

# Energy FinAnswer® Wyoming



*“Look at your power consumption and your production – you can improve both aspects to save money and help your bottom line.”*

**Jeff Danielson**  
Lead Electrician  
Black Hills Bentonite

Surprising as it may sound,  
we'd like to help you use less energy.



*Let's turn the answers on.*

# Energy FinAnswer<sup>®</sup> from Rocky Mountain Power

**We have the incentives and expertise to help you reduce your energy consumption.**

Using less energy will save you money, but that's just one of the benefits of taking advantage of Rocky Mountain Power's Energy FinAnswer program. You can also see equipment reliability improve and get better production capacity and quality. It can help you enhance your employees' comfort, productivity and efficiency as well.

**Good news for your bottom line.** Participating in energy efficiency programs helps shrink our environmental footprint and is one of the lowest cost resources to meet future energy needs.

## Retrofits

If you're a Rocky Mountain Power business customer in Wyoming,\* we offer energy engineering expertise and cash incentives to help you upgrade to the most energy-efficient systems available.

### What qualifies?

- planned installation of proven technologies that increase electric energy efficiency

We may verify pre-installation conditions, and energy efficiency measures must meet minimum equipment efficiency levels and equipment eligibility requirements in our FinAnswer<sup>®</sup> Express program. (See the brochure for details.)

### And what does not qualify?

- some projects already in progress
- projects involving fuel switching

### How much are the retrofit incentives?

Incentive	\$0.15/kilowatt-hour (kwh) annual energy savings + \$50/kilowatt (kw) average monthly demand savings
<b>Incentive caps</b>	
Percent of project cost cap	70% of energy efficiency project cost
Simple payback cap	1 year (If incentive brings the simple payback below one year, the incentive is reduced so the simple payback equals one year.)
<b>Additional requirements</b>	
Lighting energy savings limit	Lighting kwh savings limited to 50% of project savings (If lighting kwh savings exceeds the limit, lighting measures are adjusted for purposes of calculating the incentive.)

### What are the technical services for retrofits?

**Energy analysis** – services help identify energy efficiency opportunities and quantify savings and costs. We'll provide, at no direct cost to you, a vendor-neutral and investment-grade analysis to support your decision-making and funding approval process. Services also include a post-installation calculation of annual savings for the project as installed and operating.

## Steps for retrofits

### Scoping

We sign a letter of intent with you. Then, working with you, we identify potential energy efficiency opportunities. We go over the preliminary numbers with you and discuss your implementation plans and schedule.

### Energy analysis

We provide an energy analysis report for the opportunities with the highest likelihood of implementation. The report contains specific recommendations and refined estimates of costs and savings. It also includes our incentive offer and any commissioning requirements. We pay for the study.

### Incentive agreement

We sign an incentive agreement with you **before** you sign purchase orders or make other financial commitments to proceed with implementation. The incentive is estimated based on the energy analysis.

### Implementation

You complete contracting and installation, then notify us when each is done. You complete any required commissioning and provide commissioning submittals and documentation of your final costs for each energy efficiency measure, with labor and material itemized.

### Post-installation inspection and incentive payment

We provide you with a post-installation inspection report that documents the final project costs and energy savings. We calculate the incentive amount based on the inspection results and provide you with the incentive check.

\*Program is available to customers with electric service on rate schedules 25, 28, 33, 40, 46, 48T, 54, 58, 210, 212, or 213. Commercial facilities must be at least 20,000 square feet (per electric meter).

## New construction/major renovation

If you're a Rocky Mountain Power business customer in Wyoming,\* we offer energy engineering expertise and cash incentives to help you upgrade to the most energy-efficient systems available.

### What qualifies?

Planned installation of proven technologies that:

- increase electric energy efficiency
- exceed code requirements\*\* or industry standards

### And what does not qualify?

- some projects already in progress
- projects involving fuel switching

### How much are the new construction incentives?

Project type	IECC 2003 energy code applies**	IECC 2003 energy code does not apply**
Incentive	\$0.15/kwh annual energy savings + \$50/kw average monthly demand savings	
<b>Incentive caps</b>		
Percent of project cost cap	None	70% of energy efficiency project cost
Simple payback cap	None	1 year (if incentive brings the simple payback below one year, the incentive is reduced so the simple payback equals one year)
<b>Additional requirements</b>		
Energy savings threshold	Qualifying equipment must exceed IECC 2003	Qualifying equipment must exceed industry common practice
Lighting energy savings limit	Lighting kwh savings limited to 75% of project savings	Lighting kwh savings limited to 50% of project savings

*If lighting kwh savings exceeds the limit, lighting measures are adjusted for purposes of calculating the incentive.*

### What are the technical services?

We'll provide, at no direct cost to you, the energy analysis and a post-installation calculation of annual savings for the project as installed and operating. Energy analysis services identify energy efficiency opportunities and quantify savings and costs. The analysis is vendor-neutral and investment-grade, so you'll have information to guide your implementation decision and funding approval process.

### Steps for new construction/ major renovation

Please contact us as early as possible to get started.

#### Scoping

We sign a letter of intent with you. Then, working with you, we identify potential energy efficiency opportunities. We go over the preliminary numbers with you and discuss your implementation plans and schedule.

#### Energy analysis

We provide an energy analysis report for the opportunities with the highest likelihood of implementation. The report contains specific recommendations and refined estimates of incremental costs and savings compared to code-compliant or common-practice systems. It also includes our incentive offer and any commissioning requirements. We pay for the study.

#### Incentive agreement

We sign an incentive agreement with you **before** you sign purchase orders or make other financial commitments to proceed with implementation. The incentive is estimated based on the energy analysis.

#### Implementation

You complete contracting and installation, then notify us when each is done. You complete the required commissioning tasks and provide documentation of installed equipment, proper operation and copies of required invoices.

#### Post-installation inspection and incentive payment

We complete a post-installation inspection report that documents the energy savings and incremental costs of the as-built project. We calculate the incentive amount based on the inspection results and provide you with the incentive check.

\*Program is available to customers with electric service on rate schedules 25, 28, 33, 40, 46, 48T, 54, 58, 210, 212, or 213.

\*\*The program uses the International Energy Conservation Code (IECC 2003) as the baseline for new construction and major renovation projects.

## More about incentives and services

We provide an incentive estimate based on the energy analysis results completed prior to installation of energy efficiency upgrades. The incentive paid is based on the results of a post-installation inspection.

We provide commissioning requirements for more complex measures. You'll need to meet these requirements to receive the maximum incentive and energy savings.

We contract for and pay for the energy study and the post-installation inspection. You contract for and pay for commissioning as part of the project implementation.

**A Rocky Mountain Power Incentive Agreement must be signed before signing contracts with suppliers or contractors.**

### Here are some definitions

<b>Retrofit</b>	Changes, modifications or additions to systems or equipment in existing facility square footage.
<b>Major renovation</b>	Any change in facility use type or where the existing system will not meet owner/customer projected requirements within existing facility square footage.
<b>New construction</b>	A newly constructed facility or newly constructed square footage added to an existing facility.

### Here is an example retrofit incentive calculation

**Compressed air energy efficiency retrofit project:** Savings is 300,000 kwh/yr and 40 kw/month (\$18,000/yr); cost of compressed air upgrades is \$70,000

<b>Step 1</b>	Adjust any lighting measures if lighting savings exceeds 50% of total savings
<b>Step 2</b>	<p><b>Calculate incentive</b></p> <p>(a) Incentive based on savings</p> <p>Energy incentive = <math>\\$0.15/\text{kwh} \times 300,000 \text{ kwh} = \\$45,000</math></p> <p>Demand incentive = <math>\\$50/\text{kw} \times 40 \text{ kw} = \\$2,000</math></p> <p>Energy and demand incentive = <math>\\$47,000</math></p> <p>(b) Incentive based on 70% of energy efficiency project cost = <math>0.7 \times \\$70,000 = \\$49,000</math></p> <p>Lesser of (a) and (b) is \$47,000</p>
<b>Step 3</b>	<p><b>Check simple payback for whole project, determine incentive</b></p> <p>Payback including incentive = <math>(\text{cost of upgrades} - \text{incentive})/\text{annual electric cost savings} = (\\$70,000 - 47,000)/\\$18,000 = 1.3 \text{ years}</math></p> <p>Payback including incentive is greater than one year, so incentive is \$47,000</p>

## Wondering when you get paid?

For projects with an executed incentive agreement, the incentive is paid within 45 days after completion of the post-installation inspection report.

## You're in charge

Remember, once you make a commitment, you remain in control. You choose the technologies and the manufacturers you want to use. You choose the contractors with whom you'll be working. From analysis through installation, we will work within your planning and construction schedules. Think of us as an extension of your own team – there to offer information, confirmation and options for your decision making.

## To get started

- Visit [rockymountainpower.net/wattsmart](http://rockymountainpower.net/wattsmart) and inquire online.
- Call our energy services hotline toll free at **1-800-222-4335**.
- Contact your account manager.
- Email us at [energy.expert@pacificorp.com](mailto:energy.expert@pacificorp.com).

For a copy of the approved tariff, visit the Wyoming information at [rockymountainpower.net/regulation](http://rockymountainpower.net/regulation) and go to Schedule 125.

*We offer incentives for lighting, HVAC/mechanical and other upgrades under a separate program, FinAnswer® Express. The Self-Direction Credit program is another option for customers using more than 5,000,000 kilowatt-hours annually or 1,000 kilowatts. Contact us or visit our website for more details.*

*Energy efficiency measures receiving an incentive from the Energy FinAnswer program are not eligible for incentives or bill credits under other Rocky Mountain Power programs.*



Let's turn the answers on.

# Energy FinAnswer® - Wyoming

## Frequently Asked Questions:

**What is Energy FinAnswer?** Energy FinAnswer is an innovative energy efficiency program. In Wyoming you can receive incentives for electric energy efficiency upgrades in new and existing facilities. The program also provides technical expertise to identify energy efficiency opportunities and quantify savings and costs.

**How can I benefit?** You can get a more reliable, productive and energy-efficient facility with lower operating costs. Additional benefits can include improved equipment reliability, reduced operating and maintenance expenses, improved comfort, improved worker productivity, increased production capability, improved product quality and the opportunity to be recognized as a company that is protecting the environment.

**How do I enroll in Energy FinAnswer?** Contact your account manager, inquire online at our website, email [energy.expert@pacificorp.com](mailto:energy.expert@pacificorp.com), or call our energy services hotline at 1-800-222-4335 to discuss your plans and request a letter of intent.

**Who makes the decisions regarding design and implementation?** You do. Our goal is to give you information to weigh your options, both technical and financial. We don't try to make decisions for you. The energy analysis process is sometimes complex, depending on the technology considered. So it requires the collaboration and expertise of many people. Your only obligation is to ensure that the project complies with Rocky Mountain Power's guidelines.

**What is an energy analysis?** An energy analysis is a comprehensive energy study, paid for by Rocky Mountain Power, that includes recommendations for energy efficiency improvements and provides a projection of the expected energy savings and project costs.

**Who decides on the scope of work and selects and pays the engineering consultant?** We jointly develop the scope of work and discuss selection of engineering consultants. Rocky Mountain Power contracts with the engineering consultant to perform energy analysis work and pays for the study.

**What if I already have an energy analysis?** If you already have an energy analysis, it is subject to Rocky Mountain Power review and approval. Rocky Mountain Power *may* reimburse you upon project completion for some or all of the cost of the study if it was provided by a firm currently under contract with us (a list of firms is on our website).

**What costs are eligible?** Eligible measure costs include all actual expenses reasonably incurred by the eligible customer directly related to the construction, installation or implementation of an eligible measure. Costs may include equipment costs, customer-paid engineering, design and commissioning fees, materials, supplies and installation costs. If the customer installs measures, the customer can submit documentation of actual cost of labor incurred. For new construction or expansion of existing facilities, eligible measures costs are those that are additional to achieve energy efficiency levels that exceed code\* or industry standard practice. Measure costs are subject to Rocky Mountain Power approval.

**How is the incentive determined?** Initially, the incentive is estimated based on energy and demand savings and measure cost estimates from the energy study. See the sample in the brochure. The final incentive paid is based on the same formula using energy and demand savings and measure cost results from the post-installation inspection report.

**What is an appropriate baseline for energy consumption and measure costs?** The baseline is the equipment inventory and operation prior to implementing energy efficiency improvements. Energy savings and energy efficiency measure costs are calculated from the baseline.

- If the project is an elective retrofit, the baseline is existing equipment and operation.
- If the project is new construction/major renovation, replacement of equipment at the end of its useful life, or an expansion, the baseline is assumed to be the energy consumption and implementation cost for a facility/system that meets any required code\* or is common practice for the industry.

\*This program uses the International Energy Conservation Code (IECC) 2003 as the baseline for new construction and major renovation.

**Who owns the equipment?** The facility owner owns the equipment from the outset.

**Who installs, operates and services the equipment?** You and your contractors retain responsibility for the installation, operation and service of equipment. You also make repairs or adjustments as needed to bring the equipment up to its designed energy efficiency level.

**What about confidentiality?** Rocky Mountain Power's consultants are under strict confidentiality agreements.

**When do I get the incentive payment?** For projects with an executed incentive agreement, the incentive is paid within 45 days after the energy efficiency measure installation is complete. To be complete:

- The energy savings capability of the project installation needs to be operational.
- Any required commissioning needs to be complete.
- Rocky Mountain Power needs to inspect the installation, approve measure cost documentation, and prepare the post-installation inspection report.

**Who gets the incentive payment?** The Rocky Mountain Power customer who signed the incentive agreement and completed the energy efficiency improvements receives the incentive payment. The customer can be the site owner or a facility tenant. The customer can designate someone else to receive the incentive payment by signing a third-party incentive payment release.

**Why is IRS Form W-9 required?** Rocky Mountain Power needs your W-9 to fulfill IRS reporting obligations and to provide you with a 1099-Misc. (if required) following your incentive payment. Note we send a 1099-Misc. to the company who was eligible to receive the incentive (businesses who assigned their incentive payment to a third party still receive the 1099-Misc.).

**Will my incentive payment be considered taxable income?** Please consult with your tax advisor to determine the answer to this question as Rocky Mountain Power cannot provide tax advice.

**What if lighting energy savings exceeds the limit?** The lighting measures can be covered under the FinAnswer<sup>®</sup> Express incentive program. Or, you can remain on Energy FinAnswer and either incorporate additional non-lighting measures or receive an incentive that is based on the lighting energy savings limit.

**What if I do not have a FinAnswer energy study and the project has started?** Contact your account manager or us to discuss the current status of the project. If purchase orders for the equipment related to efficiency improvements have already been issued, we cannot offer incentives. With purchase orders signed, it is too late to influence the project. Please let us know about your future project plans.

**What if I have a FinAnswer energy study and have started the project?** Please contact your account manager or us to discuss the current status of the project. You need to sign a Rocky Mountain Power Energy Efficiency Incentive Agreement prior to ordering equipment.

**When does my project have to be installed to be eligible for incentives?** Your incentive agreement will include a required completion date.

**For more information on Energy FinAnswer:**

Visit our website: [rockymountainpower.net/wattsmart](http://rockymountainpower.net/wattsmart) and inquire online

Contact your account manager

Call our energy services hotline toll free at **1-800-222-4335**

Email [energy.expert@pacificorp.com](mailto:energy.expert@pacificorp.com)



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