



## 2025 Sustainable Energy Program

### Miscellaneous Commercial and Industrial Energy Efficiency

#### Purpose

The purpose of the Sustainable Energy Program is to drive peak demand reduction and promote energy efficiency to reduce power costs, wasted energy and associated emissions. This will pave the way for a brighter, more resilient future. This document highlights incentives applicable to commercial LES customers looking to install energy-efficient measures.

#### Energy Management Systems (includes Motion Sensors for Lighting)

Energy management systems help customers reduce costs associated with building HVAC, lighting, process and manufacturing systems. Installing or optimizing existing automated controls can help reduce energy use and peak demand without interrupting operations taking place within the building.

- The incentive will be the **lesser** of the following:
  - 20% of the new system cost
  - 50 cents per square foot of floor space being served by the new system
  - \$50,000

\*If the project includes embedded fixture controls within the light fixture, the incentive will be \$10 per fixture in lieu of the incentives listed above. Labor associated with installing the light fixtures will not be eligible for an incentive. Lights without an embedded fixture control are not eligible for an incentive.
- Guidelines specific to Energy Management Systems:
  - This incentive is not available for new construction buildings; buildings must be at least five years old.
  - LES may ask for an analytical estimate of the expected energy savings/demand reduction (with supporting calculation assumptions) at the time of pre-authorization.
  - Expanding or optimizing an existing system can qualify, but replacing an existing system or existing individual controls does not.

#### Compressed Air Systems

The compressed air system incentives aim to reduce energy use associated with producing compressed air. This may involve retrofitting or replacing existing equipment.

- Incentives:
  - Variable Compressors (5 to 24.99 Horsepower): \$50/Horsepower
  - Variable Compressors (25 Horsepower and above): \$75/Horsepower
  - Cycling Refrigerated Air Dryer: \$2/SCFM
  - Other components for a compressed air system such as added or “boosted” storage, fixing leaks or adding compressor staging controls may qualify for an incentive if they are expected to result in energy savings/demand reduction. These incentives are calculated on a case-by-case basis. LES may ask for an air system study or compressed air system audit to help determine savings.
- Guidelines specific to Compressed Air Systems:
  - Incentives are available for both new construction and existing buildings.
  - Air compressors must be variable speed replacing fixed speed.
  - Air compressors qualifying for an incentive must be non-portable.

## Variable Frequency Drives

Variable frequency drives (VFDs) help customers reduce costs associated with operating pumps, air handlers and conveyor motors (to name a few). Installing VFDs on motors that have varying loads not only saves energy but can also have a positive impact on the performance of building systems.

- Incentive:
  - \$50/Horsepower being controlled
- Guidelines specific to Variable Frequency Drives:
  - Incentives are available for new construction and existing buildings.
  - VFDs replacing existing VFDs do not qualify.
  - VFD speed must be automatically controlled unless otherwise authorized.

## Commercial Kitchen/Refrigeration

The commercial kitchen incentives are designed for customers who want to retrofit an existing system or install a new high efficiency system/appliance.

- Incentives:
  - Energy Star Steam Cooker, Dishwasher or Combination Oven: \$800
  - Refrigeration Systems: Incentives are calculated on a case-by-case basis. Contact [SEP@les.com](mailto:SEP@les.com).
- Guidelines specific to Commercial Kitchen/Refrigeration incentives:
  - Qualifying steam cookers, dishwashers and combination ovens must be Energy Star listed.
  - Qualifying steam cookers, dishwashers and combination ovens must be electric.
  - To be eligible for the dishwasher incentive, the building's hot water fuel type must be electric. If there is a booster water heater, the fuel type must also be electric.
  - Stationary single-tank door, single-tank conveyor and multi-tank conveyor dishwasher types qualify. Under counter and pot, pan and utensil dishwasher types do not qualify.
  - Incentives may be available for refrigeration if open multideck cases are retrofitted with solid glass doors, if a refrigeration monitoring system is added, etc. LES may ask for an analytical estimate of the energy savings/demand reduction (with supporting calculation assumptions) at the time of pre-authorization.
  - Incentives are available for new construction and existing buildings.

## Custom

The Custom incentives category is intended for individualized, uncommon or specialized energy efficiency projects that are not otherwise eligible for other incentives. Examples include but are not limited to an energy recovery ventilator or an injection molding machine with servo motor technology.

- Incentives are calculated on a case-by-case basis. Contact [SEP@les.com](mailto:SEP@les.com).
- Guidelines specific to Custom incentives:
  - For an incentive to be offered, LES must receive proof that the project will result in significant energy savings/demand reduction. LES may ask for an analytical estimate of the energy savings/demand reduction (with supporting calculation assumptions).
  - Incentives are available for new construction and existing buildings.

## Guidelines for Miscellaneous Incentives

- Only projects for which LES anticipates system coincident peak demand (June-Sept, Monday-Friday, 2 pm to 8 pm) and energy reduction will be eligible for incentives.
- **Pre-authorization is required before installation to qualify for an incentive.** See the process portion of this document for additional details.
- Incentives are only available for materials purchased and services rendered within 24 months of the reimbursement request date.
- Equipment must be installed and operational before reimbursement is issued.
- LES reserves the right to complete an on-site verification prior to and after installation.

- LES must receive all requested documentation to qualify. This often includes equipment specifications, project submittals or energy savings calculations. However, requested documentation will vary depending on the project.
- Downsizing or removing equipment/processes are not eligible for incentives.
- The incentives listed above only apply to new and existing non-mobile commercial buildings in the LES service territory.
- See the General Guidelines document for additional terms and conditions.

## Process

### *I am an LES customer seeking an incentive:*

1. Reach out to [SEP@les.com](mailto:SEP@les.com) **before the equipment is installed.**

Indicate the project address, approximate timeline, and the LES incentives you are interested in applying for. LES will also need to obtain a quote, submittal or proposal and associated equipment specifications. Depending on the project, LES may ask for an analytical estimate of the expected energy savings/demand reduction (with supporting calculation assumptions).

LES will determine project eligibility and the associated incentive.

2. Notify LES if you plan to proceed with the project **before installation occurs**. Upon notification, LES will pre-authorize the project in the portal; you will receive an email notification.

You have 180 days from the pre-authorization date to install the equipment and submit the project for reimbursement. If you need additional time, please submit an extension request by emailing us at [SEP@les.com](mailto:SEP@les.com), stating why you need an extension. Consideration of an extension is at the discretion of LES staff and is not guaranteed.

3. Once the system is installed, submit a reimbursement request to LES by emailing [SEP@les.com](mailto:SEP@les.com), including an attachment of the invoice or pay application and a W-9. LES may ask for additional documentation.
4. LES will issue the incentive once required documentation has been submitted and reviewed and an on-site verification has been conducted if applicable.

## Questions? Contact [SEP@LES.com](mailto:SEP@LES.com)

*This document is relevant to the 2025 Sustainable Energy Program offered by LES.*