







Sample Business Plan Framework 4: A program seeking to continue in the post-grant period as a marketing contractor to a utility

Mission: Create a sustainable, local home energy efficiency market in the greater city “X” region
Vision: Recognized as an essential utility partner in generating demand for home energy upgrades
Goal: Operate in the post-grant period by using utility program funds to conduct customer marketing that drives demand for utility rebates

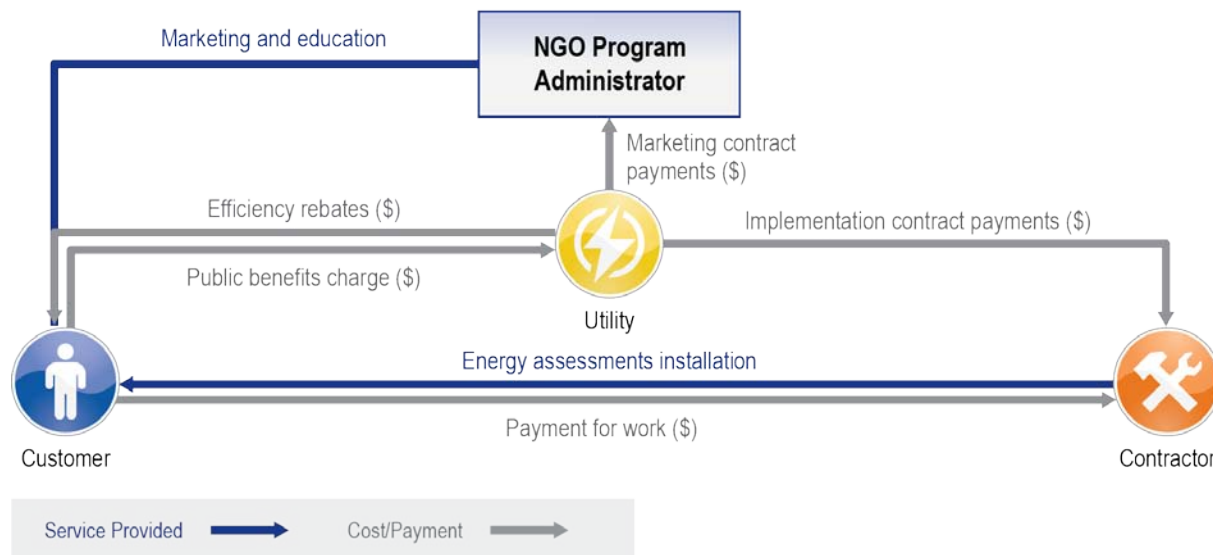
Governance 	Financial Structure 	Assets & Infrastructure 	Service Offering 	Customer 	Partners 
<p>Define internal responsibilities:</p> <ul style="list-style-type: none"> A not-for-profit with a technical advisory board <p>Define external restrictions (e.g., regulations, laws, etc.):</p> <ul style="list-style-type: none"> Original grant funding requires the reporting and tracking of program progress Revenues generated using grant funds must be used for same purpose as original grant rules mandated As utility contractor, must abide by public utility commission (PUC) regulations 	<p>Identify sources/uses of funds:</p> <ul style="list-style-type: none"> Grant funding is used initially Post-grant period, additional revenues are generated by sale of customer marketing and education services to utility Each service sold incurs both revenues and costs to the program <p>Track financial performance:</p> <ul style="list-style-type: none"> Profit is tracked through the use of an income statement 	<p>Identify assets (e.g., software, brand, etc.):</p> <p><u>Software:</u></p> <ul style="list-style-type: none"> Customer relations management Home performance reporting <p><u>Brand:</u></p> <ul style="list-style-type: none"> Invested in the development of a strong brand image that can be recognized by consumers to assist in education and outreach 	<p>List services offered:</p> <p><u>For Homeowners:</u></p> <ul style="list-style-type: none"> Energy efficiency education <p><u>For Utility/Contractor Partners:</u></p> <ul style="list-style-type: none"> Lead generation <p>Articulate value of service offering:</p> <ul style="list-style-type: none"> Makes finding qualified contractors easier for homeowners Provide customer outreach expertise on behalf of utility program to help stimulate demand in local area <p>Describe distribution channel(s):</p> <ul style="list-style-type: none"> Program does direct outreach to customers Utility provides rebates Contractor does energy audit and installation 	<p>Identify target customers:</p> <ul style="list-style-type: none"> Homes >1,500 sq.ft. Household income of >\$80,000 Households that use an above-average amount of energy <p>Describe outreach strategy:</p> <ul style="list-style-type: none"> Utility can use customer energy usage data to better target ideal customers Program can use utility bills to help market utility efficiency programs Program can conduct separate education and outreach activities to steer customers to utility programs 	<p>Identify future partners or partnering opportunity:</p> <ul style="list-style-type: none"> Expand beyond local utility region to support other utilities seeking marketing assistance Partner with implementation contractors to provide full suite of services to a utility, rather than just marketing <p>Describe how program aligns with potential partner interests:</p> <ul style="list-style-type: none"> Program expertise in customer education and marketing fills a niche that utilities (limited by cost-benefit regulations) have not developed internally
Costs			Revenue		
<p>List and describe costs:</p> <ul style="list-style-type: none"> Cost of goods and services sold (e.g., marketing/lead generation materials, education/outreach labor cost) Software licensing fees Overhead (e.g., rent, utilities, administrative costs, etc.) Investment in marketing materials/brand image (e.g., logo, etc.) 			<p>List and describe revenue:</p> <ul style="list-style-type: none"> Federal grants (initial funding) Revenues from utility support contract 		

Sample 4 Schematic: A program seeking to continue operations in the post-grant period as a marketing contractor to a utility

Defining a program's mission, vision, and goals is critical to determining what an organization's basic characteristics are, and by extension, its schematic

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High Level Business Model Schematic



The key element of this business model is the specialization in service offerings between the various partners

Service Offering Analysis: Detailed Steps

How to coordinate service offerings with utility programs:

1. Understand program and utility strengths and weaknesses
2. Identify opportunities for collaboration and threats to achieving goals
3. Design program around services utility requires

1 Conduct service offering Strengths and Weaknesses Analysis

Determine Program Strengths:

- Brand image as neutral third party that can validate utility programs
- Flexibility in how to design/execute marketing plans

Weaknesses:

- Require sustainable funding and access to market and energy data
- No installation or energy assessment capacity

Determine Utility Strengths:

- Dedicated funding source
- Access to customer energy usage data
- Have dedicated installation/audit contractors

Weaknesses:

- Restricted by regulatory requirements (e.g., benefit-cost tests)
- Customers generally perceive utility as profit-seeking at the expense of consumer interests

2 Conduct Opportunity and Threat Analysis

Opportunities:

- Program has experience and skill at structuring and implementing marketing plans
- Program has established brand image as neutral 3rd party (e.g., customer trust)
- Can utilize remaining grant funding to develop marketing materials that are limited under utility regulation restrictions

Threats:

- Utility does not realize need for improved marketing services
- Inability to utilize utility energy data for marketing purposes due to consumer privacy concerns

3 Design program around utility needs

Key Service Needs:

- Marketing and branding for program service offerings