

Contact Us

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Hi there,

Happy New Year!

I hope this update finds you well and excited about what 2025 may bring.

In the wacky world of energy efficiency incentives, I expect to see a dynamic landscape as ever. Many changes in energy efficiency incentives will be happening under the hood. That is, while a program's explicit terms and conditions may not change, the way the utility looks at future energy savings may be changing. To mis-quote the lovable Meghan Trainor, It's All About That Bass(line).

To some extent, we should be happy about this, because the market for LEDs is alive and well: competition is improving the quality, and energy-efficient grow lighting is getting more affordable for customers.

On the other hand, a more challenging road to truly meaningful LED grow light incentives may result in some back-sliding to HPS in some markets.

Curious: in your market, would HPS and CMH lights still be competitive without incentives for LED grow lights? If yes, let's tell the utilities to keep these incentives alive and well!

As always, we are here for you if you have questions. Feel free to call/text Sam at 617-851-1491, or email at sam@climateresourcesgroup.com.

Happy growing!

New Program News

New Jersey: The NJ Clean Energy Program is ending its current program soon, which pays growers a flat amount for each DLC-listed fixture installed. Stay tuned for updates on the new program in the coming months. Until then, don't delay in NJ!

Oregon: Energy Trust of Oregon is not accepting new applications until it announces its 2025 program terms later this month.

Same ol' free money

Federal/tribes: Grant programs and/or tax benefits for installation of energy-efficiency and other cleantech measures. Cannabis projects are off the table.

Arizona: Incentives for APS, SRP, and TEP come in at around \$0.07 / kWh saved, up to 50% of project costs.

California: PGE's newest program explicitly excludes grow light projects, leaving a massive number of California growers without help upgrading from inefficient lighting. L.A.'s muni <u>LADWP</u> program is still there, and big winners will be those projects with fixtures with low Wattage, low costs, and high PPF.

Colorado: Because of unexpected exuberance for electricity-saving equipment in the first half of the year, Xcel is delaying rebate payments until later this year.

Connecticut: Eversource is expected to unveil a new payout schedule later this year, with 65% coming upon install and 35% after energy monitoring for two grow cycles. Otherwise, participating CT utilities pay \$0.40 / kWh; up to 95% of incremental costs.

Illinois: Decent incentives: \$0.16 / kWh, up to 80% of incremental cost. State energy codes limit adult-use cannabis grow light projects.

Indiana: Duke Energy territory offers \$0.075 per kWh +\$170 per summer peak kW; up to 75% of the project cost.

lowa: Ok. \$0.09 / kWh up to 50% of total project cost.

Maine: Solid program. \$0.28 / kWh up to 50% of total project cost.

Maryland: \$0.28 / kWh saved up to 50% of incremental cost. Great state programs for solar and other advanced energy complement traditional utility programs.

Massachusetts: LED incentives are expected to get worse in 2025. As a result, many participating utilities want to clear their books by the end of the year. We suggest you move quickly if you have a Mass project application underway.

Michigan: Good news happening across the state.

- <u>DTE</u> offers incentives for LED under canopy lighting, paying out at \$0.22/W installed.
- Consumers has a 15% "Made in USA" bonus to all eligible products whose applications are submitted by Nov 30. "Made in Michigan" is even better!
- <u>Lansing BWL</u> is upping its retrofit lighting incentive to \$0.30 (flower) and \$0.45 (veg) / W reduced. 50% project cost cap up to \$75,000.

Minnesota: Xcel pays between \$1.06-\$1.33 per Watt of installed for indoor hort LEDs. Eligible facilities must be in an existing structure and have less than 8,000 sq. ft. in flowering and veg canopy combined.

Mississippi: Entergy (serving W. MS) offers \$0.25 per kWh saved annually, up to 75% of project cost.

Missouri: \$0.48 / Watt reduced, up to 100% of the incremental costs.

Nevada: NV Energy pays \$0.05 / kWh saved, up to 50% project costs.

New Hampshire: \$0.40/kWh saved, up to 35% of the project cost, or the amount required to buy the project down to a one-year payback.

New Mexico: The major utilities offer \$0.60 per watt reduced, up to 100% of the incremental cost.

New York: Orange and Rockland Electric in suburban NY ended its LED program at in 2024. ConEd, the utility serving the NYC metro area, has already phased out its indoor hort LED incentives.

Ohio: FirstEnergy Ohio programs are fully subscribed for the program year ending in June. Next year's program is still TBD.

Oklahoma: Oklahoma City metro's OGE utility is out of budget. Tulsa's PSO still has some money in the bank, offering between 9-10 cents /

kWh saved up to 70-75% of the incremental project costs.

Ontario: Prescriptive greenhouse lighting incentives worth \$150-\$200 per fixture.

Pennsylvania: Decent incentives: \$0.05 - 0.10 / kWh. up to 100% of equipment cost.

Quebec: HydroQuebec's indoor agriculture program accept applications for past installs of eligible grow light equipment, as long as that equipment was on the DLC QPL upon installation.

Rhode Island: Great incentives, though currently complicated by awful baseline energy study. \$0.35 / kWh. up to 100% of incremental cost.

Virginia: Flat \$1.50 per square foot of lit grow space.

Washington: Avista customers receive \$0.26 / kWh saved, paying up to 70% of project costs. Labor costs are included for retrofits.

Don't hesitate to reach out anytime to discuss a project - or <u>submit</u> <u>your project info here for a quote!</u>

Sustainably yours, Sam Milton



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