With COSE, Energy Efficiency is Just One Call Away (Cleveland, Ohio)

Owning a small business is a feeling like no other; contributing a new idea to the marketplace is one of the greatest opportunities of the American dream. However, for many small businesses, there is little room for extra costs beyond day-to-day operating expenses. But that does not mean that energy efficiency is out of reach. Groups like Cleveland-based Council of Smaller Enterprises (COSE) assist businesses with the tools to not only stretch those precious entrepreneurial dollars, but to make more of them.

COSE represents a network of small businesses and provides its members with resources for success ranging from healthcare and workers’ compensation guidance to political advocacy and energy solutions. As part of its energy initiative, COSE works with utility companies and various strategic alliances to provide incentives for businesses that are looking to reduce their energy bills.

Nicole Stika, senior director of energy services at COSE, says many small businesses want to make their companies more energy efficient, but a few significant barriers make it difficult for them to do so.

“There’s really no void of opportunity in the small business marketplace to help more small businesses engage in energy efficiency. The gap that exists is between opportunity and awareness of the opportunity,” Stika explains. To help fill that gap, Stika and her energy team work one-on-one with small business owners who would like to reduce their energy usage while keeping their operational costs low.
COSE helps businesses decrease costs through education, consultative support and its collaboration with utilities that help businesses leverage various incentive programs. Additionally, COSE’s advocacy efforts and creative solutions enable more small businesses to realize energy efficiency goals. For example, COSE began working on “on-bill financing” in 2008. The original on-bill concept was a utility driven program; as such, under COSE’s initial proposal, utilities would be required to file an application with the Public Utilities Commission of Ohio (PUCO) to establish the program and then would select banks and vendors to finance and complete projects. All costs associated with implementing an approved on-bill financing program would be recoverable for the utility.

As a result of utility-expressed concerns, COSE redrafted the proposal to mitigate several of the concerns, including addressing the issue that an on-bill financing program would require a utility to perform several non-traditional functions. A new feature of COSE’s on-bill financing legislation is the introduction of third-party administrators whose role would be to work with lenders, project vendors (including energy efficiency auditing companies) and customers throughout the State of Ohio to promote on-bill financing.

The revised legislation would provide PUCO with the tools to establish rules for an on-bill program, including setting requirements for an entity to become an on-bill administrator. Under this new concept, a utility’s only function would be to receive billing information from a PUCO-approved administrator, place the amount owed on the participating customer’s bill, and then remit the payment from the customer to the administrator. (More information about the proposed on-bill financing program can be found in Stika’s September 2013 presentation from the CE3 event, “A Workshop for Efficiency, Emissions and Energy Choices in Ohio.”)

The COSE energy team also uses the COSE Energy Choice program, broken into “Seven Steps to Energy Efficiency” to engage with clients. The process of “engage, consult, assess, design, implement, measure, and manage” creates an individualized energy plan for clients. One such client, the North Ridge Racquet Club, enrolled in COSE’s Electric Program and Natural Gas Program, retrofit its lighting, and enrolled in First Energy’s Demand-side Management and Energy Efficiency (DSE2) Rider avoidance program. The DSE2 Rider avoidance program qualifies companies for rebates on the use of large amount of electricity if they also have energy efficiency initiatives. The North Ridge Racquet club was able to avoid $53,618 through the DSE2 Rider program. In addition, they are saving a total of $65,011 per year through the Electric Program, Natural Gas Program, and the lighting retrofit.

COSE has saved clients thousands of dollars per year through the Electric Savings Program and Natural Gas programs. In 2011, the programs saved companies $1.5 million; in 2012, the Electric Savings Program alone saved businesses $2.8 million and the Natural Gas program saved them nearly $435,000.
Communication and education, Stika says, are key to making energy efficiency work for small businesses. The COSE Update, a monthly small business magazine, reaches nearly 14,000 people in the small business community. COSE also has an annual Washington Presentation in D.C. where they meet with policy-makers in the nation’s capital to discuss making energy efficiency more accessible to small businesses. In the past, COSE has met with government officials in support of Senator Rob Portman’s Energy Savings and Industrial Competitiveness Act of 2011. Stika says the group will meet with senior White House officials as early as the second quarter of 2014.

COSE’s advocacy efforts, combined with their suite of pragmatic, unconventional solutions, are the answer to energy efficiency hurdles faced by Ohio small businesses and will help sustain both small businesses and the environment for years to come.

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