

# Manufacturers, ESPCs, and Market Forces

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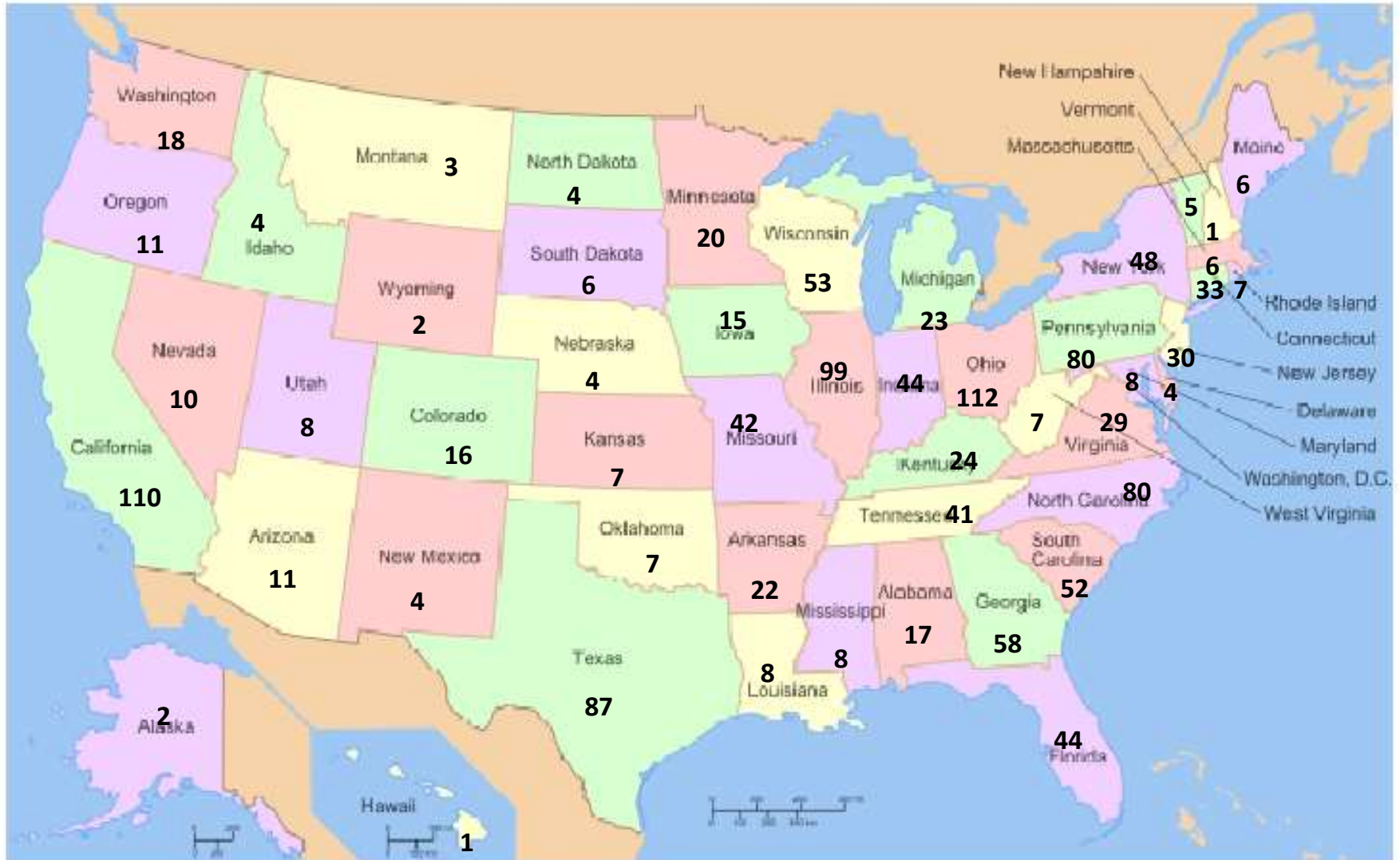


The Association of Electrical and Medical Imaging Equipment Manufacturers





# Electrical Manufacturers Across the U.S.





# Insights from Manufacturers

**Energy performance transparency policies are driving the market, but:**

**Customers:**  
Paying for upgrades is a major obstacle

**Manufacturers:**  
Distinguishing quality ESCOs from fly-by-night operators can be difficult



# Energy Performance Transparency is Driving the Market

- 💡 State and local benchmarking and disclosure programs are driving demand for efficiency improvements
- 💡 “They see their score, and then they call me to find out what to do about it” - Small Manufacturer of Submeters
- 💡 Cities and states are leading by example with public buildings

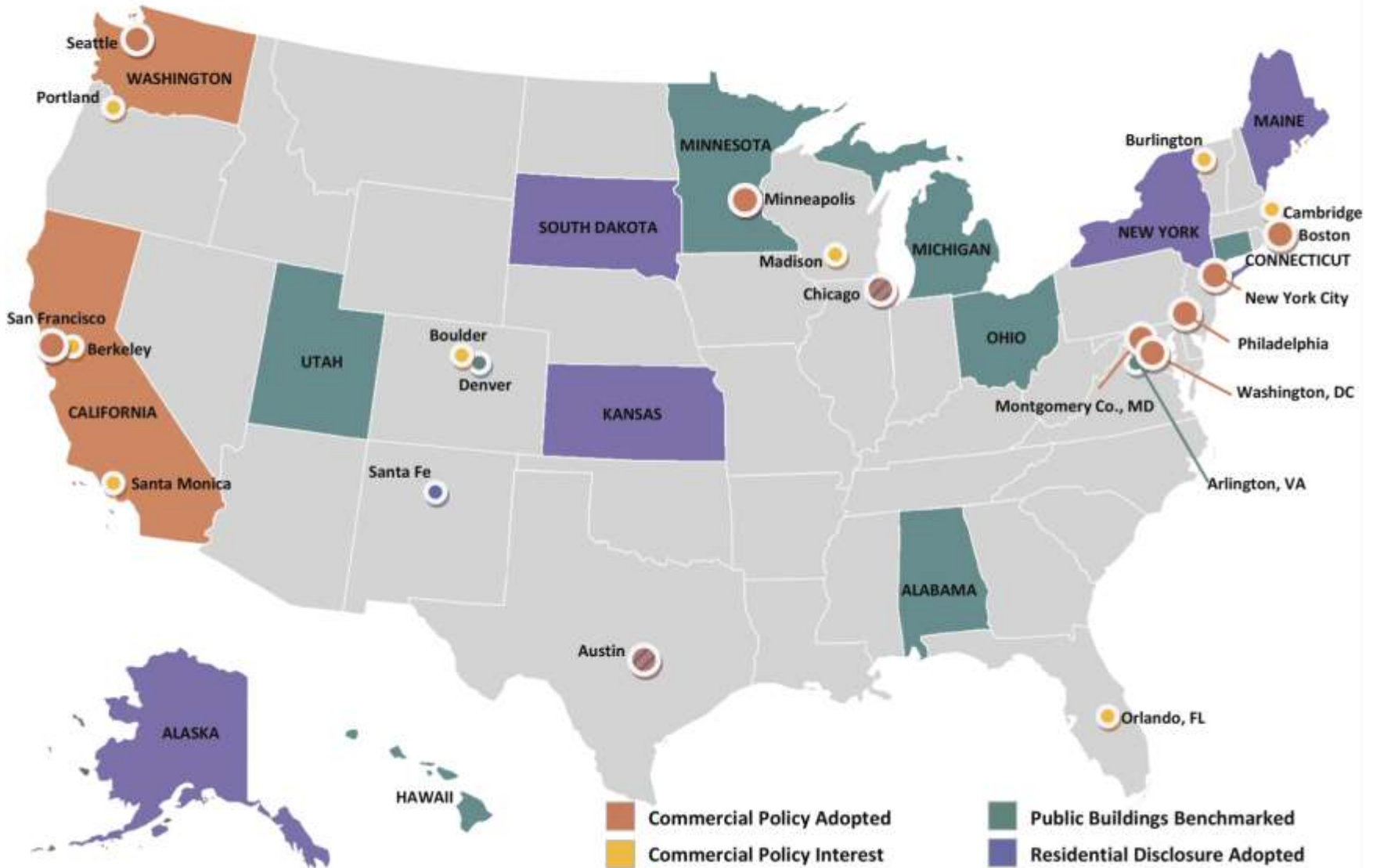




# U.S. Building Benchmarking and Disclosure Policies



IMT  
INSTITUTE  
FOR MARKET  
TRANSFORMATION





# Cost Still a Major Barrier to Efficiency

## 2014 Energy Efficiency Indicator Survey

- Top Barriers in North America:
  1. Lack of Funding
  2. Uncertainty of Savings
  3. Insufficient Payback/ROI
  4. Lack of Awareness
  5. Lack of Technical Expertise
  6. Lack of Organizational Ownership
  7. Landlord-Tenant Split-Incentive






# Benefits and Barriers for Manufacturers

- ✎ Both small and large manufacturers benefit, not just those with major ESCOs
- ✎ Outside of the “Super 16” ESCOs, there is no generally recognized way to distinguish quality ESCOs from fly-by-night operators
- ✎ Some manufacturers note that projects are sometimes sold on merits of energy savings alone, not quality of overall project



# Takeaways

-  Market transparency is driving demand
-  Lack of funding is still the #1 barrier
-  Smaller ESCOs lack name recognition and clear designation of quality performance





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# Questions?

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