

# POWERING SMALL BUSINESS SUSTAINABILITY A HONEYWELL AND DOMINION ENERGY SUCCESS STORY

Small- and medium-sized businesses benefit from an energy efficiency rebate program.

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Case Study

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Honeywell

## RESULTS AT A GLANCE:

- This utility helped small business segments overcome economic pressures and engagement barriers with Honeywell's energy efficiency rebate program.
- Nearly 1,300 businesses participated, saving an average of 6,545 kilowatt-hours per business.
- Direct energy savings enhanced business environments, reduced maintenance costs and improved comfortability and aesthetics.

Small- and medium-sized businesses need better and more flexible ways to become more energy efficient. Businesses need scalable, specialized solutions, expert guidance and customized plans to drive measurable results.

## CHANGING TO OVERCOME ENERGY EFFICIENCY CHALLENGES

Dominion Energy produces and transmits electricity to many areas in the Southeastern United States, particularly North Carolina and Virginia. This utility also measures and tracks electricity consumption across its small- and medium-sized businesses (SMBs). Recently, Dominion Energy recognized inefficiencies in how electricity was used by these SMBs.

Deploying energy efficiency resources — one of Dominion Energy's specialties — wasn't as simple as it should've been for these businesses because they faced immediate operational and circumstantial challenges, which included:

- **Economic Pressures:** COVID-19 and inflation resulted in shrinking customer bases and revenue losses for SMBs.
- **Engagement Barriers:** SMBs had limited time, resources and expertise to invest in energy efficiency improvements.
- **Diverse Needs:** Virginia and North Carolina have various businesses with different requirements, existing energy efficiency efforts and language preferences.

Dominion Energy wanted to help these businesses overcome all, not some, of the challenges and complications that formed a difficult barrier to energy efficiency progress. So, the utility sought to create an **energy efficiency rebate program** that not only incentivized high-efficiency installations but also made participation easy and impactful. A substantial undertaking, Dominion couldn't design, implement and manage this initiative alone. The utility turned to Honeywell and its Smart Grid Solutions offering for help designing, implementing and managing this initiative.

## SUSTAINABLE ENERGY SOLUTIONS MUST PUT BUSINESSES FIRST

After planning, careful considerations and forecasting, Honeywell and Dominion developed a comprehensive energy efficiency program that aimed to reduce energy usage and operational costs for small- and medium-sized businesses and contribute to environmental sustainability by reducing carbon emissions. The program's solutions included:

- **Tailored Incentives:** Offering rebate incentives for energy efficiency measures, making participation financially attractive to SMBs.
- **Third-Party Contractor Network:** A vetted network of contractors and vendors helped deliver services, ensuring quality and timeliness, and reducing customer inconvenience. Honeywell currently has 19 participating small business contractors.

It wasn't long before this program gained popularity for its accessibility and benefits, with SMBs applying for energy efficiency rebates.

With Honeywell's expertise and extensive contractor network, nearly 1,300 businesses participated in Dominion's energy efficiency program.



## IMPLEMENTATION AND EFFICACY OF ENERGY EFFICIENCY PROGRAM

The SMB program consistently saw high levels of interest. When the Honeywell team received an inquiry about the program, they first confirmed customer eligibility. The customer then worked with a member of the contractor network to submit an initial assessment, which required an on-site energy evaluation. After the initial assessment was approved, members of the contractor network implemented efficient lighting, controls, appliances, HVAC equipment and other measures to improve system performance.

Collaborations with third-party contractors and vendors helped provide low- or no-cost energy efficiency measures, largely covered by funding incentives. Energy efficient resources and solutions, like those mentioned above, require less power, emit fewer carbon emissions and last longer. With the right solutions, systems and controls, turning off the lights and adjusting thermostats became more valuable and worthwhile. All parties involved could help protect the planet without financial strain and give back to the communities they serve – through these sustainable solutions.

The program's implementation and execution had fast and significant impacts. A snapshot from June 2021 to June 2023 depicted the following:

- **Energy Savings:** Participating SMBs saved an average of 6,545 kilowatt-hours per business, amounting to 8,476 megawatts of savings. In turn, these savings contributed to an annual reduction of 4,661 metric tons of carbon dioxide, which is approximately equivalent to the carbon dioxide emissions from 1,000 cars in a given year.<sup>1</sup>
- **Increased Engagement:** While the first phase of the SMB energy efficiency program successfully led to 50 million kWh savings generated from over 2,500 participants, today's redesigned program that launched in 2021 has led to a 34% increase in applications with approximately 50% of applications including nonlighting measures.
- **Broad Impact:** Dominion, Honeywell and the third-party contractor network delivered direct energy savings, enhanced business environments, reduced maintenance costs and improved businesses' comfortability and aesthetics.

The SMB program, led by Honeywell on behalf of Dominion Energy and supported by the contractor network, helped reduce businesses' energy consumption, manage energy grid demand and provide environmental benefits.





## **A CUSTOMER'S ENERGY EFFICIENCY ADVANTAGE**

Wanting to transform energy consumption at his businesses, Chris Tsui, president of EAT Restaurant Partners, applied for this energy efficiency rebate program. Acceptance and solution implementation were seamless processes. The outcomes were even better.

Not only was it easy to participate, but his businesses lowered their energy costs, replaced hardware to be more efficient and improved lighting in many spaces.

“Dominion’s energy conservation program is really helpful for small businesses like mine. Being a part of this program, you can reduce your costs, get a better bottom line and focus on your own business without worrying about utility costs as much,” Tsui said. “The program was very easy for us, especially with Honeywell representatives showing us what we needed and doing a lot of the paperwork and legwork for us. Dominion is there for you, showing you ways of saving on your utility bills so you can focus on what you do best in your business.”

## **LOOKING TOWARD THE FUTURE OF ENERGY EFFICIENCY**

This program wasn’t a one-time solution or a temporary fix. The businesses that made changes because of the program’s financial incentives and expertise are still experiencing the benefits, which means the environment and communities they serve are, too.

Creative energy efficiency solutions pave the way for future change. The SMB program’s success provides a model that can be adapted to other regions and utility and/or energy companies. Building a strong, local Honeywell team that maintains a customer-centric approach and follows established best practices will be key to implementing the SMB program in other territories.



## CONCLUSION

The successful Dominion Energy and Honeywell partnership sets a precedent for how utilities and energy service companies can collaborate to drive energy efficiency within small- and medium-sized business sectors. The energy efficiency rebate program not only achieved significant energy savings and environmental benefits, but also provided valuable insights that can help engage hard-to-reach market segments. This offers a scalable model for future initiatives.

Through strategic collaboration, tailored solutions and a focus on local customer needs, Honeywell and Dominion Energy have made significant strides toward achieving energy efficiency goals. Honeywell is committed to meeting all customers where they are with real solutions: from utility clients to small business end-customers.

### About Dominion Energy

*Dominion Energy, headquartered in Richmond, Virginia, is one of the nation's largest producers and transporters of energy, with a portfolio of approximately 31,000 megawatts of electric generation, 93,000 miles of distribution lines and more.*

### About Honeywell

*Honeywell is an integrated operating company serving a broad range of industries and geographies around the world. As a trusted partner, we help organizations solve the world's toughest, most complex challenges, providing actionable solutions and innovations that help make the world smarter, safer and more sustainable.*



## REFERENCES

1. United States Environmental Protection Agency. "Greenhouse Gas Emissions from a Typical Passenger Vehicle." 28 August 2023. <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle#:~:text=typical%20passenger%20vehicle%3F-A%20typical%20passenger%20vehicle%20emits%20about%204.6%20metric%20tons%20of.8%2C887%20grams%20of%20CO2>.

### For more information

<https://automation.honeywell.com/us/en/solutions/smart-energy/services/sgs/energy-efficiency>

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