# Consumers Energy Business Energy Efficiency Program

Jerry Zolkowski, PE CEM



- Energy Efficiency Incentive Program Overview
- 2018 Incentive Program & Requirements
- Custom Incentives
- Other Resources
- Specialty Programs













#### Since 2009:

- More than 23,000 projects have been completed
- More than 1 Million kWh and over 4 Million MCF in energy savings





We work with commercial and industrial contractors and customers to:

- Improve energy efficiency
- Increase energy efficiency awareness
- Reduce energy use
- Reward businesses for installing energy saving measures



#### **Commercial & Industrial Program**

- Prescriptive and <u>Custom</u> Incentives
- Incentive cannot exceed 75 percent of the cost of the project
- Incentives are paid directly to the customer

# How the Incentive Program Works

#### **Prescriptive**

- Predetermined measures and incentives for the installation of various energy efficiency improvements
- Incentives typically average 20 percent to 50 percent of the incremental project cost

#### Custom

- Capital investment projects that demonstrate energy efficiency and are not eligible for a prescriptive incentive may qualify as a custom measure
- Custom incentives are determined on a case-by-case basis and are paid per unit of energy saved (i.e. \$0.08/kWh and/or \$8/MCF)
  - Pre application required



# Getting Started Applying for Incentive Rebates

# How Do I Participate?

- Step 1: Receive FREE energy assessment
- Step 2: Submit a pre-notification application
- Step 3: Install equipment or perform project work
- Step 4: Submit a final application





# Key Points to Remember

- Pre-Application required for most measures
- Reference your project number on your final application
- Make sure to sign the final application agreement
- Payment release authorization must be signed by the customer, NOT the contractor, where applicable
- Itemized invoices must include product description, price and quantity
- Updated measure worksheet if scope of project has changed





- Prescriptive Incentives
  - Think "off the rack," predetermined incentive levels
  - Over 400 measures in total
- Custom Incentives
  - Think "tailored," custom fit to your business
  - Incentives are determined on a case-by-case basis
  - Must be between 1 year and 8 year payback period



Note: Incentives are paid upon project completion and final engineering approval



#### **Prospects for Energy savings**

#### 1. Facility Services

- Lighting
- Compressed Air
- Space heating

#### 2. Dust Collectors

- Compressed air opportunities
- Frequency drive (VFD) fans
- Air recovery for space heat savings

#### 3. Grain Dryers



# Lighting

- LED
- Controls





# Compressed Air

- 85% of the energy for compressed air is discarded as heat.
- Most common measures:
  - Compressed Air Audit with Leak Detection
  - VFD air compressor
- Other good measures include:
  - High efficiency nozzles or blowers
  - Cycling dryers
  - No-loss drains
  - Heat recovery





# **Space Heating**

- Use an efficient heat source in the right place
- Radiant
  - Great for heating people or product below the heater
  - Air temperature can be cooler
- Direct fire make-up air heating
  - Use in buildings with process exhausts
  - Super efficient





# **Dust Collectors / Bag Houses**

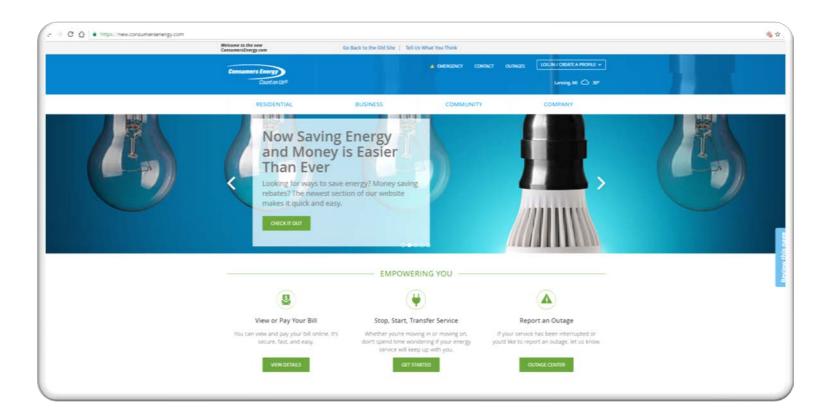
- Compressed air
  - Pulse air can be a high demand for a short time
  - Outdoor lines can freeze
- VFD fan
  - More efficient than damper control
- Heat recovery
  - Cold fresh air replaces warm plant air that is exhausted
  - VFD fan may reduce volume
  - Clean air can be ducted back in, or additional (HEPA) filtration added to allow recovery





### Business Energy Efficiency Programs Website 44

#### ConsumersEnergy.com



#### **Specialty Programs:**

- Building Performance with ENERGY STAR<sup>®</sup>
- ENERGY STAR Certification
- Building Operator Training
- Buy Michigan Bonus
- Michigan Saves Financing
- Industrial Energy Management





# What questions do you have?



We can do this with you.

Contact the program team at:





