



**ENERGY
SMART** | MINNESOTA CHAMBER
ENVIRONMENTAL
SUSTAINABILITY
FOUNDATION



Annual Report 2025

Program summary

Energy Smart is a business energy efficiency assistance program developed by the Minnesota Chamber Environmental Sustainability Foundation (MCESF). As a nonprofit affiliate of the Minnesota Chamber of Commerce, Energy Smart connects with businesses across the state by leveraging the Chamber's connections to the business community, in addition to fostering trusted relationships with industry and community partners.

Energy Smart provides an entry-level energy efficiency consulting service, from initial meeting to project implementation. There is no co-pay to receive services in host utility areas. Energy Smart connects with small and medium-sized businesses via direct referrals from utility websites and representatives, programs such as Xcel Energy's Partners in Energy, word-of-mouth, local business associations and community-based organizations. Energy Smart meets participants on-site to establish goals and perform a walk-through consultation to identify energy efficiency opportunities. A follow-up report is then delivered to the business with actionable steps to reduce energy consumption and participate in Energy Conservation and Optimization (ECO) programs. To the best of our ability, we include eligible financial resources available to the business. This may include utility rebates, matching grants or green funding mechanisms such as Property Assessed Clean Energy (PACE). Energy Smart provides ongoing technical assistance to collect and review equipment proposals, apply for utility rebates or enroll in in-depth utility programs that may benefit the business.

Since its founding, Energy Smart has met with over 5,400 businesses. With the support of Xcel Energy and CenterPoint Energy, Energy Smart's implementation is unique in that we provide a full set of natural gas and electric recommendations for customers, even in split service areas. Businesses with these utilities receive a single point of contact to work with, which is vital for small and medium-sized businesses that often lack internal capacity to otherwise engage with utility programs.



The Energy Smart team

2025 Program delivery

Program total

Program services	Actual	kWh	Dth
Unique site visits completed	296	-	-
Total active businesses	443	-	-
Active ECO services	1,413	-	-
Electric upgrades	159	4,718,912.78	-
Natural gas upgrades	36	-	8,420.76

Xcel Energy electric

Program services	Actual	Goal
Number of site visits completed	264	
Number of business participants	404	425
Businesses enrolled in cost saving programs	14	10
kWh saved from electric upgrades	4,654,993	4,484,900
Electric upgrades completed after Energy Smart contact	154	-
Total rebates from upgrades	\$694,820.53	-
Number of times specific electric ECO information given	734	-
Number of times specific behavioral recommendations made	355	-
Internal program cost per first year kWh saved (budget)	\$0.14	\$0.15

Xcel Energy natural gas

Program services	Actual	Goal
Number of site visits completed	101	-
Dth saved from gas upgrades	1,501.60	3,130
Gas upgrades completed after Energy Smart contact	17	-
Total rebates from upgrades	\$6,650.00	-
Number of times specific gas ECO information given	112	-
Number of times specific behavioral recommendations made	93	-
Internal program cost first year Dth saved (budget)	\$33.35	\$16

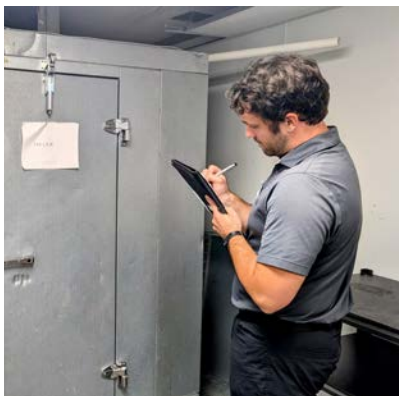
Program delivery continued

CenterPoint Energy natural gas

Program services	Actual	Goal
Number of site visits completed	180	144
Number of business participants	205	205
Businesses enrolled in cost saving programs	3	
Dth saved from gas upgrades	6,594	8,336
Natural gas upgrades completed after Energy Smart contact	17	-
Total rebates from upgrades	\$54,404.00	-
Number of times specific gas ECO information given	250	-
Number of times specific behavioral recommendations made	247	-
Internal program cost per first year kWh saved (budget)	\$31.60	\$25

Other utilities

Program services	Actual	Savings
Number of site visits completed	40	-
Electric upgrades completed after Energy Smart contact	5	63,919 kWh
Natural gas upgrades completed after Energy Smart contact	2	325 Dth
Number of times specific ECO information given	78	-
Number of times specific behavioral recommendations made	88	-



Executive summary



296

on-site consultations



\$758,192.14

utility rebates



\$704,201.92

annual cost savings

In 2025, Energy Smart built on the foundations we laid in 2024. We strengthened existing local partnerships and added new ones. We improved balance between large projects with Chamber members, and the small business projects that remain our priority. We achieved 22.6% more energy savings than 2024 on a similar number of projects. With the continued growth in community partnerships and improved synergy with Chamber operations, Energy Smart is well-positioned to continue assisting businesses in 2026 and beyond.

- **Local partnerships:** 2025 included the official launch of the SBEEDi (Small Business Equitable Energy Decarbonization Initiative), a partnership of CBO's (community-based organizations) detailed later in this report. Energy Smart sparked relationships with local CDFIs (community development financial institutions), and rekindled our collaboration with Xcel's Partners in Energy program, connecting with city officials and local business associations in Roseville, Minnetonka, Shoreview and more. In the course of these efforts, Energy Smart also continued to deepen ties with sustainability-minded cities like Minneapolis, Saint Louis Park, Hopkins and Northfield.
- **Chamber member engagement:** Energy Smart improved internal systems and collaboration in order to more effectively provide energy efficiency services to our member businesses. We met with new members earlier in their onboarding process to identify efficiency opportunities and review their questions and goals around efficiency. We also took extra time to connect larger members with valuable in-depth utility audit programs that could better serve their complex needs and map an efficient future.

Cost benefits to businesses

Xcel Energy



Estimated kWh saved:
4,654,993.24 kWh



Estimated Dth saved:
1,501.60 Dth



Internal program cost/kWh:
\$0.14
Internal program cost/Dth:
\$33.35

CenterPoint Energy

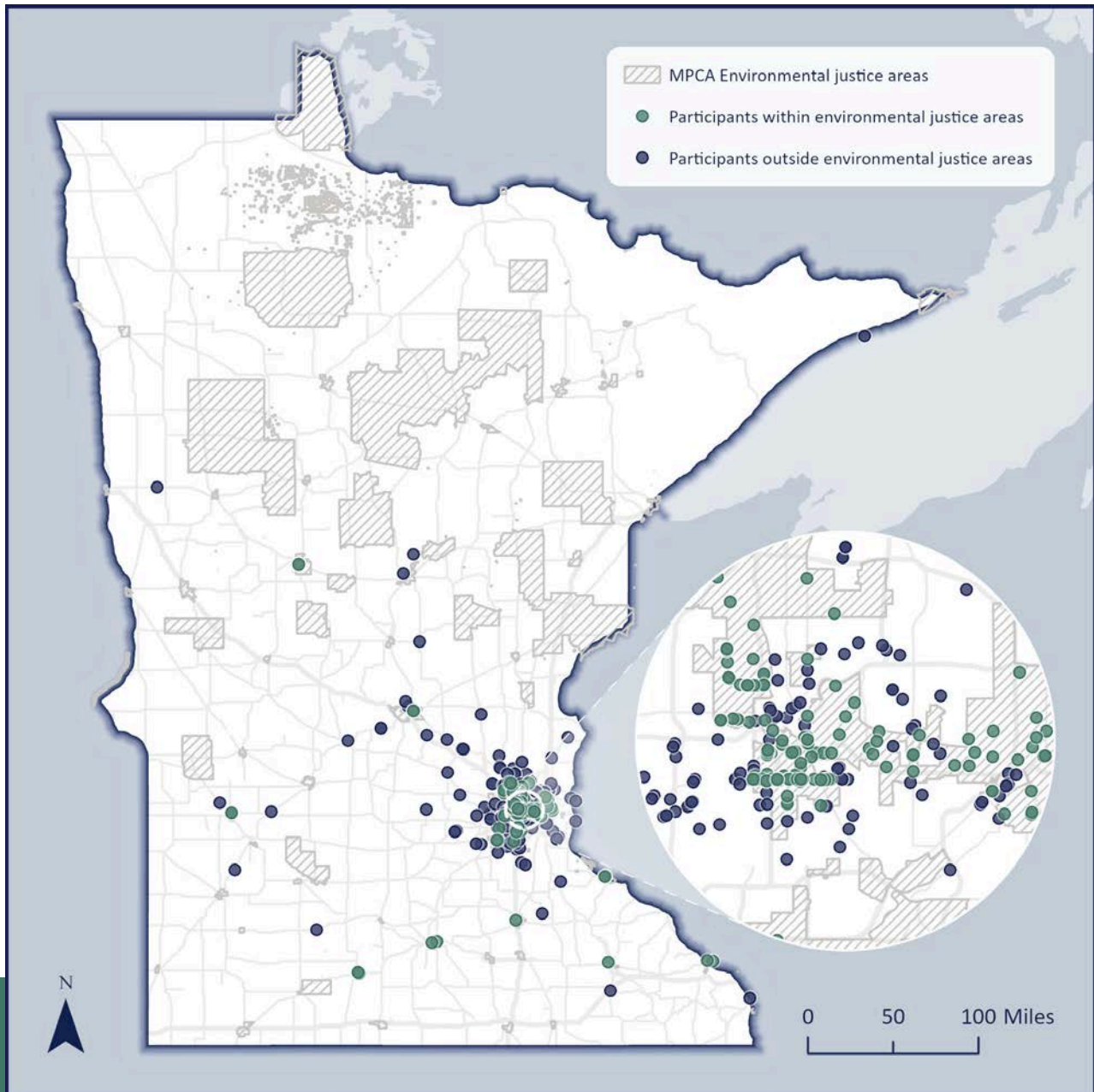


Estimated Dth saved:
6,594.16 Dth



Internal program cost/Dth:
\$31.60

Service locations

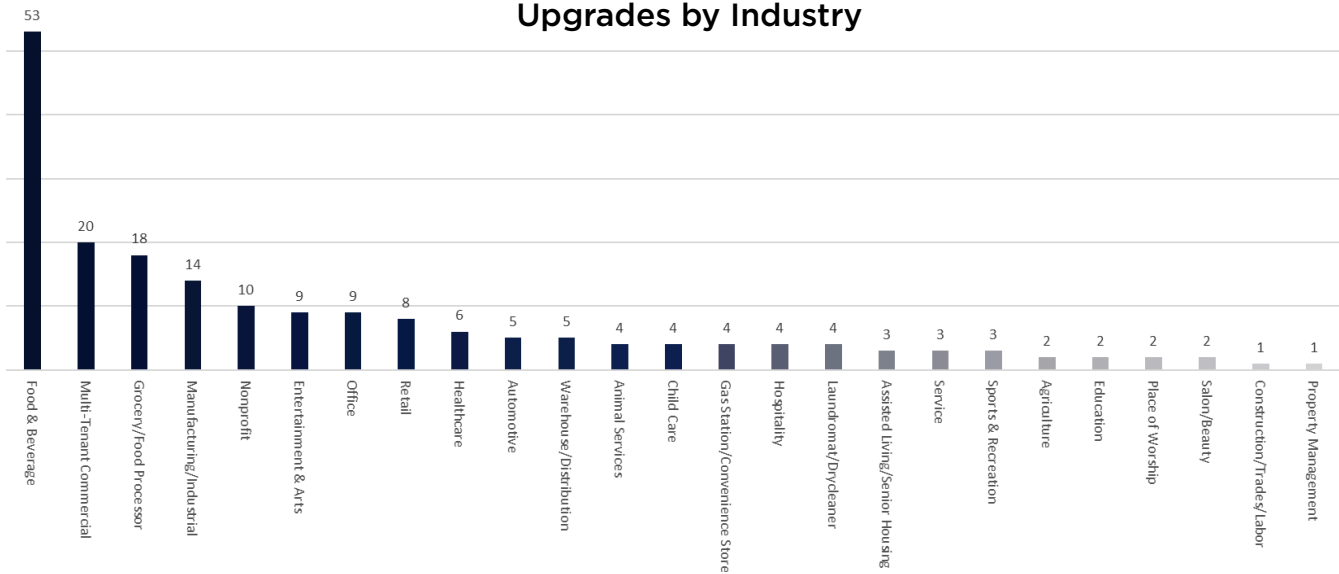


In 2025, Energy Smart provided services to 443 businesses in 58 cities across Minnesota. Of these businesses, 50, or 11.3%, were outside the seven-county metro.

Energy Smart uses the Minnesota Pollution Control Agency's (MPCA) environmental justice areas definition and mapping tool to evaluate program delivery to underserved areas. The MPCA defines environmental justice areas as census tracts in which >40% of the population is people of color, >35% of households have income at or below 200% of the federal poverty level, >40% of the population has limited proficiency with English, or which are located within federally recognized reservations and other Indigenous lands. In 2025, 200, or 45.1%, of Energy Smart's participants were located within an environmental justice area and 22 of those participants were also located outside the seven-county metro area.

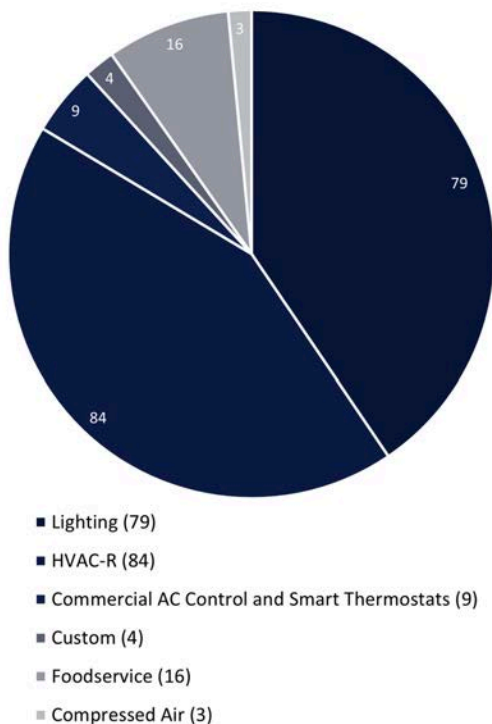
Upgrade results

Upgrades by Industry



In 2025, Energy Smart assisted 58% more food & beverage business upgrades than in 2024. This was partly a result of increased coordination with CBOs whose business communities contain many restaurants, often immigrant-owned. Energy Smart also assisted with 80% more upgrades at multi-tenant commercial properties than in 2024. One driver of this change is that multi-tenant commercial property-owners were frequent attendees of Energy Smart presentations at events hosted by Partners-in-Energy and sustainability-minded cities.

Upgrades by Technology



Energy Smart made 1,957 efficiency recommendations at 296 new site visits in 2025, resulting in 195 efficiency projects that earned utility rebates. 159 of these projects were electric and 36 were natural gas. Lighting and HVAC-R continued to be the most common project type. 8 of these projects were at Minnesota Chamber of Commerce member businesses.

Economic impact from these projects resulted in over \$758,192.14 earned in utility rebates. Annual cost savings to businesses are estimated to be over \$704,201.92. Annual carbon emissions reductions total 4,495 metric tons, or the equivalent of taking 1,048 internal combustion engine cars off the road for one year.

Outreach

Energy Smart expanded outreach to connect more Minnesota businesses with our energy efficiency resources through partnerships with cities, business associations and local Chambers of Commerce. In 2025, these collaborations led to 87 consultations scheduled through partner referrals and joint outreach efforts. Energy Smart also continued its digital presence, generating 83 service inquiries through online advertising, making it easier for businesses to connect with the program.

2025 Marketing at a glance

- 16 Newsletters & outreach emails, with a total of 50,192 emails sent with a 40% open rate
- 4 presentations and 3 webinars
- 18 tabling events
- 21 business networking events
- 18,091 website visits
- 135 social media posts with 8,743 impressions

Partnerships

Industry and community partnerships are a key component of Energy Smart’s outreach strategy. Newsletters, webinars and social media are effective at reaching many businesses, but some businesses benefit from a more relationship-driven approach. Energy Smart has cultivated trusted partnerships with a variety of industry and community partners to engage with otherwise hard-to-reach businesses.

- Xcel Energy’s **Partners-in-Energy** program convenes local city leaders, relevant business associations and industry experts like Energy Smart at in-person events with the local business community. In 2025, Energy Smart presented at PiE events in Roseville, Shoreview, New Brighton and Minnetonka.
- In September, the **MN CDFI Coalition** invited Energy Smart to present to lenders about the benefits of investing in energy efficiency.
- The **SBEEDi** program (detailed at right), for which Energy Smart is the official technical assistance partner, has fostered new connections to underserved small businesses in the Twin Cities.

Partnership spotlight

SBEEDi (the Small Business Equitable Energy Decarbonization Initiative) is a joint project of the Lake Street Council, Great Plains Institute, and William Weber Consulting that leverages partnerships with CBOs (community-based organizations) and utility-funded programs like Energy Smart to provide targeted technical and financial assistance to underserved businesses in the Twin Cities.

Participating CBOs currently include:

- Lake Street Council
- Neighborhood Development Center
- Latino Economic Development Center
- West Broadway Coalition.

In 2025, SBEEDi CBO’s referred 34 businesses to Energy Smart for site visits, resulting in 16 efficiency upgrades, 145,376.39 kWh and 390.76 Dth in energy savings, \$22,572.77 in utility rebates and \$20,691.75 in first-year cost savings. Energy Smart looks forward to continued success in 2026.



The Energy Smart team attended a SBEEDi training session with CBOs in summer, 2025.



“Energy efficiency pays off.”

Watson Fong
Owner
Asian Mart

New grocer maximizes rebates

Watson Fong has run Asian Mart in Burnsville for six years. As the business grew, so did the need for more space, which led Watson to build a second location in South St. Paul.

Watson cares deeply about reducing waste, whether it's cardboard boxes or electricity, so he made it a priority to choose energy efficient equipment when planning the new building. The rooftop unit, water heater, refrigeration, lighting and ventilation system were all selected with efficiency in mind. An Energy Smart's Energy Efficiency Specialist facilitated the rebate process and ensured that they received every dollar available from the utilities for the energy efficient upgrades. By selecting energy efficient equipment, Asian Mart is saving almost \$8,023 annually.

His message to other small business owners is straightforward: energy efficiency pays off.

**Utility rebates:
\$11,400**

**Grant funding:
\$5,000**

**Annual savings:
\$8,023**



Energy upgrades for local auto shops

Austin Lutz founded BAM! Automotive in 2015. Today, he operates two locations in Minnetonka and St. Louis Park. When it came time to think about energy efficiency, Austin's top priority wasn't just the equipment and long-term operating costs, it was his team.

As the buildings aged, some issues were becoming apparent. Fluorescent lights were burning out at both locations and the Minnetonka HVAC unit was nearing the end of its useful life. Austin wanted to stay ahead of potential breakdowns that could disrupt operations and create unexpected costs. He also saw an opportunity to improve the technicians' workspace. The Minnetonka repair bay had been heated by a single unit heater in the center of the room, creating noticeable hot and cold spots throughout the space.

Austin found the most valuable part of working with Energy Smart was having someone who understood the entire process and could manage the paperwork. With multiple contractors, timelines, rebates and grant requirements involved, having one knowledgeable point person made the retrofit and upgrade process smoother.

The results have been noticeable. The new HVAC system evenly distributes heated and cooled air across the repair bay, improving comfort for technicians throughout the day. LED lighting upgrades made the shops brighter and more welcoming for customers.

Austin encourages other business owners to plan ahead and make energy efficiency part of their overall business model. Staying ahead of aging equipment helps avoid surprising costs and downtime, while creating a better environment for employees and customers alike.

“ Business owners should plan ahead and make energy efficient equipment part of their business model.”

Austin Lutz
Owner
BAM! Automotive

Utility rebates:
\$3,734

Grant funding:
\$4,763

Annual savings:
\$3,405



“Businesses should tap into your community resources and officials to explore what is available. You may find opportunities to accelerate both your business goals and sustainability journey.”

Andrew Healy and Alex French
Owners
Bizzy Cold Brew

A sustainable brew

When Andrew Healy and Alex French launched Bizzy Cold Brew in 2013, they had the ambitious goal of creating a cold brew coffee that was both highly caffeinated and delicious.

From the start, sustainability has been a core component of their business. When it came time to upgrade their production equipment, choosing energy-efficient equipment made sense for getting the best performance while reducing their carbon footprint. Bizzy Cold Brew installed new water heaters, a variable speed drive air compressor and a new air conditioner.

With the guidance from an Energy Smart Efficiency Specialist, Bizzy Cold Brew received over \$8,500 in utility rebates, which they plan to reinvest into more sustainable equipment.

Utility rebates:
\$8,782

Annual savings:
\$11,189.01



Growing a sustainable business

Green Valley Greenhouse began working with the Energy Smart program in March 2025 after a referral from their contractor, Chamber Member, Sustainable Energy Savings. An energy efficiency specialist from the Energy Smart team met with Phil Johnson at Green Valley Greenhouse to apply for Energy Smart's business energy efficiency grant program for their proposed blackout curtain system being installed for the greenhouse.

Maintaining proper growing conditions in a greenhouse can be difficult and expensive. Blackout curtains are a great way to lower energy costs in a greenhouse while also improving growing conditions. CenterPoint Energy approved a custom rebate for this project for \$8,090. The blackout curtains will save Green Valley Greenhouse 1,541 Dekatherms of natural gas annually.

Following their site visit with Energy Smart, Green Valley Greenhouse joined the Minnesota Chamber of Commerce, and continued their sustainability work. They meet with a Sustainability Specialist on the Waste Wise team and were able to secure \$11,890.02 for waste reduction projects throughout their 28-acre facility.

Energy Savings:
1,541 Dth

Utility rebates:
\$8,090

Annual savings:
\$9,246.00

Grant funding:
\$7,000



Restaurant invests in efficiency

When Cedar Inn, a casual neighborhood bar, moved to a new location, owner Jim Landvick saw the opportunity to install energy efficient systems.

With assistance by Energy Smart, Cedar Inn completed several energy efficiency upgrades:

- Installed two new rooftop units
- Added variable frequency drives (VFDs) for the kitchen hood
- Installed a fractional Electronically Commutated Motors (ECM) for the make-up air unit

These upgrades improve comfort for customers and staff while reducing unnecessary energy use, which is especially important in a bar and kitchen environment where ventilation and cooling systems run hard.

For Jim, one of the most valuable parts of the experience was working with the Energy Smart team. "They were great and really took care of all the paperwork," he shared. From identifying energy efficiency opportunities to navigating rebates and other incentives, Energy Smart helped streamline the process so Jim could stay focused on running his business.

With lower energy use and improved system performance, the upgrades are expected to deliver ongoing operational savings year after year. "Financially, it made it cost effective and will make it cheaper in the long run," Jim said.

**Utility rebates:
\$8,150.20**

**Annual savings:
\$3,842.60**

**Grant funding:
\$5,000**

Conclusion



As we celebrate the Minnesota Chamber Environmental Sustainability Foundation's (MCESF) 31st year, we are thrilled to reflect on the journey that brought us here and the exciting future that lies ahead! Since its inception in 1994, starting with the "It's in the Bag" program focused on blue wrap in health care, the MCESF has supported the business community to make tremendous strides toward energy efficiency, pollution prevention, waste reduction and reuse. Over the decades, our passionate Energy Smart and Waste Wise staff have aided this effort by conducting thousands of site visits to divert over 1.08 billion pounds of waste from landfills and incinerators, save over 56 million kWh and 85,000 Dth and support businesses in saving approximately \$20 million dollars.

This year alone, the Energy Smart team completed over 296 site visits with businesses across Minnesota to identify opportunities to optimize limited resources and prioritize sustainability. As a result of our efforts, businesses and organizations implemented almost 200 projects with a combined first year cost savings of approximately \$704,000 – saving over 4.7M kilowatt hours, reducing natural gas usage by approximately 8.4k dekatherms and decreasing CO2 emissions by nearly 4,500 metric tons.

2025 was a year of significant economic uncertainty for businesses of all sizes. In times like these, companies are taking a hard look at what truly adds value to their bottom line. The good news? That's exactly where sustainability shines. Our work helps businesses improve their margins and cut down on expenses—something that's not just nice to have, but essential right now. When every dollar counts, finding ways to reduce waste and energy consumption isn't just good for the environment; it's good for business. Amongst all MCESF programs, we were able to allocate an impressive \$1.7 million in grants for projects through our county, state and utility partners, helping businesses do well while doing good.

We are extremely fortunate and appreciative to have excellent partnerships with Xcel Energy and CenterPoint Energy to offer these services and resources. MCESF is confident that together we can continue to foster practices that strengthen our business community and protect our environment—a win-win we're excited to keep building on.

Sydney Henderson

Director of Environmental Sustainability



ENERGY SMART | MINNESOTA CHAMBER ENVIRONMENTAL SUSTAINABILITY FOUNDATION

This report was submitted by the Minnesota Chamber Environmental Sustainability Foundation on April 1, 2026.

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