



Helping your business thrive

A Special Advertising Supplement

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Powering forward.
Together.

Save money with LED lighting

Switch from your traditional light bulbs to LED bulbs to get ...

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- Ambience choices from warm (looks like an incandescent bulb) to cool (daylight)
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Lasts

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longer than incandescent bulbs and

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longer than CFLs

Uses up to

90%

less energy than incandescent bulbs and

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less than CFLs

Your choices have expanded tremendously and now there is an LED for just about every lighting application. SMUD offers a number of incentive programs for customers interested in making the switch. See the complete list at smud.org/businessrebates

SMUD Commercial and Industrial Account Solutions Manager Rob Lechner says energy efficiency measures can improve the local economy.

Photo by Tony Nguyen



Powering small business

SMUD is committed to helping local economy thrive **By Michelle Carl**

Your business runs on hard-working employees, a steady stream of customers and innovative ideas. Your energy? You get it from SMUD.

But from SMUD's point of view, you're more than a customer. You're part of the community.

Small and midsize businesses play a vital role in our community and help make Sacramento a great place to live, work and play. As Sacramento's community-owned, not-for-profit electric service, SMUD recognizes that when local businesses are successful, it's good for everyone.

For more than 65 years, SMUD has been an industry leader in innovative energy efficiency programs, renewable power technologies and sustainable solutions for a healthier environment. SMUD helps businesses reduce their energy costs through efficiency programs and initiatives that are not only good for business, but also the environment.

"SMUD's commitment to energy efficiency enhances the quality of life for our community," says Rob Lechner, manager of SMUD's Commercial and Industrial Account Solutions team. "SMUD recognizes that a strong and vibrant energy efficiency initiative leads to a stronger and more vibrant local and regional economy."

SMUD provides this assistance through several initiatives and programs that directly help businesses reduce their costs. SMUD can guide business owners — whether they own their buildings or lease space — to make energy efficiency

improvements. Business owners can also select their own contractor and do it themselves. Either way, they can take advantage of the many rebates SMUD provides, which could typically cover 70 percent of improvement costs.

"An investment in energy efficiency is an investment in your business," Lechner says. "By reducing energy costs through effective and impactful energy efficiency retrofit projects, business owners and managers directly impact and strengthen their company's bottom line."

Beyond the cost savings, many business owners recognize that being a good steward of our resources is the right thing

to do. SMUD helps those businesses through its Greenergy® program, which can help fulfill corporate mandates for renewable energy use.

"What businesses want are ways to reduce energy costs that also benefit and protect the environment," Lechner says.

SMUD supports small and midsize businesses in other ways, too. SMUD relies on contractors to supply many of its needs, from electrical conduits to maintenance on its vehicles. SMUD offers incentives to small and midsize

businesses to bid on its contracts, infusing money into the local economy. Private contractors doing business in the area have another advantage. SMUD's rebates help reduce the cost of projects — a savings that is passed on to their customers.

SMUD is strengthening these programs and increasing its outreach efforts so even more local businesses know about the ways SMUD can help them thrive.

"SMUD recognizes that a strong and vibrant energy efficiency initiative leads to a stronger and more vibrant local and regional economy."

Rob Lechner, Manager, SMUD Commercial and Industrial Account Solutions

HOT ITALIAN Co-founder and Creative Director Andrea Lepore says being an eco-friendly business was important from the start. She enrolled in SMUD's Greenergy® program, which offsets all or part of electricity use with renewable sources.

Photo by Tony Nguyen

HOT ITALIAN, cool eco-design

SMUD's Greenergy® fuels Sacramento pizzeria

by Matthew Craggs

When HOT ITALIAN began construction in Sacramento prior to their 2009 opening, the pizzeria placed a great importance on going green. From planning and construction to operation and expansion, Co-founder and Creative Director Andrea Lepore and Maestro Pizzaiolo Fabrizio Cercatore worked toward two goals — delivering authentic Italian pizza with a California twist and building and strengthening Sacramento's environmentally-minded community.

"From the beginning, we did our research," Lepore says. "There were a lot of reports coming out at that time suggesting buildings were the cause of 40 percent of greenhouse gases. We didn't want to contribute to that, we wanted to do everything we could to decrease our footprint."

With design assistance from SMUD's Savings By Design program, HOT ITALIAN became a playground paradise for the eco-friendly — there's a solar thermal water heating system, ENERGY STAR equipment throughout the kitchen and bar, and furniture made from reclaimed and recycled materials. The efforts earned HOT ITALIAN's LEED certification from the U.S. Green Building Council.

While HOT ITALIAN was constructed to use energy efficiently, Lepore wanted the restaurant's energy sources to be sustainable as well. She soon learned about SMUD's Greenergy program.

Greenergy allows businesses to pay an additional \$5 or \$10 per block (1,000 kWh per block) and SMUD will meet the business' electricity needs with power generated from renewable resources like wind, water and solar. Lepore enrolled immediately.

"It took one phone call," Lepore recalls. "You don't see the difference when you turn on the lights, but you feel better."

For Greenergy Program Director Wade Hughes, this feel-good aspect is a driving force for the more than 2,000 local businesses that participate in the program.

"This is by far the easiest way for business owners to do right by the environment and the region," Hughes says.

For Lepore and HOT ITALIAN, the commitment to their neighborhood, and the world in which it resides, expands beyond efficient and renewable energy. HOT ITALIAN's rotating menu features seasonal, organic, local, and non-GMO ingredients whenever possible, and Midtown residents are often found enjoying a slice during one of HOT ITALIAN's many community events, including a bicycle film festival, lunchtime concerts, and films in the park across the street.

Authentic Italian pizza, community events, and building a green consciousness — all powered by Greenergy.

"We wanted to do everything we could to decrease our footprint."

**Andrea Lepore, HOT ITALIAN
Co-founder and Creative Director**



Greenergy program

By enrolling in Greenergy, you can do something good for the environment, our community and for your business. Business customers pay \$5 or \$10 extra on their utility bill for every 1,000-kilowatt-hour (kWh) block of energy they want to offset with renewable sources like wind, solar and hydropower. SMUD also helps spread the word about your participation in Greenergy, helping you market your business to eco-conscious consumers. To date, over 2,000 businesses in the region have joined Greenergy.

Greenergy Partner

- \$5 per month for every kWh of energy offset
- Good for businesses seeking to meet corporate mandates or certification for clean energy

Greenergy Partner Plus

- \$10 per month for every kWh of energy offset
- Your business acknowledged on smud.org
- Annual recognition in advertisements and other future marketing incentives that will connect Greenergy Partner Plus members to 70,000 like-minded residential customers.

To learn more or sign up, visit
smud.org/businessgreenergy

Better for business

Nonprofit makes improvements to buildings for clientele and saves on energy costs by Evan Tuchinsky

When ACC Senior Services assessed new lighting options, saving energy represented just one consideration. The new lights had to shine brightly to enable elderly clients to see clearly at their care homes and administrative offices in the Greenhaven Pocket area of Sacramento.

Bill Clearwater, chief operations officer for the nonprofit, consulted with SMUD and found funding available to help offset the expense of renovations at the four buildings owned by the organization. He also discovered SMUD’s full service energy efficiency program called Complete Energy Solutions that identifies opportunities for equipment upgrades and provides turnkey installation to businesses such as ACC.

ACC updated the exterior lighting at all four properties: ACC Care Center (skilled nursing), ACC Greenhaven Terrace (independent and assisted living), the Meals on Wheels by ACC office and the new ACC

Senior Services Administration and Programs building. The ACC Care Center also had LED lighting installed in the dining room (residents’ rooms there and at Greenhaven Terrace will go LED over the next several years). The new admin building, former site of Merryhill School, received additional upgrades inside to comply with Title 24 regulations.

“We’ve done a portion of the plan and are very happy with it,” Clearwater says. “We were able to get some fairly significant savings from SMUD on the change-out.

Lighting is better in our parking lots, and I believe we’re also saving a great deal of energy.”

The process for Complete Energy Solutions is straightforward, according to Clearwater. Soon after ACC signed up for the program, Ecology Action,

the company that runs Complete Energy Solutions for SMUD, sent their experts to conduct an inspection of each facility and prepare a proposal for energy efficiency improvements.

“SMUD is a great partner when it comes to helping us save energy.”

Bill Clearwater, Chief Operations Officer, ACC Senior Services



ACC then decided which elements of the plan to implement, and when, depending on business needs and financial considerations. Many businesses end up getting a majority of their upfront costs returned in the form of rebates. On average, owners see 73 percent of their project costs covered by rebates. Upgrading exterior lighting took top priority, Clearwater explains, “because our parking lot lights are on all night long, plus they’re big energy users.”

As additional phases take place, ACC will continue to have SMUD’s support. That’s a benefit of Complete Energy Solutions. As SMUD Product Services Coordinator Anson Battershell explains: “From start to finish, it’s a program that walks a customer through the entire process.”



Bill Clearwater, chief operations officer at ACC Senior Services, made lighting improvements to facilities, resulting in benefits to clients and a reduction in energy use.

Photo by Tony Nguyen

Clearwater is pleased to have embarked on a commercial energy retrofit with SMUD.

“We have found it to be very helpful,” Clearwater says. “SMUD is a great partner when it comes to helping us save energy, and I would recommend that business owners take advantage of it.”

Changes that save

Plan your improvements and start saving

Businesses can save energy and money through a variety of improvements that reap benefits for property-owners, too.

“New HVAC and lighting may improve the salability of a property or reduce the number of days it is on the market,” says SMUD Product Services Coordinator Anson Battershell.

He adds that having a state-of-the-art, energy-efficient space for lease is a selling point for potential tenants. Being an eco-friendly business also holds appeal for your patrons.

“Potential tenants want that for their own reasons: a place where the bills are going to be lower and the latest and greatest in energy efficiency is going on,” Battershell says.

Some improvements recommended by SMUD

Lighting: Incandescent bulbs are out. What’s in? LED, or light-emitting diodes. This technology has blossomed to replace nearly any type of lighting fixture (interior or exterior) with high performance and low energy usage.

But the CFL, or compact fluorescent lamp, hasn’t disappeared because they cost less than LEDs and work well for certain locations, such as hallways.

HVAC: Replacing outdated, inefficient air conditioning units can lead to great savings. But if replacement isn’t an option, updating the sensor/control system, or installing a variable-speed control for the fan motor, may improve efficiency.

Motor controls: Beyond HVAC fans, businesses should install controllers for pumps, fountains and other motor-driven equipment.

Sensors: Devices that dim lights in vacant rooms yield significant savings and have grown more sophisticated, even integrating into software systems and apps.

Behavior: Customers can go online (smud.org/myaccount) to examine data from their smart meter and locate any spikes in electricity usage that could be reduced by modifying business operations.



A bright start

Leasee takes charge of energy upgrades at new Sacramento location

by Evan Tuchinsky

ABC Supply, a wholesaler of exterior building supplies, has about 500 locations nationwide. So when the company expanded into Sacramento, Construction Manager Rodney Burzinski already knew what needed to be done to get the Ramona Avenue site up to specification. He came in well-acquainted with Title 24 regulations about energy efficiency.

He wanted lighting inside and out that offered optimal brightness for the energy usage — meaning LED (light-emitting diode) systems. He wanted photo-cell sensors and occupancy sensors, so lights would brighten and dim based on the surrounding light and whether the rooms were occupied or vacant. He also wanted to ensure the heating and cooling system worked as efficiently as possible.

Store Manager Michael Cochran of ABC Supply works in the company's well-lit and energy efficient Sacramento warehouse. ABC Supply, which leases the space on Ramona Avenue, worked directly with SMUD to accomplish lighting upgrades before moving into the location.

Photo by Tony Nguyen

ABC, which leases the warehouse space, took charge of these upgrades and agreed to make the investment. The company did, however, apply for rebates through SMUD that paid for a portion of the project. Having to pay some of the cost out of pocket still made business sense, Burzinski explains, because ABC made “a long enough lease commitment” for the investment to pencil out with savings.

“The paybacks are really within the first two years,” he says, “so after that it’s just free savings for us. It might have been a little more for us upfront, but knowing that the payback is coming in the next two years, it was definitely worth doing.”

Since Burzinski could — and did — oversee the project, his company participated in Express Energy Solutions, SMUD’s program for businesses that do not require an outside consultant to plan and manage improvements.

“One thing I try to impress on customers: If you’re doing anything that’s going to save electricity, give SMUD a call — there’s a chance we may offer a rebate or an incentive on it,” says Rodney Turner, SMUD strategic account advisor.

The bottom line of the budget isn’t always the bottom line of the project.

“We’re looking for energy savings, that’s true,” Turner says, “but I always tell people that you don’t want to sacrifice performance for energy savings. Especially if you change your lighting system, you want to save money,

but you don’t want to reduce your lighting so much that you can’t do your job.”

SMUD works with the customer on the account, be that the landlord or the tenant. In cases like ABC’s, where the tenant makes improvements, Turner recommends communication with the property owner to keep the landlord in the loop.

ABC opened its Sacramento location in March. Burzinski, off to his next project, recommends SMUD’s commercial programs to other businesses seeking to save energy.

“Definitely look into any of the programs out there with rebates, whether it’s electrical for lighting or controls for your HVAC systems,” he says. “There may be SMUD assistance available that makes it more affordable to do those upgrades.”

“Knowing that the payback is coming in the next two years, it was definitely worth doing.”

Rodney Burzinski, Construction Manager, ABC Supply

Getting Buy-in

How to talk to your property owner about improvements

Even if a business doesn’t own its commercial space, the owner may have a chance to benefit from energy-efficiency upgrades. Some landlords willingly make improvements, some agree to do so at tenants’ expense, others approve upgrades tenants perform on their own.

In any case, when presenting a proposal, “it has to be a win for the landlord,” SMUD Strategic Account Advisor Mark Crume says. “There has to be a compelling reason.”

One reason: “Does it improve property value?” Other considerations include the length of the lease and whom the lease stipulates as responsible for various items of maintenance (for instance, heating and air conditioning).

Once the tenant determines those parameters, talking points suggested by Crume include:

- The reason for the upgrades (specifically what’s needed and why)
- Rebates from SMUD
- Any amount the tenant will contribute to defray an expense of the property owner
- Benefits (better security from improved lighting, reduced maintenance from LED lights, etc.)

Along with lobbying, timing can make a difference. “When you do your lease renewal, if you plan to stay, that’s a good time to negotiate for small improvements,” Crume says. “Before you sign on the bottom line.”

One final piece of advice: “Make sure all upgrades are spelled out in writing.”

Select the best product for your project

What can you do to help ensure that the product you select is a good choice?

Picking the right lights to install or making sure the new air conditioner is energy efficient is key to the success of your project. In order to participate in SMUD incentive and rebate programs, look for products that are rated or listed by one of the following:

ENERGY STAR

ENERGY STAR sets standards for energy-efficient consumer products (such as computer monitors, light bulbs or fixtures, dishwashers, etc.). Selecting these products can help owners improve the energy efficiency of their businesses in ways that cost less and help the environment. Discover more about this U.S. Environmental Protection Agency voluntary program at energystar.gov.

DesignLights Consortium

The DesignLights Consortium provides information, education, tools and technical expertise for cutting-edge technologies. Since 2010, the DLC has administered the Quality Products List, a leading resource that distinguishes quality, high-efficiency LED products for the commercial sector. Search the Qualified Products List at designlights.org/qpl.

For more help selecting the right product and to review the rebate list, visit Express Energy Solutions at smud.org/ees.

How to find a contractor

One of the most important steps in a successful energy-efficiency project is finding the right contractor. By selecting a licensed contractor who can identify and install qualified energy efficient equipment for your business, you'll be eligible to receive SMUD rebates. Here is a checklist to help you select a contractor:

- ☐ To the extent possible, start by writing down in advance what work you want performed.
- ☐ Finding a good contractor requires references. Get started by searching for them on a variety of websites, like yelp.com or angieslist.com. Word of mouth referrals from someone you trust that has used a particular contractor is also helpful.
- ☐ Get bids from at least three different contractors.
- ☐ Ask each bidder for at least three references, and be sure to call or visit each reference.
- ☐ Only hire a contractor with a valid state license. To find one visit cslb.ca.gov/Consumers/ or call 800-321-2752 to learn how to select a licensed, qualified contractor; check the status of a contractor license; negotiate a clear contract; prevent disputes and mechanics liens; and resolve contractor disputes.
- ☐ Check with the Better Business Bureau to see that the contractor is in good standing with them.
- ☐ Let the contractor know you're interested in participating in SMUD's rebate program. Make sure that the contractor knows about SMUD's rebate requirements.
- ☐ Confirm with the insurance carrier that the contractor carries workers' compensation and liability insurance policies.
- ☐ Get all project proposals/bids in writing. Only sign a contract if you fully understand the terms.
- ☐ Never make a down payment of more than 10 percent and never pay in cash. Don't complete payment until you are satisfied with the job.
- ☐ Keep a job file of all papers related to your project, including notes on discussions with the contractor, everything provided to you by the contractor, contracts, and payment receipts.
- ☐ Pay it forward. If you have a good experience take the time to share it with others.

Reinvesting in the local economy

Small businesses reap benefits of SEED program by Evan Tuchinsky

Five years ago, Chris Johnson made a decision that helped change his business fortunes.

He'd founded The Johnson Group, a professional staffing firm, in 2006. During its early growth phase, Johnson attended a lunch-and-learn session titled "How to Do Business with SMUD" and got introduced to SEED, a procurement program designed to support local suppliers.

"SMUD made it clear that even though they're a billion-dollar enterprise, they like to do business with small businesses," Johnson says. "I really saw that it wasn't this bureaucratic, check-the-box kind of thing — they really had a passion to do that."

SEED stands for Supplier Education and Economic Development. Any state-certified small business that's been a SMUD customer for at least six months can apply to receive incentives, which include price breaks, extra points when bidding for a contract and quicker payments once awarded a contract. SMUD also can reserve certain contracts for SEED vendors only (up to \$82,000, or \$246,000 for multi-year contracts).

"SMUD made it clear that ... they like to do business with small business."

**Chris Johnson, Owner,
The Johnson Group**

"It's a win-win situation for SMUD and the local economy," says Lori Okamoto, program coordinator for SEED (smud.org/seed). "Reinvesting funds in our local economy helps us also support services in the local community and build a strong vendor community."

"SMUD is community-owned, so everything that we do — all the programs and services that we provide — is to help support the community and local economy."

Johnson sees SEED as a "win-win-win" situation because his business — one of the fastest-growing in Sacramento — has benefited so much from the relationship.

The Johnson Group got certified by SMUD, then participated in a construction project as a subcontractor, providing skilled workers. The company has won multiple contracts as a prime contractor and widened its scope to include other public sector entities along with private sector clients.

"Doing business with SMUD gave us a lot of credibility," Johnson says. "If all the other state contracting agencies were able to follow the SMUD model, there'd be so many other success stories because SMUD has it right."



Chris Johnson owns The Johnson Group, a professional staffing firm. SMUD supports local businesses like The Johnson Group by offering incentives for them to bid on SMUD contracts.

Photo by Tony Nguyen

The funds to get things done

Loan programs

Small businesses that want to make their buildings more energy efficient can receive upfront capital through one of many loan programs. Opportunities include:

SMUD loans

SMUD makes loans of up to \$10,000 to business customers investing in energy efficiency measures — and will consider higher amounts on a case-by-case basis. SMUD offers secured financing at 6.99 percent, generally for a term of 10 years (or, for tenants, six months less than the time remaining on the property's lease). Certain eligibility criteria must be met, but the application fee of \$100 per loan gets refunded if no loan is offered.

Contact: SMUD's Commercial Contact Center, 877-622-SMUD (7683)

Grow Sacramento Fund

Energy upgrades and business improvements fall under the parameters of this economic development partnership, established and capitalized by SMUD, the City of Sacramento, Sacramento County and the National Development Council, to help eligible small businesses obtain financing. Loans feature customized, flexible structures.

Contact: Dianna Sasser, Grow America Fund, info@growsacramentofund.com or 916-732-5499

State Loan Guarantee Program

SMUD partners with the California Capital Financial Development Corporation to guarantee commercial bank loans for small businesses in Sacramento County that do not qualify for conventional financing. These loan guarantees are provided in conjunction with those offered by the State of California via state trust funds and federal funds.

Contact: Anthony Rucker, California Capital Financial Development Corporation, 916-442-1729

Return on investment

Contractor passes on SMUD savings to customers

Don Pezzuto Lighting has been providing lighting services to Sacramento businesses for 29 years. And while lighting technology has changed dramatically in that time, Pezzuto says one constant has been SMUD's commitment to helping small businesses become more energy efficient through its energy rebate programs. As a contractor, Pezzuto appreciates being able to pass on these savings to his customers.

"We try to step into the shoes of the business owner," Pezzuto says. "When we do a proposal, we show the business owner the total cost of the project, what the cost is after the rebate and the return on investment. SMUD pays a very generous amount on retrofitting, so if you look at it

from a business standpoint, you can see it's a cost-effective thing to do."

Once Pezzuto completes the job, he collects the rebate from SMUD. This arrangement has been a win-win for both Pezzuto and business owners looking to save money.

"SMUD pays some of the highest rebates in the region, and it's gone a long way toward getting people to retrofit their lighting," Pezzuto says. "The people who work in the rebate program are all really professional and do a good job."

For more information on how to help your customers save money with SMUD rebates, visit smud.org/businessrebates



"SMUD pays a very generous amount on retrofitting, so if you look at it from a business standpoint, you can see it's a cost-effective thing to do."

Don Pezzuto, Sacramento-area lighting contractor who uses SMUD rebates for his customers

Helping power your business

As your community-owned and not-for-profit electric service, we structure our rates and services to benefit the community we call home.

General Inquiries

Sacramento Municipal Utility District
6301 S Street,
Sacramento, CA 95852-0830
Monday through Friday
8 a.m. to 6 p.m.
24-hour deposit box near front entrance
smud.org/business
commercial@smud.org
877-622-SMUD (7683)

Express Energy Solutions

Find and submit rebates for energy-efficiency upgrades — easily and all online.
smud.org/EES
916-732-5095
express.energysolutions@smud.org

Complete Energy Solutions

A full-service approach to upgrading your site. Call for a free energy assessment.
smud.org/CES
855-822-2936
ces@ecoact.org

Greenenergy

Power your business with renewable energy.
smud.org/businessgreenenergy
877-622-SMUD (7683)

SEED (Supplier Education and Economic Development)

Local small businesses receive incentives to participate in SMUD's competitive bid process.
smud.org/SEED
916-732-5600
SEEDmgr@smud.org

Various Loans

Grow Sacramento Fund
916-732-5499
info@growsacramentofund.com

State Loan Guarantee Program
California Capital Financial
Development Corporation
916-442-1729
cacaptial.org

SMUD Business Tools Online

SMUD's interactive tools and information can help you understand your bill and rates, calculate your energy consumption, identify opportunities for saving energy, find rebates, see success stories and more.
smud.org/business

Access your
savings at

smud.org/businessrebates



SMUD[®]

Powering forward.
Together.