



Sample Energy Proposal Presentation

- This sample presentation is another component of NAED's *Selling Toolkit* based on the *Going Green – Inside & Out* research study generously sponsored by the Channel Advantage Partnership
- Tips for customizing your proposal presentation are located in the [“Slideshow Template with Notes”](#) paper
- Information on each slide is for demonstration purposes only and does not reflect current rate of costs or endorse any available incentives programs
- For additional information, see the related guide which contains explanations of how to conduct lighting/energy audits, research available incentives, present payback and return on investment (ROI) information, and reach the project's key financial decision makers

- The sample energy proposal presentation was produced in association with Yudelson Associates
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- The *Selling Toolkit* allows for great versatility in your energy management sales approach
- Customize your sales presentation based on your inventory of energy management solutions and services
- The notes below each slide image include links to incentive programs, calculators, and additional retrofits and upgrades you may also want to cover in your proposal
- The graphs, calculations, and information listed in the slides are based on a lighting audit and correspond to information in the [“Proposal Guide”](#)
- Additional tools and information regarding the research study can be found at www.tedgreenroom.com
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Company A's Energy Proposal Presentation

Providing you with all your
energy management needs

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Introduction

Why you should consider energy management product and services?

- Growing awareness of businesses' impact on the environment
 - Greenhouse Gas (GHG) emissions
 - Energy and water use
 - Waste and disposal of materials
- Rapidly changing technologies for more efficient, cost-saving operations
- Steady increase in the rates of utilities
- Number of tax and utility incentives to help offset costs of your energy management plan

- Provide a solid introduction or “big picture” to the reasons Company A should consider energy management product and services
- You may want to highlight the range of technologies and services that other companies are using to achieve their corporate sustainability goals as well

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Introduction

Why ABC Distributor?

- Extensive experience and qualified professionals with LEED AP and LC certification
- Proven track record –have worked with X number of companies
- Complete project within 3-month timeframe

What do we propose?

- 36% Return on Investment (ROI)
- 36-month payback
- Financing available – immediately cash flow positive

- What is the purpose of this project? How can you help customers achieve their energy management goals?
 - Meets technical criteria
 - Has economic justification
 - Can be accomplished in projected time frame
- Key people on your team who have expertise relevant to project
- You may also want to provide a brief overview of what you will be covering in presentation
 - For example: audit summary, costs (material, installation, recycling, material disposal), available incentives, payback, ROI (return on investment), financing, and environmental benefits

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Audit Summary—Current Energy Use

Company B: 6,000 sq. ft

Total: 22500 kWh

Lighting

Location	Type	Total Number	Avg. Watts	Length of Operation
Main Floor	T12	XX	XX	X hours
Main Floor	Incandescent	XX	XX	X hours
Second Floor	T12	XX	XX	X hours

- XX number and location of lighting controls (dimmers, occupancy sensors, if applicable)
- Additional information as needed

- Lighting is a great place for customers to start implementing their energy management goals
- Survey and add other usage examples if possible:
 - Plug loads
 - HVAC equipment (this may require outside help)
 - Fans (this may require outside help)
 - Motors (this may require outside help)
 - Pumps (this may require outside help)
- Analyze current energy demand
 - Both kWh energy use and peak kW power demand (breakdown by month if possible)
- See NAED's [Findings in Brief: Services & Solutions to Help Customers Go Green](#)

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Where to Save? Upgrades and Retrofits

Our Solution

- Replace T-12 lamps and fixtures with (HE T8 or T5) lamps and fixtures
= X kWh savings per year (\$X)
- Occupancy sensors
= 30-45% savings per year (\$X)
- Projected annual savings of \$XX

- Suggest initial upgrades and retrofits for customer:
 - Fixtures, lamps, and ballasts
 - Lighting controls/occupancy sensors
- Explain energy-saving benefits of retrofit equipment
- See “[Calculators](#)” at www.tedgreenroom.com for a variety of tools to help assess savings

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Additional Opportunities to Save

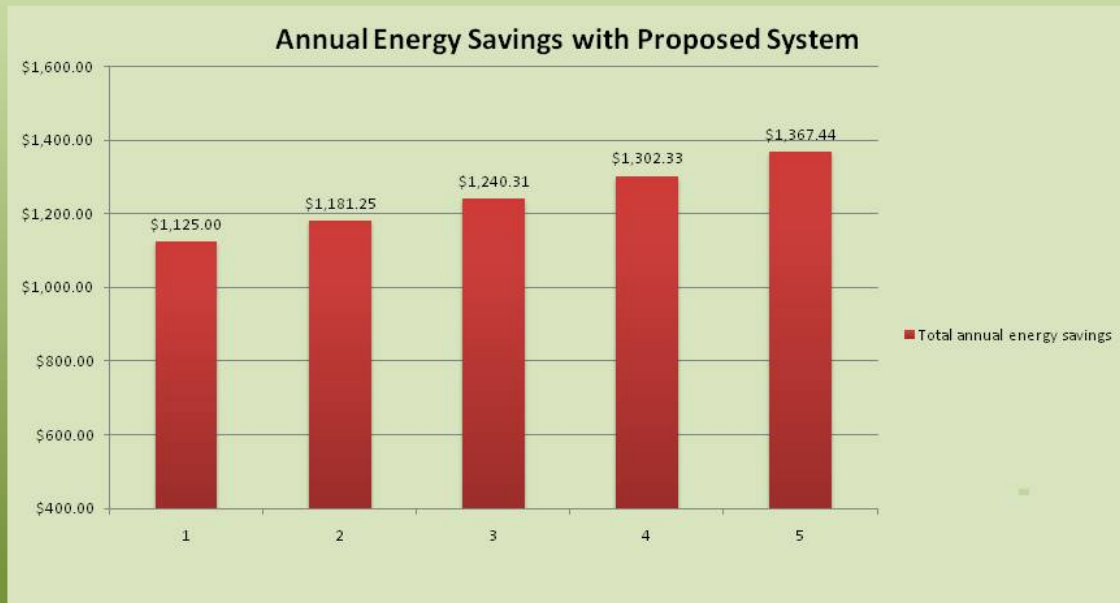
- Smart Meters
- Plug load controls
- Variable-Speed Drives/Motors
- Renewable energy

**We will be with you every step of the way during
the changeout process**

- If feasible, ask permission to show additional ways to save with upgrades and retrofits in other equipment categories:
 - Smart Meters
 - Plug loads
 - HVAC equipment
 - Fans
 - Motors
 - Renewable Energy
- You may also want to add a slide outlining the steps involved with the audit/changeout process to demonstrate your company's ability and know-how to handle such projects

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Energy Savings: Payback

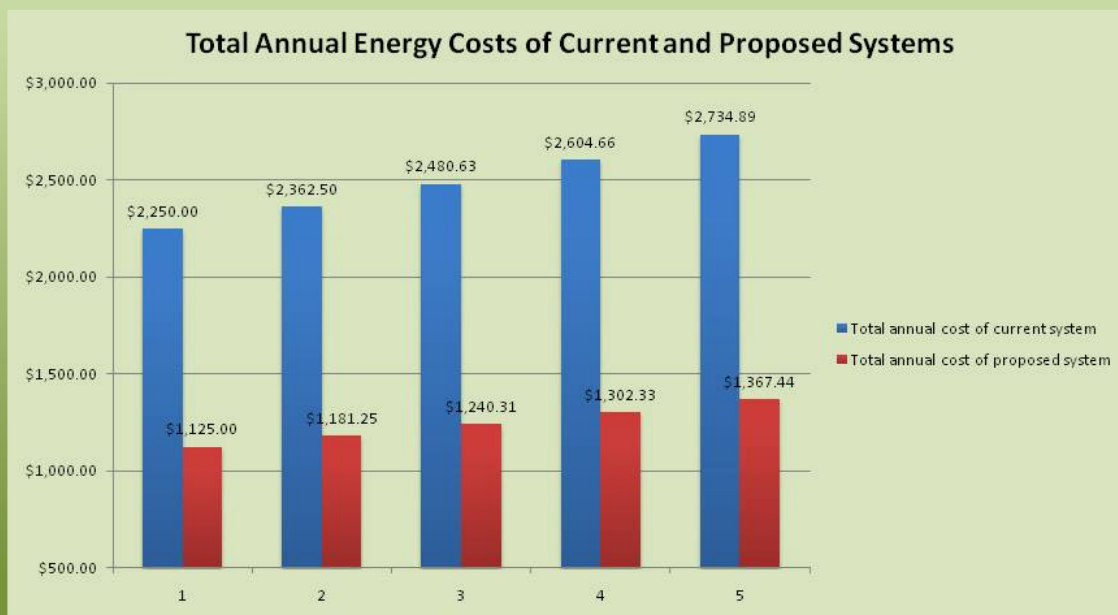


Example of energy savings by replacing 100 T12s with 100 T8s

- It may also be helpful to prepare various energy savings scenarios:
 - Business as usual (no retrofit)
 - Proposed system - low savings (partial retrofit; not all buildings or floors)
 - Proposed system - medium savings (lighting now, the rest later)
 - Maximum savings (full retrofit)
- Other customers may be more amenable to having the project divided into different phases:
 - Just lamp replacements
 - Lighting and lighting controls; occupancy sensors
 - HVAC, fans, pumps, motors, etc.

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Energy Savings: Comparison



- Besides the cost savings of proposed system, you may also want to illustrate a wide range of energy savings:
 - Show how your proposal will affect both demand charges (i.e., per kW charges) and energy charges (i.e., per kWh charges)
 - Include any special rates your customer has with the local utility
 - Show how inflation will likely affect future utility rates and savings
 - A safe bet might be to include 5% annual inflation in electricity prices
 - Focus on how reducing energy use now is a way to protect yourself from future energy price volatility
- Be sure to mention maintenance savings and other benefits
 - Longer-lasting lamps and ballasts (will last more than 2X what previous items did)
 - Maintained lumens
 - Energy benefits of reduced AC loads
 - Higher rates of productivity and safety
 - Less scrap

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Actual Savings: Company B

Utility bill for Company B, before retrofits:

Total: \$XX

Utility bill for Company B, after retrofits:

Total: \$XX

- Company B's project included XX number of retrofits and upgrades for a total savings of \$XX
- In addition to saving money on their utilities, they now have the benefit of lower maintenance costs as well

- You may want to include utility information (an actual utility bill, overall savings, etc.) from a satisfied company's retrofit and upgrade project to further underscore the cost benefits and your experience in the energy management market
- Be sure to mention maintenance savings and other benefits (see previous slide's notes for suggestions)

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Available Incentive Programs

Federal

- EAct (Energy Policy Act) tax deduction of up to \$.60/sq. foot for commercial lighting (must be the tax year project is placed in service)

State & Local

- ABC Utility offers \$.11 kWh incentive for occupancy sensors

We will help you complete the necessary paperwork for available incentive programs

- Review local, utility, state, and federal energy incentives available to your customer
 - [The Database of State Incentives for Renewables & Efficiency](#) – the most comprehensive source of information on federal, state, local, and utility incentives and policies that promote renewable energy and energy efficiency
 - [The Tax Incentives Assistance Project \(TIAP\)](#) – provides guidance for homeowners and businesses to take advantage of the Energy Policy Act 2005 (EAct), subsequent laws and federal tax incentives
 - The local electric utility may have other incentive programs. Be sure to understand all the details and paperwork requirements
- Offer to assist customer with the paperwork

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Adjusted Costs

Total Material Costs (fixtures, lamps, occupancy sensors, etc. Be sure to Specify sales tax if applicable)	\$300,000
Material Recycling and/or Disposal Costs	\$6000
Installation & Labor Costs	\$27,000
Incentives (utility rebates, etc. Subtract incentives from Materials, Recycling/Disposal and Installation Costs to arrive at Adjusted Proposal Cost)	(\$33,000)
Adjusted Proposal Cost	\$300,000

- In addition to incentives, be sure to mention the costs any other material recycling and/or disposal costs such as lamp recycling
- Whether you provide in-house lamp recycling services or offer pre-paid containers, be sure to include the costs for the amount of lamps that will be discarded or recycled
 - Itemize lamp recycling costs or include them in the bid; you'll have to decide which is more beneficial to the sale
 - For additional information and resources for proper lamp disposal see NAED's [Lamp Recycling Services in Electrical Distribution](#) case study or Lamprecycle.org
- Also review the costs of materials and labor
 - Be sure to know whether and how the customer's staff can provide some of the labor, such as with re-lamping
 - If you're working with a contractor to do the installations, be sure to understand how much they're willing to share some of the costs with building or facility staffs
- The final cost of labor can vary greatly so be sure to give your customers an accurate estimate of work (in some cases the labor cost may be as much as 50% of the materials cost)

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ROI

Initial Investment	\$300, 000
Annual Savings (initial Year)	\$100,000
Pay back (in years)	3 years
Rate of Return (internal)	36%

10-year annual return would be worth
approximately \$621,000

- Taking the earlier example, a \$300,000 investment with a 3-year payback (through energy savings) will result in a 36% annual Return on Investment (ROI) (assuming a 5% annual increase in energy prices)
- When presenting to the C-Suite, especially Chief Financial Officers, it is important to express project benefits in more conventional financial terms
- If you are talking to a building owner, explain how your project will increase building value (attract higher rents and show higher occupancy, along with greater resale value, using data available at www.tedgreenroom.com)

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Financing

- Available cash-flow neutral financing available including:
- Bank A
 - Terms
- Bank B
 - Terms
- ESCO A (Energy Service Company)
 - Terms
- We can help finalize details of contract with financing company

- Once customers see the bottom line (project costs vs. potential savings), they'll want to know their financing options, i.e., how to pay for the work
- Many distributors have partnered with banks and ESCOs to provide end-users with financing options, such as:
 - Loans
 - Equipment Leases, with future ownership
 - Energy Savings Performance Contracts
- You may want to help customer make contract with financing company

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Environmental Benefits

- We will help you measure the impact of your carbon footprint post-project:
 - For example, this retrofit alone would save carbon emissions
 - Reduction of XXX pounds of CO2 per year
 - Equivalent to XX cars

- Show how the project has numerous environmental benefits, like greenhouse gas emissions reductions:
 - For a rough estimate, you can use 1 metric ton of carbon reduction per 2,200 kWh of annual energy savings
- The U.S. Environmental Protection Agency offers a calculator that will convert the amount of energy saved into greenhouse gas emissions reductions: <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>
- For a variety of tools to help assess savings, see NAED's white paper "[Sustainability Performance Management Tools](#)" or "[Calculators](#)" at www.tedgreenroom.com

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Qualifications

- Completed X number of retrofit and upgrade projects – an overall savings of \$X
 - Company DEF (completed January 2008)
 - Company GHI (completed September 2009)
- We represent XXX Lighting – leader in energy efficient lighting
- Large inventory – 125,000 SKUs
- LEED AP and LC specialists on staff

- Be sure to describe and document what you've achieved in previous energy management projects
 - Offer performance information, if available
 - Offer customer testimonials
- Include any credentials your staff has earned, such as Lighting Certified (LC) or LEED Accredited Professional (LEED AP)
 - The Green Building Certification Institute recently changed future LEED AP accreditation requirements, so be sure to be up to date on these:
<http://www.gbci.org/DisplayPage.aspx?CMSPageID=28>

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Summary

Proposed solutions:

- 36-month payback period after initial investment
- Give your company a 36% ROI
- Total project costs \$300,000
- Additional options for other equipment categories
- Financing available
- Professional and knowledgeable staff with extensive experience

Next steps?

- Reiterate the reasons why your customer was interested in energy management in the first place and the reasons why this project meets those needs
- Make your proposal with an end in mind – have suggested next steps based on previous interviews with customers
- A thorough energy project proposal contains a great deal of information that potential customers are not prepared to put together by themselves; everything from material and installation costs, incentives, and energy savings to payback, ROI, and increases in building values.
- Your ability to put together all the pieces and demonstrate a convincing financial rationale will help you get the order!