

# **ENERGY STAR Commercial Food Service Webinar**Series

# ENERGY STAR Partner Spotlight: Boulder County's Small Business Equity Program



Tuesday, January 12, 2021



### Introduction to Monthly CFS Webinar Series

Webinars are an opportunity for Partners/Stakeholders:

- To hear news on the latest CFS events, activities, and initiatives at ENERGY STAR
- To learn about program engagement resources and tips
- To engage with ENERGY STAR and each other on industry topics and energy-savings
- To provide feedback on any information gaps and inform the development of new resources





#### **Near-Term ENERGY STAR CFS Activities**

- Winter newsletter February 2021
- New Ask the Expert article February 2021
- CFS equipment calculator updates coming soon!
- CFS utility midstream program resources coming soon!
- Active and completed specification revisions:
  - Commercial Dishwasher Final Specification v3.0
  - Commercial Refrigerators and Freezers Discussion Guide v5.0
  - Commercial Ovens Draft 1 Version v3.0
- Active scoping efforts:
  - Commercial electric cooktops and ventilation
- Webinar Series
  - Next webinar Tuesday, February 2 at 2 PM ET (tentative)



#### Stakeholder Breakdown

Registrations for today's webinar include:

- 25 EEPS/Utility
- 22 Product Brand Owners
- 14 Program Implementers
- 5 Dealer/Distributors
- 3 Association
- 11 Other





#### Poll Question #1

- Does your organization currently offer equity-related program incentives, offerings, or resources?
  - A. Yes (Please submit a short description of your program, offering, or resource)
  - B. We are close to launching.
  - C. We are in the beginning phases of identifying opportunities.
  - D. Not at this time.



#### Poll Question #2

- Do you currently have bilingual resources for program participants or customers?
  - A. Yes, we have bilingual staff member(s) and translate all our materials. Please include available languages and any other feedback below.
- B. Yes, we have bilingual staff member(s). Please include available languages and any other feedback below.
- C. Yes, we translate our materials and website. Please include available languages and any other feedback below.
  - D. Not at this time. However, it's a near-term goal.
  - E. Not at this time.



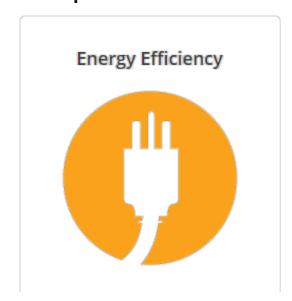
## ENERGY STAR Webinar Small Business Equity Program

Zac Swank & Elizabeth French 1.12.2021

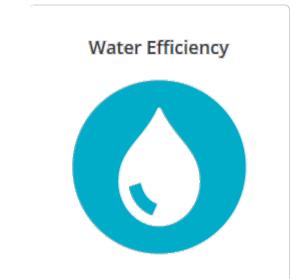
## What is PACE?

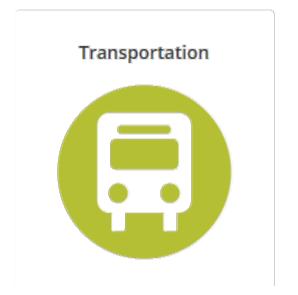


#### Expert advisors, rebates and incentives for:













## SMALL BUSINESS EQUITY PROGRAM

Program overview
Why focus on equity?
Lessons learned
Q&A

## **ENERGY STAR**



- Savings, standards, and products
  - PACE requires ENERGY STAR certification for eligible equipment rebates
  - ENERGY STAR savings information
  - ENERGY STAR product finder
- Best practices sharing
  - ENERGY STAR day
  - ENERGY STAR webinar





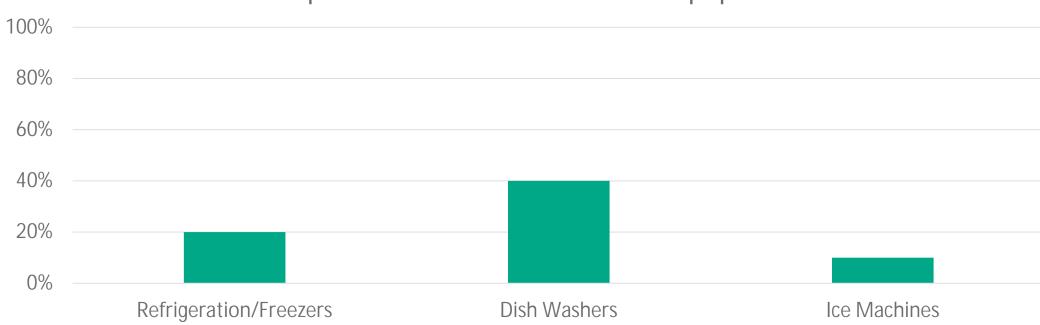




## **ENERGY STAR Product Savings**



# Estimated savings of a new ENERGY STAR product compared to new conventional equipment



## **Program Goals**



Better leverage our limited resources for the most benefit

- 1. Serve small businesses
- 2. Serve high energy burdened businesses
- 3. Design for businesses that we are not already reaching
- 4. Design for the hardest to reach businesses first
- 5. Target the oldest equipment
- 6. 2 year simple payback for participants

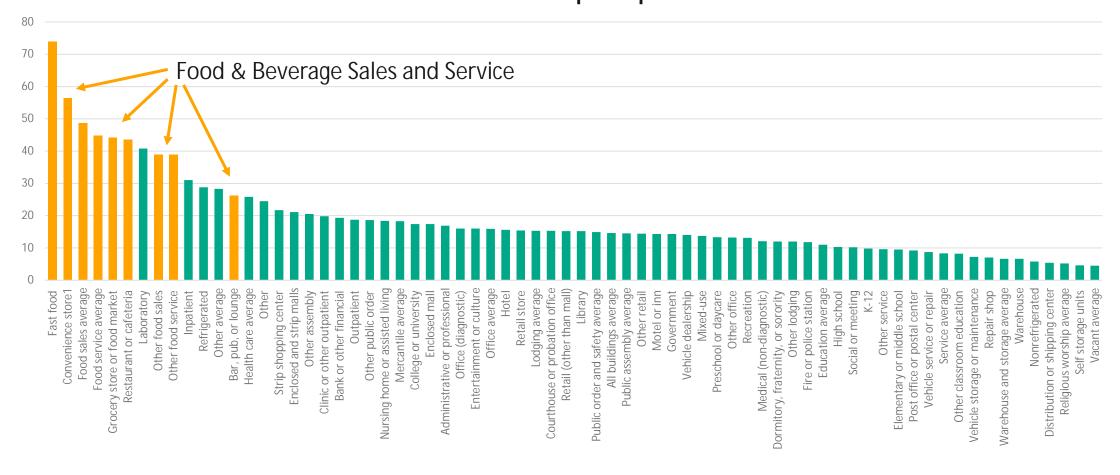
Co-benefit: help for a sector that was hit hard by COVID-19

# Who has the Highest Energy Burden?



#### Partners for a Clean Environment

#### 2012 CBECS kWh per square foot



## **ENERGY STAR Product Savings**



# Estimated savings of a new ENERGY STAR product compared to pre 2005 equipment



PACE's own estimates from Energy Policy Act of 2005 and ACEEE data https://www.energy.gov/sites/prod/files/2020/07/f76/EPACT%202005%20%28PL%20109-58%29\_1.pdf https://www.aceee.org/files/proceedings/1998/data/papers/0328.PDF

## Typical Food Service Rebates



- Low incentive to cost ratio
- Based on the incremental cost of ENERGY STAR products versus new conventional products
- Doesn't factor in the cost/benefit calculation replacing an old existing unit that works
- Based on DOE standards, we believe there are large savings to be had for retiring old equipment

## Offering



- Up to 70% of project costs on
  - Select food service equipment older than 2005
    - Refrigerator units with doors
    - Freezer units with doors
    - Merchandisers
    - Dishwashers
    - Ice machines
  - Old T12 fluorescent lighting
- For
  - Small businesses with less than 2,000 sq. ft. (restaurants) or 5,000 sq. ft. (all others)
  - Locally owned and operated
  - BIPOC owned businesses highly encouraged to apply

## **Process**



- 1. Outreach in English and Spanish
- 2. Business applies
- 3. PACE reviews eligibility and conducts site assessment
- 4. PACE and business discuss upgrade opportunity
- PACE streamlines ENERGY STAR equipment options with ENERGY STAR partner Tundra FMP Restaurant Supply
- 6. Business pays 30% upfront
- Third party warehouses, installs new equipment and recycles old equipment
- 8. PACE pays the remainder

# WHY A SMALL BUSINESS EQUITY PROGRAM?

## PACE's Historic Program Model



- "Fair"
- Single, equal offering for all
- First come, first serve
- Designed and administered by:





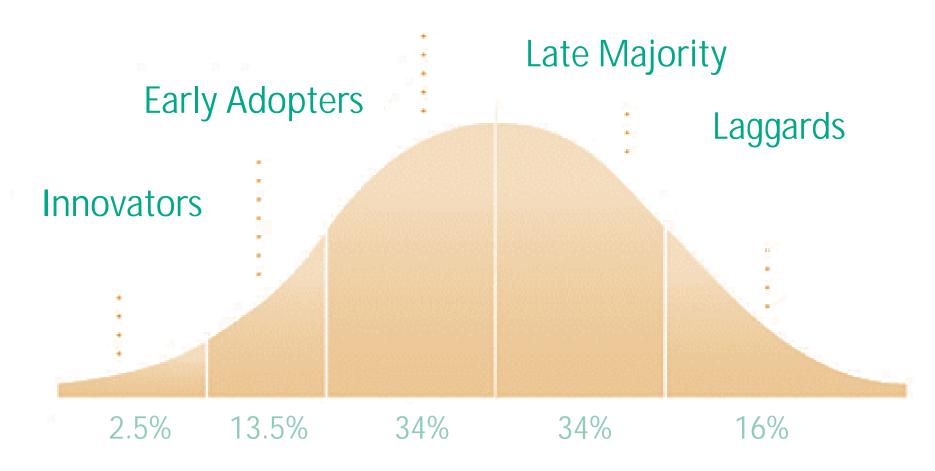
# Equal Opportunity



# Equitable Opportunity

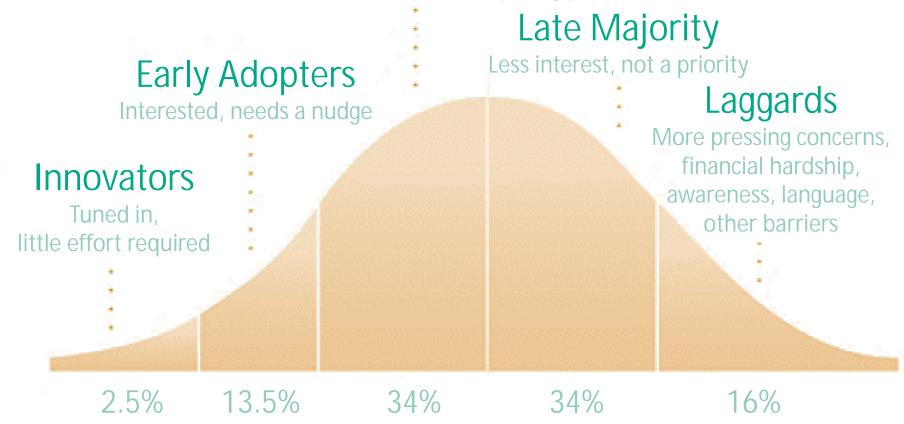
Partners for a Clean Environment

Early Majority



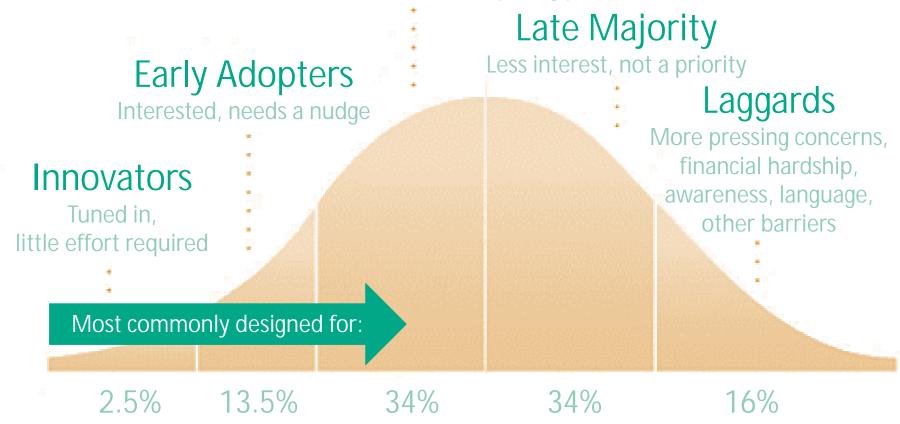


### Early Majority



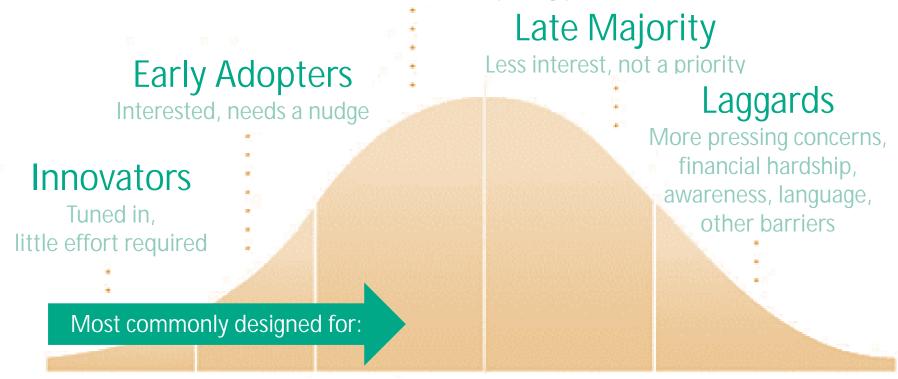


### Early Majority





### Early Majority



## A Cycle of Inequitable Access



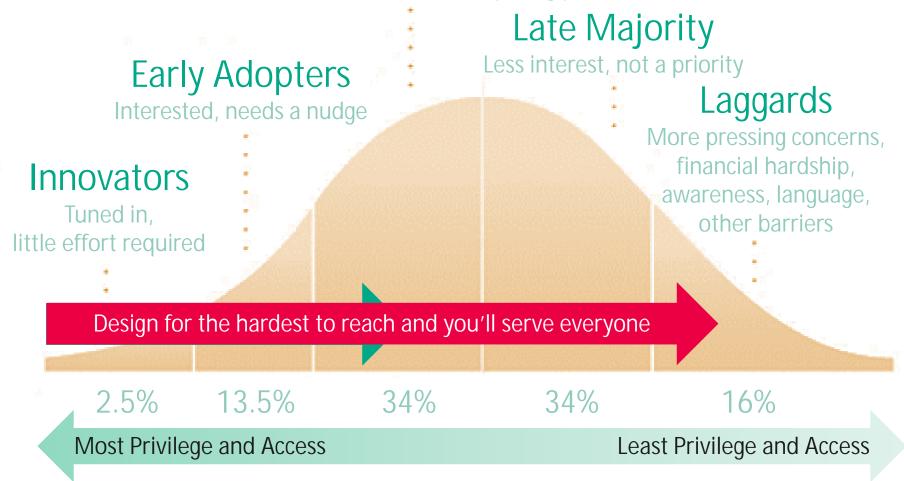
Institutions create single programs designed for the most cost effective / easiest to reach / people like us

Our programs work well for that group and less well for everyone else

Benefits accrue to a single segment



### Early Majority



## SO HOW DID WE DO?

## 2020 Program Results



#### **Participation**

84 applicants

28 completed projects

69 pieces of equipment

\$171,091 grant funding

\$63,522 businesses contributions

#### **Estimated Savings and Payback**

349,245 annual kWh savings (estimated)

\$31,432 annual cost savings (estimated)

2 yr. simple payback after incentives

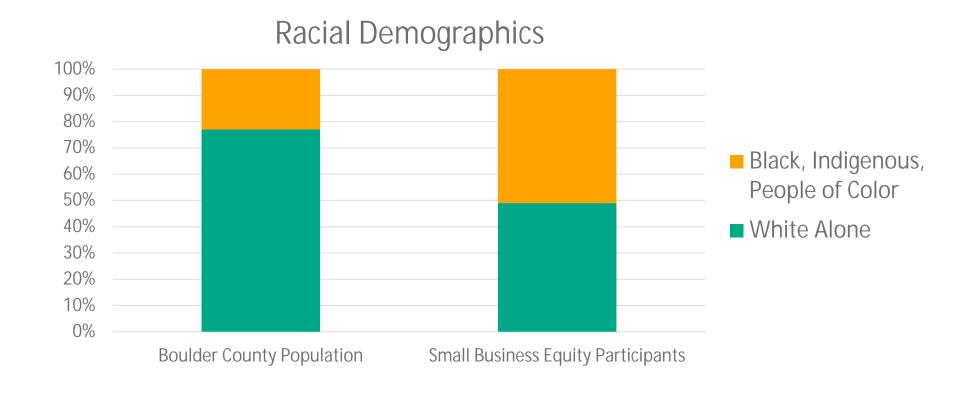
Not including maintenance savings

Not including reliability and aesthetic benefits

## Demographics



• 100% small businesses



## **Evaluation**



**Cost Effectiveness** 

\*\* \$0.49 One Time Cost per Annual kWh Saved

Did We Reach Our Target?

ü Small businesses

ü High energy burden

ü Historically marginalized

**ü** New to PACE

ü 2 year payback

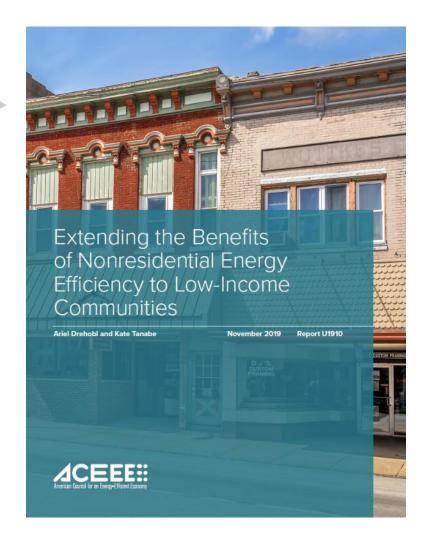


## LESSONS LEARNED

## Few Examples to Draw From



- Lots of low income residential programs
- ACEEE study
  - Community serving institutions
  - Specific geographic areas
- Beyond bilingual materials, few examples of programs targeting
  - Highest energy burdens
  - Those that have a hard time accessing single, standard offerings



# Designing for the Hardest to Reach is Takes More Work



- Creating these programs
  - Takes more time (2 years for us)
  - Takes more effort
  - Takes more listening
  - Takes more partners
  - Is worth it
- We can't pretend that everyone is able to access a one-size fits all program
- Makes your program better for everyone else too
  - "Energy efficiency v. Save you money"
  - Finding lighting contractors who will take small jobs



## Be Flexible, Make it Simple

Partners for a Clean Environment

- You'll lose participation with every friction or decision point
- Make it easy to participate, streamline the process
- Meet your customers where they are at
- Texting, WhatsApp, Facetime

"Many participants had a really hard time with filing out applications as they didn't have a computer and were not tech savvy. So I got on FaceTime with a few business owners or drove there in person to help them fill out the application through my laptop."



## Material Translation is not Enough



- Navigational support is needed throughout the process
- Partner with trusted cultural brokers
- Bilingual / bicultural staff are essential
- You likely don't know what all the barriers are, don't assume, ask



Your one-stop-shop for business sustainability in Boulder County.

ABOUT REBATES & INCENTIVES

SMALL BUSINESS EQ

ZERO CARBON RO

RESOURCE

ERTIFIED BUSINESSES

CONTACT US



#### Programa PACE de Equidad para Pequeñas Empresas

PACE aprecia y valora las contribuciones que las pequeñas empresas hacen a nuestra comunidad. El inventario diverso, los servicios personalizados, las experiencias únicas y las innovaciones creativas que las pequeñas empresas del Condado de Boulder proveen son lo que hace a nuestra comunidad tan especial. Además, las pequeñas empresas proveen sustento financiero para muchos miembros de la comunidad y forman la diversidad cultural de Condado de Boulder. Las pequeñas empresas equivalen a la porción más grande del juventario comercial del Condado de Boulder. Por ejemplo, un 30% de ampliandos en la ciudad de Boulder tienen menos de 20 empleados.

A medida que nuestra economía se pone nuevamente en marcha, esperamos que el programa PACE pueda tener un impacto positivo y contribuir con sus esfuerzos de recuperación económica, sobre todo con sus operaciones y costos operativos.

# Providing support beyond simple rebates gets tricky quick!



Assumptions ≠ Reality







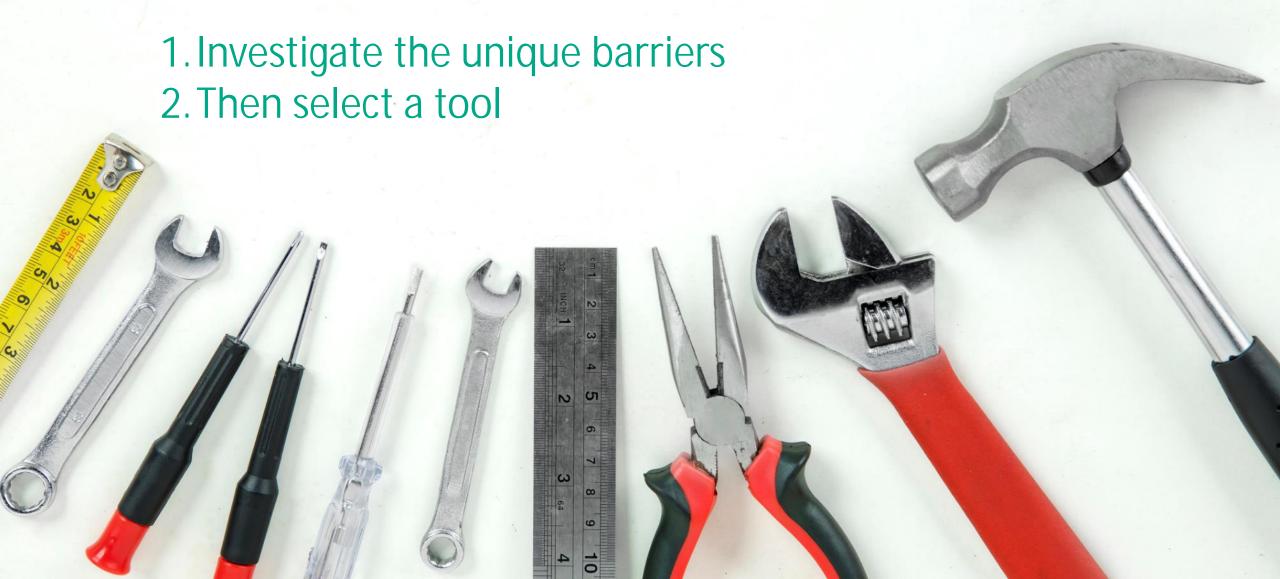
Sweat the details

Hand holding is needed

Start with a pilot program



# Do you Have the Right Tool for the Job?



## CLOSING

We need to listen to understand the unique barriers for different business segments before we start selecting our tools to solve them. If we're not designing and using a suite of programs for different business needs, then we have to recognize that we are forever excluding certain segments of our communities from benefitting from our programs and continuing to benefit those with the most privilege and access already. Laggards are not would be participants who are simply unwilling, but businesses we have excluded by solely chasing cost effectiveness.

## **Afterward**



- 2021 Changes
  - Additional streamlining
  - Additional business types will be eligible
    - Convenience stores
    - Nonprofits serving low income populations
  - More consultations with our hardest to reach businesses to design new offerings beyond commercial foodservice equipment
- Scaling the program
  - PACE is limited to Boulder County
  - Incentive programs often have a one-size-fits all blind spot
  - Happy to share what we've learned and talk in depth if you'd like to learn more



Zac Swank zswank@bouldercounty.org

Elizabeth French efrench@bouldercounty.org



#### Save the Date for the Next Webinar!

- Food Lion's Experience with two U.S. Environmental Protection Agency Programs: GreenChill and ENERGY STAR
  - Tuesday February 23, at 1 PM ET (time is tentative but will be confirmed soon through a mass mailer!)
- Topics that will be covered include:
  - Overview of EPA's GreenChill program, including member requirements and benefits of joining
  - Hear from ENERGY STAR partner and GreenChill member Food Lion, and how each program supported some of their major energy savings and greenhouse gas reduction accomplishments



More information will be sent through a mass mailer! Email <a href="mailto:cfs@energystar.gov">cfs@energystar.gov</a> to confirm you are on the distribution list!