

Duluth Public Works and Utilities Department Commercial/Industrial Energy Conservation Program Summary

Establishment of the Program

Natural gas utility conservation improvement programs are an important component of Minnesota's focus on ensuring a reliable, low-cost, environmentally-superior source of energy for consumers and businesses. As Minnesota's largest municipal natural gas utility, Public Works and Utilities/ComfortSystems, plays a significant role in this effort. The Duluth City Council approved the establishment of a Commercial/Industrial Energy Conservation program in January 2007.

The Purpose of the Program

The purpose of the City of Duluth, Public Works and Utilities Department's Commercial/Industrial Energy Conservation Program is to assist customers to make natural gas energy efficiency improvements for their businesses. The improvements will save businesses money and help preserve our environment and natural resources by increasing the energy efficiency of existing processes.

Who's Eligible

You are eligible for the grant if you are presently a commercial or industrial customer of the natural gas utility, or if through the improvements made under the program, become a customer of the natural gas utility.

Program Components

Identify Potential Conservation Measures: An energy survey of an entire facility or a single process can be made to identify energy conservation opportunities. The survey will identify energy consumption patterns and find measures for potential conservation improvements.

Cost/Benefit Analysis: Potential improvements will be analyzed to determine the cost of the project and the estimated return in energy savings. Qualifying projects must have a simple pay back between one and ten years.

Cost Estimates: Project cost estimates used to determine the cost of the proposed improvement(s), and acceptable to ComfortSystems, must be submitted prior to removing existing equipment or upgrading facilities.

Notification of Qualifying Project: ComfortSystems will notify customers seeking grants if their project qualifies for the program.

Acquisition and Installation: The customer will pay for all conservation measures and improvements in advance of any grant reimbursement.

Reimbursement: After installation is complete and the energy conservation measure is operational, the City will reimburse the customer for up to 15% of material, equipment, and installation costs not to exceed a total of \$30,000.

Grant Eligible Improvements

The following improvements may be eligible for grant funding:

1. Boiler, furnace, or cooling modifications involving natural gas consumption.
2. Boiler controls.
3. Energy saving improvements to processing equipment.
4. Temperature controls.
5. Energy management systems.
6. Insulation of exterior floors, walls and roofs.
7. Weather-stripping.
8. Energy-efficient doors and storm windows.
9. Any other energy improvements using natural gas approved by the Director.

Program Limitations

- Project design costs are not eligible for reimbursement.
- Projects with simple paybacks less than one year are not eligible for the program.
- Projects with simple paybacks over ten years are not eligible for the program.
- Total calendar year grant to single customer is limited to \$30,000.

Program Information

For more information about this program contact Eric Schlacks at 730-4060.

