

Taking energy credit where it's due

By Pratik Joshi, Herald staff writer

Savvy Tri-Cities homeowners may be able to put some money back in their pockets if they decide to make their homes energy efficient this year, thanks to the federal stimulus package.

That means adding insulation, energy efficient windows or heating and air conditioning systems can get them up to \$1,500 in energy tax credits. Additional rebates also are available from local utility companies.

Corey Waite of Richland plans to claim 30 percent of about \$330 he spent to buy a solar ventilation fan in May on next year's federal income tax return. The fan works like an exhaust and helps keep his attic cool, reducing the need for air conditioning, said Waite, who has set up photovoltaic solar panels on the roof of his home to generate electricity.

The federal American Recovery and Reinvestment Act, which extended and modified many consumer tax incentives introduced by previous legislation, also allows homeowners who install alternative energy equipment such as solar water heaters, geothermal heat pumps and small wind turbines to get a tax credit equal to 30 percent of the equipment cost.

A solar water heater would be ideal for Mid-Columbia residents to reduce their electricity consumption, Waite said. The cost of a high-tech solar water heater can range from \$1,500 to \$2,000, he said.

"Energy efficiency is the region's least cost, least risky energy resource," Darroll Clark, Franklin's PUD's energy services manager. Local utility companies in the Tri-Cities have long promoted energy conservation, he said.

Recently, Franklin PUD and Benton PUD began a new weatherization and heating, ventilating and air conditioning, or HVAC, rebate program for customers.

The new rebate program is not related to the stimulus package, said PUD spokeswoman Karen Miller. But the goal is the same: to save energy and help customers save money, she said.

It's part of Initiative 937, which was approved by the state Legislature in 2006, and required electric utilities with 25,000 or more customers to meet targets for the use of renewable energy and energy conservation, she said. The rebate programs are run in partnership with power supplier Bonneville Power Administration.

Four of the six Tri-Citians the Herald called who recently had a new heat pump installed at their homes said they knew about some rebates being offered but didn't know the details.

Not many taxpayers know the difference between credits and rebates either, said Robert Rojas, sales manager at Perfection Glass in Kennewick, one of many Benton PUD-approved contractors for the residential energy efficiency program. He said he's been spending time explaining the differences and options to consumers.

Insulation rebates range from 5 cents to 85 cents a square foot depending on location (floor, attic or wall) and home type, and window replacement rebates are \$6 a square foot, he said. On average, it amounts to about \$96 for a \$400 window, Rojas said.

Rebates on HVAC systems are based on verifiable efficiencies, said Troy Berglund, spokesman for Benton REA, which is also participating in the window and HVAC replacement program. Generally, each utility company works with certified contractors to help consumers get rebates.

Also, many HVAC equipment manufacturers are offering discounts, which added to tax credits and rebates, helps bring down the cost by almost 50 percent, said Aaron DeWitt, vice president of Total Energy Management in Richland. The incentives allow consumers to buy higher-end systems at cheaper prices, he said, adding an HVAC system can cost from \$7,000 to \$11,000.

Business has increased since the rebate and tax credit programs kicked in, DeWitt said. Mostly customers are replacing their old systems, he said. His company is also approved by Benton PUD.

Chris Garris also has seen an increase in calls from customers shopping for heat pumps. He's part of the sales team at Kennewick's Bruce Inc., another Benton PUD-approved contractor specializing in installing different kinds of heat pumps.

Some people do know about the rebates, Garris said. "The stimulus package has helped," he said. Also the PUDs have done a great job of getting the information out, he said.

Also, local utility companies, including Richland Energy Services, are offering their customers a \$1,500 rebate as part of a pilot program to install a qualified ductless heating and cooling system that potentially can lower utility bills by more than 25 percent. The system may qualify for a tax credit as well, said Clark of Franklin PUD.

Recently, manufactured homes became eligible for the program, said Berglund of Benton REA, which serves about 10,000 customers from West Richland to the top of White Pass. Customers have asked the utility to offer programs to help reduce energy consumption, he said.

Local utility companies also offer other programs to promote energy conservation, said Dawn Senger, energy specialist for Richland. They include helping consumers recycle their refrigerators and giving rebates for buying energy efficient appliances like dishwashers, clothes washers and water heaters that qualify under the program. Most rebates are about \$25.

Richland also offers low interest loans up to \$15,000 for energy conservation improvements. It includes qualifying heat pumps, windows and entry doors, insulation, duct sealing, appliances and solar applications, she said.

Franklin PUD's low-interest loans range from \$400 to \$7,000 for single-family homes, and up to \$10,000 for multi-family units, said Clark of Franklin PUD.

Local utility companies also have some incentives for its commercial customers who want to conserve energy, Clark said.

"We have run our programs differently, but we're trying to make them the same, so there's less confusion."

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