

# A Market-based Approach to Energy Efficiency in Hospitality

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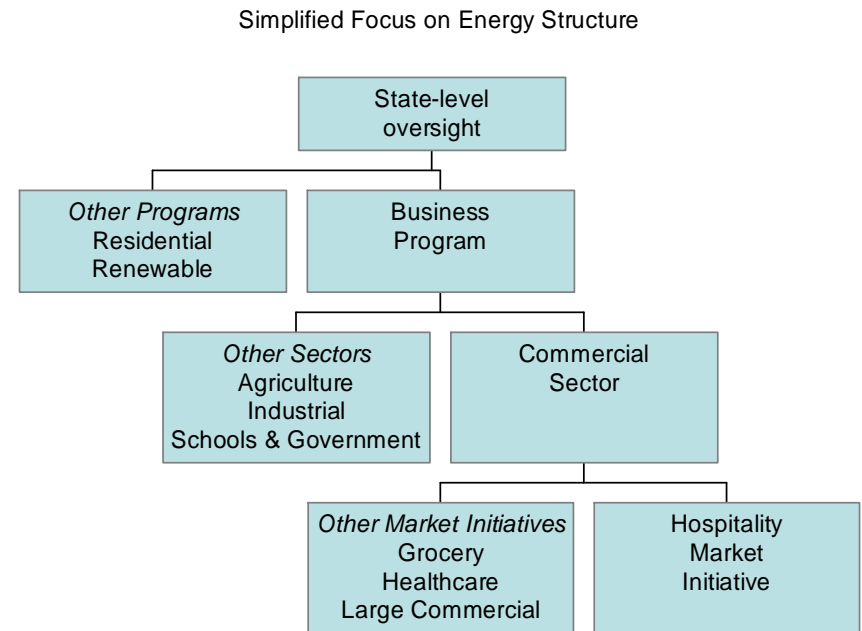
Hospitality Market Manager, 2004-2008

# What is Focus on Energy?

- Wisconsin's statewide energy efficiency and renewable energy program
- Legislature created the program in 1999; expanded in 2005
- Helps implement projects that would not occur otherwise
- Customer eligibility based on their electric and/or natural gas utilities

# Background of Initiative

- Market-based approached launched 2004
- Use a key account management approach



# Market Definition

- Includes lodging and restaurants
- Wisconsin has:
  - 15,000 food service operations
  - 1779 lodging facilities (80,825 rooms)
- Complex operation/decision-making structures
- Continuously changing

# Program Design Approach

## Team responsibilities

- Observe market
- Analyze opportunities
- Decide on direction
- Coordinate with Marketing
- Customer interaction

## Design elements

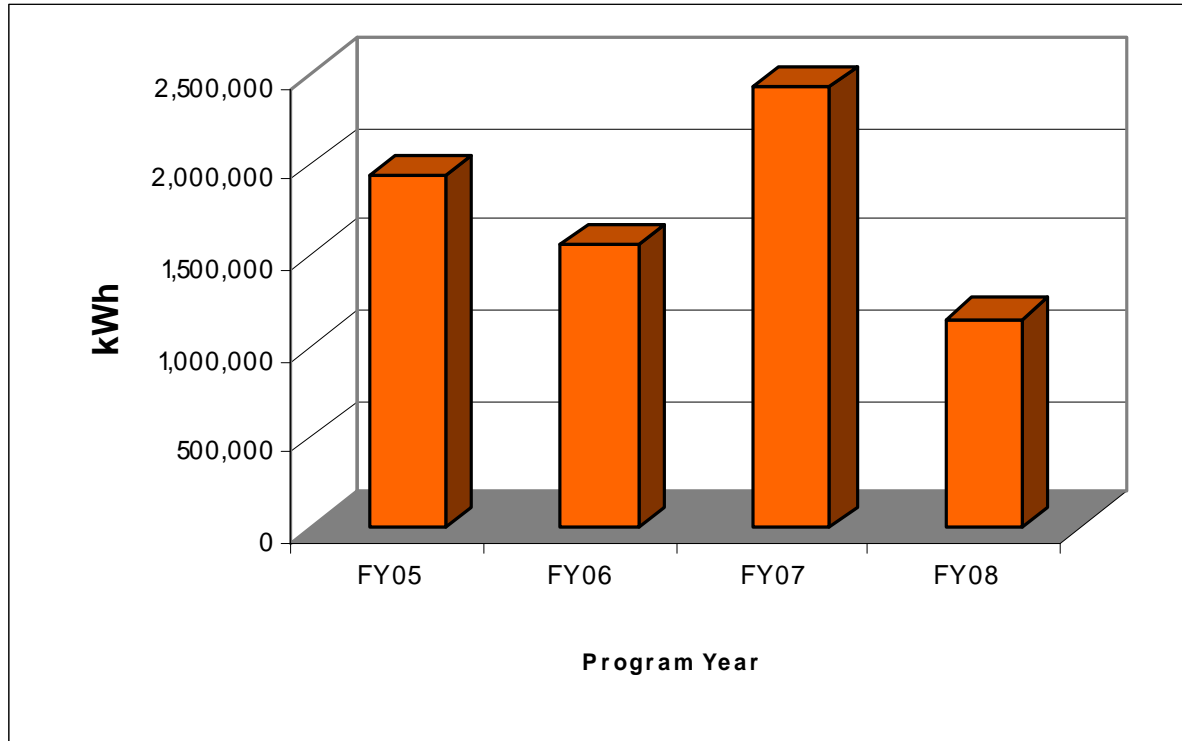
- Technology initiatives
- Training opportunities
- Strategic relationships

# Key Elements

- Guestroom energy management controls (GREM)
- Direct installation
- Commercial food service
- Variable ventilation exhaust hood control
- Back of the House lighting
- Energy management training
- Interactive online tool
- Working with affiliated organizations

# Guestroom Energy Management Control

- Contributes largest savings to hospitality (outside of lighting)
- Keys to success
  - Strategic relationships with market providers
  - Persistence of its lead team member
- Main barrier
  - Higher incentives in other states and other distractions



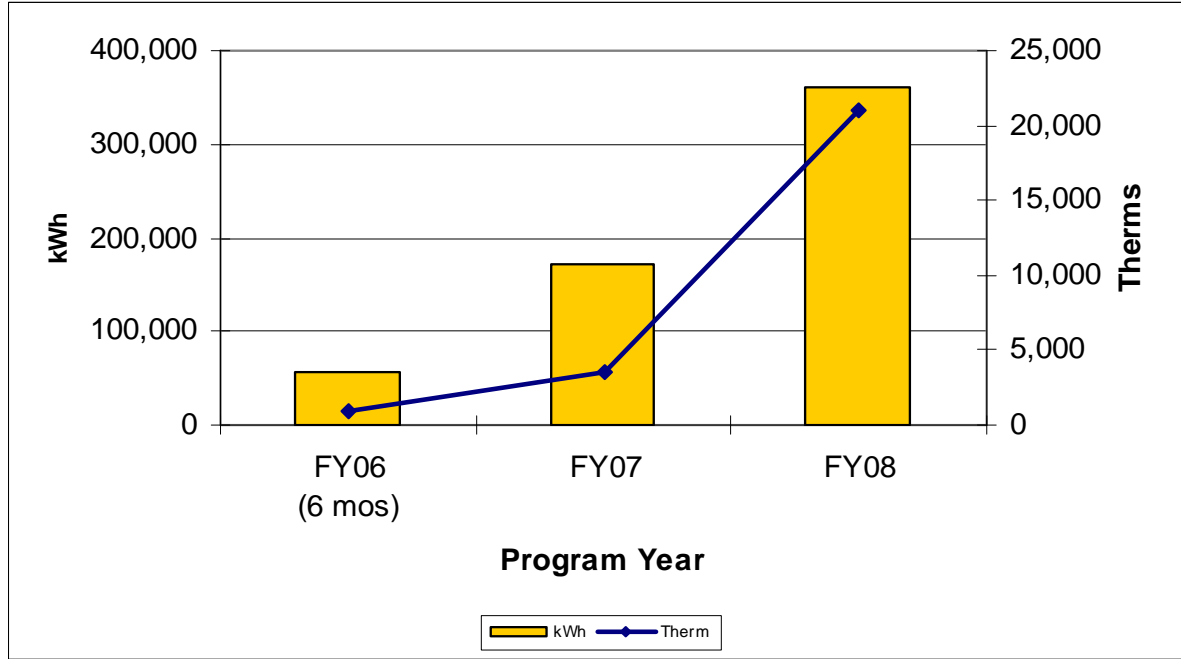
## Historical GREM Savings

# Direct Installation Efforts

- Primarily water-saving devices
- Excellent method for quick savings to meet goals
- Excellent method for outreach
- Currently being used to target smaller hotel market with array of technologies

# Commercial Food Service

- Barriers
  - Awareness & equipment cost
- Keys to success
  - Promote across all markets and sectors
  - Coordination on national level
  - Working with market providers
  - Expansion of portfolio



# Historical Food Service Savings

# Variable Ventilation Exhaust Hood Control

- Custom incentive with HVAC and motor savings
- Barriers
  - Market awareness & uneasiness about code
  - Cost for small business restaurant
  - Market provider support in small market
- More success outside of restaurants

# Back of House Lighting

- Intent
  - To target conversion of long running T12 lighting
- Barriers
  - Market provider understanding of term
  - Incentive didn't compete
  - Low understanding/acceptance of HPT8
- New option: “T12 Bounty”

# Energy Management Training

## Smart Strategies for Hotels®

- Provides structure for energy management planning
- Participants liked
  - information shared, tools, idea exchange, practical perspective
- Barrier - generating required attendance



# Interactive Online Tool

## The Smart Strategies Hotel® Tour

- Intent
  - Cost-effectively help more customers
- Has recommendations and personalized savings estimate
- Limiting factor to success - awareness



# Working with Affiliated Organizations

- Recognize importance of alignment
- Barriers with these entities
  - Viewed as a vendor, not valued resource
- Gaining success with Travel Green WI
  - Mutual benefit of partnership
  - Aligning ourselves with them at upcoming lodging trade show

# Customer Involvement

## Wisco Hotel Group

- Hotel management company
  - 9 (plus two new) mid to upscale properties
- Focus guided installations
  - GREM, CFLs, pool exhaust heat recovery, destratification in waterpark
- Aligns with Focus on Energy for all purchasing decisions now

# Customer Involvement

## The Wilderness Resorts

- Expansive waterpark resort
- Focus involvement
  - GREM, CFLs, high bay fluorescent & destratification in waterparks, VFDs, feasibility study for preheat of pool water
  - Several staff attended Smart Strategies
- Takes advantage of the wide array of Focus offerings for energy management planning and implementation

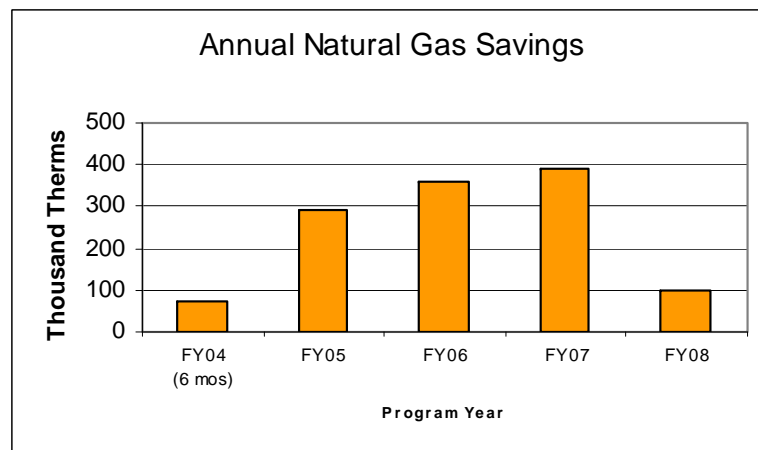
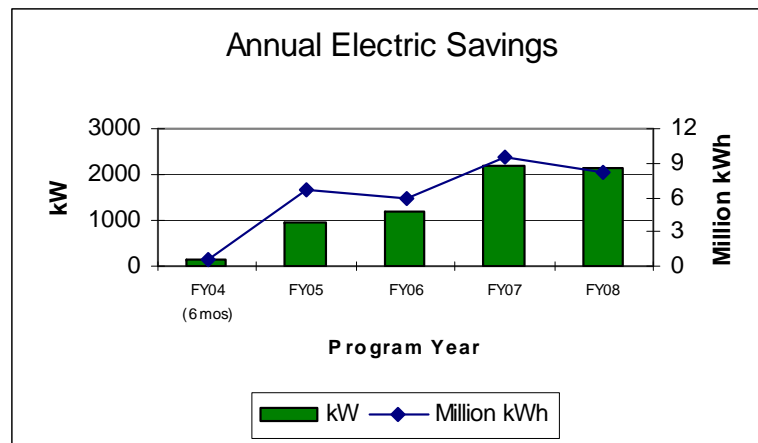
# Customer Involvement

## Dos Gringos

- Sole proprietor restaurant
- Focus guided installation
  - Variable ventilation control of kitchen exhaust hood
- Champion for technology
  - became a regional sales rep for the technology

# Overall Initiative Impact

- Ever-increasing overall savings in market
- Market-based initiative has increased:
  - Number of engaged customers
  - Achieved savings per customer



# Summary

- Keys to success
  - Interdisciplinary team approach
  - Understanding the market
  - National partnerships
  - Strategic relationships with market providers
  - Evolving, enhanced offerings