

PROFILE: VIRGINIA PUBLIC UTILITIES (VPU)

ENERGY INSIGHT HELPS VPU AND ITS COMMERCIAL CUSTOMERS MEET ENERGY-SAVING GOALS



Communities need healthy businesses that are resilient in tough times. This is especially true in regions like the Iron Range, where downturns in the global steel market can have devastating local effects. Energy Insight, Inc., is helping commercial customers of Virginia Public Utilities (VPU) in Virginia, Minn., control costs and stay more competitive through energy efficiency.

Energy Insight delivers VPU's commercial and industrial conservation improvement program (CIP), which offers electric customers of the municipal utility rebates and other incentives to make energy-saving upgrades to their facilities.

"Businesses that are conscientious about costs tend to be the ones that thrive in the long run," said Bill Hafdahl, finance director for VPU. "People don't realize how much money they can save with a little investment in energy efficiency. Our rebates are there to incentivize those decisions."

Electric and natural gas utilities in Minnesota were mandated by the Next Generation Energy Act of 2007 to achieve energy savings of 1.5% of gross annual retail sales on an annual basis. A few years later, when the

mandate changed its focus from spending to energy savings, VPU hired Energy Insight to help achieve that mandate.

"We needed a professional consultant," Hafdahl said. "(VPU) doesn't have the staff or the expertise to go into commercial facilities, look at equipment, and make energy-saving recommendations. That's not our business. Our job is to deliver reliable electricity."

VPU provides electricity to nearly 1,000 businesses and organizations. In the past four full years (2012 to 2015), Energy Insight has worked with 116 of VPU's commercial customers—from banks and supermarkets to hockey arenas and manufacturers—helping them access more than \$200,000 in total rebates and save over 5-million kWh of electricity annually. Those numbers continue to grow as more businesses become aware of the program and invest in energy efficiency.

"When a customer requests an energy analysis, we set up a site visit, go through their whole facility, and make recommendations," said Doug Eli, associate energy engineer with Energy Insight. "We identify projects,

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Virginia Public Utilities

calculate energy savings, and estimate rebates. If they decide to move forward, we verify when work is completed and process the rebates. It is very easy for them.”

“Lighting is still the low-hanging fruit,” Hafdahl said, adding that when customers call about lighting rebates or other incentives, VPU directs them to Energy Insight. “Everyone thinks saving electricity is all about lighting, but then folks from Energy Insight walk in the door and point out things they might not have considered, like energy-efficient air compressors or motors.”

One recent project at TRITEC, a company that specializes in heavy steel fabrication and industrial welding, demonstrates the bottom-line benefits of the program.

“They replaced HID lighting in their main production space with LEDs and installed variable frequency drives on the air handlers in their painting facility so the fans automatically modulate their speed to match the needs of the painting process,” said Eli, noting that TRITEC qualified for more than \$4,600 in VPU rebates. “Installing these technologies will conserve nearly 133,000 kWh and save the company about \$15,000 per year—money they can reinvest in the business.”

“Energy efficiency is another way for businesses to control costs,” Hafdahl said. “Energy Insight helps raise awareness and provides our commercial customers with sound options. I’ve recommended their services to other communities. They wouldn’t get my recommendation if they didn’t earn it.”



Pictured (l to r) Energy Insight’s Doug Eli with VPU finance director Bill Hafdahl



Energy Insight has helped Super One, Miners Memorial Building, Northern State Bank of Virginia and other VPU customers access more than \$200,000 in rebates and save a combined 5 million kWh annually.