











Management (Figure 1) in this action workbook to provide a strategic approach to improving your property’s energy performance. The Guidelines are widely used and can help you build the most cost-effective and practical energy management system for a small enterprise. They have been proven effective by thousands of partners. In effect, the Guidelines are an “energy management system.”

Many small business owners do not have a lot of extra time and money for complex projects. This workbook includes actions that will provide the greatest return on your time and expense investments. In fact, many require little or no investment at all. It is often the simple operation and maintenance improvements or behavioral changes that achieve some of the most significant savings.

This workbook also includes information on improving your property’s water efficiency. Energy and water efficiency are closely tied together; efficient hot water use will decrease energy cost, as well as water cost. As you move through this workbook, you may want to consider water efficiency opportunities along with energy efficiency.

Accompanying appendices in a separate document are referenced throughout—they include more in-depth information on specific topics, such as lighting and water, as well as resources to help you look at energy savings opportunities throughout your property. They also contain sector-specific guidance for automobile dealerships, home-based businesses, offices (including tenants), restaurants, grocery and convenience stores, small and medium manufacturers, and hotels/motels. All of this information can get you on your way to improving the energy efficiency of your business. The full list of appendices includes:

1. Appendix A – Benchmarking your Property with Portfolio Manager®
2. Appendix B – Sure Energy Savers
  1. Lighting
  2. Building Envelope
  3. Office Equipment
  4. Kitchen and Food Service Equipment
  5. Heating, Ventilation, and Air Conditioning (HVAC)
  6. Water and the EPA WaterSense Program
3. Appendix C – Energy Audits and Professional Assistance
4. Appendix D – Project Financing
5. Appendix E – Working with Contractors
6. Appendix F – Restaurant/Food Service
7. Appendix G – Auto dealers
8. Appendix H – Lodging: Hotels, Motels, and Inns
9. Appendix I – Office Buildings for Owners and Tenants
10. Appendix J – Grocery/Convenience Stores
11. Appendix K – Small and Medium Manufacturers
12. Appendix L – Home-based Businesses
13. Appendix M – The US Small Business Administration (SBA)
14. Appendix N – EPA GreenPower Partnership
15. Appendix O – EPA Office of Small Business Programs

# Step 1. Make a Commitment

Did you know that 87% of small businesses believe the impacts of climate change could hurt their business<sup>2</sup>? While the prospect of increasing the energy efficiency of your business may seem daunting at first, your energy program can insulate your business against higher energy costs. This Small Business Action Workbook will help you create an energy management program with simple, manageable steps your business can implement incrementally. No matter the size or type of business, the first step of successful energy management is to make a commitment to saving. Begin your own energy management journey by joining the ENERGY STAR Small Business Network; visit ENERGY STAR to sign up at [www.energystar.gov/joinbuildings](http://www.energystar.gov/joinbuildings). The ENERGY STAR logo is recognized by more than 85 percent of the American public—you can use it to show your customers and clients that you are committed to saving energy, and to being an environmental leader.

Businesses seeing the financial returns from superior energy management continuously strive to improve performance. Their success is based on regularly assessing energy performance and implementing steps to save money. This section will explain:

- Why energy efficiency is key to your business goals
- How to form a dedicated energy team
- How to implement an energy policy

## 1.1 Why Energy Efficiency is Key to Your Business Goals

“Energy efficiency? I don’t have the time!” you may think. But, did you know that small businesses can typically save as much money and prevent as much pollution, per square foot of their property, as large corporations? The savings you achieve through efficiency measures may very well “pay you back” for time invested. “But I don’t even own my building. What changes can I make and what impact will they have?” This workbook has information for tenants throughout, and *Appendix I* includes information to help tenants identify efficiencies in office facilities. Whether your business owns its own property or is a tenant, you can assess savings associated with perspective upgrades by using ENERGY STAR tools and calculators.



*“Small businesses are the engine of the American economy, and they play a substantial role in safeguarding the integrity of our Earth. The Action Workbook proves that adopting green business practices is profitable, responsible, and sustainable. The SBA is ready to provide necessary incentives to steer our businesses into embracing environmental stewardship.”*  
 - SBA Administrator Maria Contreras-Sweet. For more information on SBA programs see Appendix M or go to [www.SBA.gov](http://www.SBA.gov)

<sup>2</sup> American Sustainable Business Council’s *Small Business Owners’ Views on Climate & Energy Policy Reform* poll report, 2014; [http://asbcouncil.org/sites/default/files/asbcpollreportclimateenergypolicyreform\\_final.pdf](http://asbcouncil.org/sites/default/files/asbcpollreportclimateenergypolicyreform_final.pdf)

## Money and Your Small Business

Energy management and the purchase of ENERGY STAR certified products can reduce energy costs without compromising customer satisfaction. The money saved on your utility bills can be redirected to other business initiatives. Also consider costs that can be avoided by extending the useful life of your property (or properties) and equipment.

### The People: Employee and Customer Satisfaction

Sixty-eight percent of adults like to do business with companies that are environmentally responsible and more than 80 percent of workers are attracted by an employer with an environmental reputation<sup>3</sup>. In fact, about half of workers said they would forgo higher pay or a promotion to work for an organization with a good environmental reputation<sup>4</sup>. The bottom line? Both your employees and customers appreciate your business' environmental responsibility. As you will learn in this workbook, you can demonstrate environmental responsibility through energy and water management while simultaneously improving the overall comfort and appearance of your business. Your business can be a model of energy efficiency in your community!

#### ***Good Earth Market, Billings, Mont: Efficiency on a Tight Budget***

*When the Good Earth Market, a local and organic foods cooperative, renovated their building (a former auto body shop), they utilized the existing space as much as possible. They spent money available on new mechanical, electrical, and plumbing systems to make the space as efficient as possible, but salvaged shelves and cases from a derelict grocery store. As they find financing, the store is incrementally improving the building envelope and replacing the few remaining single pane windows with ENERGY STAR certified ones. Learn more at [www.energystar.gov/smallbiz](http://www.energystar.gov/smallbiz)*

### The Environment

ENERGY STAR certified buildings are responsible for 35% fewer greenhouse gas emissions than their peers. You can help reduce energy related pollution, as you save money. Even if your property has minimal square footage, you can still make a difference.

## 1.2 Form a Dedicated Energy Team

Your energy efficiency program should be tailored to your business' culture and resources. It is important to make the program your own by taking advantage of existing resources or individuals who may already be implementing efficiency efforts. Behind most successful programs lies a core team of dedicated individuals. For most small businesses, two to three people may be the core of the team, while for larger businesses it could be five to ten people. Keep in mind that a small group can reach consensus and start working quickly.

<sup>3</sup> ENERGY STAR Report, *Does Green Pay Off?*, 2008;  
<http://www.energystar.gov/buildings/tools-and-resources/does-green-pay>

<sup>4</sup> ENERGY STAR, *Summary of the financial benefits of ENERGY STAR labeled office buildings*, 2006;  
[http://www.energystar.gov/ia/partners/publications/pubdocs/Summary\\_of\\_the\\_Financial\\_Benefits\\_23June06\\_FINAL.pdf](http://www.energystar.gov/ia/partners/publications/pubdocs/Summary_of_the_Financial_Benefits_23June06_FINAL.pdf)



A single individual may be the full “team” for a small, home-based business, and you may simply need to take advantage of those skills. If you are a “one person shop”, think about ways to make ENERGY STAR a part of your team by using free ENERGY STAR technical trainings, materials, and resources.

### *Appoint an Energy Team Leader*

Appointing an Energy Team Leader is a critical component of successful energy programs. The Energy Team Leader helps an organization achieve its goals by establishing energy performance as a core value. Specifically, the Energy Team Leader helps set goals, tracks progress, and promotes the energy management program.

The Energy Team Leader is not always an expert in energy, water, or technical systems. However, this person should understand (or be willing to learn) how energy management helps the organization achieve its financial and environmental goals and objectives. Depending on the size of your business, this role can be a full-time position or an addition to other responsibilities. The Leader’s key duties often include:

- Coordinating and directing the overall energy program
- Acting as the point of contact for senior management
- Increasing the visibility of energy management within the organization
- Drafting an Energy Policy
- Assessing the potential value of improved energy management
- Creating and leading the Energy Team
- Securing sufficient resources to implement strategic energy management
- Assuring accountability and commitment from core parts of the organization
- Identifying opportunities for improvement and ensuring implementation (including staff training)
- Measuring, tracking, evaluating, and communicating results
- Obtaining recognition for achievements.

### *Establish an Energy Team*

People make decisions every day that affect energy use. The Energy Team executes energy management activities across different parts of your business, and ensures integration with your business operations. In addition to planning and implementing specific projects, the team measures and tracks energy performance and communicates with management, employees, and other stakeholders.

#### *AutoFair Companies, Manchester, N.H.: A Comprehensive Energy Program*

*AutoFair Companies, an automobile dealership group with four dealerships in New Hampshire, took the ENERGY STAR Challenge to reduce energy usage by ten percent annually. Their energy-efficiency program has continued to evolve and is overseen by the company's Green Committee which consists of representatives from each facility as well as the corporate CEO and CFO. Monthly meetings include project discussions, research review, vendor presentations, and review of cost-benefit analysis for all suggested projects. The result is a steady flow of projects that meet criteria for sustainable operation as well as for affordability and return-on-investment. All employees are invited to participate in the Green Committee's suggestion process. Learn more at [www.energystar.gov/smallbiz](http://www.energystar.gov/smallbiz)*

Depending on the size of your business, consider including a representative from each operational area that significantly affects energy use or that highlights your business, such as Engineering, Information Technology (IT), Purchasing, Operations and Maintenance, Building/Facilities Management, Environmental Health and Safety, Construction Management, Contractors and Suppliers, and Marketing and Publicity.

### 1.3 Institute an Energy Policy

An Energy Policy provides the foundation for a successful program by setting performance goals and integrating energy management. It formalizes management support and articulates the organization's commitment to energy efficiency for employees, the community, and other stakeholders. Your Energy Policy should include:

- **An objective.** State a clear and measurable objective that reflects your business' commitment, culture, and priorities.
- **A chain-of-command.** Establish accountability and define roles in the organization; this will provide the authority for personnel to implement the energy management plan.
- **Provisions for evaluating and updating the policy.** Ensure continuous improvement and reflect changing needs and priorities.
- **Performance goals.** Provide a context for setting goals by linking energy goals to overall financial and environmental goals of the organization.

### 1.4 Review - Make a Commitment

Step 1 gave you the tools you need to begin your energy efficiency program. You learned how this program will benefit your business; you learned how to create an energy team; and you learned how to institute an energy policy. Now it's time for you to turn your knowledge into action. Use the review steps below to measure your progress towards completing Step 1.

1. **Join the ENERGY STAR Small Business Network** at [www.energystar.gov/joinbuildings](http://www.energystar.gov/joinbuildings). This simple action takes a few minutes and sets you on your way, with no obligation or cost. ENERGY STAR Small Business Network participants are plugged into the latest information on energy efficiency and have access to free technical support, case studies, tools, and public recognition of success.
2. **Form your energy team:** To establish your energy program, form a dedicated energy team that includes an Energy Team Leader; if you are a one person team then identify a planned time period each month to work on efficiency upgrades.
3. **Institute an energy policy:** Involve key people in policy development to formalize management support and articulate your business' commitment to energy efficiency that is understandable to employees and public alike.













































## 6.4 Review - Evaluate Progress

In Step 6 you reviewed the importance of project evaluation through tracking progress, measuring and verifying savings, and reviewing your action plan. It is important to understand the outcome of your team's labor to ensure that you are making the most of your investment. You can use the checklist below to measure your progress towards completing Step 6.

1. **Track progress:** Observe the benefits of your investments. Have discussions with your staff on how the improvements are affecting property comfort and usability in addition to the savings and emissions reductions.
2. **Measure and verify your savings:** Generate reports within Portfolio Manager and use the tool to assess the effect of the project on your property's energy consumption over time and to help you plan continuing improvement.
3. **Review your action plan:** Go through what worked and what didn't work so you can better plan your next project. Solicit feedback from staff and customers to get a fuller picture of the project.

After your energy team has completed these tasks, you may think you're finished with the process of improving your property's energy efficiency. Indeed, most of the hard work is done! All that is left to do is to receive appreciation and recognition for your team's efforts, and encourage others to practice energy efficiency with your story. Continue on to Step 7: Recognize Achievements, where you will learn how to share your business' story and gain official recognition for all of your team's hard work.

## Step 7. Recognize Achievements

Providing and seeking recognition for your achievements sustains momentum and supports your energy program. Acknowledging the individuals who helped your business achieve results motivates employees and brings positive exposure to the energy management program. You and everyone who is part of your success can congratulate each other publically through reciprocal promotion. Recognition from outside sources validates the importance of your work to both internal and external stakeholders, and provides positive exposure for the organization as a whole.

Step 7 provides guidance on:

- How to recognize achievements internally
- How to solicit external recognition for your business.

### 7.1 Provide Internal Recognition

Recognizing the accomplishments of the energy team, as well as the employees in your organization, sustains momentum for your energy management program. Rewarding particular efforts defines what constitutes success and motivates your employees through increased job satisfaction. In order to provide recognition, first determine recognition levels, then establish recognition criteria, and determine recognition type.

#### *Determine Recognition Levels*

The decision about who should receive recognition in your organization will likely be shaped by the purpose for providing recognition and your organizational culture. Common recognition levels include:

- **Individual.** Acknowledge the contributions and accomplishments of specific people, such as your Energy Team Leader, or everyone who contributed to your success
- **Team.** Recognize the achievements of your Energy Team
- **Department.** If your business owns its own property, you can reward the performance of a department or an area of your business.

#### *Establish Recognition Criteria*

Create criteria for recognition and communicate these criteria and any process eligibility requirements. Recognition criteria might include thresholds of achievement such as: **1)** offered the best energy savings ideas; **2)** achieved the greatest energy use reduction; and **3)** increased savings by a certain amount.

#### *Shari's Café and Pies, Pacific NW: Highlighting Success through Recognition*

*Shari's Café and Pies is a restaurant chain in the Pacific NW that has a number of locations. To increase participation in their energy efficiency programs, they focus on both internal as well as external recognition. Internally, they distribute a bimonthly newsletter to managers and employees spotlighting locations that exceeded expectations on energy or water reduction—and employees can share success stories. Shari's has been recognized externally at both the local and national level for the energy- and water-efficiency programs implemented in their restaurants. They were awarded the Oregon Sustainability Award for 2013, were named the City of Richland's 2013 Green Business of the Year, and the Portland Business Journal honored Shari's with the BetterBricks Award—the first restaurant to win this title. Learn more at [www.energystar.gov/smallbiz](http://www.energystar.gov/smallbiz)*



## Determine Recognition Type

There are a variety of ways to provide recognition and rewards. Forms of recognition can range from formal acknowledgements and certificates, to salary increases and cash bonuses, to simple forms of appreciation such as coffee mugs or energy program shirts. You may consider:

- Asking the owner or a senior manager to provide the recognition
- Using a formal means for providing recognition, such as an award ceremony
- Using progress evaluations to inform the recognition process.

## 7.2 Receive External Recognition

Good work deserves to be acknowledged. Recognition from a third party provides validation for your business' energy management program. Not only does it provide satisfaction to those involved in earning the recognition, but it can also enhance your business' public image. A solid reputation contributes to your competitive advantage by making your business more attractive to customers, current and potential employees, lenders, business partners, and other stakeholders.

Communicate, communicate, communicate! Others cannot recognize what they don't know. Tell your success story through Facebook, YouTube, Twitter/Vine, and other social media. You can use the ENERGY STAR Resource on Planning a Communications Strategy and/or the ENERGY STAR Communications Toolkit which can be found at [www.energystar.gov/communicate](http://www.energystar.gov/communicate). The toolkit has a number of valuable resources to help your business share its work and results. Additionally, ENERGY STAR posts success stories on its website that showcase exceptional results and would be pleased to work with you to share your story. If you are interested in working on a success story to showcase your business' efforts, you can contact the ENERGY STAR Team at [energystarsmallbiz@energyandsecurity.com](mailto:energystarsmallbiz@energyandsecurity.com).

### *Super 8 Ukiah, Ukiah, Calif.: Recognition for all-around Waste Reduction*

*The Super 8 Ukiah, the only ENERGY STAR-certified hotel in Ukiah, focuses on efficient waste disposal and energy- and water-saving strategies at their property. They also use bio-degradable, recyclable, and organic products for as many tasks as possible. For this and other initiatives, they have received award recognition including the "Champion of Green" award from Wyndham Hotel Group, the "Award of Excellence" from Tripadvisor.com, the "Pride of Super 8 & Spirit of Super 8" from Super 8 Worldwide, Inc., and the "Business of the Year Award" from Chamber of Commerce, Inc. Learn more at [www.energystar.gov/smallbiz](http://www.energystar.gov/smallbiz)*

Other ways to gain recognition for your business' energy management efforts can include:

**Partnership Programs.** Participate in established groups, such as government agencies, trade associations, or regional energy conservation groups to demonstrate commitment to achieve results. Join the ENERGY STAR Small Business Network at [www.energystar.gov/joinbuildings](http://www.energystar.gov/joinbuildings).

**Performance Standards.** Meet widely recognized standards of performance, such as those established by ENERGY STAR, that reflect superior performance.

- **ENERGY STAR Certification for Existing Buildings.** Some facilities as highlighted in Step 2: Assess Performance, are eligible to receive the ENERGY STAR when the Portfolio Manager tool scores the energy use of the building at 75 or higher on EPA's 1 – 100 ENERGY STAR scale. The integrity of the score is assured by the requirement that all data be verified by a licensed Professional Engineer or a Registered Architect. For more information, see [www.energystar.gov/buildingcertification](http://www.energystar.gov/buildingcertification).
- **Designed to Earn the ENERGY STAR for New Construction.** Your business may have the opportunity to do-it-right the first time by insisting on new building design and construction that addresses the costs and benefits of energy and water efficiency in a business-like bottom-line approach. The incremental cost of optimal energy and water efficient design, materials, and systems for new construction is much smaller than having to retrofit poor design and cheaper equipment that costs more to operate in the long run. EPA works closely with the American Institute of Architects, and with its participation created online tools to help architects design for optimal energy performance and long-term cost savings. Based on this partnership, design projects that receive an EPA energy performance score of 75 or higher from the online Target Finder tool at [www.energystar.gov/targetfinder](http://www.energystar.gov/targetfinder) are eligible for "Designed to Earn the ENERGY STAR" recognition.



**Awards, Challenges, and Competitions.** Participate in ENERGY STAR Competitions and Challenges to see how much energy and water your property can save—with opportunities to earn recognition from ENERGY STAR for your successes.

- **ENERGY STAR National Building Competition.** Energy managers at commercial buildings in every state compete to see who can save the most energy and water. Competitors will work off the waste through improvements in energy and water efficiency and can receive recognition for achieving specific reductions. More information is available at [www.energystar.gov/battleofthebuildings](http://www.energystar.gov/battleofthebuildings).
- **ENERGY STAR Challenge for Industry.** This challenge is designed to help energy managers and industrial sites improve energy performance and set goals. Industrial sites participate by committing to the pre-established goal of reducing energy intensity by 10 percent within 5 years or less. To learn more about participating, see [www.energystar.gov/industrychallenge](http://www.energystar.gov/industrychallenge).
- **ENERGY STAR Guide to Energy Efficiency Competitions.** If your business is interested in setting up or participating in a competition, see the ENERGY STAR Guide to Energy Efficiency Competitions at [www.energystar.gov/competitionguide](http://www.energystar.gov/competitionguide) which can take you step-by-step through the process.

## 7.3 Review - Recognize Achievements

In Step 7, you looked at different ways to recognize key individuals and the team of people that created and executed your business' energy management program. You also learned various ways to share your business' story and solicit external recognition. Use the checklist below to measure your progress towards completing Step 7.

1. **Provide internal recognition:** Publically recognize those who made the energy program succeed.
2. **Tell your story:** Share your team's results with other businesses through traditional and social media, such as local newspapers, community "bulletin board" websites, Twitter, and Facebook.
3. **Contact ENERGY STAR about writing a success story featuring your business:** To receive a fill-in format, or to learn more, contact us at: [energystarsmallbiz@energyandsecurity.com](mailto:energystarsmallbiz@energyandsecurity.com).
4. **Plan an energy efficiency competition in your workplace:** Enter a competition that supports a good cause and inspires excellence. Check out the *ENERGY STAR Guide to Energy Efficiency Competitions* guide at: [www.energystar.gov/competitionguide](http://www.energystar.gov/competitionguide). All buildings can participate in EPA's National Building Competition at [www.energystar.gov/battleofthebuildings](http://www.energystar.gov/battleofthebuildings).
5. **Apply for ENERGY STAR certification:** More than 85% of American households recognize the ENERGY STAR. Your community will appreciate your business' contribution to environmental protection. Go to: <http://www.energystar.gov/buildingcertification> and learn more about eligibility.

## Next Steps

Now that you're familiar with the ENERGY STAR Action Workbook, we invite you to explore or download the Workbook Appendices from [www.energystar.gov/smallbiz](http://www.energystar.gov/smallbiz) and review the worksheets, checklists, and assessment tools for office equipment, lighting, heating/cooling, and other building systems. You will also find guidance on getting started with Portfolio Manager, energy audits, working with contractors, project financing, and additional online resources. Don't forget—you can find frequently asked questions or email your own questions anytime to ENERGY STAR tech support at [www.energystar.gov/buildingshelp](http://www.energystar.gov/buildingshelp). Good luck and let us know about your success!