

Energy Incentive Funding Where & How To Get It

Organizations are receiving \$100,000's in bottom line cash with no additional capital investment beyond planned facility expenditures that reduce energy.

Carbon emissions, environmental concerns, and continuous growth in demand have made energy reduction a #1 priority for government agencies and utilities. As a result, these entities have launched incentive programs to meet energy reduction goals and issue funding commensurate with the achievement of those goals.

Identifying the programs is easy! The real issue is how to effectively obtain cash from these funding bodies in a timely manner while meeting both the goals of the applicant and the incentive agency, which is audited by state attorney general offices or public utility commissions.

Although similar in objective, each incentive body throughout the country has different initiatives, processes, timelines, and amounts of funding. In addition, agencies subcontract the administration of many incentive programs to third parties because they typically do not have the in-house personnel.

Therefore, applicant organizations need to employ dedicated resources (either through in-house talent or outside partners) with expertise and experience in dealing not only with the incentive agencies throughout the US, but also their subcontractors, and have an understanding of the criteria and amounts of funding for the various agencies and energy conservation initiatives.

Best Practice Tip: Look For Double-Dip Opportunities

In certain states, organizations can receive incentive funding from two different agencies for the same site. For example, an organization can receive a new construction incentive from the local utility for the build-out of a suite and an energy efficiency incentive from a state agency for upgrading equipment.

U.S. Utilities & State Agencies Are Funded with Hundreds of Millions of Dollars in Available Energy Incentives



Frequently Asked Questions (next page)

“In just the first year, Energy Enablement identified and delivered over \$500,000 in energy incentives.”

*-Christopher Downie
Telx President & CFO*

Frequently Asked Questions

How does an organization determine if energy incentives are available for its facility locations?

- Organizations who want to locate energy incentive programs can consult the Database of State Incentives for Renewables and Efficiency (“DSIRE”), which is overseen by the U.S. Department of Energy.
- DSIRE website is www.dsireusa.org/.

What types of projects qualify for energy incentives?

- Energy Efficient Equipment Installations (HVAC, Chillers, Motors, VFD’s, Lighting)
- New Construction
- Demand Response (DR) Equipment Installations (Switchgear, Load Shedding Controls, UPS)
- Facility Assessments

What are typical incentive reimbursement rates?

- Energy Efficient Equipment: Incentives are often capped at 50% of project costs and range from 10 to 22 cents per kWh reduction compared against the energy usage of existing equipment.
- New Construction: In calculating kWh reduction, many incentive bodies use local and state building codes (which are often based on ASHRAE standards) as a minimum threshold before kWh reductions are recognized. Often incentives are capped at 50% of total construction costs or 75% of the incremental cost differential between standard base line and high-efficiency equipment.
- Demand Response Equipment: Available in New York and is capped by the lower of (i) DR kW commitment x \$200/kW or (ii) 75% of project costs.
- Facility Assessments: Typically capped at 50% of study costs. Facility assessments usually require an extensive amount of time and documentation.

Do funding levels change from year-to-year and across various utilities and agencies?

- Yes. Funding levels for each agency change from year-to-year. It is a good practice that applicants stay informed of the status of such funding levels prior to investing time in creating, submitting and processing applications.
- Each incentive body throughout the US has different initiatives, timelines, and funding amounts, with varying degrees of effort and documentation required by applicants.

What is the typical process and timeline to obtain incentive monies?

- To obtain funding, organizations must do more than simply fill out an application.
- The energy team must be aware of timelines, stages, gates, and measurements/verifications required to obtain funding and incorporate these tasks in the overall facility plan. For example, most agencies will disqualify funding if energy efficient equipment has been ordered prior to submitting the incentive application.
- Processing an application takes approximately 12 weeks from filing to funding, pending install schedule.

About Energy Enablement, LLC

Energy Enablement is a professional services firm that operates as an owner’s representative and provides energy incentive services. Our firm consists of attorneys and energy market experts that have decades of experience in preparing and filing turnkey applications and identifying and obtaining energy incentive funding.

As contracted energy and legal resources, our firm moves beyond the traditional consultant model and has proven to be a trusted advisor that advocates our client’s best interest and delivers unprecedented value to customers ranging from mid-size organizations to Fortune 100 companies.