

Survival of the ‘Energy’ Fittest: Small Business and Boosting Bottom Line

By Richard W. Steeves

Energy efficiency may start in the home, but what about the thousands of businesses in Connecticut who rely on energy to keep their businesses running?

To survive as a small to mid-sized business in Connecticut, energy efficiency is paramount. If you're a business owner of this size, you may be wondering where to start. Fortunately, assistance is available to help lower your energy costs and provide education on the energy efficiency programs available throughout the state.

Am I a small or mid-sized business?

As a business owner, the first thing to consider is what size business you have. The way to determine this is fairly simple from an energy standpoint: you are a small or mid-sized business if you see an electric bill from \$100 a month to \$20,000 a month. This can range from a neighborhood “Mom and Pop” store to a mid-size manufacturer.

For businesses of this size, there are programs offered through the Connecticut Energy Efficiency Fund that can help your business become more energy efficient in its operations. Additionally, the Energy Efficiency Fund has access to funding and energy efficient technologies with zero percent interest on-bill financing for businesses to help balance the associated cost of making improvements.

Getting started on driving down energy costs

Once you have determined what size business you are, the next step is to educate yourself on the type of programs available for your business, which entails contacting your utility provider. Generally, for a small to mid-sized business, the Small Business Energy Advantage program can be a wise solution for lowering energy costs.

The Small Business Energy Advantage program offers financial incentives to business owners who install energy efficient solutions in their business. This can include energy-efficient lighting, refrigeration, occupancy sensors, timers and more.

By participating in the program, businesses can also receive incentives ranging between 20 and 40 percent of the project cost, depending on the savings that can be achieved.

Connecticut Boutique boosts its bottom line

Hello Boutique is a business that recently participated in Small Business Energy Advantage to assess its energy use and realize where it can save. The small women's boutique, located on Chapel Street in New Haven, prides itself on an array of innovative and hard-to-find clothing from international and domestic labels.

With such top-notch clothing and labels, it only made sense to have top-notch energy efficiency to keep Hello Boutique up and running. Following a free, comprehensive energy audit, it was soon found that the boutique's lighting was older and inefficient.

Through the program, a certified contractor installed light emitting diodes (LEDs) to illuminate the windows on both the left and right side of the entrance door of the boutique. LEDs were also added to replace the inefficient bulbs in the basement sales floor. The advantage of LEDs is that these lamps use up to 80 percent less energy than common bulbs and can last up to 10 times longer, making them the longest lasting lamps on the market.

The selection of color was critical in Hello Boutique's decision to use LEDs since that is the first thing its "window shoppers" would see. With lighting like LEDs, coloration is directly related to the Kelvin (K) rating of the lamp, which ranges from 2700 K to 6500 K. For this particular window display, Hello Boutique implemented 2700 K LEDs to illuminate the storefront. The 2700 K rating indicates a warm, soft color that is no different than the coloration of standard incandescent bulbs, but there is a major difference in savings.

After 36 months, Hello Boutique realized a 28 percent reduction in both kilowatt-hours and monetary savings. The models and clothing in the window are excellently lit, but the catch here is that while using this more efficient LED lighting technology, Hello Boutique is saving money. The savings are achieved through an energy measure that may have a reputation of being "costly" for the average business owner.

Investing in the future of your business through energy efficiency

The thought of spending money on improving the energy efficiency of your business may seem daunting, but financial incentives and technical assistance are available through the Fund. Programs like Small Business Energy Advantage can offer cost-effective, energy-saving upgrades services for small businesses to improve their efficiency and develop long-term, sustainable energy management strategies.

Another thing to keep in mind is that incentives available through the Fund can also help your business offset the costs of upgrades, and over time, you will have a return on investment by seeing your energy bills go down, not up.

Small business owners and operators across Connecticut who educate themselves on the programs available will not only help build sustainable businesses statewide but also help to position our state as a national leader in energy efficiency. Now is the time to get started.

Richard W. Steeves, First Vice Chairperson, Energy Efficiency Board