

Incentives



Energy Efficiency And Renewable Energy Incentives 2009

Contact Information:

Office for Resource Efficiency
301 Belleview Avenue, Unit E
PO Box 2967, Crested Butte, CO 81224
www.resourceefficiency.org

For more information contact:
Gesa Michel, info@resourceefficiency.org

970-349-9673

March 2009

This document will be updated on a regular basis as changes on incentives occur

Table of Contents

I. Introduction	2
II. Where Incentives Come From	2
A. Federal Tax Credits	2
B. State of Colorado Programs	3
C. Local Incentives	3
III. Energy Efficiency Incentives for Homeowners	4
A. Energy Audit	4
B. Compact Fluorescent Light (CFL) and Low Emitting Diode (LED) Program	5
C. Insulation	5
D. Windows and Doors	5
E. Heating and Ventilating	6
F. Water Heaters	6
G. Biomass Heater	7
H. Roofing	7
I. Loan Program	7
J. Colorado Low-Income Energy Assistance Program (LEAP)	7
K. GCEA Energy Efficiency Rebate Program	8
IV. Renewable Energy Systems for Homeowners	9
A. Solar Hot Water Systems	9
B. Photovoltaic Systems	9
C. Small Wind Systems	9
D. Geothermal Heat Pumps	9
E. Fuel Cells	10
F. Loan Program	10
G. Net Metering	10
H. Green Power Program	10
V. Credits for Home Builders	11
A. Heating and Cooling	11

I. Introduction

The following document is a compilation of the 2009 energy efficiency incentives available to people looking to make changes to their existing home or build a new one. It was put together by the Office for Resource Efficiency for residents and contractors interested in renovating and building more responsibly. As the next step, the following pages provide the answers to questions like, “What kind of incentives are out there?” “What do they apply to?” and “What are they worth?” Outlined below are the parts of a home that can be addressed, the financial incentive associated with each part, and the specifications that need to be followed to receive the tax credit.

II. Where Incentives Come From

A. Federal Tax Credits

There are a number of tax credits available for individuals and contractors concerning federal energy efficiency incentives in accordance with the February 2009 Economic Stimulus Package and The Emergency Economic Stabilization Act of 2008, which is an amended version of the Energy Policy Act of 2005. The stimulus package and act give financial incentives to homeowners and builders through tax credits. These credits are unlike a tax deduction, as credits remove a percentage of the tax that is owed, reducing tax dollar for dollar rather than taking off a percentage of the total amount owed. Beginning in 2009 and through 2010, individuals will be able to itemize energy related purchases on their federal income tax forms, lowering the total amount owed to the government. To find the latest tax forms go to www.irs.gov.

The Tax Incentives Assistance Project (TIAP), sponsored by a coalition of public interest nonprofit groups, government agencies, and other organizations in the energy efficiency field, is designed to give consumers and businesses information they need to make use of the federal income tax incentives for energy efficient products and technologies passed by Congress as part of the Energy Policy Act of 2005, the Emergency Economic Stabilization Act of 2008, and the Economic Stimulus Package in 2009. To access IRS forms relating to efficiency incentives visit <http://www.energytaxincentives.org/>

The Florida Solar Energy Center (FSEC) contains helpful and educational information on their website as well: <http://www.fsec.ucf.edu/epact-05.htm>

The Energy Star website features [EPA's Energy Star Guidelines for Energy Management](#). Energy Star is a government-backed program helping businesses and individuals protect the environment through superior energy efficiency. EPA offers a proven strategy for superior energy management with tools and resources to help each step of the way. <http://www.energystar.gov/>

B. State of Colorado Programs

The Colorado Governor's Energy Office (GEO) website was designed to bring you simple, no-cost energy saving tips, as well as information on energy efficient improvements that require investment of time and resources.

<http://www.colorado.gov/energy/>

The GEO also offers information about energy efficiency and renewable energy partnership opportunities offered by the state that should be checked often for updates.

<http://www.colorado.gov/energy/resources/funding-opportunities.asp>

For information on all programs on Colorado's American Recovery & Reinvestment Act updates, go to <http://www.colorado.gov/recovery/>

www.dsireusa.org is a database of state incentives for renewable energy. This site gives state-by-state financial incentives for homeowners and businesses which implement renewable energy.

C. Local Incentives

Gunnison County Electric Association (GCEA) is a rural non-profit cooperative electric utility that has set up programs to incentivize the purchasing of renewable energy and systems that produce it. Vicki Spencer, their Energy Use/Communication Specialist is in charge of all energy efficiency and renewable energy incentives offered through GCEA.

Gunnison County Electric Association, www.gcea.coop
PO Box 180 (mail), 37250 West Highway 50, Gunnison, CO 81230
Vicki Spencer, Energy Use / Communications Specialist
vspencer@gcea.coop, (970) 641-7359

The City of Gunnison offers many energy efficiency incentives and renewable energy applications. Contact Lisa Starkebaum in the Public Works Department regarding the Insulate Colorado program, and Tom Pollard of Gunnison Electric regarding the net metering and green power program.

City of Gunnison
PO Box 239 (mail), 201 W. Virginia Ave, Gunnison, CO 81230
Lisa Starkebaum, Public Works Department
lisa@cityofgunnison-co.gov, (970) 641-8320
Tom Pollard, Gunnison Electric
tomp@cityofgunnison-co.gov (970) 641-8329

Atmos Energy is offering energy efficiency rebates and reduced fees for energy audits through www.excessisout.com . Go to this website and select Atmos Energy to learn more, or call 1-888-212-5899.

The Office for Resource Efficiency (ORE) facilitates resource savings through energy services and education programs to empower the Gunnison Valley to lower utility costs, develop renewable energy sources, decrease carbon emissions, and build a more sustainable self-sufficient economy.

Office for Resource Efficiency (ORE), www.resourceefficiency.org
 PO Box 2967 (mail), 301 Belleview Avenue, Unit E (upstairs in the Redstone Building)
 Crested Butte, CO 81224

Energy Efficiency Incentives for Homeowners

The incentives are designed to increase energy efficiency and energy conservation. Efficiency begins with a reduction in the total amount of electricity and gas used to power a building, and a great place to start is with an energy audit. The charts below categorize the incentives by **Type**: whether they are of federal, state, or local origin, and then describe the **Product**: what exactly the incentive is for. Next, the **Specifications** that the product needs to meet to get the credit, or what actions the builder needs to take to obtain the rebate are listed. Under **Credit**, the monetary value of the credit or rebate is stated.

D. Energy Audit

Type	Product	Specification	Credit
Local ORE www.resourceefficiency.org (970) 349-9673	Home Energy Assessment: Energy consultation and a written report, \$175 for houses up to 2,500 sq. feet. \$35 is charged per every 500 sq. ft above 2,500 sq. ft	At least \$100 of upgrades added after an audit is completed	\$50 rebate from ORE with proof of improvements
Local ORE www.resourceefficiency.org (970) 349-9673	Home Energy Analysis: Similar to the assessment but more in depth and detailed. \$450 for houses up to 3,500 sq. ft	At least \$100 of upgrades added after an audit is completed	\$50 rebate from ORE with proof of improvements
Local ORE www.resourceefficiency.org (970) 349-9673	E-Star Rating rates the house based on national standards. A high score can improve resale value and mortgage terms	At least \$100 of upgrades added after an audit is completed	\$50 rebate from ORE with proof of improvements
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Quantitative home energy evaluation	Subsidized audit cost performed by a registered Atmos provider	Homeowner pays <ul style="list-style-type: none"> • \$100 • \$150 • \$200 depending on audit type

E. Compact Fluorescent Light (CFL) and Low Emitting Diode (LED) Program

Type	Product	Specification	Credit
Local GCEA www.gcea.coop (970) 641-7359	Buck-A-Bulb Program from GCEA also obtainable through ORE	CFL's are available in 40-, 60-75-, and 100-watt equivalents at the GCEA Headquarters (Gunnison) or at the CB office. ORE has 60- and 100-watt equivalent bulbs available	GCEA is offering CFL's to its members for just \$1 a bulb.
Local GCEA www.gcea.coop (970) 641-7359	LED Holiday String Lights from GCEA	During the holiday season. Members receive a credit to their GCEA account	Credit for a string of less than 50 lights is \$2 and for a string of 50 or more lights is \$4

F. Insulation

Type/Contact	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Insulation	Meets current IECC and amendments	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades
State: "Insulate Colorado" GCEA www.gcea.coop (970) 641-7359 City of Gunnison (970) 641-8320	Insulation Upgrades	Home within participating jurisdiction, using a program contractor. Attic or exterior wall insulation and air sealing upgrades only, meeting IECC R-values	20% of the cost, up to \$300 for Gunnison Electric users. GCEA members receive an additional 5% rebate, with a maximum of \$75, so members can receive up to 25% off cost or \$375 rebate.
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Insulation	For owners of existing buildings.	50% of cost, up to \$1,000 rebate

G. Windows and Doors

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Windows, storm windows, skylights	Energy Star qualified or meets IECC	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades
Federal energytaxincentives.org See federal tax return	Doors, storm doors	In combination with a wood door assigned a default U-factor by the IECC, and does not exceed the default U-factor requirement assigned to such combination by the IECC	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades

H. Heating and Ventilating

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Gas, oil, propane furnace or hot water boiler	Furnaces or Boilers: AFUE \geq 95	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades
Federal energytaxincentives.org See federal tax return	Advanced main air circulating fan	No more than 2% of furnace total energy use	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Furnace	92%-93.9% AFUE	\$200 rebate
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Furnace	94%+ AFUE	\$300 rebate
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Boiler	84%+ AFUE	\$150 rebate
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Proper sizing of furnaces/boilers	Proper sizing criteria	\$50 rebate
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Infrared heating	All	\$500 rebate
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Programmable thermostat	ENERGY STAR	\$25 rebate

I. Water Heaters

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Gas, oil, propane water heater	Energy Factor \geq 0.80 or a thermal efficiency of at least 90%	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Hot water heater	Tank EF 62+	\$50 rebate

Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Hot water heater	Tankless EF 82+	\$100 rebate
Utility Atmos Energy 1-888-212-5899 www.excessisout.com	Miscellaneous hot water insulation and infiltration measures	Tank wrap, pipe wrap, caulk, faucet aerator, low-flow shower head, weather stripping	\$25 rebate, based on combined minimum purchase of \$40

J. Biomass Heater

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Biomass stove	Stove which burns biomass fuel to heat a home or heat water. Thermal efficiency rating of at least 75%	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades

K. Roofing

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Metal roofs, asphalt roofs	Energy Star qualified	30% of cost, up to \$1,500 max. tax credit (materials only) per home for all efficiency upgrades

L. Loan Program

The Low Interest Energy Resource Conservation (ERC) Loan program allows members to borrow funds to pay for cost effective materials and labor for improvements that will likely reduce energy consumption. For more information on this program call Vicki Spencer at GCEA.

M. Colorado Low-Income Energy Assistance Program (LEAP)

LEAP is a federal-based program that assists qualifying low-income individuals by providing financial assistance in paying for energy bills. The program operates during the heating season of November 1st through April 30th. For more information and an application, see the website at <http://www.cdhs.state.co.us/leap/> or contact the Gunnison County Coordinator Selenia Rascon at (970) 641-7674.

N. GCEA Energy Efficiency Rebate Program

GCEA has partnered with Tri-State Generation and Transmission Association to expand the *Energy Efficiency Rebate Program*. Members may receive rebates for any of the energy efficiency measures listed in the table below.

System or Appliance Pays	Tri-State Pays	GCEA
Electric Ground Source Heat Pump	\$600 for minimum 3-ton Energy Star rated unit Additional \$150/ton above 3-ton minimum \$50/unit additional incentive for load control by GCEA	\$150/unit
Electric Thermal Storage (Permanently installed units only)	\$16/kW for ETS controlled by timer or master control system	\$6/kW
Electric Water Heater <u>Basic Unit</u> (Minimum 30-gal capacity, 6-year warranty, mandated EF rating)	\$50 per unit \$25/unit for lifetime warranty (e.g. Marathon) \$25/unit controlled by timer or low wattage element (3,000 watts maximum)	\$20/unit
<u>Super Efficient Unit</u> (Minimum 30-gal capacity, 6-year warranty, mandated EF rating)	\$100/unit for primary heating by electric ground source heat pump \$25/unit for lifetime warranty (e.g. Marathon) \$25/unit controlled by timer or GCEA Signal through active control program	\$20/unit
Refrigerators and Freezers	\$40 for new Energy Star rated appliance \$40 for proper recycling of old appliance	\$20/unit
Dish Washers	\$30 for new Energy Star rated appliance	\$15/unit
Clothes Washers	\$40 for new Energy Star rated appliance	\$20/unit

All rebates above must be requested within 180 days of installation.

GCEA, www.gcea.coop, (970) 641-7359

III. Renewable Energy Systems for Homeowners

The following resources assist us in financing and installing a renewable energy system to further increase our local energy independence.

A. Solar Hot Water Systems

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Solar hot water heater	At least half of the energy generated by the “qualifying property” must come from the sun. Homeowners may only claim spending on the solar water heating system property, not the entire water heating system of the household. The credit is not available for expenses for swimming pools or hot tubs. System must be certified by the Solar Rating and Certification Corporation	30% of cost tax credit of total installed cost

B. Photovoltaic Systems

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Photovoltaic systems	Photovoltaic systems must provide electricity for the residence, and must meet applicable fire and electrical code requirement	30% of cost tax credit of total installed cost

C. Small Wind Systems

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Small Wind systems	100 kilowatts (kW) of capacity or less.	30% of cost tax credit of total installed cost

D. Geothermal Heat Pumps

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Geothermal Heat Pumps	Any equipment which uses the ground or ground water as a thermal energy source to heat, or as a thermal energy sink to cool the	30% of cost tax credit of total installed cost

		taxpayer's residence. Unit must meet Energy Star requirements	
--	--	---	--

E. Fuel Cells

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Fuel cells	Efficiency of at least 30% and must have a capacity of at least 0.5 kW.	30% of the cost, up to \$1500 per half kW of power capacity tax credit

F. Loan Program

Through the Renewable Energy Resource (RER) Loan Program, GCEA offers low interest loans up to \$25,000. These loans are given for the installation of photovoltaic solar panels and other renewable energy projects approved by the board of directors. For more information on this program call Vicki Spencer at GCEA.

G. Net Metering

Net Metering is the net consumption of electricity as measured at GCEA's service meter. GCEA members that produce electricity by means of a renewable energy source, such as solar, and are tied to the grid can take part in the net metering program. Electricity that is generated and rolled back to the system that does not exceed the electricity consumption of the household will be compensated at the current retail rate of \$0.11279. Any electricity that is generated above what the household consumes will be bought back by GCEA at the current wholesale energy rate. The energy rates are subject to change.

The City of Gunnison Electric Department currently has the capacity for 50 net meters, and will buy back electricity at the same retail rate that they sold it, providing the residence or business is producing more electricity than it is consuming. Contact Tom Pollard of Gunnison Electric with questions.

H. Green Power Program

GCEA currently purchases 3,450 blocks of renewable energy through Tri-State Generation and Transmission from a wind farm and a hog farm (biogas). Members can purchase green power in blocks for \$0.50 per 100 kWh. The green power charge will appear as a separate line item on your bill. If more members purchased green power, GCEA would be able to purchase a higher percentage of the necessary electricity from renewable sources instead of fossil fuel based sources. (970) 641-3520.

The City of Gunnison Electric Department provides a similar program that provides wind energy from Kimball, Nebraska. 100 kWh blocks can be purchased for \$1.70 per month. Contact Tom Pollard of Gunnison Electric with questions.

IV. Credits for Home Builders

There are many smart installation and construction methods to use while building a home such as using fly ash concrete, synthetic gypsum for walls, or recycled glass-tile for tiling. However the incentives that have been offered by our government concerns heating and cooling. For more information about building a sustainable home stop by ORE's office for some books and pamphlets.

A. Heating and Cooling

Type	Product	Specification	Credit
Federal energytaxincentives.org See federal tax return	Residential building	Home that achieves 50% energy savings through heating and cooling, meeting IECC standards. At least 1/5 of savings must come from building envelope improvements	\$2,000 tax credit
		Home that achieves 30% energy savings through heating and cooling, meeting IECC standards. At least 1/3 of savings must come from building envelope improvements	\$1,000 tax credit
Federal energytaxincentives.org See federal tax return	Commercial building	50% of the heating and cooling energy of a building that meets ASHRAE Standard 90.1-2001. Partial deductions of up to \$.60 per square foot can be taken for measures affecting any one of three building systems: building envelope, lighting, or heating & cooling	\$1.80 p/sq foot tax credit

These tax credits apply to new homes located in the United States whose construction is substantially completed after August 8, 2005 and that are acquired from the eligible contractor for use as a residence from January 1, 2006 through December 31, 2009.