



February 2, 2012

To: Jim Dinley, Municipal Administrator  
Via: Jay Sweeney, Finance Director  
From: Christopher Brewton, Utility Director

**Subject: Funds Transfer – Rebate Program**

I request Assembly approval to transfer \$100,000 from Electric Department Capital Improvement Project #90628 – Demand Side Management, to fund the Appliance Rebate Program that was approved by the Assembly on January 24, 2012.

The purpose of the program is to encourage customers to replace inefficient residential appliances with new Energy Star rated appliances thereby reducing overall system electrical load.

Per Assembly direction, attached are revised rebate amounts that reflect a 70/30 allocation of these funds and a \$1.00 per kWh cost benefit ratio for the appliance rebates.

## Energy Star Appliance Comparisons

<u>Appliance</u> <sup>1</sup>	<u>Cost Range</u>	<u>Energy Savings</u>	<u>Old Unit (kWh)</u>	<u>New Unit (kWh)</u>	<u>Rebate Amount</u>	<u>Annual Savings (kWh)</u>	<u>Annual Savings (\$)</u>	<u>5 - YR Energy Star Projected Savings</u> <sup>2</sup>	<u>Number of Rebates</u> <sup>3</sup>	<u>Cost/Benefit Ratio (\$/kWh)</u>
<b>Available Funding</b>	<b>\$30,000</b>									
Clothes Washer	\$500 - \$1100	37%	750	472	\$275	278	\$33.36	\$675	109	\$0.99
Refrigerator	\$700 - \$2,000	20%	1,285	1,028	\$250	257	\$30.84	\$480	120	\$0.97
Freezers	\$650 - \$1200	20%	845	676	\$165	169	\$20.28	\$245	182	\$0.98
<b>Available Funding</b>	<b>\$70,000</b>									
Heat Pump Water Heater	\$1200 - \$2150	62%	4,880	1,855	\$600	3,025	\$363.00	\$1,512	117	\$0.20
Heat Pump	\$3000 - \$8000	50%	12,000	6,000	\$1,500	6,000	\$720.00	\$3,600	47	\$0.25
<b>Total Program Funding</b>	<b>\$100,000</b>									

**Notes:**

1 - Rebates are limited to two (2) per household

2 - Projected Energy Savings for appliances copied from the Energy Star Program and may not exactly match annual savings calculation

3 - Total rebates if all funds were expended for this particular appliance