.

300 Small Businesses Voluntarily Reduced Their Electricity Use by 4.5 Megawatts



Source: San Francisco Community Power, www.sfpower.org, October 2008
Data from August 14th 2008 Energy Alert Day, with 397 participating meters

RESCUE VEHICLE



Small Business to America's Rescue?



Small Business Plug-in Hybrid
Diesel Work Truck

2010 ?

We're still stuck because....

- No cash – times are tough
- Who will offer financing to small businesses these days ?



On Bill Financing (OBF), is a utility based method of providing seamless 0% financing through the monthly power bill for small business energy efficiency improvements.

- Project costs financed by Utility Partner
- Eligibility based ONLY on utility / customer bill payment duration/history
- Usually 0% financing to Customer
- Allows the purchase of energy efficiency to be the same as the purchase of energy – verified savings is crucial!

OBF” provides more small businesses with the opportunity to address energy costs as a "controllable", thus helping the bottom line.



Cost-effective

United Illuminating Small Business program (CT)
20 defaults / 2400 installations.

Comprehensive

Should address a large % of the energy use in the facility - savings visible on the energy bill.

Ease of Entry

Key element for customer acceptance

Avoid long applications – customer should be able to simply “sign on the dotted line.”

Side by Side Comparison



Default Loan Term

Project Cost:	Material costs	\$9,204.20
	Labor costs	\$6,571.03
	Project Subtotal	\$15,775.23
	Tax (CT 6%)	\$946.51
	Total Cost	\$16,721.74
	Approved UI Incentive	\$7,886.52
	Net Total Cost	\$8,835.22
	Monthly Payment (16)	\$552.20
	-> Annual Energy Savings	42,301 kWh
Estimated: (may include adjustments) ->	Annual Dollar Savings	\$6,927 = \$577.25/monthly
	Pay Back	1.2 years

Cash Positive \$25.05

Loan Extension – 36 months

Project Cost:	Material costs	\$9,204.20
	Labor costs	\$6,571.03
	Project Subtotal	\$15,775.23
	Tax (CT 6%)	\$946.51
	Total Cost	\$16,721.74
	Approved UI Incentive	\$7,886.52
	Net Total Cost	\$8,835.22
	Monthly Payment (36)	\$245.42
	-> Annual Energy Savings	42,301 kWh
Estimated: (may include adjustments) ->	-> Annual Dollar Savings	\$6,927 = \$577.25/monthly
	-> Pay Back	1.2 years

Cash Positive \$331.83



Another Important OBF Advantage: “Workforce Development”

On Bill Financing programs in New England have been in place for years, thereby nurturing contracting firms who can build long term staff intelligence and company reliability.

That equals a better business growth model for energy efficiency. Therefore, contractor management is key for successful OBF.



MAJOR DEVELOPMENT!!

ALL California IOUs will offer OBF for small businesses beginning with the 2009-11 Program Cycle.

SDG&E 2009 model...

**5 Year Max Loan Term – 0% Interest
\$100K Max Loan Per Meter**

AB 811, Levine.

Contractual assessments: energy efficiency improvements.

This bill would authorize a legislative body of any city, as defined, to determine that it would be in the public interest to designate an area within which authorized city officials and free and willing property owners may enter into contractual assessments to finance the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to real property, as specified.

The bill would require the resolution of intention to include, among other things, the kinds of distributed generation renewable energy sources or energy efficiency improvements that may be financed as well as a statement specifying that it is in the public interest to finance those distributed generation renewable energy sources or energy efficiency improvements. The bill would authorize a property owner, upon written consent of an authorized city official, to purchase directly the related equipment and materials for the installation of distributed generation renewable energy sources or energy efficiency improvements and to contract directly for the installation of those sources or improvements.

This bill would declare that it is to take effect immediately as an urgency statute.

GOING GREEN

AB 811 offers agencies route to finance energy upgrades

Monday, October 6, 2008

BY [JEFF QUACKENBUSH](#) STAFF REPORTER

SANTA ROSA – Sonoma County governments have aggressive goals and strategies for curbing gases blamed for climate change, and they now have a new tool for enticing owners of existing commercial and residential structures into reducing emissions via energy-efficient upgrades.

Assembly Bill 811, signed in July, gives cities and counties authority to create benefit assessment districts in which property owners can decide to “finance” energy upgrades. Owners would enter a “loan” contract with a local government and pay it back via an item on their property-tax bills that would be passed from one owner to the next over 10 or 20 years. It would be senior to any other debt.

Sonoma County is one of the first governments statewide to pursue such districts.

Planning Ahead





- Small Business California
- Statewide non-partisan small business advocacy organization
- www.smallbusinesscalifornia.org
- Core Issue Areas:
 - [Healthcare](#) [Workers compensation](#) [Workforce development](#) [Government regulation](#) [Energy](#) [Access to capital](#)
- Hank Ryan, Executive Director, EPA Grant Program Manager
Cell: 510-459-9683 Email: hryan@smallbusinesscalifornia.org
- SB-Cal will be working throughout California through mid 2009 using EPA grant funds to foster successful OBF program development and customer and food service distributor investments in energy efficient food service equipment.
- Mr. Ryan also serves as an Intervener in the CPUC Energy Efficiency Rulemaking Proceedings representing California small businesses on behalf of the Small Business California