

Lighting: as a Service for Local Business

Alternative Utility Services (AUS) partners with economic development corporations (EDCs) and local chambers of commerce to provide all local area businesses the opportunity to upgrade their facility's lighting to more efficient LED fixtures with no capital expense. These programs are designed to allow businesses and institutions, big and small, to take advantage of energy and maintenance savings created through improved lighting efficiency without spending their own resources to do so. These resources, coupled with increased energy and maintenance savings, will now be available to help grow and expand area businesses and support a robust local economy.

How this Works

Lighting accounts for approximately 19% to 30% of electricity use for commercial and industrial facilities, and most facilities continue to use fluorescent, metal halide, sodium vapors and other older, less efficient lamps to deliver their light. New LED lamps and fixtures use 75% less energy than older style lamps and last up to 25 times longer. This means that converting older lamps to LEDs can save between 14% and 22% on electricity costs annually, plus hundreds, if not thousands of dollars in maintenance and bulb replacement costs. The trick for many businesses to realize these savings is to capitalize their retrofit, and that's where Alternative Utility Services can help.

Alternative Utility Services and its capital partners use their financial resources to invest in upgrading your fixtures and lamps to LEDs. AUS will own and maintain the equipment, including responsibility for replacing worn out or damaged bulbs. In exchange for this service, AUS and your business will enter into a **shared savings agreement** for the monetary reduction the new equipment provides your business. The level of sharing and the length of the agreement depend upon how much you use the lighting (hours of operation) and the cost of electricity to your facility, but regardless of the terms, your business will never incur any out-of-pocket capital costs for the projects; only collect the energy and maintenance savings that they create.

Energy Costs

-
-
-
-
-
-

Total Savings: \$\$

Maintenance Costs

-
-
-
-
-
-

Total Savings: \$\$

AUS completes a **\$10,000** retrofit at your facility.

Estimated that an upgrade will save your business \$4,000 annually in energy and maintenance costs.

Your business and AUS agree to a shared savings plan where those annual savings are split evenly, 50% for each, for 7 years.

SAVINGS with No Investment

Annual Savings

YOU **AUS**
7 Years

Each year, your business will save \$2,000, and over the term you will have saved \$14,000.

And you **saved \$14,000** without investing a dime to install or maintain the system.

Your capital and credit lines can stay focused on growing your business.

Savings share depends on a number of factors:

- hours of operation
- expected maintenance costs
- cost of installation
- etc.
- credit

EXAMPLE

Completing this Process

The process toward completing a no capital investment lighting upgrade at your facility is fairly simple and streamlined.

Join the program. You join the program through the completion of an initial site survey. This document will give the auditor a head start on the process by giving them a basic idea of your existing equipment, how often it is used, and what you currently pay for electricity and maintenance. You will have the option to purchase or to enter into a shared savings services contract completely off balance sheet.

Receive Proposal. You will receive a custom proposal for the upgrade of your facility's lighting, which will include details on the equipment that will be installed, what the projected energy and maintenance savings will be, and the proposed shared savings plan for your business.

Conduct Lighting Audit. A lighting audit is scheduled and conducted on-site. This audit will be conducted by a licensed lighting professional and will consist of a walk-through of your facility to verify your existing equipment and determine any special considerations needed to complete a retrofit, such as use of a ladder. The cost of this audit is covered by AUS.

Complete Upgrades. Your lighting upgrades will then be scheduled and installed by a licensed electrical contractor.

Shared Savings Agreement. Once you review your proposal, you will execute your shared savings agreement. This agreement will outline the terms and conditions of your no-investment lighting upgrade and allow for the scheduling of your retrofit.

Begin Saving. Upon the completion of your lighting installation, you will immediately begin to enjoy the savings they provide on your electric bill.



Working Together to Maximize Savings

One of the major advantages of this kind of program is the aggregate value provided by having many businesses complete lighting upgrade projects at one time. First, it is an opportunity to reduce many of the "soft costs" of performing both lighting audits and lighting installs. Things such as travel, scheduling, and marketing can all be reduced, which decreases the costs of service and increases the savings to you, the end user. Additionally, there is purchasing power in numbers. Material components can be ordered in larger volumes at better price points, creating additional savings that are again passed on to everyone that participates. And in the big picture, it is energy efficiency that is the first line of defense in keeping electric prices in check. Reducing electric consumption limits the need for new power plants and transmission lines, huge utility investments that increase electric rates. So implementing these projects together works to the benefit of all businesses and residents of the area. Now with more money, cash flow and capital in the local economy, you can make your community grow.



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Alternative Utility Services, Inc. (AUS) is a nationwide energy consultant, broker, and energy services provider founded in 1993 by Fritz Kreiss. Originally serving as a vendor for commercial Combined Heat and Power (CHP) systems, AUS expanded to the field of energy procurement in the mid-1990's and has taken that knowledge to expand into the energy services and

renewable energy sectors. AUS maintains a national network of vendors, contractors, and finance partners that promote the efficient and cost effective delivery of integrated energy solutions. Lake Geneva, WI serves as AUS's headquarters, with regional offices located in Chicago, IL and Red Bank, NJ.