

Increase Success with Industrial Customers by Partnering with Trade Allies

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ABSTRACT

Since program inception in 2003 Efficiency Maine has used program allies to help deliver the Business Program to the commercial and industrial market segment. A primary focus of program outreach was to “sign-up” contractors (electricians, HVAC, refrigeration) to participate in the program. No training was involved; just a willingness to help fill out application forms and install qualifying measures. This effort resulted in 500 program allies with less than 20% actively participating in the Business Program and less than 10% delivering over 85% of the annual electrical savings associated with installed energy efficiency projects. The majority of these projects involved upgrades to energy efficient lighting.

In the fall of 2009 Efficiency Maine initiated the Qualified Partner Program (QP) requiring training attendance to become certified and proof of minimum insurance levels. In turn Efficiency Maine would provide much more support, a QP website with improved visibility and communication regarding project status and direct access to technical staff.

The goal of this new effort was to engage a broader group of allies with more program expertise resulting in more energy efficiency projects and greater electrical savings.

INTRODUCTION

Many efficiency programs around the US use trade allies as part of the delivery model when engaging commercial and industrial customers. Efficiency Maine has elevated that relationship to a “partnership” by training and certifying contractors, suppliers, manufacturer’s reps, and consultants for an advanced level of program participation. Efficiency Maine has always relied upon the trades as an integral part of the program delivery model. A Qualified Partner (QP) program was recently implemented consisting of a required half-day training session, a commitment to minimum program participation levels, maintained insurance, and QC procedures. Prior to the QP program there were a large number of contractors on the Efficiency Maine list but less than 10% were contributing to project identification and completion. Program participation benefits include:

- Training on energy efficiency cross cutting and industrial process technologies
- Access to their own project status web page
- Direct access to Efficiency Maine technical staff
- Monthly electronic newsletter with program updates and technical information
- Participation in an Efficiency Maine QP advisory committee
- Annual performance awards
- Increase in business opportunities as a result of Efficiency Maine promotional efforts

The results of the Qualified Partner program include better defined and documented projects, valuable program design feedback, better representation of Efficiency Maine to commercial and industrial customers, and increased interest in the program by trade allies with historically low participation rates. Efficiency Maine is a statewide effort administered by the

Efficiency Maine Trust (EMT) and funded by electric customers through a System Benefit Charge (SBC). The program is designed to promote the more efficient use of electricity, helping Maine residents and businesses reduce energy costs and improve Maine's environment. The program is operated by a contractor delivery team and delivered through trade allies and through direct marketing and contact with customers.

Efficiency Maine was introduced in 2003 as a residential program; the business program was added in 2004. The combined program offers guidance, technical assistance, and cash incentives to Maine residents, commercial and industrial customers, municipalities including schools, and nonprofit organizations. Efficiency Maine has quickly become a recognized success, securing a viable energy conservation resource for the state, while transforming an energy efficiency marketplace that had previously lagged behind the region. The Business Program is credited with focusing on sector needs rather than simply promoting technologies across sector lines. It was also the first program in the region to mandate premium high performance T8 (Super T8) technologies for commercial lighting incentives; a step that all other New England programs followed.

Understanding of Customer/Market Needs

Maine has one of the most complex and difficult-to-serve markets in the United States. Although its population is only 1.3 million, the state covers a land area of over 30,000 square miles for a population density of only forty-one persons per square mile; approximately half the overall population density of the United States. The population density of Maine's largest county (Aroostook) is only eleven persons per square mile. The drive from Kittery in the south to Madawaska on the Canadian border covers 395 miles and takes over 8 hours. Additionally Maine has an extremely diverse business community. Small family-owned businesses dominate, but in addition Maine has a large papermaking and wood-products industry employing thousands of workers. Significant Maine business sectors include:

- Hospitality
- Agriculture
- Shipbuilding
- Papermaking
- Logging and lumber processing
- Healthcare
- Recreation
- Commercial fishing

Because the financial resources available through Maine's system benefit fund are limited, the Delivery Team identified contractors early on who could act as "surrogate staff" to deliver the benefits of the program to their customers in their communities. During the early days of the Business Program many contractors were signed on as "program allies." The criterion for involvement was basically an expression of interest by the contractor. Delivery Team field staff actively solicited participation from any firm that provided energy efficiency related services. The technical staff then supported these program allies with training, technical support, and promotion of their efforts through advertising and earned media. The technical staff, field staff,

and program allies worked together to implement program enhancements and strategies that would improve program cost-effectiveness, participation, and public awareness and support.

New Directions

From 2004 to 2007 Efficiency Maine enlisted over 500 program allies whose company names were available on the Efficiency Maine website. The list included electrical, refrigeration, HVAC, and compressed air contractors as well as consultants, A&E firms, and equipment suppliers. Of these 500 firms less than 20% were actively participating in the Business Program and less than 10% were delivering over 85% of the annual electrical savings associated with installed energy efficiency projects. The majority of these projects involved upgrades to energy efficient lighting but more complicated technologies such as refrigeration, compressed air, and HVAC were not being adequately addressed, particularly in the large commercial and industrial sectors. This combined with increasing annual MWh savings goals in the commercial and industrial sector prompted the Delivery Team to move the program ally network to a new level.

The first initiative involved the formation of advisory committees made up of program allies who were heavily involved in the program delivery and project implementation. Efficiency Maine held multiple meetings in three locations around the state to ensure proper representation of all the various markets and geographic regions. The meetings were designed to provide a forum for input on the attributes of a new program ally network. During the meetings attendees were amenable to some sort of “certification” for companies who were involved in the Business Program. They felt this would give credibility to participating program allies. In return for the certification, program benefits were jointly developed that included the following:

- Training on energy efficiency cross-cutting and industrial process technologies
- Access to their own project status web page
- Direct access to Efficiency Maine technical staff
- Monthly electronic newsletter with program updates and technical information
- Participation in an Efficiency Maine QP advisory committee
- Annual performance awards
- Less stringent project pre-approval levels
- Increase in business opportunities as a result of Efficiency Maine promotional efforts

The new initiative was named the Qualified Partner program (QP) and started with eight training sessions around the state. Trainings were conducted during a 4-hour period and covered program overview, application processing, and the associated technologies as well as the benefits to participating contractors. All attendees were asked to fill out an official Efficiency Maine Qualified Partner application and were asked to mail in proof of liability insurance in order to receive their certificate of completion and be eligible to participate in the program. In order to maintain their “certified” status the QP’s had to complete at least three projects per year and receive high marks on their quality assurance surveys.

The new partnership with the certified Qualified Partners is evident in the increased level of program participation and involvement with the Efficiency Maine staff. The technical and field staff who in the past provided guidance and answers now work directly with the Qualified Partners to develop and implement energy efficiency projects with customers. This partnership insures projects are pre-qualified and accurate savings analyses are developed on custom

projects. Since the inception of the new QP program many more non-lighting projects are being implemented in the larger C&I segment and have included custom compressed air projects at industrial facilities, large chiller replacements, thermo cooling technology at a semiconductor facility, and a refrigeration upgrade at a blueberry processing operation just to name a few. The increased involvement by the QP's coupled with a closer working relationship with Delivery Team staff has made a noticeable difference in program results. The QP's feel that the certification process has real meaning and creates an endorsement by Efficiency Maine. This establishes much more credibility in the market place and truly a more experienced and educated network due to the training and support they receive from the program.

Results

Table 1 shows the 2009 versus 2010 results of the new QP initiative. Custom applications increased significantly (196%) as did incentive payments to customers (238%) and the associated energy savings from project implementation (230%) in 2010 versus 2009. Some of the improvement can be attributed to limited time promotional incentives but the real driver was the enhanced effort by the QP's coupled with the more cooperative approach with Delivery Team personnel. One notable exception is the Custom HVAC category where there were fewer projects in FY11. This is primarily due to multiple projects being completed at one site in 2009. It should also be noted that in addition to the increased number of projects the average savings per project in most categories also increased. Although the C&I customer class can participate in both the custom and prescriptive programs, this particular table includes data from custom applications only to demonstrate the increase in the larger, more complex projects related to the C&I market segment.

Table 1: Summary of Processed Incentives by Project Type

Project Type	# of Projects		Total Incentives Paid		kWh Savings Savings	
	2009	2010	2009	2010	2009	2010
	Custom Comp. Air	23	38	\$ 400,236	\$ 1,078,298	1,960,241
Custom HVAC	12	8	\$ 494,782	\$ 264,479	1,904,031	1,076,246
Custom Lighting	19	73	\$ 180,332	\$ 406,393	1,115,814	2,585,435
Custom Misc	22	32	\$ 275,460	\$ 1,712,475	1,828,625	5,603,869
Custom VFD	15	28	\$ 211,059	\$ 267,964	1,727,041	3,234,721
Totals:	91	179	\$ 1,561,871	\$ 3,729,613	8,535,752	19,677,027

Tables 2, 3 and 4 show the annual data in separate graphical form.

Table 2: Number of Projects

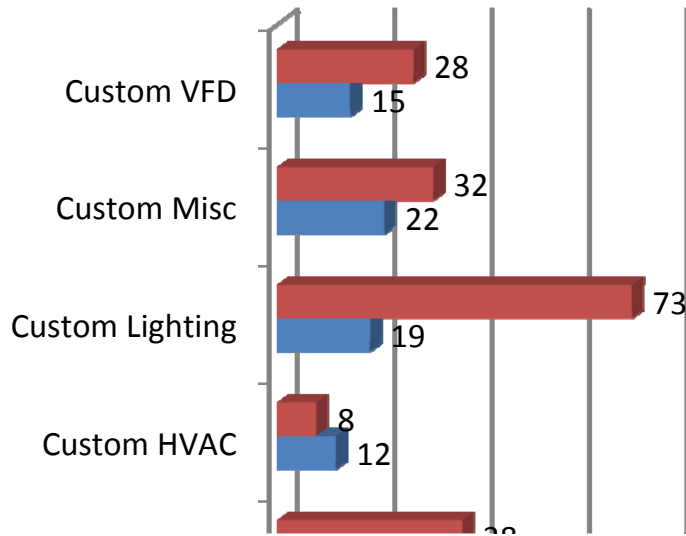


Table 3: Total Incentives Paid

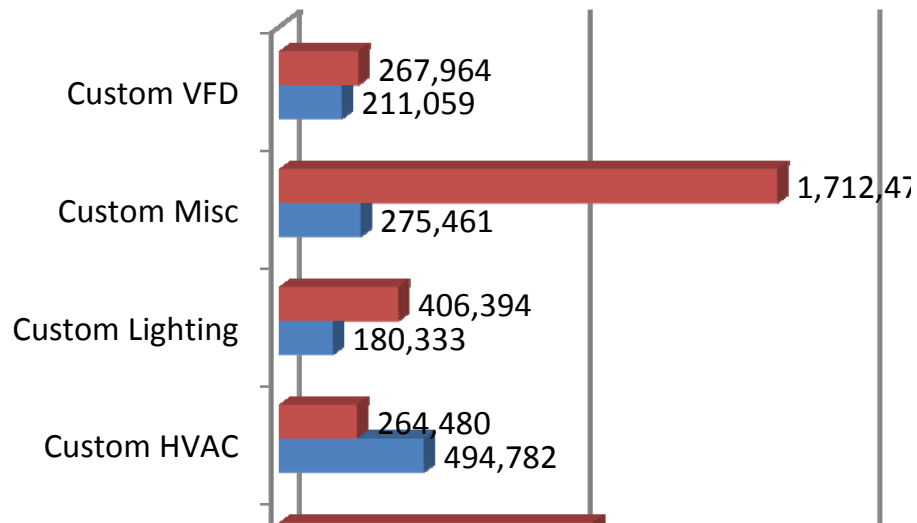
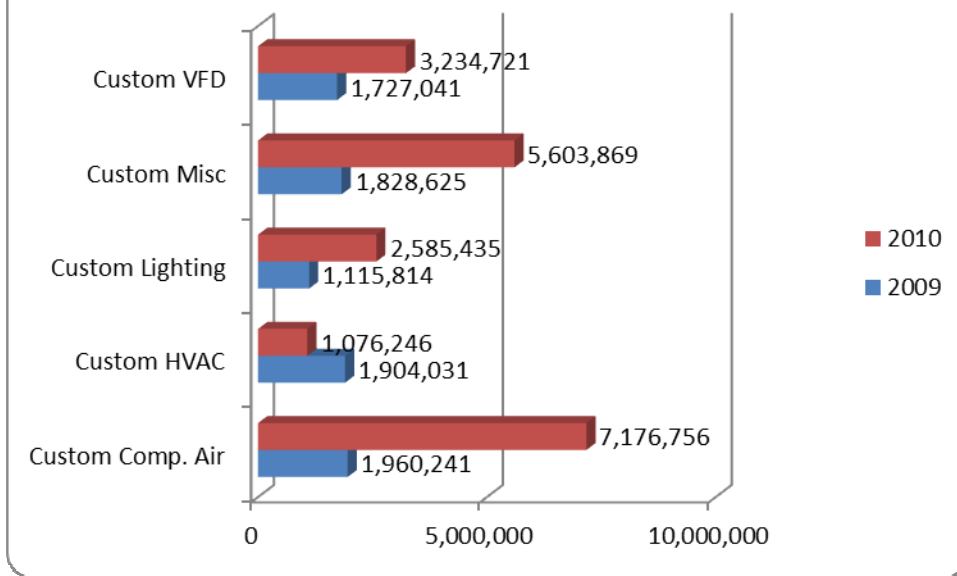


Table 4: kWh Savings



Of the total number of projects, 23% involved the largest customers in Maine. These projects garnered approximately 40% of the incentive dollars while producing over 60% of the total Business Program savings in calendar year 2010.

Overall Business Program results for FY11 are presently at 108% of goal at 42,137 MWh with over 2 months left in the program year. We expect to achieve at least 115% of goal by year end, June 30, 2011.

Rewards

Efficiency Maine held its first annual Qualified Partner Awards banquet in the fall of 2010 to recognize those who truly did an outstanding job. The banquet included entertainment, dinner, and a ceremony in which eight awards were given in the following categories:

- Most Completed Projects by Contractor
- Most Completed Projects by Supplier
- Largest Lighting Project
- Largest Mechanical Project
- Best Process Improvement
- Most Comprehensive Project
- Contractor of the Year
- Supplier of the Year

Attendees were very appreciative and the event demonstrated Efficiency Maine's commitment toward the program and its members. Half-page ads and group photos were placed in all the major newspapers to announce the winners.

Meet Maine's Megawatt Stars:

"We're pleased to honor our Qualified Partners, who uphold the highest standards of energy-efficiency practices and service. Their daily efforts are what makes efficiency possible in Maine."

—Michael Stoddard, Efficiency Maine Executive Director



Efficiency Maine Executive Director, Michael Stoddard (L), and Delivery Team Director, Bruce Harrington (R), pose with the winning Qualified Partners. (L to R) Tracy Barber, Creative Sales, CED Gilman Electric; Jeff Hanson, President, Energy Management Consultants; Greg Ascutt, Sales Manager, Trask-Decrow Machinery; Jennifer Hanson, Inside Sales, CED Gilman Electric; Chris Green, President, Mechanical Services; Kerry Radford, Branch Manager, Graybar Electric Supply; JD Lloyd, Project Manager, Investment Engineering; Dan Kaplan, Vice President, Kaplan Electrical Construction

Nearly 300 of Maine's leading energy-efficiency professionals have undergone our comprehensive training program to become Efficiency Maine Qualified Partners. They help Maine employers select and install equipment that generates lifetime electricity savings of nearly \$50 million each year...which can help keep good jobs in Maine. Qualified Partners were honored in eight categories at the first annual Awards Banquet on October 21:

1. **Qualified Partner of the Year:** Trask-Decrow Machinery, South Portland
2. **Contractor of the Year:** Energy Management Consultants, South Portland
3. **Supplier of the Year:** CED Gilman Electric, Newport
4. **Most Completed Projects (Contractor):** Mechanical Services, Portland
5. **Most Completed Projects (Supplier):** Graybar Electric Supply, Portland
6. **Most Comprehensive Project:** Investment Engineering, Yarmouth
7. **Largest Lighting Project:** Kaplan Electrical Construction, Winthrop
8. **Largest Mechanical Project:** Mechanical Services, Portland



Leading the Way to a Brighter Future



Find a Qualified Partner or Become One!

Visit the [All Work](#) section of [efficiencymaine.com](#) to [Find a Qualified Partner](#) to help your business save on electric bills. If you're a contractor or supplier of energy-efficiency equipment and want to get off the sidelines and into the game, find out how you can train to [Become a Qualified Partner](#). Call 1-866-376-2463 for more information.

Conclusion

The change from a run-of-the-mill program ally network to a more structured Qualified Partner program with clear expectations and benefits has moved portions of the Business Program toward a more market-based approach with excellent initial results. The general goal of any energy efficiency program is to move toward a market approach where the sponsoring organization can play less of a role and therefore reduce the cost of delivery.

Another noticeable improvement has been the quality of incentive applications submitted to Efficiency Maine by participating QP's. The level of detail and accuracy has increased making review and approval much easier.

Since inception of the new QP program Efficiency Maine has reinstated the advisory committees. Feedback from the participating organizations regarding the new program and associated changes has been very positive.

Moving Forward

Efficiency Maine expects to continue with more in-depth training opportunities for the QP's to help develop market sector experts i.e. refrigeration, HVAC, compressed air, etc. This focus is designed to move the project identification and development to reach even further into the commercial and industrial segment with more comprehensive projects. We will also investigate an additional tier of QP's promoting those who have completed multiple projects with excellent quality assurance results. The Efficiency Maine website will include a QP locator

that allows customers to search for Qualified Partners in their area and access projects completed, quality assurance ratings, areas of specialty and contact information.

References

For further information regarding the Efficiency Maine Business Program or the Qualified Partner program please visit www.energymaine.com.