

Incentives for Being More Energy Efficient

Well, my freezer quit a few weeks ago. We had been talking about how old it was getting and that we should take advantage of the “See ya later, refrigerator” program. But we procrastinated and once it quit working, it no longer qualified. So while my power bill is now lower, I lost out on that \$30 incentive program. Rocky Mountain Power does a good job of advertising this incentive program, but do you know that there are similar incentives for business. I am certainly not the expert on these, but I’ll try to present a little of what they offer. Find out more at www.rockymountainpower.net/utsave.

FinAnswer Express is for retrofitting of existing buildings or for new construction in order to optimize energy usage. This program includes pre-calculated incentives for common energy saving equipment and an “express” paperwork process. The incentives apply to lighting, motors and mechanical equipment. The incentive is pre-calculated based on the

upgrade. A rough example is upgrading a fluorescent T12 fixture to a 4’ Premium T8 fixture is worth \$10-\$15. Changing exit signs from incandescent or fluorescent to LED or EL is worth \$15. Changing out motors is based on horsepower starting at \$45 for a one horsepower and going as high as \$630 for a 200 horsepower. Mechanical upgrades such as air conditioners, heat pumps and refrigeration equipment are based on efficiency requirements and have a general incentive of \$50/ton. These incentives may seem small, but multiply them throughout your facility and they become substantial. Plus energy costs will be reduced, saving on monthly operating costs over many years.

Contact Rocky Mountain Power or your vendor before starting to make sure your equipment qualifies for incentives and you have the right forms. For lighting retrofits, they may need to evaluate existing equipment before it is removed. Then a signed agreement will be

required before you order any equipment. After the work is complete, invoices will need to be submitted and a post-installation inspection will be performed. For most other equipment, an application can be submitted after the equipment is purchased. Before you start, check with your vendor or Rocky Mountain Power to make sure you understand what is required.

Energy FinAnswer is designed for more complex projects and a project specific incentive is calculated for each project. The program also includes technical expertise to identify and quantify energy savings. This program is available for new construction, major renovation and retrofitting. The incentive for retrofitting is the lesser of \$0.12/kilowatt-hour annual energy saving + \$50 per kilowatt average monthly demand saving or 50% of project cost. Sounds complicated, but see the example at their website and it will be much clearer. For

new construction or major renovation, they will perform a design or energy analysis, sign an incentive agreement, review the documentation and pay the same incentive as above with some additional energy saving requirements related to exceeding energy code.

Samples that they have given on their website include big businesses such as Albertsons and Lifetime Products and small businesses such as Andsmithasen Dairy who have used the program.

The Self-Direction Credit program is intended for large commercial and industrial customers. Energy engineering for the project is the responsibility of the business. Projects can be submitted after they are installed, but pre-approval is still recommended. To be eligible, the business must pay the Customer Efficiency service charge and have a peak load of 1,000 kw and/or annual usage of 5,000,000 kwh. The project must promote electric energy efficiency and have a savings payback of one to five years. Please note that I am simplifying here. With this program, as much as 80% of

the project costs can be credited back to the business via the monthly bills.

Rocky Mountain Power has made these terrific programs available throughout Utah. See www.rockymountainpower.net/utsave. Other states have similar programs as do other utility providers.

So much of the time, we may feel helpless about our energy use. This is your chance to act and get dollars back both from the incentives as well as the monthly energy savings these measures will produce. These programs give you and your business every reason to look at ways to save on electricity costs. Also, please remember the penguin in the “See ya later, refrigerator” commercial, do something for your business and do something for the environment.

By Beverly King
Small Business Development
Center
Weber State University
801-626-7232
Bking1@weber.edu