

Hudson Valley Economic Development Corporation *Economic Developer Working Group Meeting*

May 5, 2010

NYSERDA Industrial Incentives Program Overview

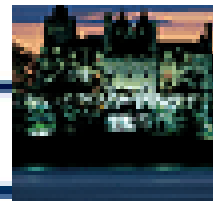
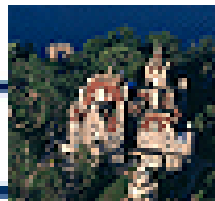
Mark D'Antonio, Vice President of Engineering

Patrick Duffy, Senior Project Specialist

Lucy Neiman, Senior Project Manager



NEW YORK STATE



State Mandate for Energy Efficiency

- NYSERDA & Utilities are mandated to achieve quantifiable energy efficiency targets
- Energy Efficiency Portfolio Standard (EEPS)
 - *15% energy consumption reduction by 2015*
- NYSERDA Program
 - Electric Efficiency: \$93 million through 2011
 Savings goal of 840,000 MWh
 - Gas Efficiency: \$11 million through 2011
 Savings goal of 1,081,000 MMBtu

Outreach Services

Industrial Process Efficiency (IPE) Program

- Support your industrial facilities in obtaining program benefits
- Potential outcomes for participating facilities:
 - Improved process efficiencies
 - Energy savings and reduced operating costs
 - Expanded production at higher efficiency levels
 - Reduced payback times on capital investments in energy and process efficiency
 - Retooling in down phase; energy cost control in expansion phase

Focus Contractors – IPE Outreach Services

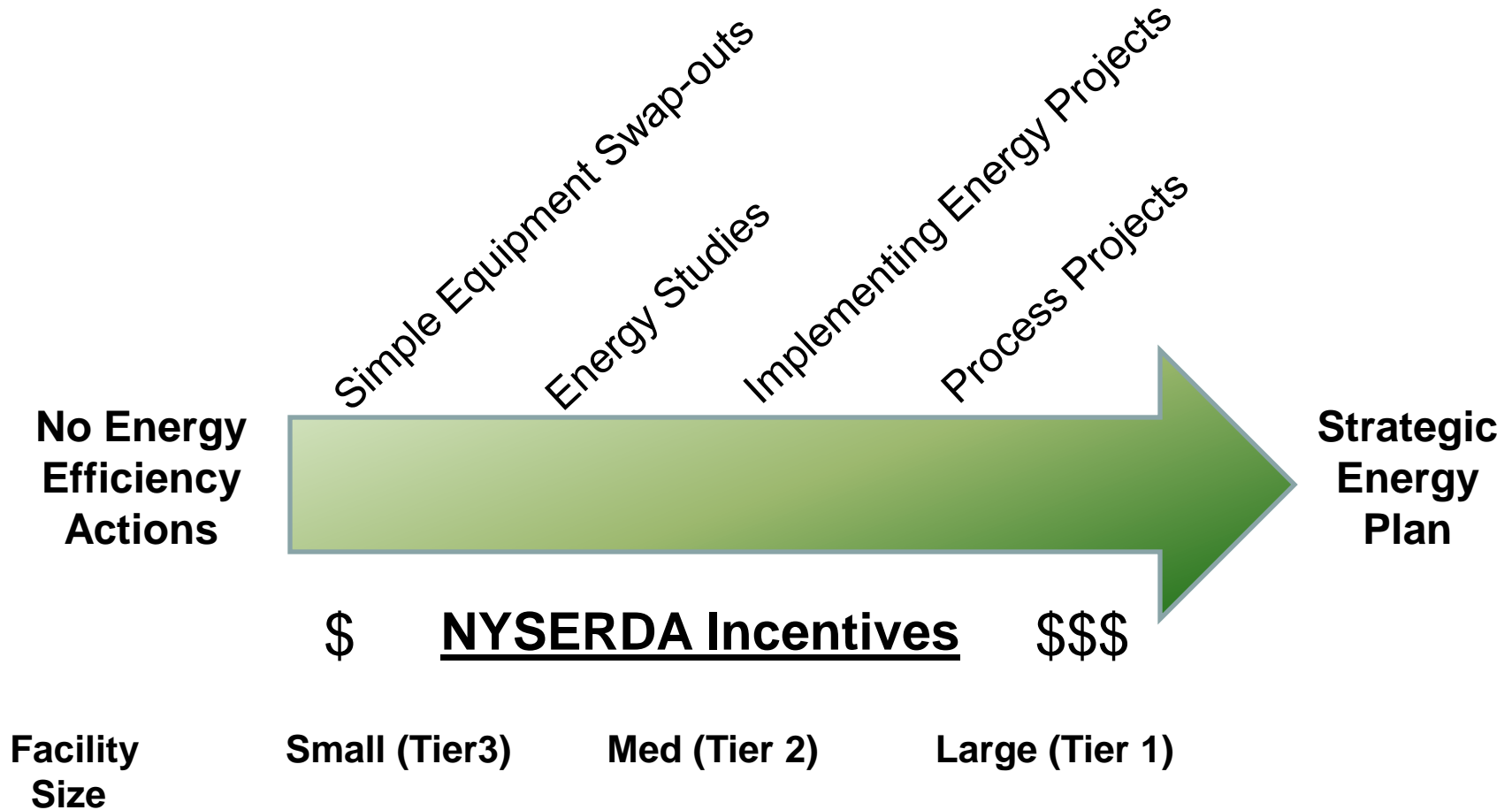
- NYSERDA hires Focus contractors to provide Outreach services
- ERS is the “Downstate” Focus contractor – serving 25 counties
- Separate “Upstate” (CHA) and “Data Center” (Willdan) contractors

Incentives Overview

| Industrial and Process Efficiency Incentives | | | |
|--|---------------------------|--------------|-------------------------------------|
| Incentive Type | Utility | Upstate | Downstate |
| Capital Incentives | Electric | \$0.12/kWh | \$0.16/kWh (ConED) |
| | Gas | \$15/MMBtu | \$20/MMBtu (ConEd, KEDNY, KEDLI) |
| Operational Incentives | Electric | \$0.05/kWh | \$0.05/kWh |
| | Gas (pending) | \$6.00/MMBtu | \$6.00/MMBtu |
| Incentive Caps | 50% Project Cost | | |
| | \$5 million/facility/year | | |

Note: Customers must pay SBC to be eligible. \$10K minimum incentive required per application – project bundling is allowed.

Energy Efficiency Continuum and the Outreach Process



Commercial & Industrial Programs

New Buildings

- **New Construction Program**
 - Custom Measures
 - Whole Building Design
 - Green Building Option
 - Substantial Renovations
 - Industrial & Process Efficiency

Existing Buildings

- **FlexTech Program**
 - Energy Study
- **Existing Facilities Program**
 - Pre-Qualified
 - Performance Based
 - Electric
 - Industrial & Process Efficiency

New Construction Program: New Construction & Renovations

Objective: Support a transformation in the way buildings are designed & constructed

Services:

- Energy Modeling
- Incentives for efficient equipment and systems
- Commissioning
- Green Building Planning Assistance
- Additional funding for LEED® rated buildings

Apply Early in the Process
- Ideally at design Intent



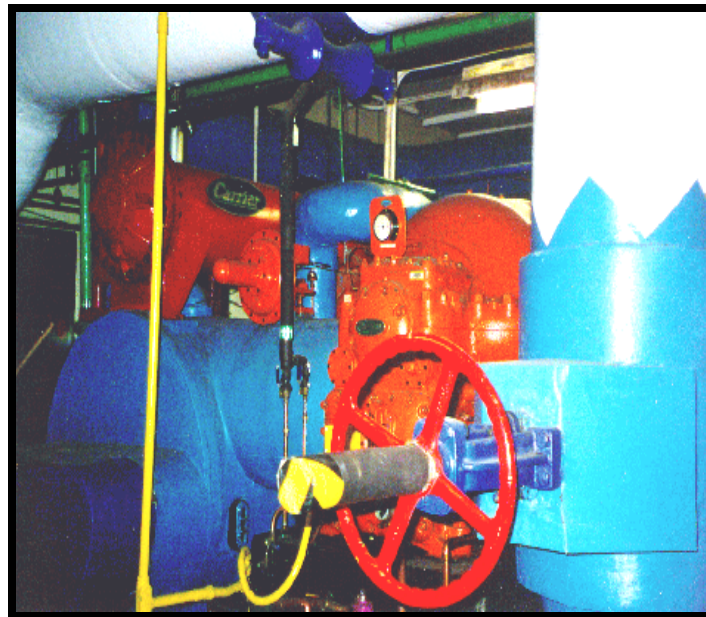
ENERGY STUDY

FlexTech Program

Flexible Technical Assistance

Comprehensive, customized energy studies

- Engineering feasibility studies
- Cost share 50/50
- Energy master plans
- Project specific: Compressed Air
- Energy procurement
- Retro-Commissioning
- CHP/Renewables
- Load curtailment
- Energy advisor consulting



<http://www.nyserra.org/programs/flextech.asp>



From Mechanical Room to Production Floor

Productivity-based savings



- Energy use is embedded in every part
- Every piece of scrap has an energy component
- Re-work uses additional energy
- Overtime requires additional energy use
- Lean/6 Sigma/Productivity Projects all have an energy component

If we can calculate energy savings, we have an incentive for your manufacturing facilities

New Construction & Existing Facilities: Industrial and Process Efficiency Program

INDUSTRIAL: Improved productivity = less energy

- Process improvement
- Waste reduction
- Compressors
- Motors
- Lighting
- VSD's

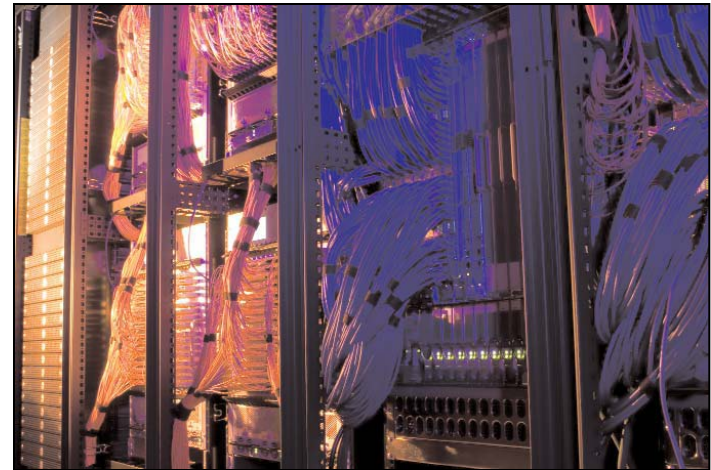
- Measurement: Energy saved per unit produced
- Incentive: \$.12 - .16/kWh of energy saved/yr
- Engineer Analysis: required to determine energy savings
- Minimum: \$10,000 project incentive (83,333 kWh, 500MMBtu)
- Cap: 50% of project cost or \$5 million per site
- M&V: required >500,000 kWh



New Construction & Existing Facilities: Industrial and Process Efficiency Program

DATA CENTERS: Improved IT & computing = energy efficiency

- Energy savings per unit of data processed
- Support system efficiency:
 - Process cooling
 - Air flow management
 - Utilization of waste heat
 - Virtualization
 - Next generation servers
 - Applications management strategies



Summary: Outreach Services Available

- Dissemination of NYSERDA Industrial Process Efficiency (IPE) program information
- Up-front Assessment Services
 - Free scoping assessment for efficiency opportunities
 - “Lean-to-Energy” Assessment
 - Free One-day assessment
 - Cost shared Multi-day assessment
 - Development of “next-steps” and action plan
- Project Development Support
- Project Implementation Support

Contacts

www.nysERDA.org/ipe

HOTLINE: 585-262-2640 x290

ERS

212-789-8182

Patrick Duffy (ext. 292): pduffy@ers-inc.com
George Zuniga (ext. 291): gzuniga@ers-inc.com