

# ASHRAE Ottawa Valley Chapter

## Chapter Meeting #1 – 19 September 2017

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Meeting Date:	19 September 2017
Location:	Mill Street Brew Pub, 555 Wellington Street
Attendance:	Total: 63
	Members: 50    Guests: 11    Students: 2
Theme:	Membership
Tour:	None
Tech Session:	None
Table Top:	HTS Controls
Program:	Overcoming Objections to Energy Efficiency Investments
Speakers:	Hank Jackson P.E., ETech Solutions
Prepared by:	Aaron Dobson

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### **Social** (17:30 – 18:15)

### **Business Session** (18:37 –19:43)

- President Adam Graham welcome message, call to order, thanking Past-President Abbey Saunders for last year. Gave an overview on upcoming year (program meetings, seminars in planning session, tech sessions, YEA student activities). The program will be uploaded to the website once finalized.
- President Adam Graham introduced the Board of Governors and the Executive.
- President Adam Graham introduced the Committee Chairs, mentioned the CIQ to be made available to chapter and said thank you to the volunteers of the chapter.
- Secretary Aaron Dobson introduced the guests.
- Business session was paused for Mill Street staff to take orders for meals.
- Membership Promotion Chair Celine Baribeau introduced the new members to the Ottawa chapter. 418 area signed members (as of July 1, 2017), an increase of 12 members from previous year. The goal from Society is to increase by 2%. This excludes student members (46 student members). ASHRAE OVC was awarded at the CRC Montreal the Blue Ribbon for having the most Membership Promotion points on the PAOE totals. Celine presented new members for the past summer months (19 new members). Celine also gave an overview of the membership in Ottawa and noted that Ottawa had the highest PAOE points in Region 2 for membership.
- President Adam Graham provided a research promotion recap for 2016-2017 chapter year. Continued to thank Chapter for raising \$31,000 on a goal of \$29,000. Adam mentioned the money raised for research promotion excludes money for the ASHRAE OVC scholarship. Adam mentioned the Chapter has contributed \$30,000 into the scholarship fund (\$60,000 required to start scholarship). The scholarship will be \$3,000 to be awarded annually. Adam mentioned the scholarship will be funded soon.
- President-Elect Dan Redmond talked about research promotion. Dan mentioned that Society increased the Chapter research promotion goal by 5%. Research Promotion campaign starts at the Chapter meeting with 4 Redblack tickets donated by Ainsworth.
- YEA Chair Joe Della Valle discussed the YEA and upcoming leadership weekend. Joe

mentioned he received 1 application for the annual YEA leadership weekend to be held next month. Joe talked about the LeADRS opportunity for a member to shadow their Director and Regional Chair (DRC) at the ASHRAE Winter meeting. Joe mentioned the first YEA event for the chapter for the end of October/early November which will be archery tag.

- Student Activities Chair Peter Shaw-Wood talked about student activities and about an event at Queen's University next month during the homecoming event. Peter mentioned that Steve Moons accepted an alumni position at Queens which will help promote ASHRAE. Peter mentioned that there is a new Algonquin College student chapter president and the student design competition at Algonquin.
- Governor Jacob Hough gave an update on the Stroke Play Golf Tournament on September 29<sup>th</sup> – mentioned that there were spots left to register.
- Table Top Displays –Stephane Charbonneau from HTS and Phil Owens from Alerton talk about controls offering through HTS.
- President Adam Graham and President-Elect Dan Redmond had the Speaker Hank Jackson draw the winning ticket for the Research Promotion raffle ticket for the Redblacks tickets. \$582.37 dollars was raised for Research Promotion. Chris Frauley was the winner.
- President Adam Graham invited Michael from Enbridge to discuss Enbridge's energy efficiency program. Enbridge is an energy solution consultant and gas utility in Ottawa and area. Department of energy efficiency is 3 people in Ottawa serving the Industrial, Commercial, Institution and University sector. Michael's message is customer projects with natural gas reduction are entitled to financial incentives for gas savings. Cheques will be given to customers. Michael emphasized their strength as in energy consultant, to propose ideas to Enbridge for savings and they will review calculations, fill out efficiency incentives application (info provided by users). This group is in Ottawa.
- President Adam Graham announced program topic and introduced the speaker, ASHRAE DL Hank Jackson. Hank Jackson has been a member since 1983 and Owner and Principle of ETech Solution since 1997.

Business Session Finished at 7:43pm

### ***Dinner*** (19:14 – 21:06)

- Dinner served at 7:14pm
- Dinner was choice of Exotic Mushroom Bisque or Caesar Salad or Market Garden Salad for starter. Chicken Supreme or Rainbow Trout or Braised Port Steak for main and Apple Cobbler or Dolce Vita for dessert

### ***Evening Program*** (20:07- 21:06)

- Evening program started at 8:07pm
- Hank Jackson starting the program with talking about the opportunity with ASHRAE being a Distinguished Lecturer (DL)
- Asked audience to fill out evaluation form for feedback/comments on the presentation. This is a DL requirement.
- Discussed getting involved with ASHRAE. Life skills/Experience gained as a result.
- Asked to be involved/volunteer/find your place in ASHRAE
- Proceeded to go over the night's program topic.
- Polled the audience to found out who are practicing engineering, product vendors,

- contracting. Suppliers were the majority and small group of Engineers and Building Owner reps.
- Asked "Why did you come?"
- Talking about projects from a financial standpoint
- Objectives
  - o Understand fundamental concepts
  - o Understand and be able to address the psychology and motives
- Small group exercise #1 – what are the results
  - o Ventilate – why you can't get this thing off the ground
  - o Share your experience/frustration with trying to implement energy efficiency technology where you live/work
  - o Generate a list of the top 3 reasons cited for not investing in energy efficiency technology
- Took answers from audience – Included responses of Owners do not care, ROI does not work out, energy efficiency projects are foreign to them, uncertainty of the results/will it work, we do not have the money, owner does not care/no motivation
- Common objections
  - o 1- I can't afford it
  - o 2 – will I save money
  - o 3- who else does this
  - o 4 – don't own the building / owner should make the investment
- Incentives to invest
  - o Carrot or stick
    - The carrot – increase bottom line, tax credits/deductions, tech assistance and financial assistance from utility or government, green energy purchase options
    - The stick – higher energy price, environment impact/costs, shortages/brown outs, reduce profitability/productivity
- why would utility company offer money for something you should do
- utility incentives rationale
  - o with incentives, owners do not invest
- utility incentives in Ottawa
  - o lighting, gas
- short comings of first cost / simple payback analysis
- other financial analysis
  - o net present value
  - o rate of return
  - o life cycle costs / obsolescence
  - o tax effects
  - o do nothing alternative
  - o other financial factors
    - occupancy rates for hospitality
    - tenant lease renewal
    - maintenance costs
- review of financial calculation methods
  - o avoid using simple payback
- energy star financial calculator – recommended
- simple case study – life cycle analysis

- exercise – hotel PTAC units, 15 year project (life expectancy of PTACs In ASHRAE manual is 15 years)
  - energy cost, kwh savings, \$20 per year savings, \$900 installed cost, 45 year payback (longer than equipment life)
  - obsolescence – 2 more years of useful use (still works). Did not work for 3 days, assign a value for not working, increase maintenance cost.
  - Frame of reference – understand their business, their problems, not savings, but generate revenue, without savings. Knowing your client.
- Exercise – health care
  - Health care yields about 1% after tax margin, energy savings of \$10k at the bottom line is equivalent to generating \$1M in new revenue
- Other financing mechanisms
  - Performance contracts
    - Afraid of change
    - Do not understand
    - Inconvenient
    - Not the one to make decisions
    - Lost revenue during construction
    - Fear of failure / bad investment
    - Customer appeal / aesthetics
- Psychology of investment decisions
- Psychology hurdles – from BOMA
  - 1- cost (45%), 2 aesthetics, 3- payback, 4- comfort, 5- experience (5%)
  - Leasing
- Exercise #2 – what are the least two other non-financial hurdles to energy efficiency investment.
- How do we deal with psychology?
  - See client’s viewpoint
  - Understand motivators
  - Satisfied with small victory
  - Plant seeds (ideas), let outside influences produce the growth.
  - Sales and marketing is about building trust
  - Trust is mutual relationship
  - New/unknown products require discount to overcome fear
- I do not have the time
  - Business forced to streamline operations and maintenance
  - Tech experience non-existence
- Boardroom vs boiler room
  - Tech talk does not sell
  - Be conservative with savings estimate
  - Know what metrics are important
  - Have audience with people who have money
- Timing is everything
  - Every business has budget cycle
  - Present project after fiscal is low chance
  - Present project too early in the fiscal year risks being forgotten
  - Know when to bring it to the people with the money
- Questions – one question asked

- President Adam Graham thanking speaker and presenting gift (commemorative coin) to Hank Jackson from ASHRAE Ottawa Valley Chapter
- President Adam Graham reminding members and guest to fill out evaluation form
- President Adam Graham saying thank you and reminding that next meeting is October 17<sup>th</sup>, 2017 at the Centurion Conference Centre.

**Meeting adjourned 21:06**