



Minnesota Chamber of Commerce
ENERGY SMART

2022

Energy Smart Annual Report



Minnesota Chamber of Commerce

ENERGY SMART

Program Summary

Energy Smart is a business energy efficiency assistance program developed by the Minnesota Waste Wise Foundation, a nonprofit affiliate of the Minnesota Chamber of Commerce, with the goal of leveraging connections to the business community via the Chamber.

Energy Smart provides an entry-level energy efficiency consulting service, from initial meeting to project implementation. There is no co-pay to receive services in partner utility areas. Energy Smart connects with small and medium-sized businesses by direct referrals from utility websites and representatives, programs such as Xcel Energy's Partners in Energy, word-of-mouth, and business association-sponsored initiatives. Energy Smart meets customers on-site to establish goals and perform a walk-through consultation identifying energy efficiency opportunities. A follow-up report is then delivered to the business with actionable steps to reduce energy consumption and participate in utility conservation improvement/ load management programs. To the best of our ability, we include all eligible financial resources available to the business. This may include loans, municipal grants, or mechanisms such as Property Assessed Clean Energy (PACE). Energy Smart provides ongoing technical assistance to source and review equipment proposals, apply for utility rebates, and enroll in next-step utility CIP programs that may benefit the business.

Since its founding in 2008, Energy Smart has met with over 4,300 businesses. With the support of Xcel Energy and CenterPoint Energy, Energy Smart's implementation is unique in that we are able to provide a full set of natural gas and electric recommendations for customers in these split service areas. Businesses with these utilities receive a single point of contact to work with, which is extremely convenient for small and medium sized businesses that lack extra time and staff dedicated to these pursuits.

Program Delivery

Energy Smart - Total Program 2022			Savings	
Program Services	Actual	Goal	kWh	Dth
Unique site visits completed	330	-	-	-
Active CIP services	1,873	-	-	-
Total active participants	417	-	-	-
Electric upgrades	107	-	4,274,758	-
Natural gas upgrades*	37	-	-	18,630

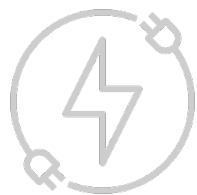
Energy Smart - Xcel Energy Electric Program 2022			Savings
Program Services	Actual	Goal	kWh
Number of site visits completed	316	400	-
Number of times specific electric CIP information given	1,136	1,075	-
Number of times behavioral recommendations made	459	390	-
Electric upgrades completed after Energy Smart contact	106	105	3,442,425
Internal program cost per first-year kWh saved	\$0.148	\$0.15	-

Energy Smart - Xcel Energy Natural Gas Program 2022			Savings
Program Services	Actual	Goal	Dth
Number of times specific gas CIP information given	186	160	-
Commercial streamlined assessments completed	4	5	-
Natural gas upgrades completed after Energy Smart contact	7	8	5,554
Internal program cost per first-year Dth saved	\$5.50	\$16.00	-

Energy Smart - CenterPoint Energy Program 2022			Savings
Program Services	Actual	Goal	Dth
Number of site visits completed	185	205	-
Number of times specific gas CIP information given	469	325	-
Number of times behavioral recommendations made	275	190	-
Natural gas upgrades completed after Energy Smart contact	30	35	13,076
Internal program cost per first-year Dth saved	\$14.00	\$25.00	-

Energy Smart - Other Utilities Program 2022			Savings
Program Services	Actual		kWh
Number of site visits	66		-
Number of times specific CIP information given	82		-
Number of times behavioral recommendations made	45		-
Number of upgrades	1		832,332

Executive Summary



4,274,758
kWh saved



18,630
Dth saved



330
on-site
consultations



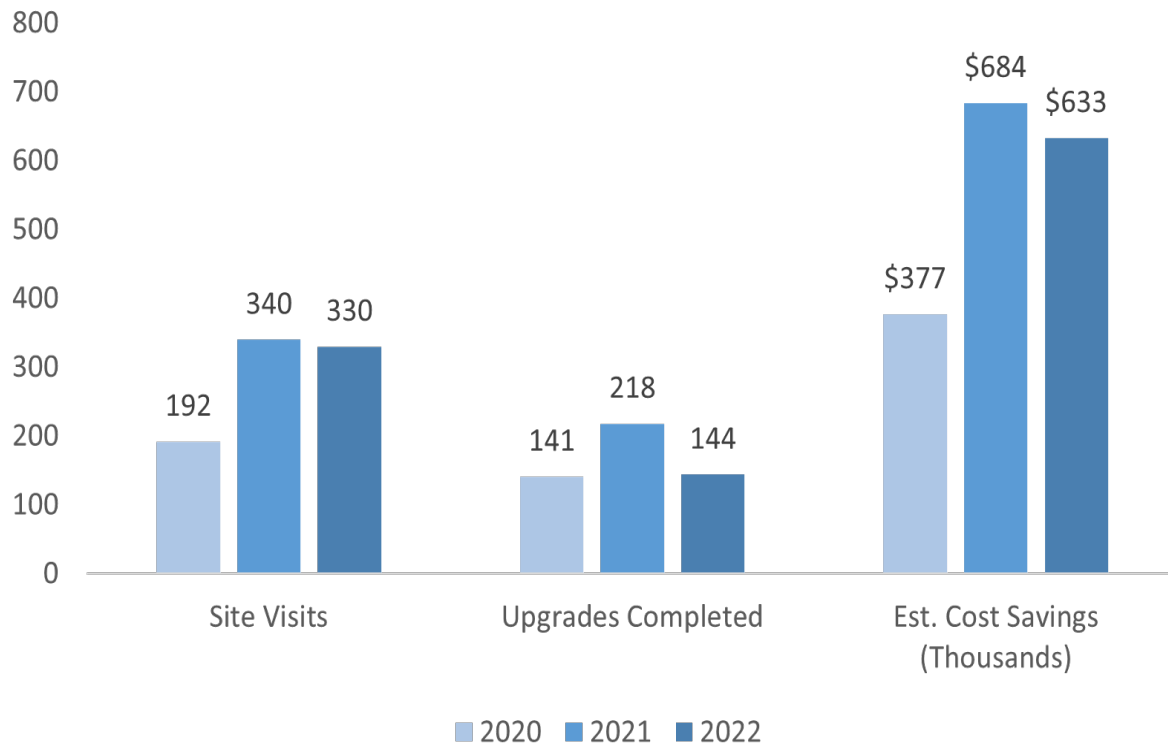
\$633,099
annual cost
savings

For many businesses, 2022 was defined by a transition back to normal operating procedures, following COVID-19, Energy Smart continued to provide a much-needed service while small and medium businesses experienced higher than usual utility bills. Specialists recommended and followed up on 1,873 CIP offerings with 417 participants across 98 cities in Minnesota. While getting back to normal, small businesses, especially in rural areas of the state, were welcoming to on-site consultations.

There are several strategies Energy Smart employed in 2022 contributing to this success:

1. During the height of the COVID-19 pandemic, Energy Smart expanded availability of the Business Energy Efficiency Grant program. With the easing of the pandemic in 2022, the program refocused its strategies to ensure longevity of available resources to meet the original intent of cost effectiveness and upgrade goals.
2. In collaboration with Xcel Energy's Partners in Energy, Energy Smart went door to door in a "business blitz" in Wayzata and La Crescent to offer free energy consultations. Though not going door to door, Energy Smart also supported the City of Roseville by getting the word out through email marketing. These efforts resulted in 65 site visits completed, 342 CIP recommendations made, and nine documented projects.
3. Energy Smart continued to offer its services to community partners looking to advance energy efficiency. In 2022, Energy Smart served as a step in the process for the city of Saint Louis Park's Climate Champions program, which offers matching funds for businesses completing energy efficiency improvements. Energy Smart completed 19 site visits in Saint Louis Park in 2022.
4. Through direct referrals from our utility partners, Energy Smart completed 58 site visits and eleven upgrades. These referrals came directly from representatives at Xcel Energy's Business Solutions Center or CenterPoint Energy's online service request form. As a program with no co-pay, Energy Smart is a great first resource for businesses that don't know where to start when it comes to improving their energy efficiency. We are appreciative of our utility partners for trusting us to provide excellent customer service to businesses.

Energy Smart Results 2020-2022



2022 Cost Benefit

Xcel Energy



Upgrades Estimated kWh Saved:
3,442,425 kWh Saved



Upgrades Estimated Dth Saved:
5,554



Internal Program Cost/kWh:
\$0.1478
Internal Program Cost/Dth:
\$5.50

CenterPoint Energy

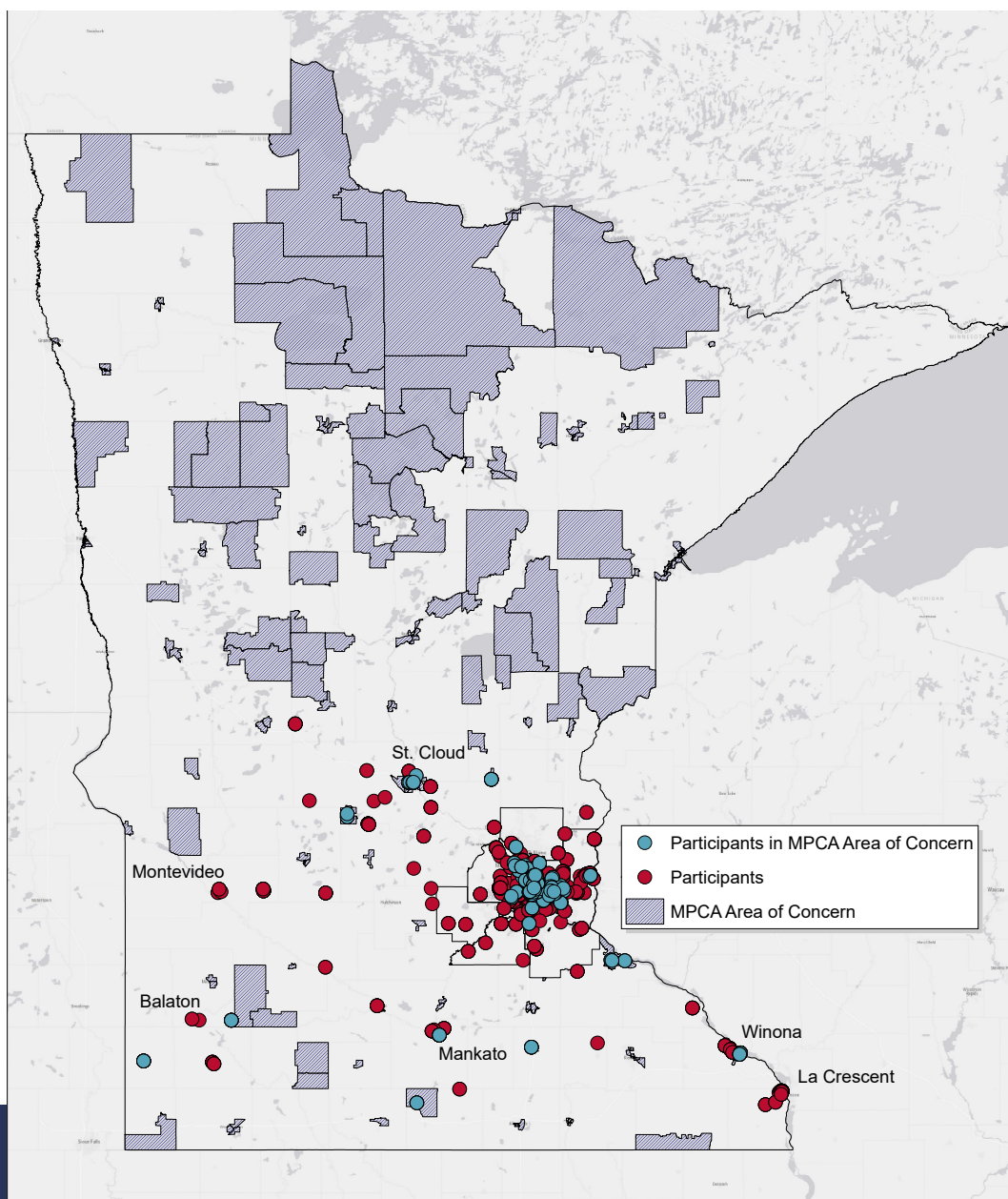


Upgrades estimated Dth saved:
13,076



Internal Program Cost/Dth:
\$14.00

Service Locations



Energy Smart provided services to 417 businesses in 98 cities across Minnesota. Of these, 24% were outside the seven-county metro. Energy Smart is working to increase the number of services provided to Greater Minnesota businesses.

Energy Smart uses the Minnesota Pollution Control Agency's (MPCA) areas of concern for environmental justice to evaluate program delivery to underserved areas. The MPCA considers a census tract to be an area of concern if at least 40% of the population reported income less than 185% of the federal poverty level. In 2022, 40% of Energy Smart's participants were located within an area of concern, and 12% of those participants were also located outside the seven-county metro area.

Service Results

Xcel Energy - Electric

	Actual	Goal
Energy consultations completed	316	400
Number of times specific CIP information given	1,136	1,070
Number of behavioral change recommendations	459	390
Upgrades (utility rebates)	106	105

Xcel Energy - Natural Gas

	Actual	Goal
Number of times specific CIP information given	186	160
Commercial streamlined assessments	4	5
Upgrades (utility rebates)	7	8

CenterPoint Energy - Natural Gas

	Actual	Goal
Energy consultations completed	185	205
Number of times specific CIP information given	469	325
Number of behavioral change recommendations	275	190
Upgrades (utility rebates)	30	35

Top 5 Efficiency Recommendation Areas:



1. HVAC



2. Lighting Retrofits



3. Smart Thermostats & Commercial AC Control



4. Foodservice Equipment



5. Custom Improvements

Energy Smart continued to provide excellent service to businesses in 2022 despite continued impacts due to the COVID-19 pandemic. Staff made 1,873 efficiency recommendations at 330 new site visits in 2022, resulting in 144 equipment upgrade projects that earned utility rebates. One hundred seven of these projects were electric, and 37 were natural gas. Twenty-two of these projects were at Minnesota Chamber of Commerce member businesses.

Economic impact from these projects resulted in over \$4,000,000 of investment in energy efficiency and \$876,000 earned in utility rebates. Annual cost and carbon emissions savings to businesses are estimated to be over \$633,100 and 4,015 metric tons, respectively.

Upgrade Results

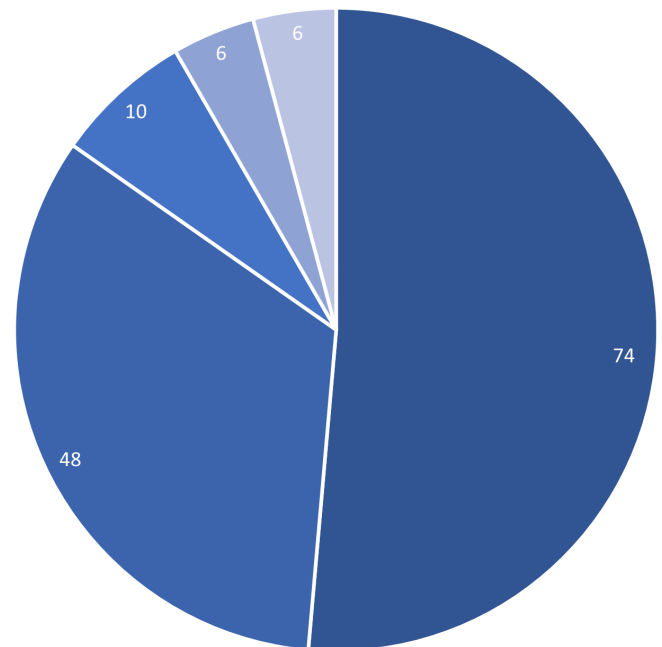
107
electric upgrades

37
natural gas upgrades

4,274,758
kWh saved

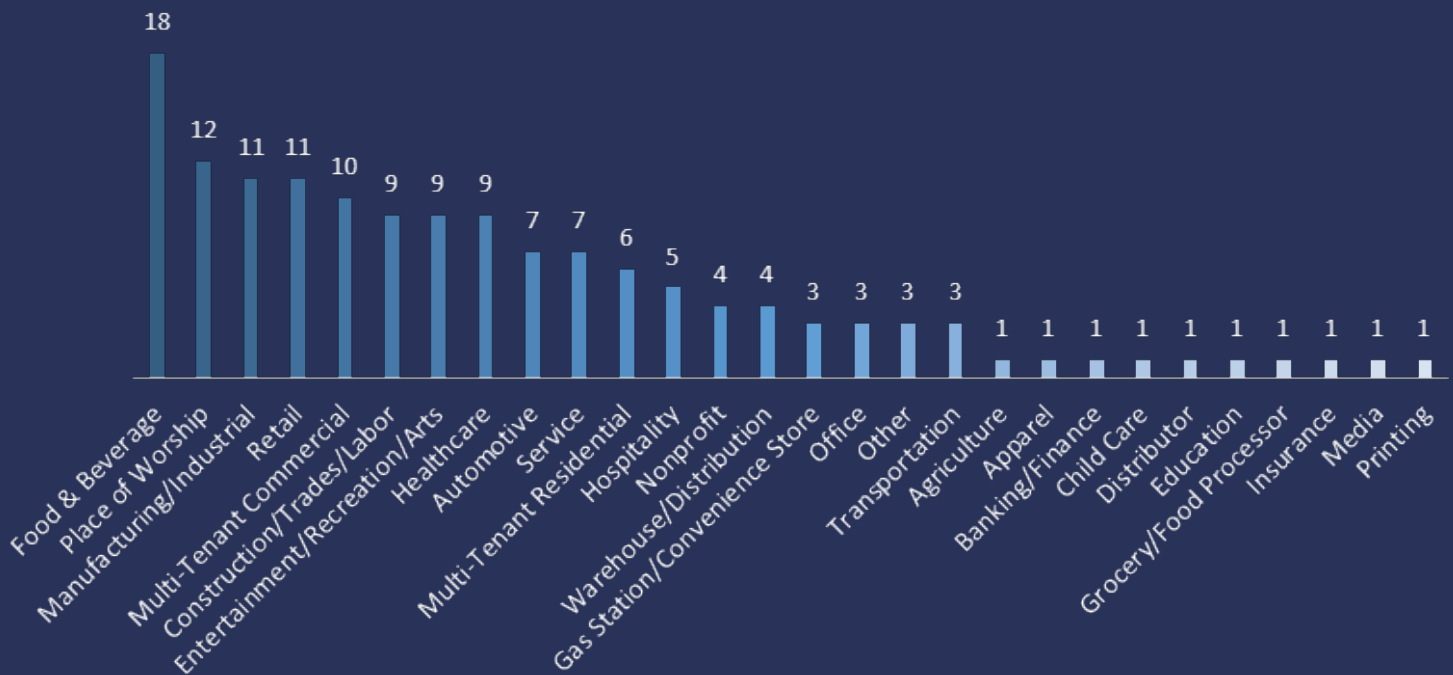
18,630
Dth saved

Upgrades by Type



- Lighting (74)
- HVAC and Refrigeration (48)
- Custom (10)
- Foodservice (6)
- Commercial AC Control and Smart Thermostats (6)

Upgrades by Industry



Marketing and Outreach



Energy Smart continued to hone in on a new marketing and outreach strategy in 2022, building on progress that started in 2021. This strategy included moving from a team approach to hiring an outreach coordinator dedicated to these efforts within the Minnesota Waste Wise Foundation. Strategies included tabling at events, joining and participating within key business associations, increasing our social media and online presence, and leveraging connections within the Minnesota Chamber of Commerce.

2022 Marketing At A Glance:

- 7 bimonthly newsletters to 1,800 contacts each
- 5 focused email campaigns to 853 contacts
- 95 social media posts with 8,500 impressions
- 3 postcard mailing campaigns to 1,653 contacts
- 250 doors knocked on in Wayzata and La Crescent and 298 emails sent to Roseville resulting in 65 on-site consultations for Xcel Energy's Partners in Energy

Allina Health - St. Francis

Healthy Preventative Maintenance

As a member of the Minnesota Chamber of Commerce, Allina Health's Environmental Sustainability Manager, Suzanne Hansen and Energy Smart have teamed up as part of their Green Teams initiative. The first step - get the portfolio of facilities benchmarked to evaluate priority buildings and complete energy consultations. In 2022, Energy Smart completed ten consultations with Allina Health.



Often, these facilities manage a tight ship when it comes to operations and maintenance and have already captured the low-hanging fruit of energy efficiency projects. Energy Smart adds value as an extension of the Allina Health team by identifying projects for which rebates were not applied. The St. Francis location has several boilers to serve their facility and regularly performs preventative maintenance, such as tuning up the boilers to optimize combustion efficiency and avoid unpredictable system shutdowns. This project is eligible for utility rebates every other year.

According to Suzanne Savanick Hansen, Allina Health Sustainability Manager, "Reducing our energy use is the most cost-effective way to reach our energy efficiency and climate goals. Energy Smart helps us identify additional energy-reduction initiatives while saving money through rebates."

Highlights:

Annual Natural Gas Savings: **1,958.93 Dekatherms**

Annual Cost Savings: **\$11,753.58**

Utility Rebates: **\$1,035.51**

104 metric tons CO2 reduced

Bushel Boy Farms

Putting the Spotlight on Growing

Located in Owatonna, Bushel Boy Farms grows tomatoes, strawberries, and cucumbers year-round. Yes, right here in Minnesota! As a new member of the Minnesota Chamber of Commerce, Bushel Boy Farms promptly hosted an Energy Smart consultation to review opportunities for efficiency improvements and utility rebates.

With 32 acres of indoor greenhouses, both natural and artificial lighting is used to grow fruits and vegetables. Bushel Boy Farms upgraded from high-pressure sodium grow lamps, at 840 watts each, to more efficient LED lamps. Upon completing the site assessment, Energy Smart identified that a utility rebate was not submitted for the grow lighting retrofit. In no time at all, paperwork was submitted to Owatonna Public Utilities.

Nick Weber, Vice President of Operations shared, “Working with Energy Smart has been very helpful to identify the availability of these rebate programs. We will use the rebate to offset our cost of this current project. Now knowing there are significant rebates available, Bushel Boy Farms will use these again in the near future for additional capital lighting projects.”



Highlights:

Annual Electric Savings: **832,332 kWh**

Demand Reduction: **216 kW**

Annual Cost Savings: **\$85,935.43**

590 metric tons CO2 reduced

Handyman's Hardware

Bright ideas for six decades!

Handyman's Hardware in St. Cloud has been family-owned and operated for almost six decades, and they continue to improve the business. During a visit with Energy Smart, which they requested to get recommendations on energy efficiency upgrades, Handyman's Hardware expressed interest in replacing their outdated fluorescent lighting.

Some areas of the store had already been retrofitted to LED as time and finances allowed, and Energy Smart agreed that completing the rest of the lighting was a top priority. Since retail stores use many lights for extended hours, retrofitting to LED can immediately improve energy efficiency, cut electric bills, and improve the shopping experience for customers. The Business Energy Efficiency Grant and Xcel Energy rebates made completing the rest of the store possible. With the grant and rebate incentives, the payback for this lighting project is just 1.6 years, and the staff will benefit from the long-lasting bulbs for years to come.



"Not every business decision turns out to be a bright idea, but the decision to work with Energy Smart to retrofit our store's light fixtures was a bright idea if ever there was one. The Energy Smart team are pros in their field, and we had a painless experience with no unexpected surprises. Our store looks great."

Mark Held, GM Handyman's Hardware

Highlights:

Savings from Rebate and Grant: **\$5,560**

Annual Cost Savings: **\$2,893**

Project Payback Period: **1.6 years**

18.1 metric tons CO2 reduced

Studio Eight

Production studio takes creative control of HVAC

Studio Eight is a creative production studio nestled on the edge of downtown Minneapolis. Energy Smart connected with Studio Eight in the Spring of 2019 to complete an energy consultation. That year, one of two boilers was replaced, and Energy Smart encouraged upgrading from pneumatic controls to electronic for their HVAC system. Then, the COVID-19 pandemic struck, and spending was frozen.



Fast forward to 2022 – the 40-year-old air compressor powering the pneumatic controls was starting to fail. Operations Manager Frank Prawer called Energy Smart to review rebate eligibility to replace the air compressor and discovered that the project did not qualify for a utility rebate. Energy Smart encouraged Frank to reconnect with their HVAC service provider to revise the bid and upgrade the pneumatic controls to a centralized electronic system. Energy Smart leveraged resources from the City of Minneapolis Green Cost Share to make the project competitive.

“Minnesota Chamber of Commerce [Energy Smart] has played a key role in helping our company survive the past three turbulent times during the pandemic. Their help in securing financial assistance in repairing our HVAC needs was crucial in the survival of our company. Thank you from Studio Eight and our employees.”

Frank Prawer, Operations Manager

Highlights:

Annual Electric Savings: **17,206 kWh**

Annual Natural Gas Savings: **157 Dekatherms**

Annual Cost Savings: **\$4,605**

Grant Award: **\$8,990**

20.5 metric tons CO2 reduced

Partners in Energy

Energy savings-- it takes a village!

A program of Xcel Energy, Partners in Energy supports communities they serve by helping develop and implement energy plans. Each community has its own unique energy needs and priorities. Partners in Energy tailors their services to complement each community's vision.

Energy Smart was fortunate to play a small role in carrying out “business blitzes” for the communities of Wayzata and La Crescent in 2022. As a part of the blitz, Energy Smart went door-to-door offering consultations on the spot to identify ways for businesses to improve energy efficiency and take advantage of utility rebate programs. As part of our partnership with CenterPoint Energy, Energy Smart was able to provide natural gas recommendations in Wayzata. Realizing the value of the blitz, specialists were also able to provide natural gas recommendations in La Crescent through a short-term partnership with Minnesota Energy Resources. Additionally, Energy Smart completed consultations to businesses in Roseville but did not conduct the door-to-door outreach.



Highlights:

Doors knocked: **250**

Emails sent: **298**

On-site consultations: **65**

CIP recommendations provided: **342**

Efficiency projects: **9**

Conclusion



At Energy Smart, we are honored to leverage our expertise and experience to help the state's business community thrive by improving the environmental health and economic vitality of our communities. By facilitating sustainability principles at Minnesota-based businesses and organizations, we help foster practices that are good for business and good for the environment.

As we look back at 2022, we can certainly note challenges; the lingering impacts of COVID-19 persist, many businesses find themselves understaffed, and the costs of goods and services increased or remained volatile due to ongoing supply chain disruptions. However, no year is without adversity. Our outlook is steadfastly positive, and the no-cost assistance we provide may be even more valuable to businesses amidst the multitude of internal and external impacts.

The future is bright for Energy Smart as we continue to find new ways to connect with the business community. One way was by adding a dedicated Outreach Coordinator, which created immediate impact and success with our business engagement efforts. This will positively impact our ability to reach business communities in Greater Minnesota and underserved communities to provide them with in-person assistance. Another way we are working to make energy efficiency projects easier for businesses is by simplifying our process. We have spent time making sure everything from our recommendations to our finished project assistance is clear and as stress-free as possible for the business. We have done this through using a new recommendations report, acting as a liaison between trades when asked, and identifying funding opportunities to help businesses with upfront capital costs. All these efforts make it easier for the business to complete their energy efficiency projects and quickly see the benefits of their work. We also spent the year working with our great partners: Xcel Energy, CenterPoint Energy, the Minnesota Chamber of Commerce and their local Chamber partners, and other business associations seeking assistance for their clients and members. We are committed to continued collaboration with our partners to ensure businesses have the necessary resources to succeed and grow in Minnesota.

It has been a pleasure working together with a diverse group of businesses and organizations throughout Minnesota this past year, and we look forward to even more success in 2023.

A stylized, handwritten signature in white ink, appearing to read 'Rob Friend'.

Rob Friend
Executive Director



Minnesota Chamber of Commerce
ENERGY SMART

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This report was submitted by the Minnesota Waste Wise Foundation on April 3, 2023.

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