



# How small business DSM programs are responding to COVID-19

## Insights from the May 14 E Source exchange

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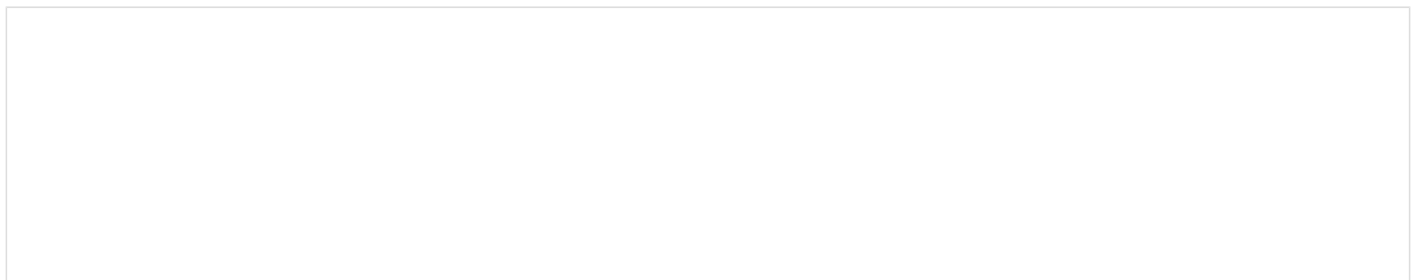
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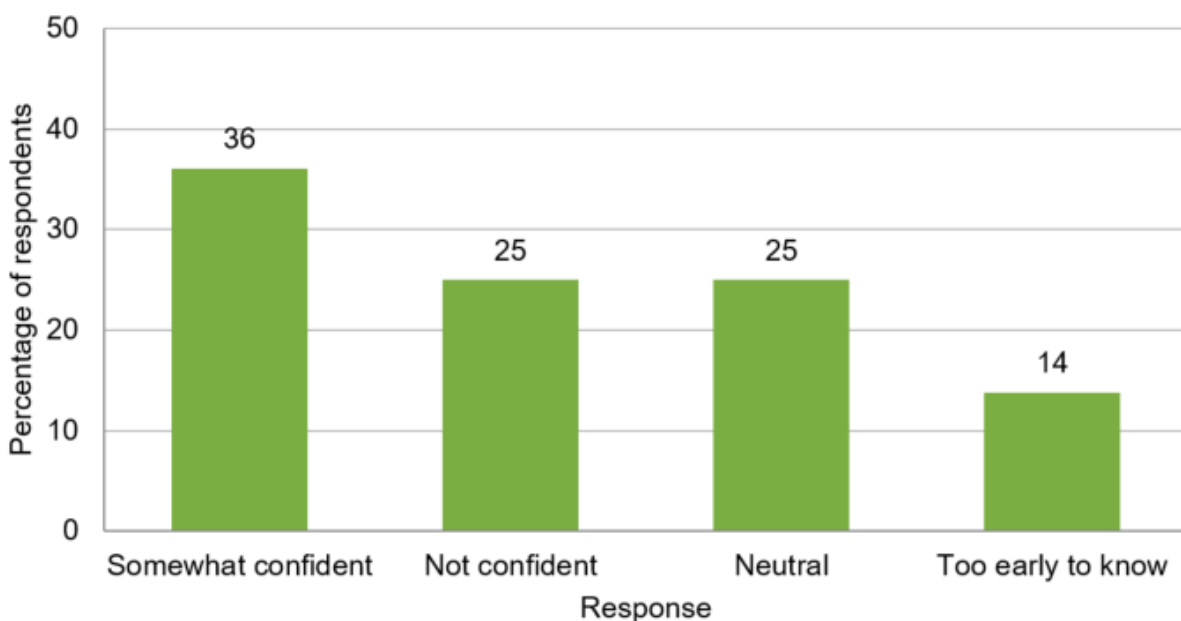
On May 14, we held an exchange exploring how utilities are adjusting their demand-side management (DSM) programs to support small and midsize businesses (SMBs) during this public health and economic crisis. Here's what we learned from the event.

### **Call attendees expressed mixed feelings about meeting their 2020 SMB program goals**

Many SMBs across the US and Canada have temporarily or permanently closed or have been severely affected financially. We asked 36 utility program managers about how they expect COVID-19 to impact their SMB program savings targets. The majority of respondents said their direct-install SMB programs are on hold due to regional health and safety regulations.

Despite the challenges, 36% of respondents said they're somewhat confident that they can meet their 2020 goals. Most other respondents expressed some level of uncertainty or hesitation—25% of respondents told us they're not confident about meeting their goals and 14% said it's too early to know how COVID-19 will affect their 2020 programs.





**Base:** n = 36 program managers. **Question:** How confident are you about reaching your 2020 SMB DSM program goals? © E Source

## COVID-19 is sparking innovations in SMB program design

Current COVID-19 health and safety regulations are forcing utilities to make short-term adjustments to their SMB program portfolios:

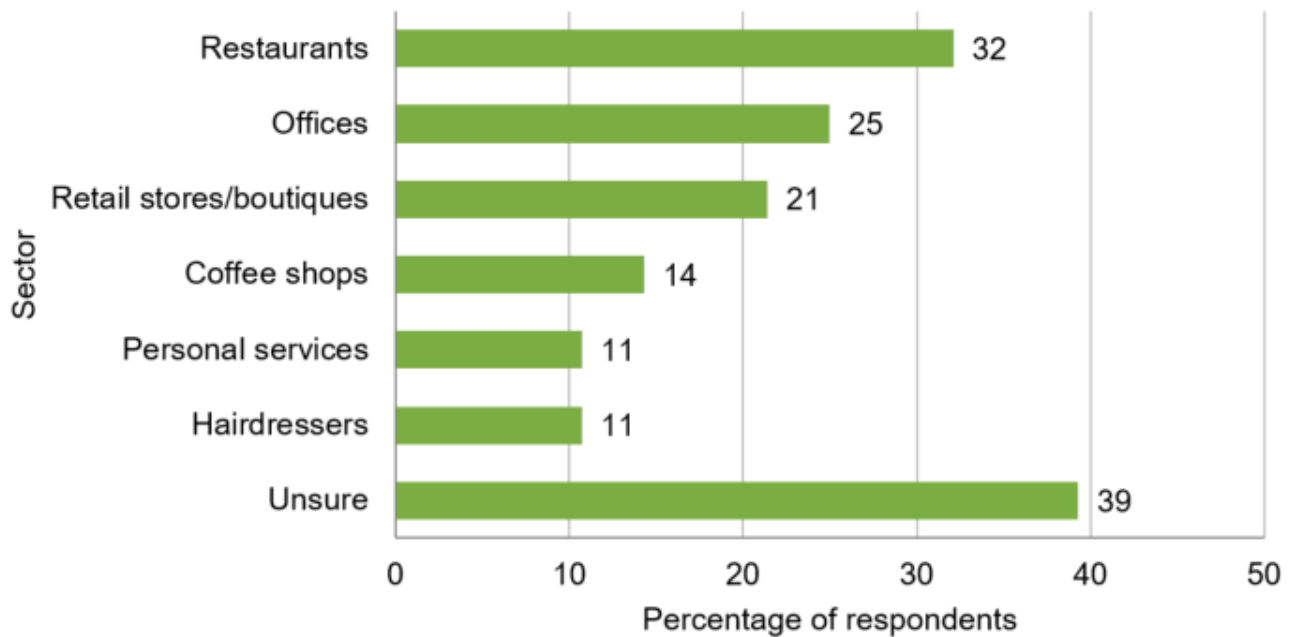
- Five attendees reported launching or expanding their virtual energy audit and inspection options.
- One attendee's utility launched an online marketplace for SMB customers to meet a societal desire for e-commerce. Measures offered on the marketplace include LED light fixtures and water-conservation equipment.

We also heard from one attendee who said their utility is adjusting its customer-engagement strategy in response to a sharp decline in participation in its small business energy-efficiency kit program. According to the program manager, "The idea is to have our energy advisers, who would normally be going out face-to-face [to businesses], call folks that haven't already received a kit to talk about how we can help them and then send them a kit directly from our vendor."

## COVID-19 will affect interest in energy efficiency by sector, but it's unclear how things will shake out

The COVID-19 pandemic response and economic crisis continue to evolve. Add to this the differences in guidance around "reopening" businesses and communities, and it's easy to see why 40% of respondents were unsure about which sectors will be the best candidates for postpandemic energy-efficiency programs. Most attendees agreed that restaurants may be good candidates as some states and provinces are starting to allow

customers to dine in.



**Base:** n = 28 program managers. **Question:** What sector(s) do you think will be the best candidate for DSM programs post-COVID-19? **Note:** Respondents were allowed to choose multiple responses.  
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