



*Ensuring that a Trade Ally Network
Delivers Your Energy Savings --
And at the Right Price*

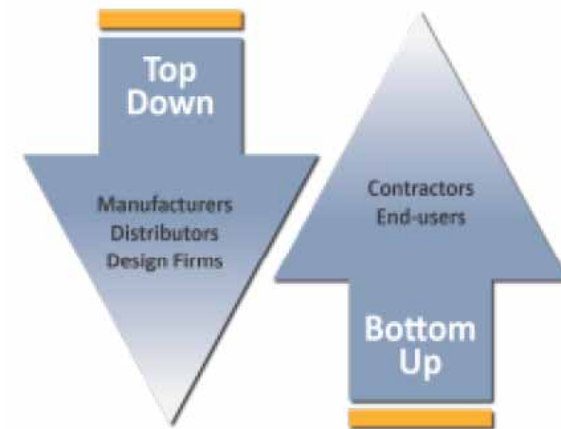
Agenda

- Why are Trade Allies Important – How do they affect your program cost effectiveness?
- Business Challenges
- Best Practices for Effective Management



Why Trade Allies Are Important

- Most cost-effective avenue to truly reach end-users
- Closing the energy savings loop – tying customers to trade allies to program operations and management
 - Project identification and conversion
 - Increased projects and savings
- Customer satisfaction
- Market knowledge and leverage
- Customer engagement & development



Questions to Consider

- What is your strategy for engaging trade allies to ensure you meet your energy savings goals?
- How actively are your trade allies participating – do you know?
- How do you recruit and engage contractors and vendors to participate in your programs? Is this tied to your back office operations?
- How do you connect your customers with your trade allies?
- How do you track and monitor contractor performance?



Trade Ally Management Challenges

- Design and implement streamlined partner application, approval, training and certification processes
- Effectively create and manage contractor and vendor awareness, engagement, motivation and quality participation
- Monitor, manage and improve contractor performance, realization rates
- Reduce administrative costs
- Ensure and increase program cost-effectiveness



Best Practices

- Effective design and program strategy
- Streamline and automate trade ally communication and engagement
 - Enable new channels for outreach and awareness
- Reduce cost
 - Reduce time to enroll new partners
 - improve and automate contractor invitation, application, approval process
- Ensure trade ally participation and follow through on service and installation of energy efficiency measures
 - Targeted and self-service resources and training
 - Marketing, communications, monitoring, reporting
- Improve contractor/vendor and customer satisfaction
 - Customers are connected to trade allies who are in turn connected to the utility program/back office operations and new business opportunities
 - Win/win...win



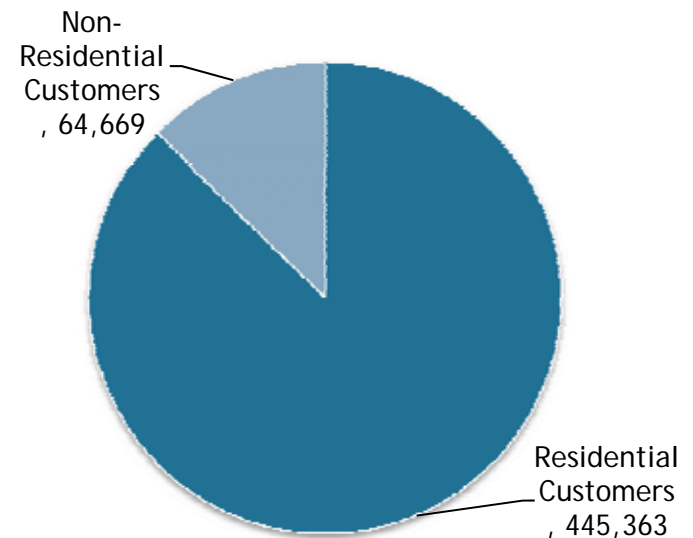
Example – City of Danville

- Focus on 50,000 residential customers
- Improved engagement through targeted resources and documentation
- Emphasis on recruitment and media advertising, market penetration



Example – Missouri Gas

- Small Business focus
- Missouri Gas Energy – Program design targeting Market barriers
- Serves over 500,000 customers in 155 western Missouri communities
- MGE utilizes an approved distribution rate structure that requires MGE to invest a minimum of \$1.5 million per year in new energy efficiency programs with a ramp up funding goal of .5% (approximately \$4M) of the company's gross operating revenues.
- Approximately 87% of the customers are residential and 13% of the customers are non-residential



Market Barriers and Strategic Change Agents

Market Barriers	Change Agents	Rebates	Recruiting and Maintaining a Qualified list of Trade-Allies	Top-Down Outreach Strategy	Support Trade Allies by helping them develop business models aligning with the sales of high efficiency equipment	Continuous Training, Quality Control, and Performance Monitoring	Emphasis on industry standard tests to verify quality of post implementation operation (like Manual J)	EM&V	Targeted interactive educational presentations made to Building Owners, Building Engineers and Trade Allies	Additional Notes
Price of Equipment (i.e., High Incremental Costs)		•			•					
Lack of Available Capital		•			•					
Low Standards/Professionalism in Installation Contractors			•			•	•			Employ continuous constructive mentoring tactics
Contractors not stocking/offering High Efficiency Equipment		•		•	•				•	Multi-pronged approach to ensure consistency in market messaging
Fraud/Misinformation			•							Ensure controlled program communication
Standards to show true performance							•	•		Establish well-defined program rules and guidelines
Accessibility to decision maker to sell energy efficiency		•			•				•	
Emphasis on quick-fix rather than invest in long term energy efficiency initiatives				•	•				•	Emphasis business models for trade-allies on life-cycle costs (including operational costs) and the non-energy benefits





Nexant, Inc.

101 Second Street, Suite 1000

San Francisco, California 94105 USA

mdrury@nexant.com

Tel: +1 415 369 1068

Fax: +1 415 369 9700

www.nexant.com



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