

Program Overview

PECO Smart Equipment Incentives Program

DVRPC Breaking Ground Conference

March 17, 2010

PECO Smart Equipment Incentives – The Energy Efficiency Program

Purpose of the Program

- Act 129: Legislation passed by Pennsylvania requiring energy efficiency programs throughout the State of Pennsylvania
- Encourage government, institutional, non-profit and C&I customers to improve energy efficiency in existing and new facilities
- Reduce the electric demand in Pennsylvania
 - Improve environment
 - Lower customer bills

Energy Project Incentives

- Approximately \$67.4 million in energy efficiency incentives is approved through May 31, 2013
- Overall program goals are 544 GWh and 123 MW savings
- Goals are challenging, so PECO's programs are focused on achieving as much consumption savings as early as possible
- At least 10% of the savings must come from the government, non-profit, and institutional sectors (including public buildings, schools, hospitals, etc.)

General Qualification Terms

- PECO business customers are eligible
- The “Applicant” is the firm that purchases EE measures that are installed at a facility served by PECO
- Projects completed on or after July 1, 2009 are eligible for incentives with appropriate documentation
- Projects must meet various program requirements
- Applications for projects completed prior to March 1, 2010 must be submitted by December 31, 2010
- Must submit final application within 60 days of project completion
- Comprehensive energy audits for governmental, institutional, and non-profit customers that result in electrical savings may be eligible for incentives
- Customers, contractors, or third parties can receive payment

Business Incentive Types

There are **two incentive types**:

- Prescriptive Incentives
 - You install energy efficient equipment and achieve **pre-determined savings and incentive levels**
 - Offered on a per unit, wattage reduced or wattage –controlled basis
 - Eligible measures include lighting, HVAC, refrigeration and motors and drives
- Custom Incentives
 - Incentives are determined on a **case-by-case basis** and are paid per unit energy saved (kWh and/or kW)
 - Projects that are on the prescriptive measures list are not eligible for custom incentives even if the calculated incentive is greater
 - Examples of eligible custom measures include process equipment improvements, new air compressors or controls, “free cooling”, heat recovery

Custom Incentives

- Includes any energy efficiency or energy reduction measure except those eligible for prescriptive incentives
- Incentives based on annual on-peak and off-peak energy (kWh) savings
 - \$0.12/kWh On-Peak Incentive
 - \$0.08/kWh Off-Peak Incentive
- On-peak period for the purpose of incentives is defined as noon to 8 pm weekdays from June 1 – September 30, not including holidays

Application

- Applicants are **strongly encouraged** to submit a Pre-approval Application
- Pre-approval application is **required** for custom projects, delamping, and new T8-T5 fixtures
- A pre-approval application triggers the team to review your application in order to make a funding reservation
- Reservations are generally for 90 days, please notify us as soon as you are considering a longer term project
- A reservation is **not a guarantee** of incentive payment at the reserved amount
- A reserved incentive amount ensures that funding will be available when project is completed and scope and eligibility is verified

Program Caps and Limitations

- Incentive funds are limited, funds are reserved based on availability
- Measures must be installed for 5 years or the life of the measure, whichever is less
- Prescriptive and custom incentives may not exceed 100% of the total project cost
- Program year is from June 1 to May 31
- Incentives for energy audits for governmental, institutional, and non-profit customers may not exceed \$10,000, 50% of the energy audit cost, or \$0.10 per square foot

Government, Institutions and Non-Profits

- Eligible customers include PECO governmental, institutional, and non-profit customers
- Same application, measures and incentives as commercial & industrial program
- Some eligible prescriptive measures include
 - Street lights, Traffic Lights, Unitary & Split AC, Vending Machine Controls
- Technical assistance/study program also available for government sector
 - Study incentive covers 50% of cost of study up to \$10,000
 - Incentive not to exceed \$0.10 per square foot
 - Each study must cover more than one energy efficiency measure
 - Implementation required (50% of the kWh identified through the study)

Technical Assistance Application

TECHNICAL ASSISTANCE WORKSHEET									
ENERGY AUDITS									
Energy Audit Contractor Name				Phone #		Email			
Energy Audit Contractor Address				City		State		Zip	
Describe the Scope of Work and Systems Investigated									
Contract Date		Completion Date			Energy Audit Area (sq ft)				
Address of facility ("Installation Address" from Page 8)		Total Energy Audit Cost							
		Incentive: 50% of Energy Audit Cost (calculated field)					No to exceed \$0.10 per square foot, up to an incentive payment of \$10,000		
Please submit a copy of the final report and any supporting details in PDF format.									
Executive Summary/Audit Results - Measure Details (Submit upon Project Completion)									
#	Measure Implemented?	Measure Description	End Use Description	Total Annual kWh Savings	Summer On-Peak kWh Savings	Gas Savings (or Gain) in Therms	Annual Electric Savings (\$)	Total BOM Implementation Cost (\$)	Potential BOM Incentive (\$)
1									
2									
3									

Required Documentation

- Invoices
 - Dated
 - Itemized
 - Quantities match application
 - Address where measures installed
- Specification Sheets
 - Make and model # matches project scope
 - Show that required specifications meet or exceed the program requirements (e.g., CRI, ballast factor, power factor, etc.)

What Incentives Do NOT Cover

- Renewable energy sources
- On-site generation
- Repairs, replacement of unused equipment
- Design or consulting services (except energy audits for governmental, institutional, and non-profit customers)
- Residential metered customers
- Internal labor

Trade Ally Program

- Trade allies are: contractors, vendors, architect/engineering firms, ESCOs (energy service companies), and others who sell energy efficiency
- Trade allies help promote the program
- Website will have a listing of registered trade allies
- Our program team works with trade allies to train them on the program details
- Trade allies are not endorsed by PECO
- Trade allies cannot lock up customers
- Our program will not share customer information

Funding Opportunities and Resources

Funding Opportunities and Resources

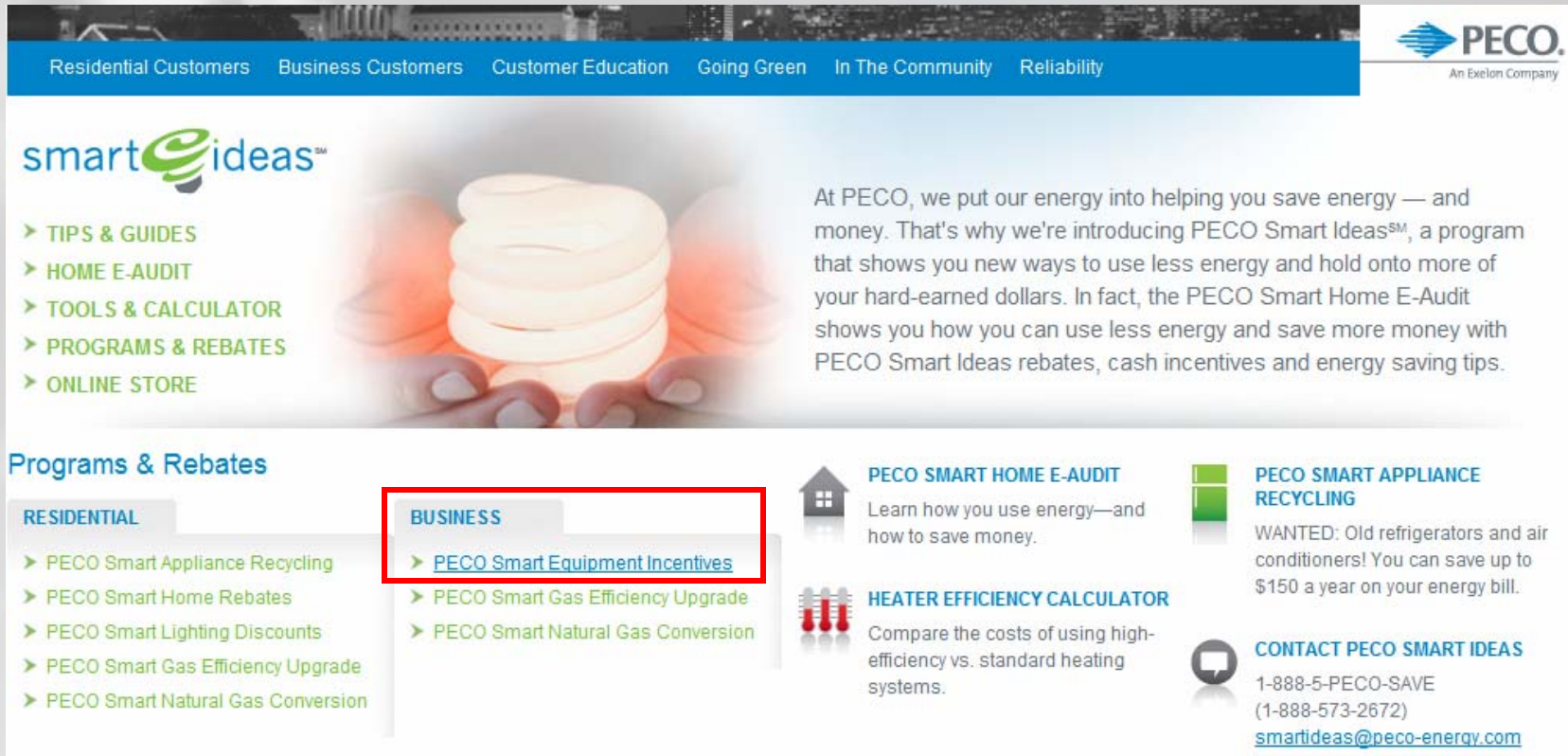
- Greenworks Loan Fund
 - Low interest loans to support energy efficiency retrofits and new construction projects
 - Eligible: Philadelphia based businesses and nonprofits
 - <http://www.pidc-pa.org/DevelopmentOpportunities.asp>
- TRF Non-Profit Energy Savings Program
 - Loans for energy efficiency improvements and energy conservation practices
 - Eligible measures: lighting, HVAC, building air sealing and insulation, windows and doors, roofing, plumbing systems, appliances
 - <http://www.trfund.com/financing/community/trfenergy.html>
- PA Commonwealth Financing Authority Clean Energy Program
 - Loans and grants to companies, small business, and select non-profit & government organizations
 - Clean energy projects - buildings, equipment and land development activities
 - <http://www.newpa.com/find-and-apply-for-funding/alternative-energy-funding/index.aspx>

Additional Resources

- PA Sunshine Solar Program
 - Rebates for solar installations for small business
 - http://www.depweb.state.pa.us/portal/server.pt/community/in_the_news/10475/pa_sunshine_solar_program/553019
- Energy Star Benchmarking Tool
 - Evaluate & assess building energy use
 - http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager



Program Website



The screenshot shows the PECO Smart Ideas website. At the top, there is a navigation bar with links for Residential Customers, Business Customers, Customer Education, Going Green, In The Community, and Reliability. The PECO logo is in the top right corner. Below the navigation bar is a banner for 'smart ideas' featuring a glowing lightbulb held in hands. To the left of the banner is a list of links: TIPS & GUIDES, HOME E-AUDIT, TOOLS & CALCULATOR, PROGRAMS & REBATES, and ONLINE STORE. Below the banner is a section titled 'Programs & Rebates' with two tabs: 'RESIDENTIAL' and 'BUSINESS'. The 'BUSINESS' tab is selected and highlighted with a red box, showing a list of programs: PECO Smart Equipment Incentives, PECO Smart Gas Efficiency Upgrade, and PECO Smart Natural Gas Conversion. To the right of the 'BUSINESS' tab are three featured programs: 'PECO SMART HOME E-AUDIT' (with a house icon), 'PECO SMART APPLIANCE RECYCLING' (with a recycling icon), and 'HEATER EFFICIENCY CALCULATOR' (with a heater icon). Each program has a brief description. At the bottom right, there is a 'CONTACT PECO SMART IDEAS' section with a phone icon, a phone number (1-888-5-PECO-SAVE), a toll-free number (1-888-573-2672), and an email address (smartideas@peco-energy.com).



PECO SMART EQUIPMENT INCENTIVE... 

- TIPS & GUIDES
- HOME E-AUDIT
- TOOLS & CALCULATORS
- PROGRAMS & REBATES
 - Residential
 - Business
- ONLINE STORE

PECO Smart Equipment Incentives

- OVERVIEW
- HVAC
- LIGHTING
- DRIVES & MOTORS
- REFRIGERATION & FOOD SERVICES

Energy. It illuminates your facility, powers your operations, and keeps your staff and customers comfortable and safe.


Whether you operate a business, government, institutional or non-profit or multi-family facility, PECO has energy-saving solutions and attractive incentives for energy-efficient improvements and equipment upgrades. Choose from the following to help you chart your course toward an energy-efficient future.

EQUIPMENT INCENTIVES

Incentives are available on equipment upgrades and improvements that include:


- [HVAC](#)
- [Lighting](#)
- [Drives & Motors](#)
- [Refrigeration & Food Service](#)

PECO also offers custom incentives for other types of equipment and energy efficiency solutions designed specifically for your business. Custom Application [\(PDF\)](#)



DOWNLOAD INCENTIVE APPLICATION

Get started today by filling out an application form.
[\(PDF\)](#) [\(Excel\)](#)



BECOME A TRADE ALLY

If you offer energy services or equipment, get listed as a PECO trade ally. Download and fill out an application form. [\(PDF\)](#)



ADDITIONAL RESOURCES

Thank You!

Contact Us

- **EMAIL: pecosmartideas@kema.com**
- **WEBSITE: www.peco.com/SmartIdeas**
- **PHONE: 1-888-5-PECO-SAVE (1-888-573-2672)**
- **FAX: 1-215-996-3982**