

2024 Energy Smart Annual Report

Program summary

Energy Smart is a business energy efficiency assistance program developed by the Minnesota Waste Wise Foundation, a nonprofit affiliate of the Minnesota Chamber of Commerce, with the goal of leveraging connections to the business community via the Chamber.

Energy Smart provides an entry level energy efficiency consulting service, from initial meeting to project implementation. There is no co-pay to receive services in host utility areas. Energy Smart connects with small and medium-sized businesses via direct referrals from utility websites and representatives, programs such as Xcel Energy's Partners in Energy, word-of-mouth, local business associations and community-based organizations.

Energy Smart meets participants on-site to establish goals and perform a walk-through



The Energy Smart team

consultation identifying energy efficiency opportunities. A follow-up report is then delivered to the business with actionable steps to reduce energy consumption and participate in utility load management and Energy Conservation and Optimization (ECO) programs. To the best of our ability, we include eligible financial resources available to the business. This may include loans, matching grants or mechanisms such as Property Assessed Clean Energy (PACE). Energy Smart provides ongoing technical assistance to source and review equipment proposals, apply for utility rebates and enroll in in-depth utility programs that may benefit the business.

Since its founding, Energy Smart has met with over 5,100 businesses. With the support of Xcel Energy and CenterPoint Energy, Energy Smart's implementation is unique in that we provide a full set of natural gas and electric recommendations for customers in these split service areas. Businesses with these utilities receive a single point of contact to work with, which is extremely convenient for small and medium-sized businesses that lack extra time and staff dedicated to these pursuits.

Program delivery

Energy Smart - Total Program 2024

Savings

Program services	Actual	kWh	Dth
Unique site visits completed	300	-	-
Total active businesses	414	-	-
Active ECO services	1,164	-	-
Electric upgrades	148	3,446,555.5	-
Natural gas upgrades	33	-	8,237.1

Energy Smart - Xcel Energy Electric Program 2024

Program services	Actual	Goal
Number of site visits completed	241	298
Number of business participants	350	425
Businesses enrolled in cost saving programs	19	10
kWh saved from electric upgrades	3,278,891.5	4,235,000
Electric upgrades completed after Energy Smart contact	145	-
Number of times specific electric ECO information given	589	-
Number of times specific behavioral recommendations made	347	-
Internal program cost per first year kWh saved (budget)	\$0.19	\$0.15

Energy Smart - Xcel Energy Natural Gas Program 2024

Program services	Actual	Goal
Number of site visits completed	77	-
Dth saved from gas upgrades	3,687.1	2,920
Gas upgrades completed after Energy Smart contact	7	-
Number of times specific gas ECO information given	101	-
Number of times specific behavioral recommendations made	119	-
Internal program cost first year Dth saved (budget)	\$12.67	\$16.00

Program delivery continued

Energy Smart - CenterPoint Energy Program 2024

Program services	Actual	Goal
Number of site visits completed	194	144
Number of business participants	221	205
Businesses enrolled in cost saving programs	7	-
Dth saved from gas upgrades	4,318.23	7,960
Natural gas upgrades completed after Energy Smart contact	25	-
Number of times specific gas ECO information given	183	-
Number of times specific behavioral recommendations made	165	-
Internal program cost per first year kWh saved (budget)	\$46.08	\$25.00

Energy Smart - Other Utilites 2024

Program services	Actual	Savings
Number of site visits	64	-
Electric upgrades completed after Energy Smart contact	3	167,664 kWh
Natural gas upgrades completed after Energy Smart contact	1	232 Dth
Number of times specific ECO information given	129	-
Number of times specific behavioral recommendations made	90	-



Energy Efficiency Specialist meeting with a local manufactuer.

Executive summary



3,446,555.5 kWh saved



8,237.1



300 on-site consultations



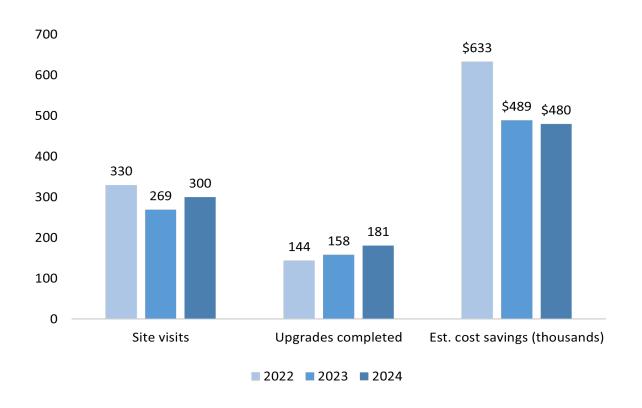
\$479,716.49 annual cost savings

2024 marked the start of a new triennial and new metrics for tracking success. As planned, Energy Smart shifted focus towards deepening our existing local partnerships, and adding new ones, with a goal of building a robust network to engage new businesses while providing ongoing support to previous participants. We had our second highest number of upgrades ever (181), showcasing our team's ability to coordinate effectively across a wide range of businesses and projects. We remain dedicated to our market niche of small and medium-sized businesses, but 2024 reminded us that energy savings per project at a small business tend to be small. While we fell short of some of our ambitious savings goals, we are proud of the connections we invested in and expect to see savings dividends pay off in the coming years as large projects complete and new partnerships mature. Moving forward, we will strive to improve the balance between staying committed to our small businesses and meeting the overall energy savings and cost-effectiveness targets for our program.

There are several strategies Energy Smart employed in 2024 contributing to this success:

- 1. Energy Smart's renewed focus on local partnerships in 2024 led to an increase in participant referrals from CBOs and local chambers. Businesses receiving Energy Smart site visits based on these local partner referrals rose from 13% in 2023 to over 20% in 2024. This growth relied on maintaining and improving collaboration with existing partners like Lake Street Council and West Bank Business Association, while also cultivating new partners like the Neighborhood Development Center. Energy Smart also became a member of multiple local chambers to better respond to the needs of small businesses.
- 2. Energy Smart continued to leverage the Minnesota Chamber of Commerce's business network. Waste Wise, our waste-reduction counterpart at the Chamber, referred their participants that expressed interest in energy efficiency, resulting in 47 consultations scheduled and 21 efficiency upgrades. Additionally, 44 member businesses of the Chamber received energy consultations and completed 17 efficiency upgrades with Energy Smart's assistance.
- 3. Energy Smart continued collaboration with in-depth study providers and made direct referrals to these programs. Energy Smart's technical assistance is designed for small businesses, but on occasion we connect with larger businesses that have complex facilities. It is our goal to refer these facilities to their account manager and in-depth utility programming, such as Multifamily Building Efficiency, Commercial Streamlined Assessment, Natural Gas Energy Analysis, Nonprofit Energy Savings Program, etc. In 2024, Energy Smart recommended these programs to businesses 64 times.
- 4. 2024 was a record year for connecting businesses with new construction/major renovation programs. Energy Smart recommended Xcel Energy's EEB (Energy Efficient Buildings) program to 19 businesses, and the EDA (Energy Design Assistance) program managed jointly by Xcel and CenterPoint, to 9 businesses. These in-depth programs are an excellent, no-cost resource that many businesses were unaware of until Energy Smart recommended them. We are excited to see the savings potential realized as these projects are completed over the next few years.

Energy Smart results 2022-2024



2024 Cost benefit

Xcel Energy



Upgrades estimated kWh saved: 3,278,891.5 kWh



Upgrades estimated Dth saved: 3,687.1



Internal program cost/kWh: \$0.19
Internal program cost/Dth: \$12.67

CenterPoint Energy

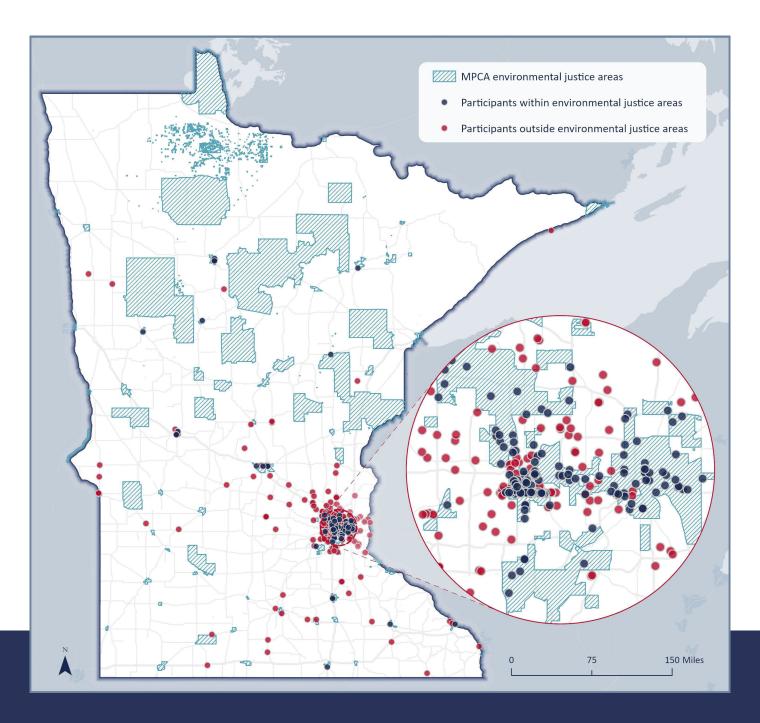


Upgrades estimated Dth saved: 4,318.23



Internal program cost/Dth: \$46.08

Service locations



Energy Smart provided services to 414 businesses in 109 cities across Minnesota. Of these businesses, 80, or 19.3%, were outside the seven-county metro.

Energy Smart uses the Minnesota Pollution Control Agency's (MPCA) environmental justice areas definition and mapping tool to evaluate program delivery to underserved areas. The MPCA defines environmental justice areas as census tracts in which >40% of the population is people of color, >35% of households have income at or below 200% of the federal poverty level, >40% of the population has limited proficiency with English, or which are location within federally recognized reservations and other Indigenous lands. In 2024, 201, or 48.5%, of Energy Smart's participants were located within an environmental justice area and 20 of those participants were also located outside the seven-county metro area.

Service results

Xcel Energy - Electric

	Actual
Energy consultations completed	241
Active business participants	350
Number of times specific ECO information given	589
Number of behavioral change recommendations	347
Upgrades (utility rebates)	145

Xcel Energy - Natural Gas

	Actual
Energy consultations completed	77
Number of times specific ECO information given	101
Number of behavioral change recommendations	119
Upgrades (utility rebates)	7

CenterPoint Energy - Natural Gas

	Actual
Energy consultations completed	194
Active business participants	221
Number of specific ECO info given	183
Number of behaioral change recommendations	165
Upgrades (utility rebates)	25

Top five efficiency recommendation areas:

- 1. Heating systems (212)
- 2. Cooling and ventilation systems (211)
- 3. In-depth audit/study (193)
- 4. Smart thermostats and AC control (131)
- 5. Lighting (89)

Energy Smart made 1,129 efficiency recommendations at 300 new site visits in 2024, resulting in 181 efficiency projects that earned utility rebates. 148 of these projects were electric and 33 were natural gas. 17 of these projects were at Minnesota Chamber of Commerce member businesses.

Economic impact from these projects resulted in over \$536,000 earned in utility rebates. Annual cost savings to businesses are estimated to be over \$479,000. Annual carbon emissions reductions total 3,393 metric tons, or the equivalent of taking 791 internal combustion engine cars off the road.

Energy Smart continued to provide excellent service to businesses, with an enhanced focus on informing participants about in-depth audits or studies they may qualify for. These audits and studies provide quantified recommendations and range from a Center for Energy and Environment assessments, to recommissioning Building Energy Assessments, to new construction and major remodel programs like EDA and EEB.

Upgrade results

148 electric upgrades

33 natural gas upgrades

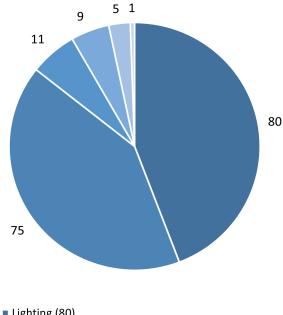
3,446,555.5

kWh saved

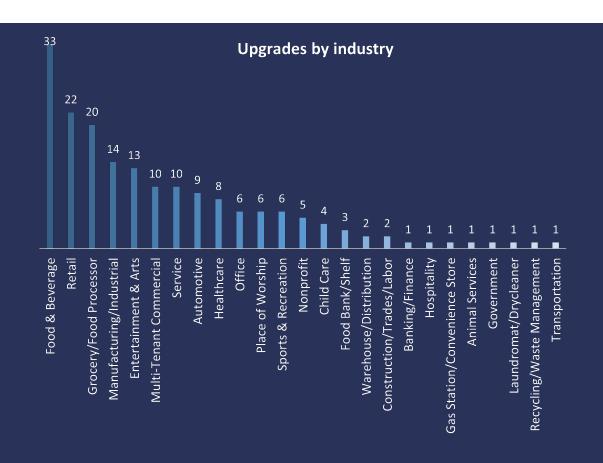
8,237.1

Dth saved

Upgrades by technology



- Lighting (80)
- HVAC-R (75)
- Commercial AC control and smart thermostats (11)
- Custom (9)
- Foodservice (5)
- Compressed Air (1)



Marketing and outreach





Popular Energy Smart social media posts in 2024



Through on-the-ground promotion via presentations and networking, and increased efforts in the digital space, Energy Smart continues to increase the visibility of our programming and other energy conservation programming available to Minnesota businesses. Approximately 93 consultations were scheduled through on-the-ground promotion with collaborators, and 73 inquiries for services were received through online promotion.

2024 Marketing at a glance:

- 11 newsletters with an average opening rate of 38%, totaling 8,815 opens
- 11 presentations and 2 webinars to local chambers and business association groups
- 23 tabling events
- 23 business networking events
- 17,756 website visits
- 154 social media posts with 1,524,776 impressions

Gammelgården Museum of Scandia



The Gammelgården Museum of Scandia has recently completed a lighting upgrade, boosting both visitor experience and energy efficiency. The installation of new LED lights throughout their exhibits has dramatically improved illumination, leading some visitors to ask if the museum had been repainted!

"We have had long-time supporters and visitors comment that they never noticed paintings and artwork prior to the new lights," said Ann Rinkenberger,

Gammelgården Museum's Director. "Since the new LED lights have been installed, we have not had any visitors ask us to turn on the lights. In fact, they are spending more time looking at and enjoying the exhibits and artwork."

This lighting upgrade is just the first step in Gammelgården Museum's commitment to energy efficiency. The museum is continuing its efforts by installing high-efficiency heating and cooling equipment soon.

Highlights

\$1,030Total grant funding

\$2,060 Rebate

\$2,821Annual cost savings

22,567 kWhAnnual energy savings

All Washed Up



Fourteen years ago, Shantae Holmes opened All Washed Up with a vision: to transform the dull task of laundry into a warm and energizing experience for her neighbors. Located in the Jordan neighborhood of Minneapolis, her bright and welcoming laundromat offers residential and commercial laundry services, dry cleaning and coin-operated machines. When needed, she even provides transportation.

For years, Shantae dreamed of installing high-tech washing machines

that use 90% less water and extract water at an impressive 200 Gs, drastically reducing drying time. These energy-efficient extraction washers not

only cut down on water use but also reduce the natural gas needed for dryers, thanks to their shorter dry cycles. However, these machines are very expensive and don't have any predetermined rebates or incentives.

That's when Energy Smart stepped in, applying for and securing a Custom Rebate from CenterPoint Energy. Creating the rebate opportunity unlocked grant funding for the project and, with the support of the Minneapolis Green Cost Share and the Energy Smart Business Energy Efficiency Grant Program, Shantae was able to afford two high extraction washers.

Highlights

\$15,250 Total grant funding

> **\$520** Rebate

\$624Annual cost savings

104 Dth Annual energy savings

The Terrarium

When musicians from all genres enter The Terrarium to record their work, they step into a space that exudes warmth. Owner, manager, and engineer, Jason Orris, plays a significant role in creating this warm and welcoming atmosphere. The new efficient rooftop units and heat pump do the rest!

For 33 years, Jason has run the recording studio and for the past 24 years, he's operated his studio out of a building he now owns in Northeast Minneapolis.

Jason enjoys the variety in his daily work, but he's also mindful of the music industry's high energy demands. With a big goal in mind—to transform



The Terrarium into a green studio within the next few years—Jason committed to improving energy efficiency while upgrading aging equipment.

When it came time to replace the studio's rooftop heating and cooling units, the upfront cost was high. Fortunately, through the City of Minneapolis, Jason connected with Energy Smart, where Energy Efficiency Specialist Ally Peters guided him through the process of applying for rebates and grant funding. Ally ensured the paperwork was completed smoothly and efficiently.

The result? New rooftop units and a mini-split heat pump were installed, significantly reducing the studio's energy usage. Jason also added a new zone to his thermostat system, allowing for more precise temperature control throughout the space. The payoff has been a 30% drop in monthly energy consumption, saving The Terrarium a few hundred dollars each month!

Jason's advice to other business owners considering energy efficiency upgrades: "It's a great long-term investment for your business and for the community."

Highlights

\$17,948

Total grant funding

\$1,413

Rebate

\$203

Annual cost savings

1.621 kWh

Annual energy savings



Shwe Ozi Market

When Ehnine Paung first purchased his single-story building on Payne Avenue in Saint Paul, he saw potential in the old church. He envisioned a grocery store that would serve the local Karen community, providing fresh, familiar foods in a space that felt like home. But before his vision could become reality, the building needed significant upgrades.

At first, Ehnine contacted the Center for Energy and Environment (CEE) to discuss necessary HVAC improvements. As a new business owner facing high costs, he needed additional guidance and financial support, which is why CEE referred him to Energy Smart.

With Energy Smart's help, Ehnine transformed his building into an energy-efficient store. He completed a whole-building LED retrofit, ensuring the store would be bright, welcoming, and cost-effective to operate. He also installed a high-efficiency air source heat pump and a heat recovery ventilator to improve indoor air quality and reduce energy costs.



Energy Smart coordinated with the lighting contractor and CEE to secure multiple prescriptive and custom Xcel Energy rebates. With these approved, Ehnine also received additional grant funding from the Energy Smart's Business Energy Efficiency Grant Program, making his vision financially attainable.

Today, Shwe Ozi Market stands as a bright, energy-efficient space, serving the Payne-Phalen community with fresh ingredients and a strong sense of connection.

Highlights

\$3,980

Total grant funding

\$2,306

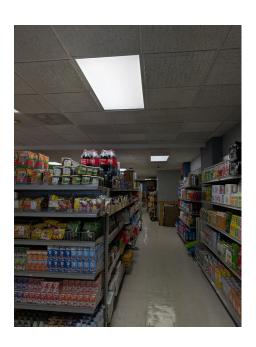
Rebate

\$1,683

Annual cost savings

10,677 kWh and 54 Dth

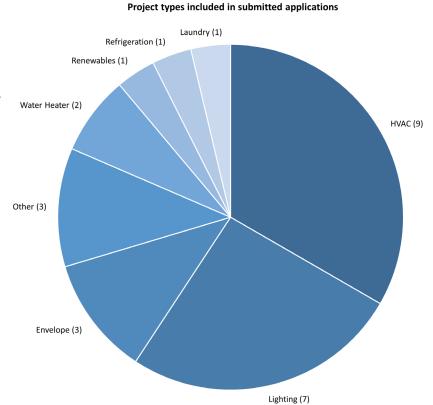
Annual energy savings



Rural Energy for America Program Technical Assistance Grant

In late 2023, Energy Smart applied for and was awarded a Rural Energy for America Program (REAP) technical assistance grant (TAG) to complete energy assessments and grant writing for eligible businesses in Minnesota. The REAP grant is available to agricultural producers and rural small businesses. The grant funding can be used to purchase and install energy efficiency measures or renewable energy systems. The technical assistance grant was created to increase applications from three key areas: projects requesting matching funds of \$20,000 or less, businesses within a distressed or disadvantaged area, or applicants pursuing projects with underutilized technologies.

Rural businesses often lack access to energy efficiency resources like utility rebates and energy audits, which are more common in larger metropolitan



areas. With the technical assistance grant, Energy Smart offers audits and grant writing services at no cost to the business, which helps lower their energy costs and leads to more equitable adoption of energy efficient technologies throughout the state of Minnesota.

Between the start of the grant award, October 2023, and the end of 2024, Energy Smart completed 51 energy assessments for businesses in REAP eligible areas. Of these, 14 also received grant writing assistance and successfully submitted applications to the USDA. The project types and aggregated stats from the projects are below. Energy Smart sees this grant as a great opportunity to expand energy assessment availability throughout the state and bring in additional sources of funding to further motivate businesses to choose high efficiency equipment and consider renewable energy sources.

Technical Assistance Grant Summary

Applications submitted: 14

Combined total project costs: \$935,661.93

Total funding requested: \$451,513.22

Potential energy savings: 1,738,717,425 BTU Potential energy generated: 414,322,572 BTU

Conclusion



At Energy Smart and the Minnesota Chamber of Commerce, we are honored to leverage our expertise to ensure the state's business community thrives by improving environmental health and economic vitality through sustainability programming. Since our founding in 2008, Energy Smart has met with over 5,100 businesses, logging over 51 million first-year kWh and 77 thousand first-year dekatherm savings.

This year, our team completed the second highest number of projects in Energy Smart history, all while increasing enrollments into utility cost-saving programs. Serving as a conduit to other programming ensures businesses receive meaningful recommendations and creates space for Energy Smart to focus on small businesses, our target audience.

Each year isn't without challenges. 2023-2024 was the warmest winter on record in Minnesota. While easy on heating bills, Energy Smart did not experience the predictable influx of requests that generally come with the onset of winter. Additionally, on-going labor shortages and long-term effects of high costs caused many businesses to reconsider expensive projects. Experts at uncovering opportunity, Energy Smart was still able to help businesses earn over \$536,000 in utility rebates.

We are extremely fortunate and appreciative to have an excellent partnership with CenterPoint Energy and Xcel Energy to offer these services and resources. Energy Smart is confident that together we can continue to foster practices that are good for the business community and good for the environment.

Patrick Deal

Director of Environmental Sustainability Minnesota Chamber of Commerce



Minnesota Chamber of Commerce

ENERGY SMART

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This report was submitted by the Minnesota Waste Wise Foundation on April 1, 2025.

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