

A GUIDE TO
ENERGY EFFICIENCY
INCENTIVES FOR



New Construction

FOR NIPSCO BUSINESS CUSTOMERS





Program Overview

Program Objectives

NIPSCO's New Construction Incentive Program is designed to encourage energy-efficient new construction of commercial and industrial facilities within the NIPSCO service territory. This program offers financial incentives to encourage building owners, designers and architects to exceed standard building practices and achieve efficiency above and beyond the current program baseline. The goal of the New Construction Incentive Program is to produce newly constructed and expanded buildings that are among the most efficient in the nation.

Customer Eligibility

Incentives are available for customers that are served or will be served by NIPSCO under qualifying electric or natural gas commercial and industrial rate classifications installing eligible equipment.* Customers that have chosen to opt out of NIPSCO Energy Efficiency Program participation are not eligible for energy efficiency incentives. Natural gas transportation customers are not eligible for natural gas energy efficiency incentives.

Eligible customers include those currently billed under electric rates 520, 521, 522, 523, 524, 525, 526, 531 Tier 1, 532, 533, 541, 543 or 544 and natural gas rates 321, 325 or 351 (NIPSCO's Depend-a-Bill rate). Service for the project site must be active once the project is complete to receive the incentive.

* If the customer participates in the Midstream Channel by purchasing qualifying equipment from a participating distributor, they are not eligible to participate in the Custom, Prescriptive, SBDI, New Construction or any other NIPSCO programs for an incentive on the same piece of equipment.

Projects require pre-approval before purchasing and installing energy equipment to be incentivized.*



New Construction projects may include any of the following:

- New building projects wherein no structure or site footprint presently exists
- Addition or expansion of an existing building or site footprint
- A gut rehab for a change of purpose requiring replacement of all electrical systems/equipment

Baseline Determination

Please refer to the current New Construction Program application for the energy performance baselines applicable to your energy-saving project.



Scan the QR code to download the program application.



Do you have questions about your baseline? Contact a TRC Field Engineer.



Incentive Types



Lighting Incentives

Incentives are available for lighting systems where the installed interior Lighting Power Density (LPD) is less than the LPD in IECC (International Energy Conservation Code) 2018. The “Building Area” or “Space-by-Space” method may be used to calculate the LPD. If the Space-by-Space method is used, the applicant must submit their Space-by-Space calculation with their initial Prescriptive/Custom Incentive application.

Upon completion, a COMCheck report should be submitted with the completion paperwork for any Space-by-Space lighting incentive request.

The lighting incentive offered is based on \$0.10 per kilowatt-hour saved. Kilowatt-hours are calculated as Fixture Watts X Hours Used/1000.

Use the New Construction Lighting tab on the application to apply for incentives for exterior lighting.

Construction Costs

For determining eligibility of proposed lighting measure upgrades, we use incremental costs. However, upon project completion, you will be required to submit invoices showing actual or total costs of the system/equipment installed.

Incremental cost is the difference between the cost of the baseline system or equipment, and the cost of the proposed upgrade, for the application submission. Estimates of incremental costs may come from commonly accepted cost data resources, such as RSMeans, or through dual bid or pricing efforts. Typically, the incremental labor cost is \$0 because you must pay for installation of the equipment whether you use Baseline Product X or Energy Efficient Product Y.

Total cost is the total cost (materials and labor) of installing the equipment or system as shown on invoices. The NIPSCO Energy Efficiency Program will accept an itemized contractor or AIA invoice showing total cost.

Contact TRC at:
1-800-299-2501 | NIPSCO.Savings@TRCcompanies.com | NIPSCO.com/Business

Incentive Types (Continued)

Calculating Your New Construction Lighting Incentive

The excel application tool will use the costs and specifications of your new equipment, as well as the expected operating schedule of your building to calculate the incentive that your project can qualify for. Below are step-by-step instructions on how to input your project into the application.

1. After you have completed all information in the **'Project Information'** tab of the application, move to the **'Custom Measures Input'** tab.
2. In the **'Custom Measures Input'** tab, click on the **'New Construction Lighting'** sub-tab.
3. Near the bottom of the **'New Construction Lighting'** sub-tab, click the orange **'Step 1: Click to Add Lighting Schedule'** button.
4. This will bring you to the **'Lighting Schedule'** tab. Here you can input all lighting fixtures to submit for an incentive.
 - From the drop down, select the Space Type that most closely aligns with your project.
 - Next, input the required information for all makes and models of lighting fixtures being installed at your project.
 - If your project has more than one Space Type, utilize the additional available boxes to input a new Space Type and the fixtures associated with each.
5. After you have entered all lighting fixtures that you want to submit for an incentive, click on the **'Back to Measure Input'** button in the upper right corner of the **'Lighting Schedule'** tab.
6. When you are back to the **'New Construction Lighting'** sub-tab, input the following information:
 - Space Area (sq. ft.) - this number should be the square footage associated with the Space Type from the **'Lighting Schedule'** tab that you input the fixture under.
 - Annual Hours - this number will auto-populate based on the Space Type that you selected in the **'Lighting Schedule'** tab. If your project's actual operating hours differ significantly from the assumed hours, you can manually overwrite the value by clicking into the appropriate cell and inputting actual operating hours.
 - Total Costs - Baseline - this is the hypothetical cost (equipment and installation) of code minimum equipment that would be required for your building. This number should be lower than the **'Total Costs - Efficient'**. If you do not know this information, leave it

blank and a TRC program engineer will complete this field once the project has been submitted.

- **Total Costs - Efficient** - this is the equipment and installation costs of the actual equipment that you will install in your building.
7. Once all information has been entered into the application, your incentive amounts will be calculated and show in the application.

New Construction Incentives

New Construction incentives are available for specific equipment or systems other than lighting measures. They require pre-approval prior to purchase or installation of equipment. Below, you can find the New Construction incentive amounts.

Incentive Amounts

- \$.10/kWh** Electric lighting projects
- \$.15/kWh** Electric non-lighting projects
- \$1.00/therm** Natural gas projects

All proposed projects will be subject to engineering review to ensure that the measure(s) satisfy program requirements, including the NIPSCO Benefit Cost Test to verify the energy efficiency impact of the measure(s) and a simple payback that is greater than 12 months.

Measures will be approved if determined to have reliable and cost-effective energy savings potential for the proposed use and site. The energy savings are subject to review and approval by TRC program engineers.

Submitted New Construction incentive applications will be reviewed by TRC program engineers to:

- Verify project implementation
- Calculate energy savings and demand reduction potential
- Verify project, measure and installation cost estimates
- Determine the total final value of the incentive
- Verify Benefit Cost Test eligibility

The customer will receive a written incentive offer for qualifying measures following engineering review and approval. The customer must sign and return the offer to the Program office within 30 days and prior to the purchase and installation of the equipment, to signify acceptance of the offer.

A change of project scope may result in recalculation or disqualification of the incentive offer upon completion.



Program Process

- New Construction incentives must be applied for and require pre-approval prior to purchase and installation of the equipment.
- Download the NIPSCO Prescriptive/Custom Incentive Program application from the NIPSCO website at: [NIPSCO.com/Business](https://www.nipSCO.com/Business)
- Upon completing the Project Information section of the NIPSCO application, input your measures on the 'Custom Measures Input' tab. Note: Measures installed for a New Construction project will not qualify through the Prescriptive Incentive Program.
- Applications for the New Construction Incentive Program may be submitted by the customer, Trade Ally or contractor through email or mail.
- Submit the incentive application with supporting documentation (i.e. spec sheets, energy savings

calculations, energy models, design drawings). For measure cost information, use the incremental cost of the upgrade (i.e. the difference between the cost of the baseline system or equipment and the cost of the proposed upgrade) for the application submission. Estimates of incremental costs may come from commonly accepted cost data resources, such as RSMMeans, or through dual bid or pricing efforts.

- Once the application for a new construction project is received by TRC, the project will undergo an initial quality check, confirming all data is provided and confirming eligibility.
- You will receive a New Construction incentive offer for eligible measures. Sign and return the New Construction incentive offer prior to purchasing eligible equipment.
- Completion paperwork will be sent to applicant approximately 1 to 2 weeks prior to project completion. If you complete construction early, please contact the program office to initiate final processing of your incentive.
- All completion paperwork (completed applications, invoices, documentation) must be submitted to process incentive payment.
- All New Construction projects will receive a post-construction inspection.
- Incentives are taxable and, if more than \$600, will be reported to the IRS. Proof of tax exemption must be provided with the final application.
- A program representative is available to help you through every step of the process. Please contact the Program for assistance.

Phone: 1-800-299-2501

Email: NIPSCO.Savings@trccompanies.com

Identifying Prospective New Construction Opportunities

- Building Envelope – Insulation
- Building Envelope – Roof
- Building Envelope – Windows
- Energy Management Systems
- Interior Lighting Design
- Interior Lighting Controls
- Exterior Lighting Design and Fixtures
- Daylight Harvesting
- HVAC – Cooling
- HVAC – Heating
- HVAC – Energy Recovery
- HVAC – Ventilation
- HVAC – DCV
- HVAC – Destratification Equipment
- HVAC Controls
- Water Heating (Gas-Fired/Heat Pump)
- Motor Upgrades (Fans/Pumps)
- Compressed Air Systems
- Refrigeration
- Grocery Equipment
- Data Processing
- Process Equipment
- Office Equipment
- Kitchen Equipment
- Agricultural Equipment
- Other Energy Efficient Equipment



For more information about NIPSCO's Energy Efficiency Program for New Construction, please contact TRC at:

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NIPSCO's energy efficiency programs are administered by TRC, a third-party implementation specialist that helps homes and businesses save energy.