

A Tale of Two HVAC Journeys



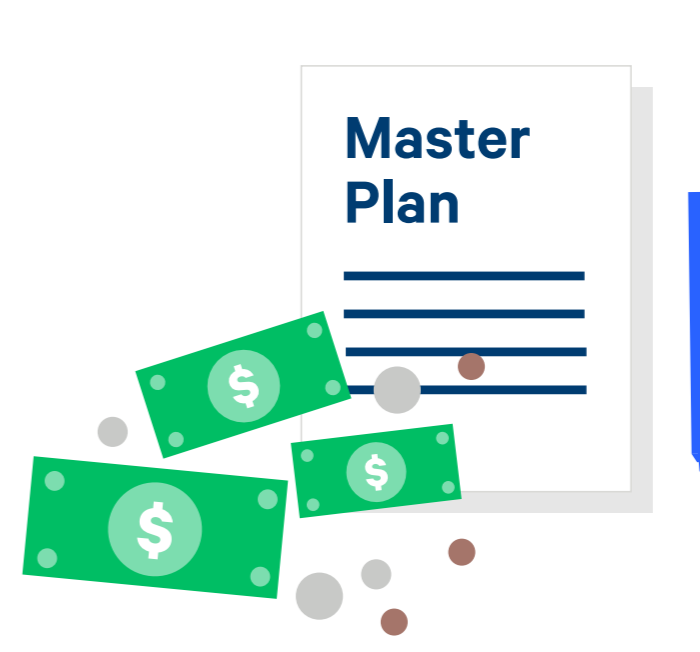
Meet Joe

- Energy and facilities manager at a retail chain
- Responsible for energy systems at 34 stores
- 13 stores have HVAC systems from the 1980s that are at or below their useful life

Joe knows the HVAC at some of his facilities will need to be replaced in the next few years, but with a small budget, he doesn't know how he's going to do it.

The Old Way

The Sparkfund Journey



Identification

Based on his budget, Joe creates a plan to address the aging HVAC at the 13 locations:

- Replace the HVAC at two stores per year for the next seven years.
- He isn't sure which stores to start with, so he selects the two stores with the oldest equipment, the Savannah and Atlanta, GA stores.

In the meantime, Joe's maintenance crew will continue to maintain the ailing systems at the other stores.

Comprehensive Solution

Joe and Sparkfund discuss Joe's goals and challenges around his aging infrastructure, and Joe signs a seven-year Sparkfund Technology Subscription™. With the technology subscription, Sparkfund will:

- Immediately take responsibility for the service and maintenance of existing systems at all 34 stores.
- Install controls and monitoring, and replace systems before they reach the end of their useful life.

What a relief! Dealing with the maintenance and upkeep of those systems was a big burden on Joe's shoulders (and budget).

Critical Failure

A few weeks later, the air conditioning at his Charleston, SC store stops working. Joe quickly dispatches a service team, but:

- The store has to close for the day, resulting in \$2,500 in lost revenue.
- The stopgap measure they put in place is expensive and the RTU needs to be replaced immediately.

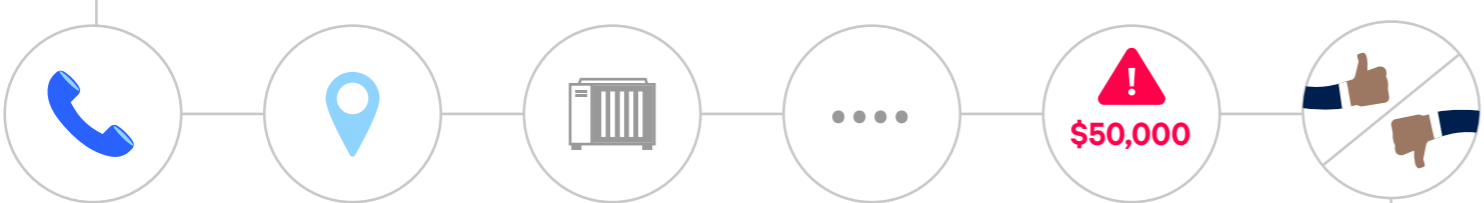


Critical Failure Avoided

The monitoring system Sparkfund installed alerts them that the HVAC unit at the Charleston, SC store is about to fail.

- Sparkfund upgrades the system immediately, preventing the equipment from actually failing.
- Sparkfund keeps Joe informed of what's happening, but he and his team do not have to do a thing.

The new equipment is energy efficient and reduces energy use by 15%, lowering his utility bill. Plus, Joe avoids a critical equipment failure and business interruption, preventing lost sales.

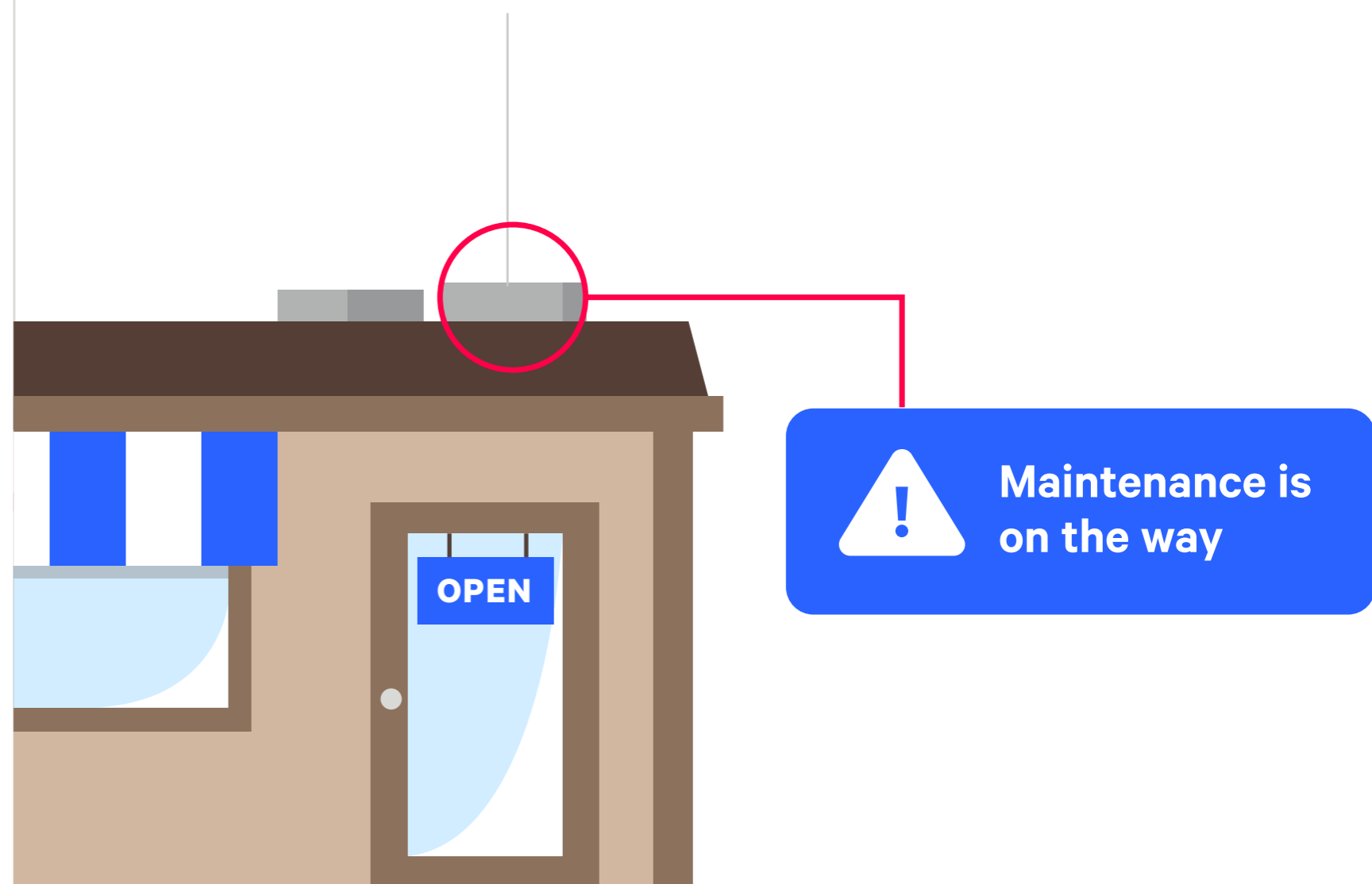


Discovery

Joe begins researching new HVAC units and local vendors who can install them. It takes him several weeks to complete the process, which includes:

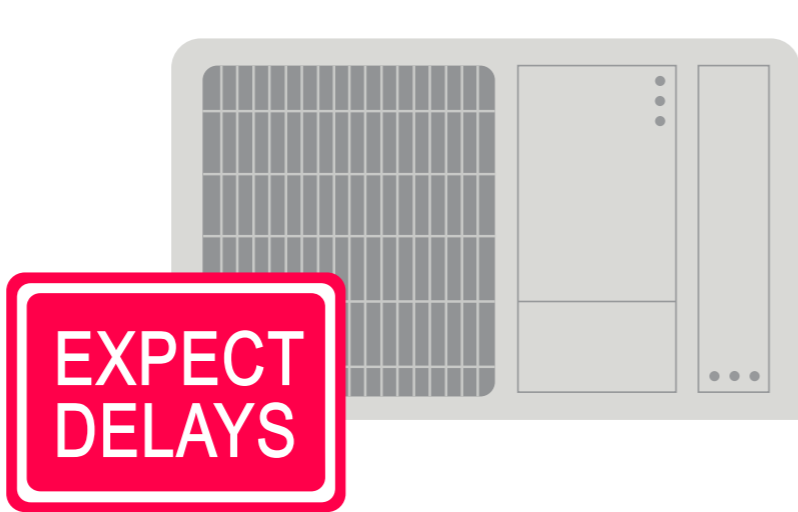
- Identifying qualified contractors.
- Arranging and completing on-site visits with each contractor.
- Waiting for the contractors' recommended solution and cost.
- Reviewing the bids and selecting a vendor.
- Getting approval for the \$50,000 expenditure.

Weeks later, the project can finally begin.



Installation

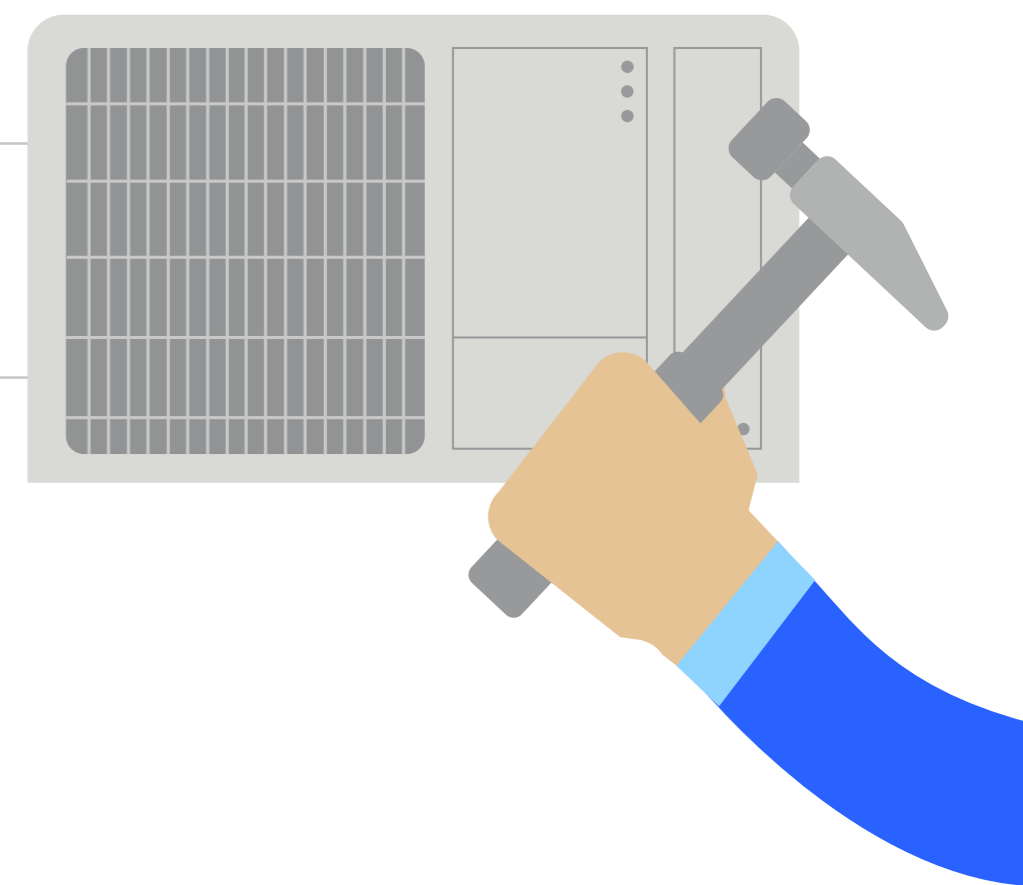
Joe coordinates installation with the vendor and the store. There are several delays throughout installation, causing more customer complaints and lost profits.



Maintenance & Support

Sparkfund provides preventative maintenance across the systems at all 34 locations, and with monitoring is able to detect:

- An equipment malfunction at another store and notify Joe of the issue. A maintenance team from Sparkfund arrives the next day to resolve the issue.
- An opportunity to reduce energy costs at three stores by upgrading to LED lighting.



Maintenance & Support

Fourteen months after installation, the store manager tells Joe the temperature is off again. Unfortunately for Joe:

- His maintenance staff struggle to diagnose the problem because they're not used to the new equipment.
- He has to pay the installation vendor extra to fix the problem because their warranty expired after one year.
- The location temporarily closes, and more profits are lost.



5 Years Later

Over the past five years, Joe and Sparkfund have gotten a lot done.

Sparkfund has:

- Completed 325 service calls and 260 maintenance checks and filter replacements across all locations.
- Upgraded the HVAC systems in 11 out of the 13 locations, including the prevention of five business interruptions by proactively identifying at-risk equipment and upgrading it before it fails.
- Upgraded the lighting in three buildings, saving the company 2%.

Joe has:

- Focused his team's time and energy on other projects.
- Spent significantly less on maintaining and upgrading his energy equipment.
- Not worried about his energy systems again!



5 Years Later

Over the past five years, Joe has taken some steps forward, but a few more backward:

- The HVAC broke in two other buildings, closing the stores for a few days.
- Eventually, HVAC in 10 of the 13 buildings was upgraded.
- He still doesn't know how his equipment is functioning and when it will fail.

