

Engaging Small Customers: Maximizing the Direct-Install Hook

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Small Commercial: Obstacles to DSM

- Limited time, knowledge, capital
- Half of small business owners lease their space
- Lack of contractor focus in this space



OPA Small Business Lighting: Overview

Eligibility

- <50kW

Delivery

- OPA sets the rules
- 70 LDCs responsible for implementation

Incentives

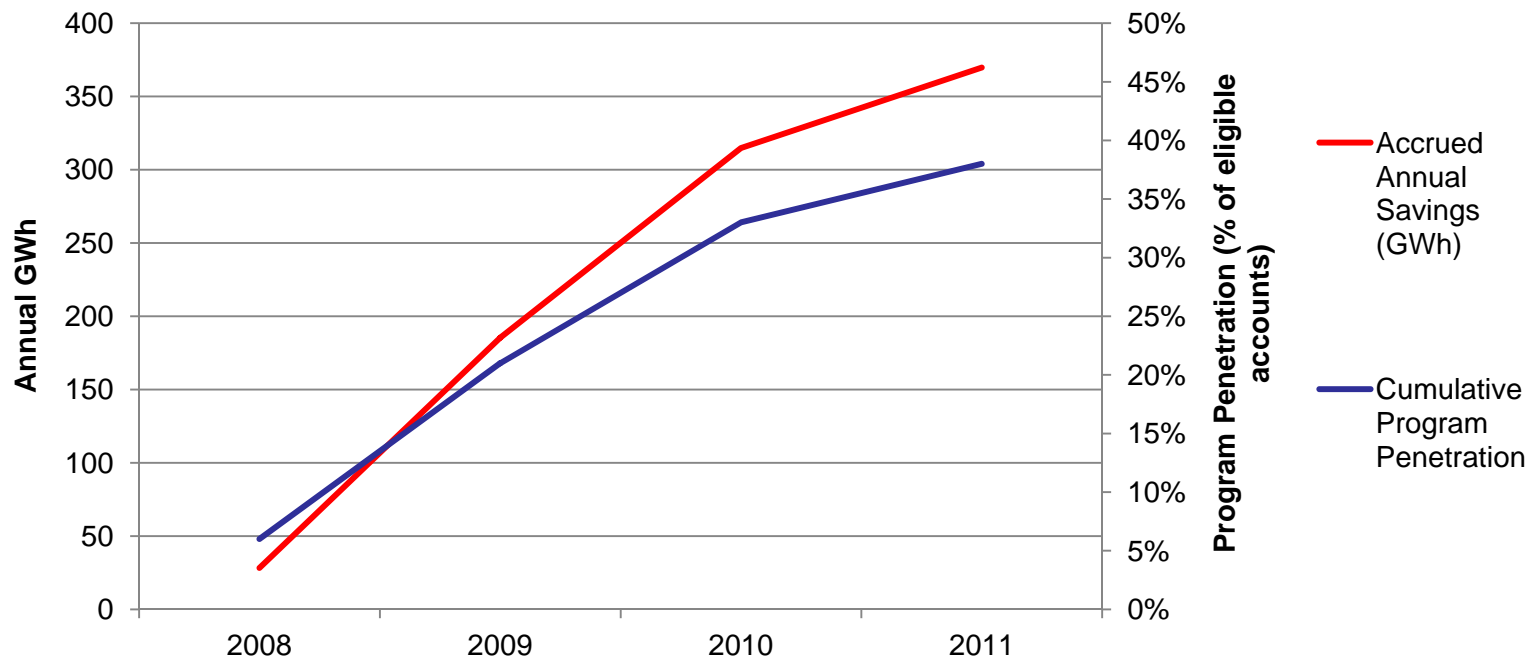
- 100% of cost up to \$1,000 (\$1,500 for 2012)
- Prescriptive incentives for measures installed above cap

Measures

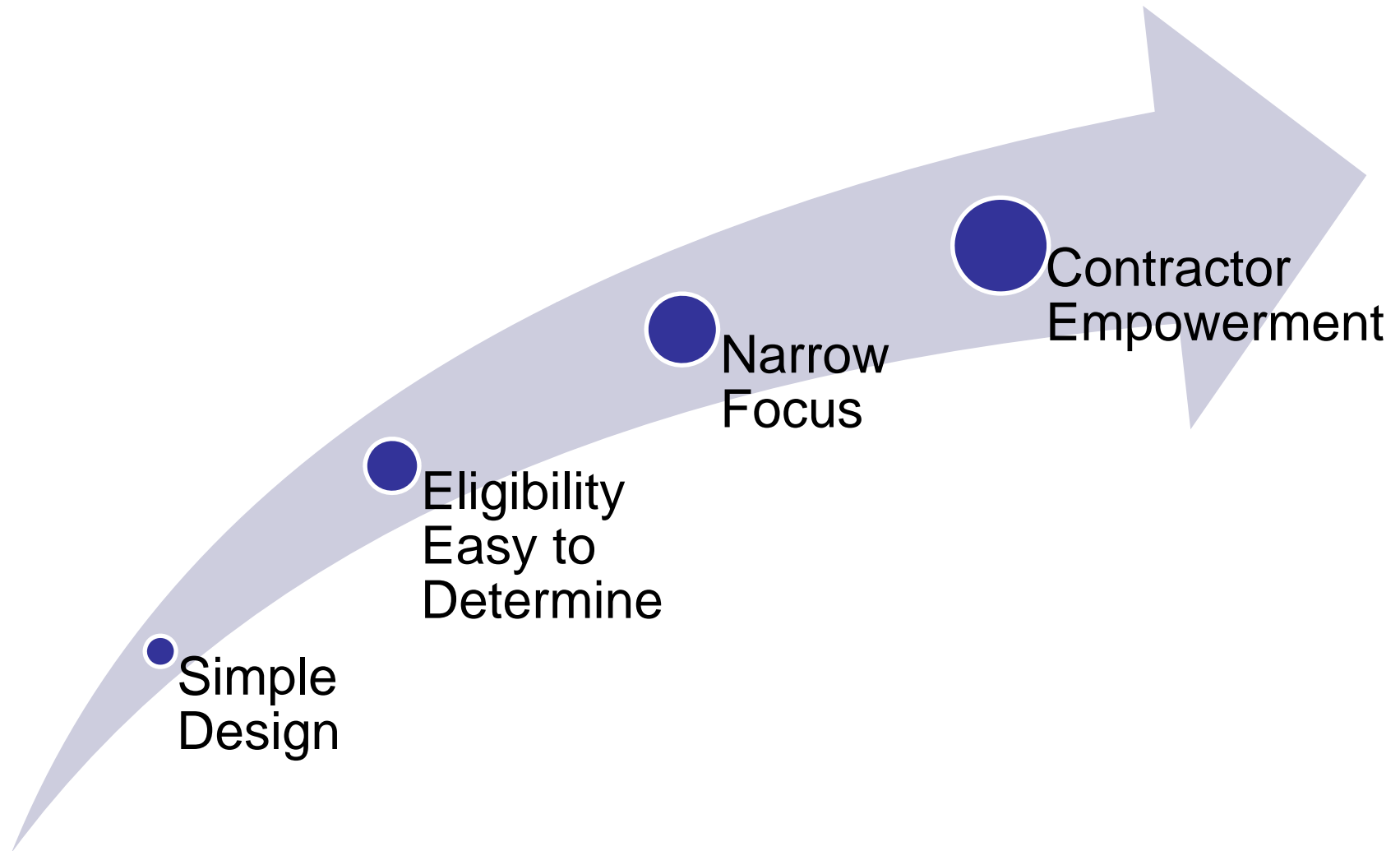
- Lighting (T12 to T8, Inc. to CFL, High Bay)
- Water Heating (Aerators, Showerheads, Insulation)

Business Boomed...

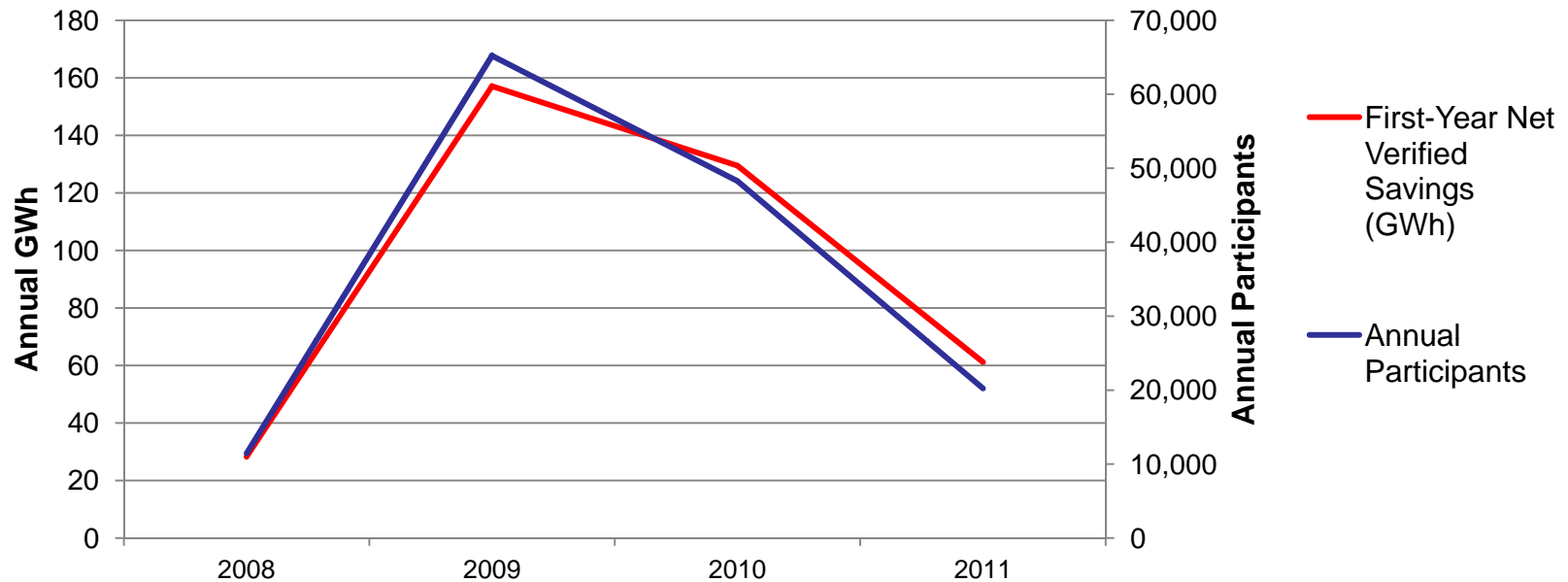
- Participant satisfaction: 3.8/4
- 400+ contractors



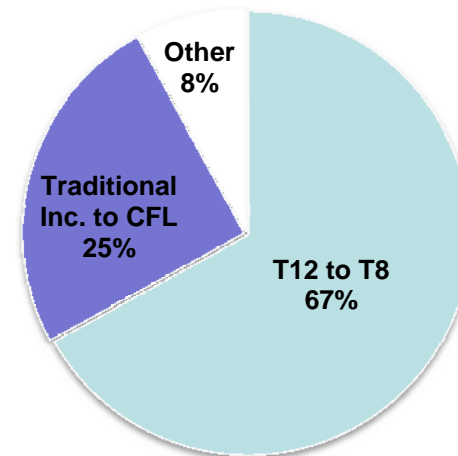
Elements of Success



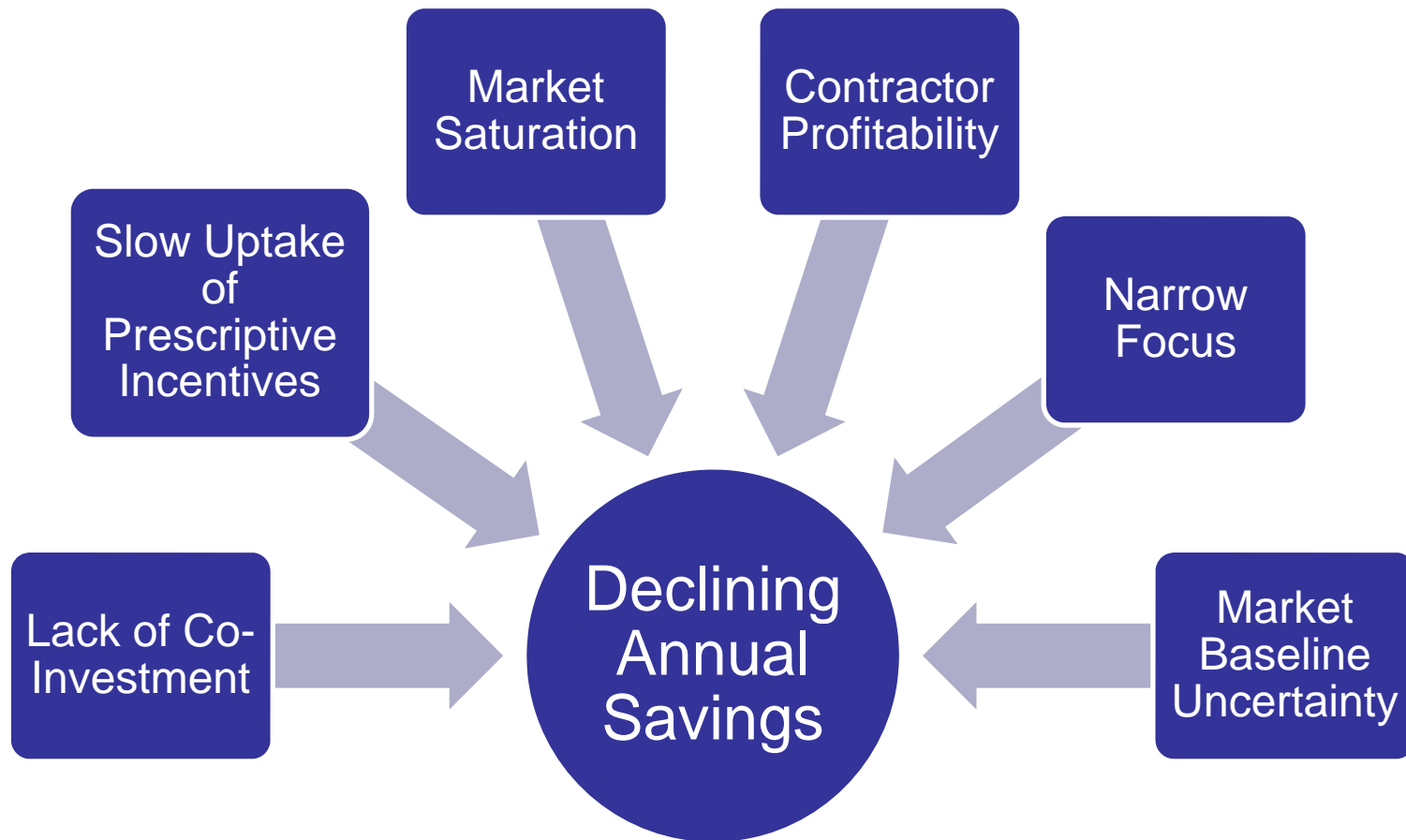
Hitting Headwinds



Savings weighted toward measures with forthcoming baseline uncertainty



On-Going Challenges and Future Uncertainty



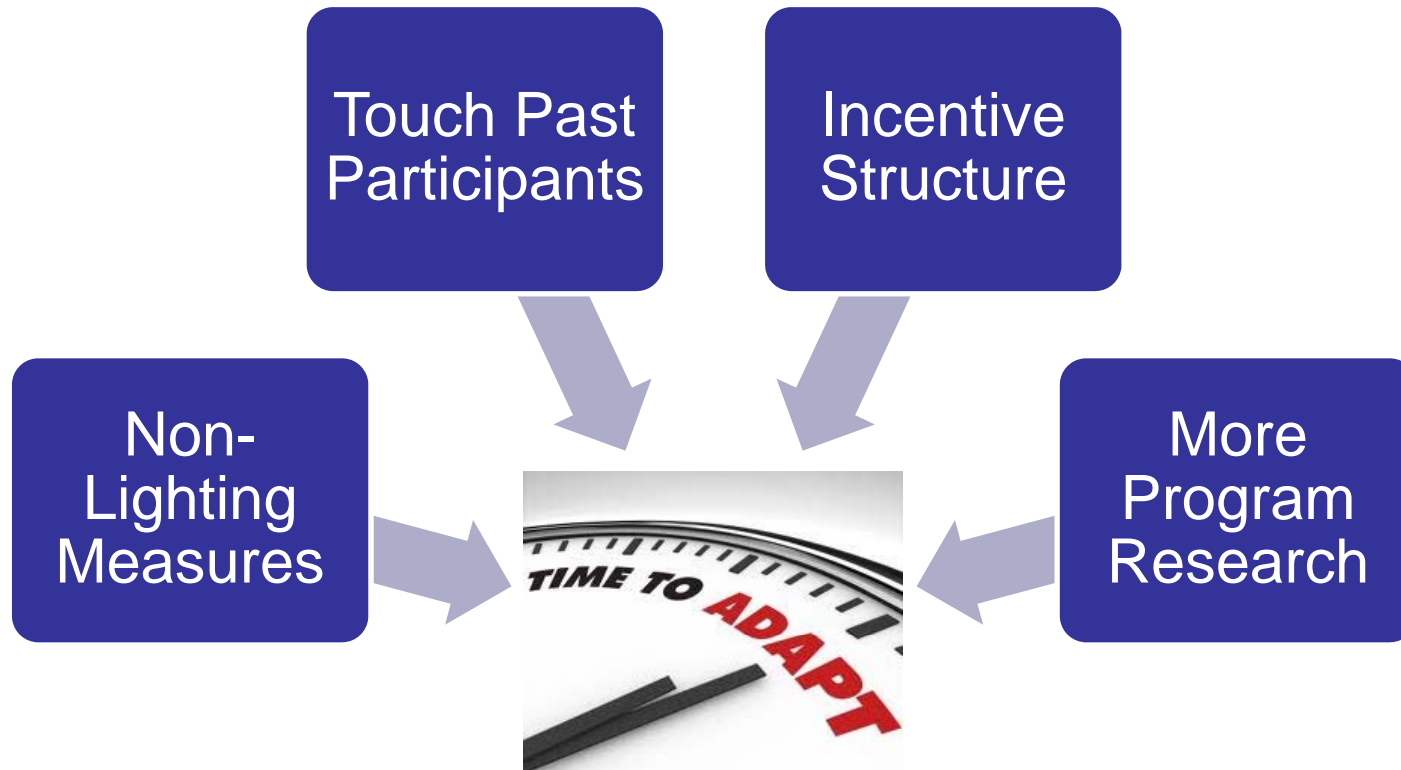
Lack of Capital → Lack of Co-Inv.



Other Small Business Programs

Utility	OPA	Southern California Edison	Con Edison	National Grid	Connecticut Light & Power
Program	Small Business Lighting	Non-Residential Direct-Install	Small Business Direct-Install	Small Business Energy Services	Small Business Energy Advantage
Participant Eligibility	<50 kW	<100 kW	<100kW	<100 kW	<200 kW
Eligible Measures	Lighting Water Heating	Lighting Refrigeration Window Film Vending Controls	Lighting Lighting Controls Vending Controls Prog. Thermostats Refrigeration	Lighting Lighting Controls HVAC Refrigeration	Lighting HVAC Refrigeration Compressed Air
Incentive Structure	-Free audit -100% of cost up to \$1,000	-Free audit -100% of cost up to \$10,000	-Limited measures (e.g., CFLs) at 100% of cost, most measures at 70% of cost.	-Free audit -70% of cost (no cap) -On-bill financing	-Free audit -30-40% of cost up to \$100,000 -On-bill financing
Avg. Project Size	\$980	\$1,500	N/A	\$5,500	\$10,000
Savings per Participant (kWh)	2,300	5,300	4,700	15,000	25,000

How Can the OPA SBL Adjust?



Conclusions

- Direct-install models based on lighting have been very successful
- Market saturation and code changes will severely limit long-term savings prospects
- To survive – pick up non-lighting measures and adjust incentive structure.

Contact

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