

Pepco Energy Savings for Business Program

SMALL BUSINESS PROGRAM VFD ELIGIBLE MEASURES AND INCENTIVES (IN EXISTING BUILDINGS)



The Pepco Energy Savings for Business Program offers incentives to install energy efficient variable frequency drives controlling pump, fan, and process motors. To take advantage of these incentives, you must meet the following eligibility requirements:

1. Be a Pepco customer and business in the Maryland territory with an electrical demand \leq 100 kW over the last twelve months with kWh of less than 875,000.¹
2. Have an existing facility, as new construction is not eligible for this program.
3. Not be a temporary account, a cellular phone or microwave transmission tower-account, or a vacant facility. These may be eligible for New Construction or other programs.

If a single customer has multiple accounts in the same facility and one account has \leq 100 kW demand over the previous twelve months, the equipment serviced through that account is eligible for Small Business Program incentives; equipment serviced by accounts with demand $>$ 100 kW are not eligible for Small Business Program incentives.

¹Accounts with annual kWh usage \geq 400,000 but $<$ 875,000 kWh will require further review from the Program, even if the accounts meet the kW program requirements.

In addition, incentives greater than \$30,000 or kWh savings greater than 45,000 for one or a combination of projects, completed within the last three years, will receive additional review and will require explanation from customer and/or Service Provider.

All projects now require pre-approval.

You can also contact your installation contractor or equipment vendor to discuss energy efficient equipment options. If you do not have a contractor or vendor in mind, please visit our website for a list of Service Providers.

Additional Terms and Conditions apply; see Application tab for full details.

VFD Qualifying Equipment and Incentives

Incentives are awarded based upon the VFD horsepower (HP) rating and type of equipment controlled. If the equipment controlled is identified as Standard then the incentive is calculated based upon HP (see incentive table immediately following). If the equipment controlled is identified as Alternative, then the incentive is calculated as the lesser of Standard incentive, 70% of installed cost or buydown to 0.5 year payback and must pass the Total Resource Cost test.

VFD Incentives for both Standard and Alternative Measures			
VFD Horsepower Rating	Base Incentive	VFD Horsepower Rating	Base Incentive
2	\$1,000	15	\$2,700
3	\$1,200	20	\$3,000
4	\$1,400	25	\$3,200
5	\$1,600	30	\$3,600
7.5	\$1,800	40	\$4,000
10	\$2,200	50	\$5,000

Controlled Equipment	Pump, Fan, or Other	Incentive Type
Chilled Water (ChW) Pump	Pump	Standard
Condenser Water Pump	Pump	Standard
Hot Water Pump	Pump	Standard
WSHP Circ Loop Pump	Pump	Standard
Boiler Feedwater Pump	Pump	Standard
Condensate Pump (for AC)	Pump	Standard
Make-Up Air Fan	Fan	Standard
HVAC Return Air Fan	Fan	Standard
Cooling Tower Fan	Fan	Standard
HVAC Supply Air Fan	Fan	Standard
HVAC Exhaust Fan	Fan	Standard
Condensate Pump (steam system)	Pump	Standard
Boiler Draft Fan	Fan	Standard

Controlled Equipment	Pump, Fan, or Other	Incentive Type
Wastewater Pump	Pump	Alternative
Well Pump	Pump	Alternative
Transfer Pump	Pump	Alternative
Pool Pump	Pump	Alternative
Domestic Water Circ Pump	Pump	Alternative
Domestic Water Booster Pump	Pump	Alternative
Process Cooling Pump	Pump	Alternative
Building Exhaust Fan	Fan	Alternative
Process Exhaust Fan or Fume Hood	Fan	Alternative
Air Conditioning Chiller Compressor	Other	Alternative
Air Compressor	Other	Alternative
Other	Other	Alternative

Instructions

1. If submitting an application for a Standard measure, enter data requested on VFD input sheet and annual savings will be calculated automatically.
2. If submitting an application for any Alternative measure, enter data requested on input sheet, as with Standard measures. For these measures the user is required to calculate annual savings and enter those data on the input sheet--all calculations and methodology supporting the annual kWh and kW savings must be provided.

In addition, for Alternative measures the user is required to supply the average electricity price. This is the price that the facility paid over last 12 months inclusive of the utility's transmission and distribution costs, fuel cost, demand charge, and all taxes and applicable rider charges. This is calculated as the sum of all electricity charges over the past 12 months divided by the kWh used over the same period.

VFD Requirements

1. To qualify for an incentive, the motor(s) being controlled must operate a minimum of 2,000 hours per year.
2. Incentives are available for VFDs only in a retrofit situation where no VFD has been in use previously. Replacement of failed VFDs are not eligible for incentives.