

# Fact Sheet: Hospitality

## BGE Smart Energy Savers Program®



For restaurants, hotels and motels, improving energy performance can reduce costs, increase guest comfort and offer a valuable competitive advantage. Restaurants use the most energy of any commercial building, with about 90% of energy use going to refrigeration, lighting, heating, ventilation, cooling, water heating and cooking. Because restaurants tend to operate with narrow profit margins, achieving a 20% reduction in energy costs could translate directly into an additional 1% in profit.<sup>1</sup>

Making simple improvements to lighting in lodging guestrooms and common areas and upgrading inefficient heating, ventilation and air conditioning (HVAC) systems in guestrooms can improve comfort, which translates into improved sales and margins.

The BGE Smart Energy Savers Program® offers a variety of energy efficiency programs and incentives that can help restaurants, hotels and motels adopt energy-saving solutions like these:

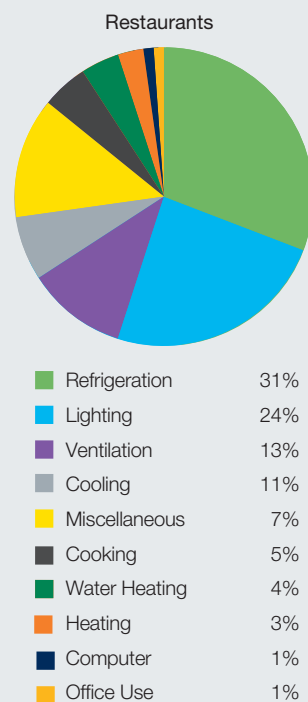
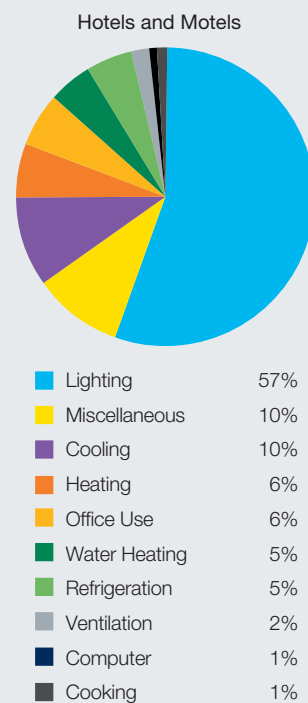
- Optimize the dining experience and set the atmosphere by replacing incandescent or halogen lamps with LED screw-in dimmable lamps.
- Improve lighting quality and cut related energy use up to 50% by upgrading outdoor parking area lighting using LED technology.
- Maintain your high standards of service while reducing your energy costs by replacing commercial kitchen equipment with ENERGY STAR® or Consortium for Energy Efficiency (CEE)-listed equipment.
- Improve your customers' experience by installing or recalibrating energy management systems to maximize comfort and energy efficiency.
- Install HVAC room controls in guestrooms. You'll increase customer satisfaction and potentially reduce related energy use by as much as 25%.
- Help keep HVAC units running at top efficiency by calibrating building systems and controls, replacing equipment filters, cleaning evaporator and condenser coils, sealing compressed air leaks and rebalancing air handling systems.

### How Is BGE Helping the Hospitality Industry?

The BGE Smart Energy Savers Program offers a variety of energy efficiency programs that can help restaurants, hotels and motels reduce energy costs while increasing guest comfort. Incentives are available for upgrading electric equipment such as HVAC controls and occupancy sensors in guestrooms, performing lighting retrofits, upgrading commercial appliances, installing high-efficiency HVAC equipment and upgrading kitchen and refrigeration equipment. BGE also helps hospitality customers by working directly with architects and engineers to design high-efficiency restaurants, hotels and motels in our community.

**Lighting typically accounts for about 24% of a restaurant's energy costs and 57% of hotels' and motels' energy costs.** Maintaining the right atmosphere is critical to specific types of restaurants. For example, full-service and casual dining restaurants often increase ambience in the dining rooms and bar areas by dimming the lighting.

### Typical Energy Use in Hospitality Facilities



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- Halogen, compact fluorescent lamps (CFL's), and incandescent bulbs in restaurant dining areas, hotel lobbies, conference rooms and hallways can be retrofitted with ENERGY STAR certified LED replacements, reducing the watts used without sacrificing lighting levels or quality. Installation can be performed in house, saving money on labor costs. A restaurant replacing 50 halogen lamps with PAR 30 or PAR38 screw-in integral LED replacement lamps can receive energy savings between \$15 and \$20 per lamp annually, plus up to \$500 in incentives! The savings and incentives can cover the costs of the lamps in 6 months or less, while allowing money saved to be used elsewhere!
- Many restaurants are replacing old T12 fluorescent lighting with more efficient T8 and T5 technology in their food preparation areas, thereby reducing energy and maintenance costs—often using fewer lamps per fixture. The return on this investment is usually less than 1 year.
- Retrofitting high-intensity discharge (HID) lighting in outdoor areas and parking lots with LED lighting can reduce related energy consumption and maintenance costs by 50% or more, and bring the return on investment to less than 2 years. Incentives for LED exterior fixtures range from \$60 to \$400 per fixture when replacing HID sources! If your parking lot has fifty 400 watt fixtures, incentives could cover up to \$11,250!

**Refrigeration accounts for over 30% of a restaurant's energy use.** Hospitality facilities, including restaurants, delis, bars and inns, have used incentives available through BGE's Smart Energy Savers Program to purchase commercial kitchen and refrigeration equipment that improves energy efficiency in new construction and major renovations of existing facilities. One restaurant received incentives for installing strip curtains for walk-in coolers and freezers (at \$3 per square foot), ice machines (ranging from \$50 to \$250 per unit) and solid door reach-in refrigerators and freezers (ranging from \$75 to \$500 per unit based on cubic feet).

- Incentives are available for replacing existing commercial kitchen equipment or purchasing equipment for new construction. Eligible electric equipment includes fat fryers, refrigerators and freezers, ice machines, griddles, steam cookers and combination and convection ovens. Choosing ENERGY STAR certified or CEE-listed equipment helps ensure that you reduce your electric load month after month.
- Full-service restaurants can apply available incentives to add anti-sweat heat controls, reach-in door closers, electronically commutated motors for evaporator fans

and evaporator fan controllers. These items not only cut energy costs, but many also have a payback period of less than 2 years.

**Heating and cooling are important aspects of creating an appealing atmosphere in full-service and casual dining facilities, and in hotels and motels, where guest comfort is paramount.**

Incentives are available for a variety of projects to improve the efficiency of HVAC systems.

- Equipment tune-ups and upgrades are options for improving energy efficiency and comfort because they ensure optimal energy performance of your existing facility and extend the equipment's serviceable life, while correcting heating and cooling problems. The return on investment is reduced with incentives available to improve the efficiency of existing rooftop HVAC units (RTUs). The program offerings include evaporator and condenser cleaning, airflow and refrigeration checking and filter changing.
- Installing energy management systems that help identify equipment failures or malfunctions is an option applicable to all types of restaurants, hotels and motels. These systems not only identify malfunctions before they can do further damage to the equipment, but they also help preserve a facility's comfort and air quality.

**Small restaurants, quick-serve restaurants and small motels are eligible for turnkey service packages through BGE's Small Business Energy Solutions Program.** For eligible customers, this program offers a free energy analysis by qualified contractors and incentives for retrofitting lighting, lighting controls, exit signs, hot water tank wraps and refrigeration controls. With incentives covering up to 80% of the total cost, paybacks are typically less than 1 year.

## Learn More

Contact us today to learn how the BGE Smart Energy Savers Program can help you maximize your restaurant, hotel or motel's energy efficiency, simultaneously reducing costs and putting money directly back toward your bottom line.

[BGESmartEnergy.com](http://BGESmartEnergy.com)

410.290.1202

Business@BGESmartEnergy.com

<sup>1</sup> 2013 California Building Energy Efficiency Standards  
Source:  
<http://bizenergyadvisor.com/print/restaurants>