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07/25/2011



Michigan

Incentives/Policies for Renewables & Efficiency

Michigan Saves - Home Energy Loan Program

Like 1

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Program Overview:

State:	Michigan
Incentive Type:	State Loan Program
Eligible Efficiency Technologies:	Water Heaters, Furnaces, Heat pumps, Caulking/Weather-stripping, Duct/Air sealing, Building Insulation, Windows, Doors, Siding, Roofs, Unspecified Technologies
Eligible Renewable/Other Technologies:	Solar Water Heat, Solar Thermal Electric, Photovoltaics, Geothermal Heat Pumps
Applicable Sectors:	Residential
Amount:	\$1,000-\$20,000
Terms:	12-120 months Maximum APR: 7% No prepayment penalty
Web Site:	http://www.michigansaves.org/Customers/Homeow...
Summary:	

Michigan Saves is a non-profit that offers financing options for energy efficiency improvements throughout Michigan. The Home Energy Loan Program was started with seed funding from the Michigan Public Service Commission. Loans are available for owner-occupied, single-family homes with 1-4 units (primary residence only) for energy efficiency improvements. Multi-unit homes are only eligible if the owner resides in one of the units. In addition to energy efficiency improvements, solar thermal, solar water heaters, and PV systems of up to 20 kW in size are eligible for loans. Loan applications can be completed over the phone or internet. Applicants must have a credit score of 640 or higher, and have a debt-to-income ratio of less than 50%. Term lengths are flexible (between 12 and 120 months) and depend on the loan amount and the borrower's preference.



Home Energy Loan Program

Easy. Affordable. Smart.

Frequently Asked Questions

What is Michigan Saves?

Michigan Saves is a nonprofit organization dedicated to making energy improvements easy and affordable. Michigan Saves is developing several different financing programs.

Where is the Home Energy Loan Program currently available?

The Michigan Saves Home Energy Loan Program is now available statewide.

Do I qualify for a Michigan Saves loan?

Loans are available for owner-occupied, single-family, primary residences, or for 1-4 unit properties where one unit is owner-occupied. Rentals and secondary residences are not eligible. All borrowers must meet the lender's underwriting criteria, including a credit score above 680 and a debt-to-income ratio less than 50%. Some lenders accept credit scores as low as 640. Check with individual lenders for details.

What kind of loan is this?

Participating lenders offer an unsecured loan for amounts between \$1,000 and \$20,000, at a fixed annual percentage rate (APR) no higher than 7%, with no prepayment penalty. Loan terms are one year for every \$1,000 for loans up to \$4,999. For loans \$5,000 and higher, 120 month terms are an option. A sample monthly payment for a 3-year, \$3,000 loan at 7% APR is \$93; a 7-year, \$6,000 loan at 7% APR is \$91.

What makes this loan easy and affordable?

Easy - No home appraisal or equity is required. The loan application is taken over the phone or Internet, and a decision is made within minutes.

Affordable - Michigan Saves loans are usually at a lower rate and with lower monthly payments than credit card financing. The table below shows approximate monthly payments based on different loan amounts and terms (monthly amounts are estimated to the nearest dollar and assume APR of 7%).

		Loan Amount (\$ in thousands)														
		1	2	3	4	5	6	7	8	9	10	12	14	16	18	20
Loan Term (Years)	1	\$87														
	2		\$90													
	3			\$93												
	4				\$96											
	5					\$99	\$119	\$139	\$158	\$178	\$198	\$238	\$277	\$317	\$356	\$396
	6					\$85	\$102	\$119	\$136	\$153	\$171	\$205	\$239	\$273	\$307	\$341
	7					\$76	\$91	\$106	\$121	\$136	\$151	\$181	\$211	\$242	\$272	\$302
	8					\$68	\$82	\$95	\$109	\$123	\$136	\$164	\$191	\$218	\$245	\$273
	9					\$63	\$75	\$88	\$100	\$113	\$125	\$150	\$175	\$200	\$225	\$250
	10					\$58	\$70	\$81	\$93	\$104	\$116	\$139	\$163	\$186	\$209	\$232

How do I get a Michigan Saves loan?

The process for getting a Michigan Saves loan is easy. First, work with a Michigan Saves authorized contractor to get an estimate on qualifying energy improvements. Decide whether to have an energy assessment first, or pick from a list of prequalified improvements. You can find a list of authorized contractors at www.michigansaves.org. Second, complete the loan application and get a decision within minutes. Your contractor will help you initiate this process. Finally, once the loan is approved, your contractor will make the energy efficiency improvements. The contractor will be paid directly after the work is done to your satisfaction.

What happens if I do not qualify for a Michigan Saves loan?

After you submit your loan application over the phone or Internet, you will be notified within minutes whether you are approved for a Michigan Saves loan. If you are not approved, the lender may follow up with you regarding your application to see if you qualify for other types of financing they offer, but it would not be a Michigan Saves loan. In all cases, it is important to notify your contractor right away so they know what method you will use to pay for the work (i.e., with a Michigan Saves loan or some other method of payment) or if they should not proceed. The Michigan Saves website has links to other financing and income-qualified assistance programs.

Why should I use a Michigan Saves authorized contractor?

Authorized contractors meet requirements for licensing, insurance, and third-party certification. Michigan Saves Advanced Contractors have additional technical certifications, and are authorized to perform a broader array of services and improvements. And only Michigan Saves authorized contractors can initiate the loan application process for you.

You will be entering into a direct contract with the contractor of your choice and it is important that you review their credentials, qualifications, and references to make an informed decision. Michigan Saves does not endorse any particular contractor.

What types of improvements can be financed through Michigan Saves?

Loans can finance weatherization, furnace and water heater upgrades, and other improvements that can help a home use less electricity, propane, heating oil, or natural gas. The measures will be identified through a whole-home energy assessment by a certified energy professional, or you can choose from a list of measures that are prequalified by Michigan Saves without an assessment. Ask your contractor for a list of prequalified improvements or visit www.michigansaves.org.

What is an energy assessment or audit?

An energy assessment is a diagnostic review of your home to identify how your home could use energy more efficiently. A Michigan Saves Advanced Contractor authorized to perform energy assessments will collect information on the size, style, age, and other characteristics of your home. The contractor will also use diagnostic tools to determine where your home is leaking air or losing heat. Contractors also check related health and safety factors. The information is fed into computer modeling software that identifies appropriate home improvements and estimates how much energy each measure can save.

Is an energy assessment or audit required?

An assessment is only required for insulation or air sealing measures, due to the potential for negative health impacts if the measures are not installed correctly. An assessment is recommended to ensure that you select the most effective improvements and that they are installed properly. The cost of the assessment can be included in the loan amount.

Are renewable energy systems eligible for financing?

The Home Energy Loan Program offers financing for solar photovoltaic installations, solar thermal, and solar hot water. Air-to-air and ground-to-air heat pump systems are eligible only when replacing an existing heat pump. Wind energy systems do not currently qualify for financing. See www.michigansaves.org for more details.

How can I find out about rebates and federal tax credits for financed improvements?

Your contractor will be able to help you determine what incentives, including rebates and tax credits, are offered on measures you choose to install. Rebates are currently available on certain appliances and equipment through local utilities. Visit www.dsireusa.org and your electric and natural gas utilities for rebate and tax credit information.

What are the typical monthly savings and costs I can expect?

The monthly utility savings can vary widely, and can exceed 20% in some cases. A home energy assessment can estimate the monthly energy savings based on specific improvements. While it is not customized for your home, you can also visit www.energystar.gov for a simple, online tool to estimate savings.

Some homeowners may be able to finance their installations with a monthly payment that is at or below the estimated monthly energy bill savings. Be aware that this depends on the type of improvements; in addition, energy prices, weather fluctuations, and other factors (how often you replace filters, new equipment, number of occupants in the home, etc.) will cause your energy bill to vary.



Easy. Affordable. Smart.

Participating Lenders & Service Areas

Credit Union	County/Township
Lenders accepting a minimum credit score of 640:	
Consumers Credit Union <i>(Maximum loan amount \$12,500)</i>	Allegan, Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, Kent, Ottawa, St. Joseph, and Van Buren
Financial Plus Federal Credit Union	Genesee, Lapeer, Shiawassee, and Deerfield & Tyrone Townships in Livingston County
Genisys Credit Union	Alcona, Allegan, Alpena, Antrim, Arenac, Barry, Bay, Benzie, Berrien, Branch, Calhoun, Cass, Charlevoix, Cheboygan, Clare, Clinton, Crawford, Eaton, Emmet, Genesee, Gladwin, Grand Traverse, Gratiot, Hillsdale, Huron, Ingham, Ionia, Iosco, Isabella, Jackson, Kalamazoo, Kalkaska, Kent, Lake, Lapeer, Leelanau, Lenawee, Livingston, Macomb, Manistee, Mason, Mecosta, Midland, Missaukee, Monroe, Montcalm, Montmorency, Muskegon, Newaygo, Oakland, Oceana, Ogemaw, Osceola, Oscoda, Otsego, Ottawa, Presque Isle, Roscommon, Saginaw, Sanilac, Shiawassee, St. Clair, St. Joseph, Tuscola, Van Buren, Washtenaw, Wayne, and Wexford
LAFCU	Clinton, Eaton, Ingham
Lenders accepting a minimum credit score of 680:	
Central Macomb Community Credit Union <i>(Maximum loan amount \$12,500)</i>	Macomb
Greater Niles Community Federal Credit Union	Cass
Lake Trust Credit Union	Allegan, Barry, Calhoun, Clare, Clinton, Eaton, Genesee, Gladwin, Gratiot, Hillsdale, Ingham, Ionia, Isabella, Jackson, Kalamazoo, Kent, Lenawee, Livingston, Macomb, Mecosta, Midland, Missaukee, Monroe, Montcalm, Muskegon, Oakland, Osceola, Ottawa, Roscommon, Saginaw, Shiawassee, St. Clair, Van Buren, Washtenaw, and Wayne
MSU Federal Credit Union	Available to customers through a Michigan State University Federal Credit Union participating contractor.
U.P. State Credit Union	Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, and Ontonagon

Start saving today!

www.michigansaves.org



Michigan Saves Home Energy Loan Program: *Eligible Measures List*

The improvements listed below, subject to specified requirements where noted, are eligible for financing under the Michigan Saves Home Energy Loan Program, for qualified borrowers. This list is subject to change. Measures that are not included on this list, such as air sealing, insulation, and related health and safety measures and more, may qualify for financing, if they are recommended through a home energy assessment conducted by a certified professional. See the Michigan Saves list of authorized contractors to find a certified energy auditor near you, if you are interested in receiving a home energy assessment.

Pre-Qualified Efficiency Measures for Michigan Saves Program	Minimum Level of Efficiency
Building Shell Improvements	
Exterior Doors (<i>upgrade existing units only – NFRC label</i>)	Energy Star®
Reflective Roof (<i>metal or asphalt</i>)	Energy Star®
Skylights (<i>upgrade existing units only</i>)	Energy Star®
Storm Windows & Doors	Energy Star®
Windows (<i>upgrade existing units only – NFRC label</i>)	Energy Star®
HVAC Measures	
<i>All furnace installations must be sized appropriately for the home using computer-generated Manual J or other computer modeling software that conforms to Manual J calculation principles, or industry-approved energy modeling software.</i>	
<i>Only replacement air source or ground source heat pumps are eligible, unless customer is switching from air to ground.</i>	
Advanced Main Air Circulating Fan (<i>e.g. ECM Blower Motor</i>)	Use ≤ 2% Furnace Energy
Air Source Heat Pump (<i>split system – upgrade existing units only</i>)	SEER ≥ 15.0, EER ≥ 12.5
Air Source Heat Pump (<i>package system – upgrade existing units only</i>)	SEER ≥ 14.0, EER ≥ 11.0
Boilers (<i>any fuel</i>)	AFUE ≥ 85%
Central AC (<i>split system</i>)	SEER ≥ 14.5, EER ≥ 12.0
Central AC (<i>package system</i>)	SEER ≥ 14.0, EER ≥ 11.0
Furnaces (<i>Natural gas, propane</i>)	AFUE ≥ 90%
Furnaces (<i>Oil</i>)	AFUE ≥ 85%
Groundsource Heat Pumps (<i>closed loop – upgrade existing systems only</i>)	EER ≥ 16.1, COP ≥ 3.5
Groundsource Heat Pumps (<i>open loop – upgrade existing systems only</i>)	EER ≥ 18.2, COP ≥ 3.8
Programmable Thermostats (<i>required for any HVAC installation</i>)	
Water Heating Measures	
Pipe Wrap (<i>required for any water heater installation</i>)	R4
Water Heater Jacket	R8
Water Heater – Electric (<i>upgrade existing units only</i>)	EF ≥ .93
Water Heater – Electric heat pump tank (<i>upgrade existing units only</i>)	EF ≥ 2.0
Water Heater – Gas condensing	EF ≥ .80 for units <75,000 BTU TE > 96% for units >75,000 BTU
Water Heater – Gas storage	EF ≥ .67
Water Heater – Oil storage	EF ≥ .82
Water Heater – Tankless	EF ≥ .82

Pre-Qualified Efficiency Measures for Michigan Saves Program	Minimum Level of Efficiency
Water Heater – Solar thermal	SF ≥ .50, SRCC certified
Appliances	
<i>Appliances can only be included if other eligible measures are selected or a whole-home audit is performed. Homeowner must affirm that used appliances were recycled in accordance with state/local laws and not reused.</i>	
Ceiling Fan	Energy Star®
Dehumidifier	Energy Star®
Freezer (chest/upright)	Energy Star®
Dishwasher	Energy Star®
Refrigerator	Energy Star®
Room Air Conditioner	Energy Star®
Washing Machine	Energy Star®
Electricity Generation Measures	
<i>Solar photovoltaic systems must be single-installation systems between 1kW and 20kW in size, and must be interconnected to an electric service provider. Contractors MUST provide a copy of the interconnection agreement or utility letter of authorization with the certificate of completion.</i>	
Solar Photovoltaic Modules	California Energy Commission Approved Product
Solar Photovoltaic Inverters	California Energy Commission Approved Product or approved by local utility
Solar Photovoltaic Meters	California Energy Commission Approved Product
Non-Energy, Building Performance Measures	
<i>Michigan Saves will finance the remediation of pre-existing environmental hazards or the repair of physical/structural defects that create health and safety issues (up to \$1,500 or 15 percent of the total project cost, whichever is lower), so long as the remediation or repairs are coupled with an appropriate efficiency measure and the cause(s) of the environmental hazard or physical defect are addressed. Any amount above the cap is the responsibility of the customer. Michigan Saves will not finance remediation work alone.</i>	
Examples:	
Asbestos abatement or electrical service upgrade necessary when installing a new heating/cooling unit.	
Upgrade of knob and tube wiring in order to install insulation	
Radon and lead abatement work.	
The cost of removing an oil tank when done in connection with a heating system replacement.	
Repairs to the home due to water damage, molds, or mildew, ice dams, or other symptoms or poor building performance, as long as the cause(s) of building performance-related damage are addressed.	

REBATES AND TAX CREDITS

To claim state of utility rebates, the customer must follow the redemption procedures outlined by those entities. The contractor can help complete the required forms, but the customer is responsible for submitting the rebate forms. Michigan Saves **strongly suggests** that contractors and customers review utility websites for up-to-date information **prior** to installing any efficiency measure. Michigan Saves has no control or influence over any third-party rebate program and makes no assurances or guarantees as to rebate amounts or availability. For links to different utility programs, visit the Michigan Public Service Commission website at www.michigan.gov/mpsc and select "Energy Efficiency."

The customer is also responsible for claiming any applicable state or federal tax rebates. The contractor will provide all the necessary product information and costs for customers to include in their tax filing. For more information on energy efficiency measures that are eligible for federal tax credits, please visit the [tax credit page at www.energystar.gov](http://www.energystar.gov). For information on State of Michigan tax credits, visit www.dsire.org.

Home Performance with ENERGY STAR® Customer Incentives

Qualifying Measures and Incentive Levels (Incentives capped at **\$5,000** for Consumers Energy Gas and Combination (Gas and Electric) Customers, and **\$1,800** for Consumers Energy Electric Only Customers)

Multiple-Measure Bonuses	Consumers Energy Customer Type		
	Gas and Electric	Gas Only	Electric Only
Comprehensive Home Assessment Refund (Perform 3 measures)	\$400	\$400	\$100
★ Silver Savings Bonus (Perform 4 measures)	\$500	\$500	\$150
★★ Gold Savings Bonus (Perform 5 measures)	\$600	\$600	\$200
★★★ Platinum Savings Bonus (Perform 6 measures)	\$700	\$700	\$250
🏠 Whole-House Improvement Bonus (Perform 7 or more measures)	\$1,000	\$1,000	\$400
Minimum Efficiency for Measure			
Air Sealing (20% reduction)	\$225	\$225	\$45
Air sealing (30% reduction)	\$350	\$350	\$70
Air Sealing (50% reduction)	\$500	\$500	\$115
Duct Sealing (15% Reduction)	\$50	\$50	\$15
Duct Sealing (30% Reduction)	\$125	\$125	\$35
Duct Insulation and/or Replacement (Must insulate a minimum of 25 feet)	\$125	\$125	\$15
Roof (Attic) Insulation (R-30 or less existing condition, effective R-value insulated to R-49, Must insulate a minimum of 500 square feet)	\$400	\$400	\$70
Above Grade Wall Insulation (R-0 to R-13 existing condition, effective R-value (if R-13 must inject wall foam), Must insulate a minimum of 500 square feet)	\$275	\$275	\$50
Basement Wall Insulation (R-0 insulated to R-5, Must insulate a minimum of 500 square feet)	\$400	\$400	\$70
Crawlspace Insulation (R-0 to R-13 existing condition, insulated to R-19 and Air Sealed, R-10 with foam, Must insulate all accessible crawl wall areas)	\$175	\$175	\$10
Floor Insulation (R-0 existing condition, insulated to R-10, Must insulate a minimum of 400 square feet)	\$325	\$325	\$20
Rim Joist Insulation (Air Seal and Insulate to R-10, Must insulate all accessible rim joist areas)	\$100	\$100	\$20



Consumers Energy Saving Solutions
Everyone has the power to save.

www.consumersenergy.com

Minimum Efficiency for Measure	Consumers Energy Customer Type		
	Gas and Electric	Gas Only	Electric Only
Tier 1 Natural Gas Furnace 94-96% AFUE AHRI Rated	\$500	\$500	N/A
Tier 2 Natural Gas Furnace 97% AFUE or Higher AHRI Rated	\$650	\$650	N/A
Operations and Maintenance Furnace Tune-Up	\$50	\$50	N/A
ECM Motor (Installed in new units only)	\$150	N/A	\$150
Natural Gas Boiler 90% AFUE AHRI Rated (replacement only)	\$750	\$750	N/A
Natural Gas Boiler 92-94% AFUE AHRI Rated (replacement only)	\$825	\$825	N/A
Natural Gas Boiler 95% AFUE or Higher AHRI Rated (replacement only)	\$950	\$950	N/A
Tier 1 Split System Central A/C 15.0-15.99 SEER AHRI Rated (Must be a Consumers Energy Electric Customer)	\$280	N/A	\$280
Tier 2 Split System Central A/C 16.0 SEER or Higher AHRI Rated (Must be a Consumers Energy Electric Customer)	\$350	N/A	\$350
Operations and Maintenance Central A/C Tune-Up	\$50	N/A	\$50
Tier 1 Air Source Heat Pump 15.0 SEER AHRI Rated (replacement only)	\$250	N/A	\$250
Tier 2 Air Source Heat Pump 16.0 SEER or Higher AHRI Rated (replacement only)	\$350	N/A	\$350
Tier 1 Ground Source Heat Pump 17.0 EER AHRI Rated (replacement only)	\$460	N/A	\$460
Tier 2 Ground Source Heat Pump 19.0 EER AHRI Rated (replacement only)	\$560	N/A	\$560
Tankless Water Heater .82 EF	\$200	\$200	N/A
High Efficiency Gas Water Heater .67 EF or greater	\$120	\$120	N/A
Window Replacement .30 U-factor .35 SHGC	\$2 per square foot of window area up to \$500	\$2 per square foot of window area up to \$500	\$2 per square foot of window area up to \$500

The Consumers Energy Home Performance with ENERGY STAR (HPwES) program will be offered for a limited time in all Consumers Energy's territories. Incentives are subject to availability. Before investing in energy efficiency improvements, please confirm the availability of rebate funds through a local participating contractor in the Consumers Energy HPwES program or by contacting the program at (866) 234-0445 or consumersenergy.com/eepprograms. Eligible Consumers Energy customers can reserve rebate funds after they have received a full diagnostic HPwES assessment. Customers are only eligible for the incentive associated with their service.

July 2011

Consumers Energy*Count on Us*

Insulation and Windows Rebate Program

Increase your home's energy efficiency and get **CASH BACK** with the Consumers Energy **Insulation and Windows Rebate Program!**

For a limited time, rebates on insulation and window installation from Consumers Energy will help make upgrading your home more affordable. If you're a Consumers Energy residential natural gas or electric customer, you can get cash back up to **\$1,025** for insulation and up to **\$250** for replacement windows (see the complete list of incentives below).

Saving money and energy has never been easier. You can either hire a contractor to do the work, or do it yourself—the choice is yours!

Applying for your rebates is simple:

1. Submit the online rebate application at www.consumersinwin.com within 30 days of completing your improvements.
2. Scan, fax or mail your materials receipts and/or contractor invoices. (See other side for proof-of-purchase requirements.)
3. Receive your rebate check in the mail in six to eight weeks.

Save now with your rebates and continue to save with lower energy bills year round. Let Consumers Energy help you with the cost of increasing the energy efficiency of your home.

Applications for customer incentives must be completed online at www.consumersinwin.com.

Minimum Efficiency for Measure	Consumers Energy Customer Type		
	Gas and Electric	Gas Only	Electric Only
Roof (Attic) Insulation – (must insulate a minimum of 500 square feet, R-30 or less existing condition, insulated to minimum R-49)	\$300	\$300	\$50
Above Grade Wall Insulation – (must insulate a minimum of 500 square feet, R-0 to R-13 existing condition, insulated and air sealed to minimum R-13 for 2x4 cavity walls and R-21 for 2x6 cavity walls)	\$200	\$200	\$50
Basement Wall Insulation – (must insulate a minimum of 500 square feet, R-0 existing condition, insulated to minimum R-5)	\$300	\$300	\$50
Crawlspace Insulation – (must insulate all accessible walls, R-0 to R-13 existing condition, insulated to minimum R-19 and air sealed or insulated to R-10 with foam)	\$150	\$150	\$10
Rim Joist Insulation – (must insulate all accessible rim joist areas, R-0 existing condition or R-10 or less if not air sealed, insulate to a minimum R-10 and air seal)	\$75	\$75	\$20
Window Replacement – (U-factor \leq 0.30 and SHGC \leq 0.35)	\$1 per square foot of window area up to \$250	\$1 per square foot of window area up to \$250	\$1 per square foot of window area up to \$250

The Consumers Energy Insulation and Windows program customer incentives will be offered for a limited time in all Consumers Energy service territory. Incentives are subject to availability. Before investing in energy efficiency improvements, please confirm the availability of rebate funds by contacting the program at (866) 234-0445 or www.consumersenergy.com/eeprograms. Customers only are eligible for the incentive associated with their service and must have an active Consumers Energy account.

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Everyone has the power to save.

www.consumersenergy.com

Terms and Conditions

ONLINE APPLICATION: All applications for customer incentives must be completed online at www.consumersinwin.com. This application and any required additional documentation, including the invoice and/or a copy of original sales receipt must be filled out completely, truthfully, and accurately. Participants are advised to print and retain a copy of their confirmation code and any accompanying documentation submitted to Consumers Energy under the Insulation and Windows program. Consumers Energy will not be responsible for lost documentation pertaining to this application request. This program covers projects completed and installed on or after July 18, 2011. Details of this program, including incentive levels, are subject to change or cancellation without prior notice. The electronic application with required scanned documents must be received within 30 days of installation completion. Funds for incentives are limited and available on a first-come, first-served basis. Incentive amounts are valid through December 31, 2011, but can change without notice. Please call (866) 234-0445 or visit www.consumersenergy.com for the most up-to-date program details.

ELIGIBILITY: This offer is valid for Consumers Energy residential customers applying only through Consumers Energy Insulation and Windows program who are Consumers Energy natural gas and/or electric customers. The application must be submitted by the Participant via the online application located at www.consumersinwin.com. Applications are not available or accepted via e-mail. Participants must be Consumers Energy residential customers who have either electric heat, or central air conditioning (or are installing central air conditioning), for electric customers; or central gas furnaces or gas boilers for natural gas customers. This offer is not valid for new construction home or commercial properties. For other programs, please visit www.consumersenergy.com. Eligible incentives are listed at www.consumersenergy.com.

APPROVAL, VERIFICATION, AND INSPECTION: Prior to any payment of incentives, Consumers Energy reserves the right to verify all installed energy-saving measures and sales transactions. Homeowner/Contractor will verify that the installed energy-saving measures meet all applicable building codes; zoning laws; local, state, and federal requirements; and other relevant requirements including any applicable permits as required by code/law. Participant's home also may be selected for a quality control post-installation inspection by the Program Implementer ICF International. No warranty is implied by this inspection.

PROOF OF PURCHASE: Homeowners may scan, fax or mail their materials in support of their applications. The invoice must include a detailed scope of work indicating type of material installed, quantity, home location, and date. Invoices for insulation must show measured pre- and post-insulation R-values and square footage for area installed. Invoices for windows must show size, U-factor and solar heat gain coefficient (SHGC) levels. Customer receipts must show product name, quantity, place, price and date of purchase.

PAYMENT: Please allow six to eight weeks for payment. Payment processing may take longer if information is missing on the application. Please call (866) 234-0445 if you have questions about your incentive or accompanying documentation.

TAX LIABILITY: Consumers Energy will not be responsible for any tax liability that may be imposed on the homeowner as a result of the payment of incentives. Please contact your tax advisor for more information.

FASCIMILE/SCANNED DOCUMENTS: Facsimile transmission of any signed original document, and the retransmission of any signed facsimile transmission, shall be the same as delivery of the original signed document. Please fax to (855) 353-2893. Scanned original documents transmitted to the Program Implementer ICF International as an attachment to the electronic rebate application will be the same as delivery of the original signed document. At the request of Consumers Energy, the participant must provide the original document to confirm documents sent with a scanned signature.

NO ENDORSEMENT: Consumers Energy does not endorse any particular manufacturer, product, system design, claim, or contractor in promoting this program.

INFORMATION RELEASE: Participant agrees that Consumers Energy may include participant's name, Consumers Energy services used, and resulting energy savings in reports or other documentation submitted to Consumers Energy, and/or the Michigan Public Service Commission. Consumers Energy will treat all other information gathered in evaluations as confidential and report it only in the aggregate.

LIMITATION OF LIABILITY: Consumers Energy's liability is limited to paying the incentive specified. IN NO EVENT WILL CONSUMERS ENERGY BE LIABLE WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, WARRANTY OR OTHERWISE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES CONNECTED WITH OR RESULTING FROM PARTICIPATION IN THIS PROGRAM. Consumers Energy reserves the right to not pay this incentive if the online application and all required additional information are not complete and accurate.

WARRANTIES: Consumers Energy DOES NOT WARRANT THE PERFORMANCE OF MEASURES OR OF INSTALLED EQUIPMENT EXPRESSLY OR IMPLICITLY. Consumers Energy makes no warranties or representations of any kind, whether statutory, expressed, or implied, including without limitations, warranties of merchantability, or fitness for a particular purpose regarding any energy efficiency measure or window provided by a manufacturer or vendor. Contact the manufacturer for details regarding measure or window performance and warranties.

PROPERTY RIGHTS: Participant represents that the participant has the right to complete and/or install the energy-saving measures on the property on which those measures are completed and/or installed and that any necessary landlord's consent has been obtained.

OWNER'S CERTIFICATION: Owner certifies that he/she has purchased and has agreed to install the eligible improvement measures and equipment listed in this Rebate Application at the defined location. Owner agrees that all information is true and that he/she has conformed to all program requirements listed.

Audit and Weatherization Program Rebate Chart



DTE Energy

Your Energy Savings

MichCon Natural Gas or Detroit Edison Electric Heat¹

MichCon must be your primary heating fuel supplier, or you must have all electric heat with Detroit Edison.

Measures	Certified Audit Maximum Amount	No Audit Maximum Amount	Beginning R Value	Additional R Value	Minimum Installed
Air Sealing 10% Reduction ²	\$50	\$0	NA	NA	NA
Air Sealing 20% Reduction ³	\$75	\$0	NA	NA	NA
Air Sealing 40% Reduction ³	\$100	\$0	NA	NA	NA
Basement Wall Insulation	\$100	\$50	R-0	R-10	250 sq.ft.
Band Joist Insulation ⁴	\$100	\$50	Not Sealed	R-10 + Seal	100 Lineal ft
Floor/Crawl Space Wall Insulation ⁵	\$100	\$50	R-0	R-11+	100 sq.ft.
Above Grade Wall / Kneewall Insulation	\$250	\$125	<R-5	R-10+	250 sq.ft.
Ceiling Insulation ⁶	\$250	\$125	≤R-24	R-19+	750 sq.ft.
Window Replacement ⁷	\$300	\$150	NA	ENERGY STAR®	4 Windows
Certified Audit ⁸	\$150	\$0	NA	NA	NA

These rebates and minimum requirements are effective as of June 1, 2010.

Household Rebate Total Limit = \$1,350 or \$500 depending on if an energy audit was performed.

Rebate Limit = Customer spend X 50% up to Maximum Amount (Except Windows and Audits - see #7 and #8)

Note: The online My Energy Analyzer and the In-Home Level-1 Energy Survey do NOT qualify as Energy Audits for the higher rebate amounts.

Rebate Eligibility requires adherence to certain beginning conditions, end conditions, and minimum installed areas as shaded gray in table above.

1) Electric Heat includes: Heat pumps and electric resistance heating systems. **2)** Air Sealing 10% – requires pre- AND post- blower door test **OR** completion of substantial sealing as detailed by pre-blower door testing and specification of work required to reach 10% reduction in air infiltration. **3)** Air Sealing 20% and 40% – requires pre- AND post- blower door test. **4)** Band Joist Insulation – to qualify for this rebate the band joist must be air sealed and insulated with spray foam with a minimum of R-10 value or foam air seal plus fiberglass. **5)** Requires lapped and sealed vapor barrier on unfinished crawlspace floor if deficient or not existing **6)** Ceiling Insulation requires a start point of an effective value of less than or equal to R-24 **OR** less than or equal to 8" of insulation. A minimum of R-19 or 6" of insulation must be added for rebate eligibility. **7)** Window Replacement – Max Rebate **with** audit is \$25 per window replaced. Max rebate **without** audit is \$12.50 per window replaced. Minimum of 4 windows replaced to qualify for rebate. Windows **must** be rated by Energy Star and/or National Fenestration Research Council with a U value of .3 or less.

8) A Certified Audit is one conducted by a participating BPI, RESNET or NEAT certified auditor. Audit rebates are \$75 after the initial audit and \$75 after the customer installs at least one qualified measure. Total of Audit Rebates cannot exceed cost of Audit.

Program details are subject to change without prior notice. For complete program details, terms, and condition, please visit:

YourEnergySavings.com Or Call 866.796.0512



Michigan Energy Efficiency / Renewable Energy Tax Credit Legislation

- 2008 legislation - SB 1048
- SB 1048 signed into law: Public Act 287 of 2008
<http://legislature.mi.gov/documents/2007-2008/publicact/pdf/2008-PA-0287.pdf>
- Tax credit eligibility: single earner cap: \$37,500, husband & wife joint earners: \$75,000
- Single earner tax credit: \$75.00 or 10% of amount paid for the following improvements: insulation, furnaces, water heaters, windows, refrigerators/clothes washers/dishwashers
- Husband & wife joint earners: \$150.00 or 10% for same improvements
- Check with your tax preparer

Federal Energy Efficiency / Renewable Energy Tax Credit Legislation

- Updated to reflect American Recovery and Reinvestment Act of 2009
- Check these websites for updates and details:
http://www.energystar.gov/index.cfm?c=products.pr_tax_credits
<http://www.energytaxincentives.org/>
<http://www.dsireusa.org>
- Home improvements, such as ENERGY STAR windows and doors, efficient insulation or roofing, credit of 30% of system costs with cap increased from \$500 to \$1500
- Credit caps for on-site renewables have been abolished
 - Geothermal heat pumps credit of 30% of cost
 - Residential small wind credit of 30% of system costs
 - Residential solar photovoltaic and water heater systems credit of 30% of cost

Federal Incentives for Commercial Buildings

➤ Commercial Buildings Property Tax Exemption

http://energytaxincentives.org/business/commercial_buildings.php

- tax deduction of up to \$1.80 per square foot is available for new or existing energy efficient commercial buildings

➤ Commercial buildings can be eligible for on-site renewables tax credits

<http://energytaxincentives.org/business/renewables.php>

Michigan Renewable Energy / Net Metering

➤ 2008 legislation – SB 213

➤ Signed into law, Public Act 295 of 2008 <http://legislature.mi.gov/documents/2007-2008/publicact/pdf/2008-PA-0295.pdf>

➤ True net metering, 20 kW, retail rate

➤ Modified – up to 150 kW, pay interconnection costs, generation rate

➤ Methane digester – up to 550 kW, also pay standby costs, think “dairy farm”

Utility Providers Rebate Programs

➤ PA 295 - Energy Optimization Plans mandated for state utilities

<http://www.legislature.mi.gov/documents/2007-2008/publicact/pdf/2008-PA-0295.pdf>

➤ DTE Energy Rebate Program: www.yourenergysavings.com

➤ Consumers Energy Rebate Program: www.consumersenergy.com

➤ Utility Companies Participating with MCAAA <http://www.encyclopedia.com>

➤ Municipal and Co-op Programs <http://michigan-energy.org/>

Michigan Appliance Rebate Trade-Up Program

➤ Visit www.Mirebates.com for energy-efficient refrigerator, dishwasher, and clothes washer purchases.

➤ Visit www.michrebate.com for energy-efficient furnace and hot water heater purchases.

➤ More information available at www.michigan.gov/energyoffice.

This is a general reference to recently passed state and federal legislation.
Please check the associated websites for more information.



Tax Incentives Assistance Project www.energytaxincentives.org

Residential Energy Efficiency Incentives Homeowners can qualify for a variety of federal tax credits by making home envelope improvements and heating and cooling upgrades, and by installing onsite renewable generation. All incentives are in effect for measures placed in service during 2011 unless noted otherwise.

Home Envelope and Home Heating & Cooling Equipment

Homeowners can receive a tax credit for making envelope improvements to and installing energy-efficient heating, cooling, and water heating equipment in their primary residence. The incentive is 10% of the cost of eligible measures, with a \$500 cap on the credit per home, and some specific caps based on the product purchased. The tax credit for envelope improvements is based on the cost of the materials installed (insulation, windows, sealants, etc.), not the cost of labor. The credit for home heating and cooling and water heating equipment is based on both the cost of the materials and installation labor costs. The total credit for building envelope and heating, cooling, and water heating improvements cannot exceed \$500 including any credits taken in previous years.

Home envelope eligible measures include:

www.energytaxincentives.org/consumers/insulation_etc.php

- **Insulation and Sealing:** Added insulation to walls, ceilings, or other parts of the building envelope and sealing ducts and cracks in the building shell to reduce infiltration and heat loss, as specified in the 2009 IECC model energy code.
- **Replacement Windows, Skylights, and External Doors:** Eligible replacement windows and doors must meet ENERGYSTAR® guidelines. The credit covers 10% of the material cost, up to \$200. Some storm windows and doors are also eligible.
- **Window Films:** Window films are eligible for the tax credit if the manufacturer certifies that the specific window film satisfies the requirements of a "qualifying insulation system."
- **Roofs:** ENERGY STAR-rated pigmented metal roofs and asphalt roofs with cooling granules.



Eligible home heating & cooling equipment includes:

www.energytaxincentives.org/consumers/heating-cooling.php

- **Furnaces and Boilers:** High-efficiency gas and propane furnaces that meet an Annual Fuel Use Efficiency (AFUE) of 95 or higher and gas, oil, or propane boilers and oil furnaces that meet an AFUE of 95 or higher. This credit only covers costs up to \$150.
- **Air Conditioners and Heat Pumps:** Central air conditioning units must meet the highest tier standards set by the Consortium for Energy Efficiency (CEE) as of January 1, 2009, which for most systems is a Seasonal Energy Efficiency Ratio (SEER) of 16. This credit only covers costs up to \$300.
- **Ground Source or Geothermal Heat Pumps:** See next section.
- **Biomass Stoves:** Stoves must have a thermal efficiency of at least 75%, and be used to heat a dwelling unit or water for use in the same. The law defines biomass fuel as anything from agricultural crops, trees, wood wastes, and residues to pellets, plants, grasses, and fibers. The credit only covers costs up to \$300.
- **Fans:** High-efficiency fans for heating and cooling systems that use no more than 2% of total heating system energy use, as defined by DOE test procedure. \$50 for any advanced main air circulating fan

Water Heaters: Gas or propane water heaters that meet an Energy Factor (EF) of at least 0.82, or a thermal efficiency of at least 90%, and electric heat pump water heaters that meet an EF of at least 2.0. This credit only covers costs up to \$300.

Onsite Renewable Generation

www.energytaxincentives.org/business/renewables.php

Homeowners can take advantage of several onsite renewable generation incentives, for Solar Energy Systems, Small Wind Systems, and Geothermal Heat Pumps placed in service at any of their residences between January 1, 2008 and December 31, 2016. The incentive is for 30% of the cost of the system (equipment and labor). Solar and geothermal systems installed during 2008 are subject to a cap of \$2,000; wind systems installed during 2008 are subject to a cap of \$4,000.

Solar Systems

Homeowners are eligible for tax credits for qualified solar water heating and photovoltaic systems. Solar water heating systems produce hot water; photovoltaic systems produce electricity. To qualify, residential systems must meet certain criteria as follows:

- **Solar Water Heating:** Systems must be certified for performance by the Solar Rating Certification Corporation (SRCC) or a comparable entity endorsed by the state government in which the system is located. SRCC is an organization set up by the solar industry to test and certify equipment so purchasers have an independent assessment of system performance. At least half of the energy used by the system to heat water must be solar energy. The credit is not available for expenses to heat swimming pools or hot tubs.
- **Photovoltaic (PV) Systems:** Systems must provide electricity for the residence, and must meet applicable and electrical code requirements.



Small Wind Systems

Homeowners, farmers, with not more than 100 kilowatts of nameplate capacity are eligible for the federal investment tax credit.

Geothermal Heat Pumps

Taxpayers who install geothermal heat pump property for residential use are eligible for an incentive. Qualified geothermal heat pump property refers to any equipment that uses the ground or ground water as a thermal energy source to heat the taxpayer's residence, or as a thermal energy sink to cool the residence. The unit must meet the requirements of the ENERGY STAR program that were in effect when the heat pump was purchased.

What Do I Need to Do to Qualify for the Incentives?

Under the IRS rules, manufacturers need to certify that specific products are eligible. Homeowners should obtain a copy of this certification from the manufacturer, installer, or retailer when buying these products. Certifications need not be submitted to the IRS, but should be kept on file in case the IRS has questions. Homeowners should also keep records of when each eligible measure is installed and the cost of the system (including labor). To apply for these incentives, taxpayers should use the IRS Residential Energy Efficient Property Form 5695, available on the TIAP home page.

For more information on criteria, specifications, and other details, visit the TIAP Web site at www.energytaxincentives.org. TIAP also offers links to other sites for specific information on products and technologies.



American Council for an Energy-Efficient Economy

Please note that although TIAP has made every effort to describe these tax incentives accurately, many details of eligibility will be decided by the Internal Revenue Service, and so this information is provided as a guideline only. TIAP does not provide tax advice and suggests that individuals contact a tax professional with any questions specific to your situation.

The Tax Incentives Awareness Project (TIAP), sponsored by a coalition of public interest nonprofit groups, government agencies, and other organizations in the energy efficiency field, is designed to give consumers and businesses information they need to make use of the federal income tax incentives for energy-efficient products and technologies passed by Congress as part of the Energy Policy Act of 2005 and subsequently amended by later legislation.