







Sample Business Plan Framework 5: A program that establishes itself as a government entity, then operates using a fee-based structure

Mission: Create a sustainable, local home energy efficiency market in the greater city “X” region
Vision: Recognized as key to building and connecting demand and market capacity, while operating as a reliable and reputable government entity
Goal: Operate in post-grant period by generating enough fee-based revenues to cover costs

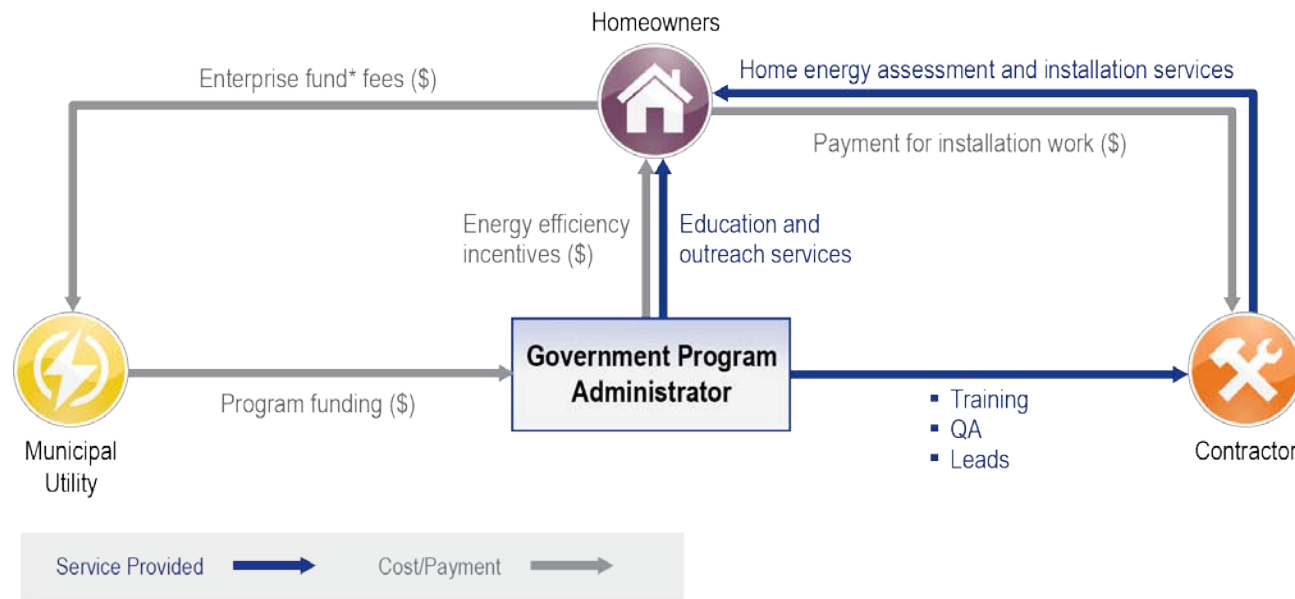
Governance 	Financial Structure 	Assets & Infrastructure 	Service Offering 	Customer 	Partners 
<p>Define internal responsibilities:</p> <ul style="list-style-type: none"> Governmental organization supported by a fee-based revenue system <p>Define external restrictions (e.g., regulations, laws, etc.)</p> <ul style="list-style-type: none"> Regulations for enterprise fund activities vary by state As a Home Rule state, do not require express permission to operate an enterprise fund Local government must approve and amend the proposed fund and fee structure 	<p>Identify sources/uses of funds:</p> <p><u>Sources:</u></p> <ul style="list-style-type: none"> Grant funding is used initially Post-grant period, the fund generates fee-based revenues with no additional grants <p><u>Uses:</u></p> <ul style="list-style-type: none"> Provide subsidized services for homeowners and contractors (no charge) <p>Track financial performance:</p> <ul style="list-style-type: none"> Track fee-based revenues and operating expenses for budgetary purposes 	<p>Identify assets (e.g., software, brand, etc.)</p> <p><u>Brand:</u></p> <ul style="list-style-type: none"> Investment in brand image centered around: <ul style="list-style-type: none"> Job creation (to recruit contractors) Energy efficiency expertise (to credibly convey benefits of energy efficiency to homeowners) 	<p>List services offered:</p> <p>For Homeowners:</p> <ul style="list-style-type: none"> Subsidized energy assessments and installation services Education and outreach services <p>For Contractors:</p> <ul style="list-style-type: none"> Tech, sales, and bus. development trainings Leads to new work <p>Articulate value of service offering:</p> <ul style="list-style-type: none"> Provide homeowners with subsidized services Provide contractors with training, new potential sources of revenue, and quality assurance (QA) 	<p>Identify target customers:</p> <ul style="list-style-type: none"> Homes >1,500 sq. ft. Household income of >\$60,000 <p>Describe outreach strategy:</p> <ul style="list-style-type: none"> Neighborhood sweeps: demand creation among homeowners in particular neighborhoods Education sessions Mass marketing through print, radio, and social media Outreach to contractors through Efficiency First chapter 	<p>Identify current/future partnering opportunities:</p> <p><i>Partners during grant period include:</i></p> <ul style="list-style-type: none"> Remodelers and HVAC contractors Training agencies <p><i>Future potential partners include:</i></p> <ul style="list-style-type: none"> Realtors <p>Describe how program aligns with potential partner interests:</p> <ul style="list-style-type: none"> Program trains enough contractors to sustain market in post-grant period Contractors get free training and new business Training programs get steady source of funding
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; labor and materials for QA) Overhead (e.g., rent, utilities, administrative costs, etc.) Marketing and branding investment 			<p>List and describe revenue:</p> <ul style="list-style-type: none"> Federal grants (initial funding) Enterprise fund fees (post-grant period) 		

Sample 5 Schematic: A program that establishes itself as a government entity, then operates using a fee-based structure

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



*An enterprise fund provides goods or services to the public for a fee that makes the entity self-supporting

In considering a transition model, ensuring the entity's legality and legitimacy are the critical business plan elements to focus on

Governance: Detailed Steps

How to identify potential stakeholders for partnership:

1. Determine the legal eligibility of the program at the state level
2. Seek approval of the entity's legal formation at the local level
3. Design a self-sustaining and legally justifiable fee-based business model, and obtain final approval at the local level

Goal: Operate in post-grant period by generating enough fee-based revenues to cover costs

1 Determine eligibility at state level

- Research whether or not a similar program already exists
- Determine what types of fee activities are allowable
- Find out if the state is a Home Rule state or a Dillon's Rule state (Dillon's Rule states require express permission for enterprise funding)

2 Seek approval from local government

- Establish the structure of the new enterprise fund or amend the structure of an existing fund
- Submit required documentation for review and approval at the local level

3 Design fee structure and obtain final approval

- Ensure that the proposed fee-generating activity is legally justifiable at the state and local levels
- Determine if the proposed revenue stream meets the local definition of "fee-driven"
- Make certain the proposed fee directly results in the intended market impacts

Program Goal: Self-Sustaining Reputable Entity