

GREEN SHEET

FOOD SERVICE REBATES: Buy Smart- Get Paid!.

Food service is a challenging and competitive business. Survival and prosperity depend on a mixture of hard work, smart business decisions and a pinch of luck. Hard work comes with the territory and luck is unpredictable but smart business decisions are made by restaurateurs who search for the competitive edge, pay attention to detail and never overlook a money-making opportunity. These are the smart operators that California's investor-owned utilities had in mind when they created the statewide commercial food service rebates. SCE, Southern California Gas Company, SDG&E and PG&E knew that lower energy bills coupled with substantial rebate checks would be just the ticket to promote energy efficient appliances. If you are reading this, then you are probably one of those smart operators. Please read on: these food service rebates are a business deal that is worth your consideration!

MONEY SPENT WISELY

California leads the nation in energy efficiency. A typical Californian uses much less energy than the average American but California continues to grow, so the state needs more energy resources. There are only two ways to create more energy for the state: build new power plants or use of the existing ones more efficiently. If you crunch the numbers, you find that it is cheaper to save energy than to build new generation. In other words, the more efficiently we all use our existing power resources, the more money we all save. From a purely economic standpoint, promoting energy efficiency is the smart business decision. Armed with this knowledge, California's energy authorities made two excellent business decisions. First, they "decoupled" the energy-savings business from the energy-providing business - allowing the utilities to make money by saving energy and giving them an incentive to promote energy efficiency. Second, they set up a system that collects a small "public goods" charge from ratepayers that is used to support and promote the state's energy efficiency programs. This is where rebate dollars come from. In essence, the rebate program is "we, the people of California" collectively incenting ourselves to embrace energy efficiency. The more rebates we cash in, the more energy we save and the more money we all make. It's an excellent business model and it works well.

A GOOD DEAL GETS BETTER

The dollar amounts of the food service rebates range from \$75 for an efficient single door reach-in refrigerator up to \$2,000 for an efficient double rack oven. These rebates are generous and it's important to note that the rebate amounts are not based on the purchase price of the equipment. They are based on the total energy saved by the more efficient appliance. Not only are you getting up-front cash reward for your smart purchase, you are also going to generate revenue based on the energy that the appliance will save over its lifespan. In other words, you are being paid to make money! Let's consider an example. If you buy an efficient gas fryer, you will get a \$500 rebate but you will also save anywhere from \$200 to \$700 a year in energy costs (depending on which high efficiency model you buy) and you will get the benefits of faster recovery times and higher production rates (i.e. more pounds of food cooked per hour). Rebate dollars, lower energy bills and higher performance: that's a win, win, win proposition!

ONE STOP SHOPPING

It's probably safe to assume that you do not have your own appliance testing lab, do not know where to find appliance efficiency numbers and don't have time to dig for that information. Don't fret - everything you need, including the rebate applications, is just a click away at the Food Service Technology Center website: www.fishnick.com/saveenergy/rebates. There you will find a list of all the appliance categories that are covered by the rebates as well as a complete list of all the appliances that qualify for rebates. If it's on the list, it is efficient and it gets a rebate. It's that simple. There are also links to the sponsoring utilities and their respective rebate applications. Are you in an area covered by a municipal utility like the LADWP or SMUD? Many of these utilities also offer commercial food service rebates, so check with your local power provider and see what is available. Even if you are in an area that offers no rebates at all, you can still make an energy-wise equipment purchase by using the list of qualifying appliances as your guide. The energy gurus are trying hard to do the engineering homework for you so that you can concentrate on running your restaurant.

NOT YOUR FATHER'S REBATE

Now, we need to discuss the delicate subject of rebates in general. Many of us have been burned by a rebate that didn't pan out. After giving every bit of information you can imagine along with multiple proofs-of-purchase, the hassle didn't match the cash reward, the rebate came in a form other than cash, or the rebate never arrived. After a couple of these experiences, the frustrated consumer just buys the product and throws away the rebate application. Please pay close attention: these utility sponsored food service rebates are not like typical consumer rebates. First and foremost, the utilities really and truly want you to file the applications and take the money! Participation in the rebate program proves that you get "the efficiency message" and that helps to strengthen California's efficiency programs in the eyes of policymakers. From a convenience standpoint, the rebate applications are as short and simple as possible, the turn-around time is typically less than a month, and the payout is in the form of a check – something you can actually put in the bank!

And, best of all, if you have questions about the rebates, there are real people that you can call and talk to:

- Andrew Doeschot, PG&E, (415) 973-3707
- Andre Saldivar, SCE, (626) 812-7621
- Melisa Marks, Southern California Gas Company, (562) 803-7307
- Maria Bernabo, SDG&E, (858) 654-8774

California's energy providers are really serious about energy efficiency. Besides the fact that it is the right thing to do, it is simply the best business decision. The food service rebates are an economic enticement meant to wake up the industry. Please take advantage of this smart business proposition and prosper.

These energy saving tips are offered by the Food Service Technology Center (FSTC), an unbiased food service resource center located in San Ramon, CA and funded by California utility ratepayers under the auspices of the California Public Utilities Commission. For more information on the FSTC and for our schedule of free energy efficiency seminars, please visit our website at www.Fishnick.com. The FSTC is a member of the California Restaurant Association.