

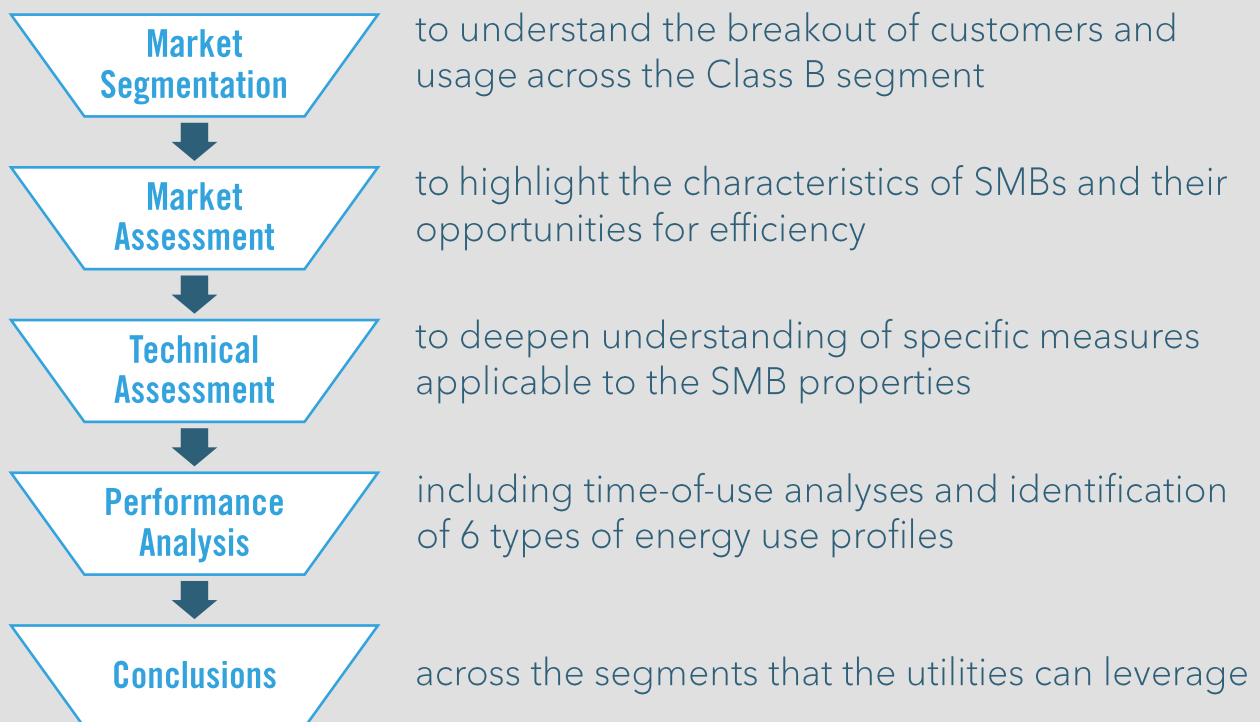
Waypoint Regional Utility Customer Market Analysis of Small/Medium Buildings



Waypoint performs in-depth market analyses to provide utilities insight and identify opportunities for customer segments such as Small/Medium Buildings

Small/Medium office buildings (SMBs) are a difficult building segment for utilities to reach, and are strapped for resources including staff time, project funding, and energy knowledge. Now that utilities have reached many of the larger customers in their territory, they are focusing on mid-sized customers for participation in efficiency programs. SMBs, known as Class B in the commercial real estate market, comprise 65% of commercial floorspace and consume 59% of all commercial energy use.

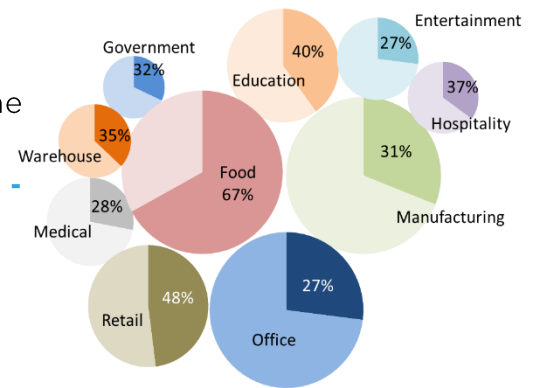
Waypoint conducts in-depth analyses for utilities resulting in actionable plans for achieving energy savings in commercial building segments. On behalf of a consortium of four West Coast utilities - *Pacific Gas & Electric, San Diego Gas & Electric, BC Hydro, and Southern California Edison* - Waypoint analyzed the energy efficiency potential for over 1,000 Class B commercial buildings with a mid-size demand profile between 200-499 kW. The findings and recommendations provided targeted information on individual buildings, utility territories at large, and cross-utility territory building and efficiency program improvements.



The findings and results below are examples of outputs from Waypoint's Class B commercial building cross-utility analysis, ranging from segment-specific details to qualitative behavioral information to time-of-use analytics

Cross-Utility Energy Usage & Program Participation by Sector

Across the four utilities, the Class B office segment is the **third largest** sector but has the **lowest** program participation

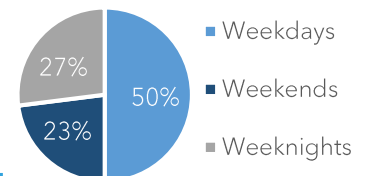


Efficiency Barriers; Informational, Financial, Behavioral

- **13%** of buildings have staff that are dedicated to energy management, leaving most without an energy champion/ building engineer knowledgeable on efficiency opportunities
- **3 Year** simple payback requirement for energy projects with Class B customers limits investment options for implementing efficiency measures
- **42%** of Class B customers have gross leases in which the owner pays the utility bill, making tenant buy-in, though challenging and time-consuming, crucial for investment

Class B Customer Time-Of-Day Energy Usage Breakdown

Workday loads only make up about 50% of energy usage, even in properties with a building management system (BMS). The other 50% comes during weekends and weeknights.

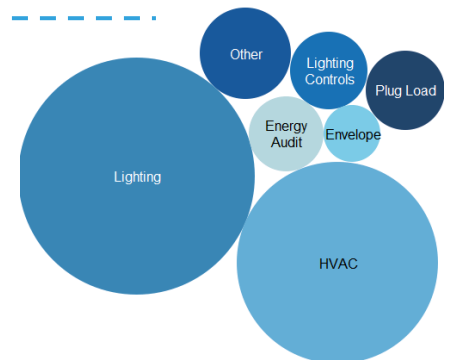


Office Energy Usage of Class B Customers at Scale

By working with the largest 1-2% of Class B customers, sponsors can effectively influence 10-20% of sector energy usage at scale. There is opportunity for efficiency in this sector extremely condensed into the larger customers. Each of the 4 utilities' 10 largest Class B customers (1-2%) use anywhere from 10% to 20% of mid-size energy use.

Utility Program Energy Savings by Measure Type

Utility Program Participation energy savings from Class B customers have largely come from lighting and HVAC; significant opportunities remain, particularly in the area of controls (bubble size = relative energy savings)



To learn more about this analysis or if you are interested in Waypoint conducting one for your utility's service territory, reach out to us at info@waypoint-energy.com.