

How utility account managers can encourage developers to electrify new construction

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Traditionally, utilities design new-construction electrification programs to help businesses reduce their carbon emissions and become more sustainable. It's a bit trickier when the businesses are builders and developers.

Learn how we can help you increase participation in new-construction electrification programs

Fill out this short form to start a conversation about how we can help.

These customers don't directly benefit from most new-construction electrification programs because they don't live or work in the structures they build. But they have an important role in bringing electrification to more properties. And they benefit indirectly by building electrification-ready businesses, facilities, and houses that appeal to environmentally minded buyers and tenants.

Regardless of whether the motivation is environmentalism or capitalism, the result of electrification is the same: lower carbon emissions and more-sustainable energy sources.

Account managers have an "in" with developers

Account managers have the relationships, sector-specific knowledge, and familiarity with local business development trends to identify developers and development projects that are good candidates for new-construction electrification programs.

To identify and enroll developers in these programs, we suggest account managers take the following steps.

Align your program incentives with your utility's energy-savings and carbon reduction goals

According to the E Source <u>2021 Large Business Customer Satisfaction Study</u>, over 70% of large business customers had an energy-related goal. Over one-quarter had an energy-related goal tied to emissions. And according to the Smart Electric Power Alliance's <u>Utility Carbon Reduction Tracker</u>, more than 80% of US utility customers are served by a utility with a carbon-reduction goal.

Plus, in certain regions, utilities are facing increasing regulatory pressure to electrify and move toward renewable fuel sources. Make sure you're incentivizing developers to build electrification solutions that support your utility's goals.

Identify developers who are most likely to participate in new-construction electrification programs

Connect with the developers most likely to be responsive to the idea of a new initiative. Often these are builders:

- Who are local and interested in building a long-term partnership with their utility
- Whose brand aligns well with sustainability
- Whose projects are sited in more-affluent, politically progressive areas
- Who have multiple similar projects planned or underway

Know the appetite for electrification in your service territory

You know your territory as well as or better than economic developers, city planners, real estate agents, and demographic market researchers. You know which neighborhoods are ripe and ready to support electrification and which aren't. Share this information with developers and factor it into your incentive design.

We know of one multifamily building developer in metro Denver who took advantage of utility-provided electrification rebates and was then able to fit more units in the building. This would have been a bad decision in rural Colorado, where the demographics and economic conditions would have undercut the ROI.

Build relationships with developers

Attend industry events to identify developers, familiarize them with your programs, and establish personal

relationships. Doing so will increase the likelihood of them participating in your programs. Your trade ally network also has close working relationships with builders in your service territory. Educate these contractors about your programs so they can spread the word.

Set up account plans with your developer customers

As you get to know the needs of a developer, create an account plan so the account management team knows how to work with the customer. E Source members with an Account Management Service subscription can start with The E Source key account plan template, a guide to building an account plan, and learn more about serving business customers in our report Building and running-an-ideal-account-management-department.

Check in regularly

Your relationships last even after construction is complete. Check in to see how the program is or isn't meeting the customer's expectations and make any adjustments necessary along the way.

Account managers help CleanBC's new-construction electrification program succeed

The <u>CleanBC Commercial New Construction Program</u>, a provincial program operated by BC Hydro, uses key account managers to engage with prospects and encourage participation in the program. The province of British Columbia has a goal of reducing carbon emissions and reaching net zero by 2050.

The cross-functional involvement of multiple teams, including key account managers, is a key ingredient in the recipe for success. CleanBC involves account management, marketing, operations, and engineering to drive program participation—and the resulting greenhouse gas (GHG) reductions.

The key account managers are the first to engage with larger and established customers about program participation. For smaller business customers or new customers looking at new construction or retrofitting existing buildings, CleanBC's marketing strategy involves finding new leads through industry training events and providing energy coaching services.

BC Hydro's trade ally network, the <u>Alliance of Energy Professionals</u>, is also important in spreading the word about the program and helping customers through the process.

According to Oscar Ceron, senior program manager at BC Hydro, builders and developers will have different business reasons for their new developments. GHG emissions reductions may not be at the forefront for some, but using key relationships and incentives, creating industry awareness, and engaging with valuable trade allies will help bring success.

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