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Free Commercial Energy Audits Are Never Free

I get asked all the time about *free energy audits*. “Hey, I just got called by brand x. They offer to do the audit for free. Why are you charging me?”

My first question is always “what are they trying to sell you?”

The challenge is that nothing in life is free. Energy audits are time and labor intensive. That costs money, and if it is free, it means one of three things:

- 1. Poor audit quality:**How good is the contractor at identifying energy conservation measures? Is he certified to do an energy audit? Can he do the math to accurately calculate your energy savings and payback?It isn't just a lack of expertise that you need to worry about. You also need to worry about a lack of audit depth. What I mean is that the contractor does a cursory inspection of your facility and makes a few recommendations based on what he sells online through [WebDesign499](#). You aren't getting an energy audit. You are getting a sales pitch.My energy audits are an in-depth review of you utility bills, energy systems, equipment, and processes / practices. We perform different levels of energy audits (everything from a scoping energy audit to a comprehensive energy audit to an engineering / investment grade energy audit) to match your desired outcomes.
- 2. The audit price is wrapped into the installation costs:** This is a common problem. You may not be paying for the audit up front, but the cost of the audit is included in your total installed price. This creates a couple problems:
 - You have no idea how much you are paying for the audit. If you come to me for an audit I'll tell you exactly how much it will cost. You don't have that assurance when the price is included with the installation.
 - The guy supplying the equipment is also the guy telling you what you need done. It's like asking the barber if you need a haircut. Of course he's going to say yes...and while your at it, how about a shave, new (expensive) shampoo, etc...Where I make recommendations that cover all your energy systems and all types of equipment, you won't get this from most contractors. The contractor will make recommendations based on what his business supplies. Ask a lighting distributor and he'll recommend upgrading your light fixtures. Talking to an HVAC guy? He'll want to install an economizer to your system. Best case scenario, you are getting a partial audit and losing a lot of savings potential. Worse case scenario, you are not buying the best solution for your company.
- 3. You are looking at a performance contracting model:**wow, this opens a whole new can of worms. On the surface, it looks like a great way to do things. The company comes in, does the audit (no charge), implements the changes (no charge), and gets paid on the monthly savings.The challenge is that this industry is full of dishonest ESCOs. Don't get me wrong, many are first class organizations. The problem is that it is too easy to cheat.How do they cheat? The ESCOs usually are responsible for reporting the savings. In other words, they tell you how much you saved and how much you are paying the ESCO. Often they end up exaggerating the savings, or even reporting savings when none occurs. Sometimes this is done by design, but often it's just the employees wanting to look good. Their bonuses and promotions are based on profitability, and there is a lot of pressure applied to make sure it's there.No one wants to talk about it, but this is a serious problem in the performance contracting industry.You also end up paying a lot more in markups and end up having [personal loans for bad credit uk](#). In most cases customers save about 50% by doing the work themselves. Seriously. Since you aren't paying for the installation and equipment, you have no say in how much profit they make. And it is almost impossible to accurately translate a *per month energy savings* payment into equipment costs.

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