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## Seminar aims to subjugate surging energy costs

By Josh Barr —

Psst - want to head-off the expected jump in energy costs, shrink your bottom line and stay ahead of your competition? Then read below and keep it to yourself and your business.

Saving-savvy minds recently met at Hazleton CAN DO's Energy Solutions Seminar, an event sponsored by CAN DO, Co-Exprise Energy MarketPlace and PPL, to discuss the situation.

"Energy prices have been increasing across the country," said Ryan Hill, senior information specialist at PPL Corporation, "but in many parts of Pennsylvania, those increases haven't yet been felt because the rate caps enacted a decade ago as the state moved to competition in electricity generation are still in place."

"The competitive market in areas of the state that remain under rate caps has dried up because costs for electric generation supply today are higher than the 1990s-era capped prices," said Hill. "But as the rate caps expire in 2010 and 2011, we expect competitive suppliers to return with price offers that beat the rates of local utilities."

However, whether capped or not, businesses can start saving now.

One way is via lighting.

"Lighting is a big portion of the electricity bill for many businesses," said Hill. "Compact fluorescent lamps and solid-state lighting such as LEDs (light-emitting diodes) use less energy than incandescent light bulbs and standard fluorescent tubes, and they give off less heat, reducing the strain on air conditioning systems."

Want to save even more? SmartWatt Energy Services Inc. can help.

"Among other ways, we save our clients money by installing occupancy sensors," said Pete DeMartis, N.Y. Metro general manager for SmartWatt. "These motion-controlled sensors shut off lights when no one is in the room so lights won't be burning in an unoccupied area," said DeMartis

DeMartis adds, "Often times people don't want to pay just a little extra to put in energy efficient lights or light bulbs. But if they do, they are generally paid back in less than three years."

DeMartis recommends using one point of contact for your business' energy saving efforts. "SmartWatt provides complete project management and installation oversight to ensure the project is run smoothly every step of the way."

The Sustainable Energy Fund (SEF) offers small businesses more ways to save.

Among other programs, "The Small Business Business Lighting Retrofit Rebate Program benefits companies through specific upgrades to their lighting systems," says SEF Fund Team president, Jennifer Hopkins. "Lighting retrofits are one of the best ways a business can realize energy savings."

Hopkins says Energy Star products approved for this program, including electronic ballasts and LED exit signs, can save small businesses up to 50 percent in lighting costs.

Furthermore, Hopkins adds qualified applicants may receive a rebate of 20 percent, up to \$2,000, if spending a minimum of \$5,000.

"This program gives an immediate rebate to offset the cost of the retrofit, while the energy savings will benefit the company into the future," said Hopkins.

Karen Davis, marketing coordinator for The Northeastern Pennsylvania Industrial Resource Center (NEPIRC), said improving building lighting can reduce lighting energy costs by as much as 60 percent, while offering improved lighting quality and work environment.

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To kick-start things, said Davis, companies would benefit from energy assessments. Davis said NEPIRC has partnered with First Energy Group to provide free energy assessment audits to local companies.

"An assessment can identify sources of energy/natural resource wastes, identify opportunities for energy cost savings, establish a plan to quickly implement some low-cost/no-cost energy-saving improvements, present other short-term, intermediate-term and long-term energy savings ideas, and determine if a more in-depth assessment/study is likely to have a dramatic positive return on investment (ROI) for the company," Davis said.

"Energy assessment benefits include substantially improved lighting quality, low lamp replacement costs, improved work environment, potentially significant utility rebates, short ROI for retrofits/replacements, improved equipment reliability, decreased operating expenses, and increases in profitability, cash flow, building valuation and employee productivity," said Davis.

But let's not forget Nature's own guiding light.

"At the seminar, Premier Power focused on solar/photovoltaics (PV), the conversion of sunlight into electricity," said Mike Donnelly, Premier Power's northeast director of business development.

Donnelly said, "Pennsylvania is establishing a renewable energy program that will provide subsidies which will allow businesses to transition to solar power for a portion - or all - of their electric needs. As rate caps are removed in Pennsylvania, electricity rates are forecasted to jump by 37 percent or higher."

"By taking advantage of state solar subsidies and federal renewable energy tax credits, a business can purchase solar power systems that effectively "lock in" the cost of power for the next 25-plus years. Businesses can use solar energy as a hedge against the expected price spikes."

Companies can also save in air management.

"One of the best ways companies can save is by upgrading their heating, air-conditioning and ventilating systems (HVAC)," said Davis. PPL's Hill said businesses looking to install or replace HVAC systems should first talk with a professional contractor or energy management company to ensure the equipment is properly sized and energy efficient.

"The U.S. Department of Energy says that improperly sized HVAC systems result in higher energy costs and more wear and tear on the equipment," said Hill.

Hill adds reducing maintenance, which reduces wear and tear on equipment, equates to savings. "The Department of Energy reports that an effective building maintenance program can reduce energy bills by 5-20 percent with little or no capital investment."

In addition to equipment upkeep, Hill said, "A major way businesses can reduce electricity costs is by shopping around for electricity suppliers under Pennsylvania's Electric Choice Program," said Hill.

And Co-eXprise provides another option sure to save green.

"As a company, we create transparency," said Chris Cracraft, Co-eXprise MarketPlace sales director. "This means when companies are bidding for a client's business via the Web, all the individual bidders can see each bid but not who placed the bid. If not the market lead, bidders are simply told they need to do better."

"In a typical negotiation, you would get one or two bids that you would solicit. In our business, it's not uncommon to get 100 bids in an event. So what we're doing," said Cracraft, "is creating significantly more competition, and on average, we're seeing anywhere from a 5 to 30 percent reduction in the base cost of energy beyond what the buyer can get from a manual bid."

"If you look at net-present value, conservation is absolutely important - it's the direction to go," said Cracraft, "but Co-eXprise payback is seen in the very next energy bill."

"By understanding your options," Hill said, "your business can make informed choices that will improve energy efficiency, reduce electricity costs and improve your bottom line. With energy costs rising across the board, good energy management makes good business sense."

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