

Shared Savings – what businesses use it?

Size of businesses?

From small mom and pop enterprises to large corporate entities, many MGE-served businesses have found Shared Savings to be helpful.

Types of businesses?

Historically, a diverse group of business entities have used Shared Savings including individuals, LLCs, partnerships, large corporations, government and nonprofits. The types of businesses using Shared Savings are equally diverse and include restaurants, offices, manufacturing, research and development, retail, education, health care, warehousing, grocery, municipalities, multifamily housing and many others.

Historical program use

Since starting the Shared Savings program in 1993, MGE has financed over \$31 million in energy-efficient improvements covering over 300 projects in our service territory.

What projects are being done?

All kinds. Projects include efficiency improvements associated with building additions, remodels and upgrades. Improvements can fall under two broad categories: new construction and retrofit projects.

Aging or failing equipment where repair or replacement is imminent are good project candidates. Efficiency projects that preempt breakdowns can help avoid difficult fixes, not unlike preventive maintenance to keep your car from breaking down in bad weather.

Good times and bad times

During the boom and bust cycles of the economy, businesses may have different reasons to use Shared Savings. During slow times, business may want to become frugal and conservative. Investing in energy conservation to save money makes sense in this case. During an economic expansion, businesses may want to increase production with new, energy-saving process technology. Shared Savings makes sense in all economic seasons.

Practice makes perfect

Sometimes it's a good idea just to go through the exercise of evaluating a project, even though you elect not to do it in the end. MGE is eager to help you think through your project and how to finance it, so when the times comes, you are ready to tackle it quickly.

Ready to get started? Contact us at 608-252-7007.