



GOLDEN URBAN RENEWAL AUTHORITY

Memorandum

To: GURA Board of Commissioners
From: Mark Heller
Date: May 2, 2007
RE: Small Business Energy Audit Program

GURA intern Peter Rusin will present his research into the idea of creating a subsidized energy audit program for GURA's businesses. The below is draft text explaining the proposed Small Business Energy Audit program. GURA's budget for this program would be \$20,000.00.

Purpose of this program

GURA is committed to helping local businesses thrive in Golden. One way to do this is by reducing overhead. GURA can help merchants reduce energy and water costs by assessing energy and water efficiency opportunities and by providing implementation assistance. In addition, the pilot program will help GURA evaluate the average performance of the downtown buildings and provide insight on what long-term services and programs we should offer in the commercial sector.

Program Overview

The program will provide energy audits to the first 8 businesses within the GURA area that sign up. After the energy audits have been conducted GURA will help the businesses implement recommendations made by Active Energies. The implementation help will include connecting the merchant with a qualified contractor, applying for Xcel rebates, certification for the Federal tax-credit, and paying 50% of recommendation costs up to \$2,000.

Who is eligible for the audit?

Any business or merchant within the GURA district with a current city sales tax license. Both a building owner and a tenant are eligible for an energy audit. However, if you do not own the building, you will have to fill out a wavier signed by the building owner.

Why should a business participate?

Some benefits of an energy efficient business are;

1. Reduced annual operating and maintenance costs
2. Improved productivity
3. Tax benefits
4. Reduced risk
5. Increased customer/client comfort
6. Marketing benefits

How will we evaluate the recommendations?

The overall goal is to reduce energy usage by at least 15%. Active Energies will list recommendations in the most cost effective way to reach the 15% reduction and beyond.

GURA's Responsibilities:

- Provide an energy audit
- Provide a list of qualified local contractors
- Fill out the Xcel rebate application
- Pay 50% of recommendation costs up to \$2,000
- Provide the verification needed for the federal tax-credit *

Merchant's Responsibilities:

- Sign the Audit agreement, and if a renter have the owner sign audit waiver
- If business does not implement measures at least to the cost of the audit, the business must reimburse GURA for audit cost.
- Provided the following materials to be review by the auditor prior to the site visit if available. This would include that past 1-3 years of utility bills, equipment specifications, and any past surveys, energy audits, or load profiles

What is included in the audit?:

- All spaces will receive an energy software model, which includes an analysis of lighting, HVAC equipment, windows, insulation, plug-in loads, and air leakage (blower door test). Special emphasis will be placed on reasonable and achievable measures, such as changing lighting or HVAC equipment, as opposed to adding insulation to a historic brick wall, which may not be possible
- An audit report listing the possible improvements and the estimated initial cost, yearly energy savings, and payback of each recommendation.
- Recommendations for no/low cost strategies for saving energy, including operations and maintenance strategies.
- Buildings owned by tenets will also explore renewable energy options.

What to expect during the energy audit:

Working with GURA and Active Energies, we will select a date and time of the energy audit. On the scheduled audit day, a trained Energy Auditor will come to your business and conduct an exterior building overview and interior walk-through. Before the audit begins, Active Energies will have a short conversation with you to determine routines, temperature

* Certain benchmarks must be reached in order to qualify.

setpoints, and appliance usage, as those might be significant areas of improvement. During the overview and walk-through the auditor will record important data to be used when creating your Detailed Audit Report. During your audit, you will be able to tour your business with our energy professionals as they check everything from your insulation to your air leaks. Since we know your time is important, you may continue to operate your business and not tour with the Active Energies personal, as a GURA representative will also be present at the inspection??.

After the walk through, the auditor, the auditor will conduct a Blower Door Assembly Test to identify exterior leakage and potential pressure issues. This may temporarily close your business for 20 minutes.

After the site visit has been conducted, the Detailed Audit Report will be delivered up to 10 businesses after payment has been received. The Detailed Audit Report contains personalized energy efficient data and potential solutions with payback schedules.

Audit Prices:

- Retail: \$65 per 1,000 sf 1 hour on site
- Office: \$90 per 1,000 sf 1.5 hours on site
- Restaurant: \$110 per 1,000 sf 1.5 hours on site

Due to economies of scale, large spaces (over ~4,000 sf) will be billed at a lower rate than smaller spaces. Therefore, a space of approximately 20,000 sq ft would be more along the lines of \$400 than \$1,300. With very large size, generic quotes get difficult, but Active Energies and GURA will work very hard to make all audits affordable.

Certainly some businesses do not fit into one of these three categories, but once you have signed up, we can meet to determine exact pricing, but it will be at or below the rates stated above