Sustainability values shine in Brownsdale

DATA-DRIVEN FOOD SERVICE MARKETING COMPANY EARN A SEVEN-Figure PAYBACK AFTER CLEAN ENERGY INVESTMENT

IBI Data has seen a lot of changes since it was founded 34 years ago by Katherine Harte. In its first year, she relocated the company from Chicago to Brownsdale, Minnesota, just 30 miles southwest of Rochester. After first renting, she eventually built an office and warehouse on family farm land. IBI Data has grown over the years to serve more than 40 food manufacturing clients – most of which are Fortune 500 companies – and employ about 50 people.

The company works nationwide and has developed a sterling reputation for their work with the food service industry. They leverage their marketing expertise and database capabilities to create compelling programs and promotions that drive sales for their clients.

“This project accomplished exactly what PACE is designed to do - bring value to commercial building owners by reducing their carbon footprint and improving their bottom line, which all contributes to strengthening our local economy.

- Michael Linder, Loan Officer with SPPA

TECHNOLOGY
LED Lighting
Solar PV

ANNUAL SAVINGS ON ENERGY
$25,000

LIFETIME PAYBACK
$1,000,000

PROJECT TEAM
Solar Connection
Premier Lighting
Saint Paul Port Authority
Considering Energy Efficiency Improvements

In addition to their sales and marketing services, IBI Data also operates a warehouse in Brownsdale that handles shipping and fulfillment of shelf stable, refrigerated and frozen food samples. On several occasions IBI’s leadership team had considered making energy efficiency improvements to their facility, but the projects never had a fast-enough payback to make it feasible.

That changed when Geoff Smith, President of IBI Data, learned about the community solar program offered by his local electric cooperative. It made financial sense for his home, and got him thinking how solar energy could benefit the company’s operations.

Deciding on Solar

After talking with several solar installers, Smith settled on working with Rochester-based Solar Connection to improve the efficiency of their 100,000 square foot office building and warehouse. The team at Solar Connection suggested they first complete an LED lighting upgrade to help the business use their energy more efficiently. Next, Solar Connection installed a 40kW solar array, which together with the lighting will save the business about 60 percent on their energy bills or up to $25,000 a year.

Financing the Project

Furthermore, Smith and Solar Connection worked to identify financing options and ultimately packaged together the 30 percent federal solar tax credit, a Rural Energy for America Program (REAP) grant, and Property Assessed Clean Energy (PACE) financing administered by the Saint Paul Port Authority. Through PACE, the project costs are covered 100 percent and payments are made through a special property tax assessment for up to 20 years.

Pollinator-Friendly Landscaping

Another exciting feature of the project, IBI Data is incorporating pollinator-friendly landscaping around their solar array to support habitat for bees, butterflies, and other species. “Our customers are large, consumer-facing food companies that are working diligently towards sustainability goals to create a greener future. The more our company can reflect those values as well, the better,” said Smith.

In total, the expected payback is about $1 million over the life of the project.

The amazing aspect of PACE is that the project was cash-flow positive from day one. That meant we could make the loan payment with the money we’d saved from reducing our energy costs.

- Geoff Smith, President, IBI Data