

CUSTOM PROJECT CALCULATION

More ways to save money with customized energy efficiency solutions and incentives.

Join the thousands of businesses in Iowa and Illinois who are improving the energy efficiency of their building systems and production processes to:

- Lower operating costs
- Improve productivity
- Save money and energy
- Boost the bottom line



25/25 CUSTOM INCENTIVES

Custom incentives for cost-effective projects are equal to the **GREATER** of:

- **1) 25 percent of the incremental cost** for eligible equipment
- OR
- **2) A post-incentive simple payback period equal to 25 percent of the installed equipment's estimated useful life (EUL)**

To qualify, projects must be preapproved by MidAmerican Energy prior to the purchase or installation of any equipment.*



Example Incentive Calculations

	1) EXAMPLE PROJECT	2) EXAMPLE PROJECT
(A) Incremental Cost of High-Efficiency Equipment	\$10,000	\$16,000
(B) Annual Energy Cost Savings	\$2,000	\$2,000
(C) Simple Payback Before Incentives	5 years	8 years
(D) EUL of Equipment	16 years	16 years
1) 25% of incremental cost (A x 25%) =	\$2,500	\$4,000
OR (E) 25% of the 16 year EUL (D x 25%) =	4 years	4 years
(F) Years of buy down to achieve 4 year simple payback (C - E) =	1 year	4 years
2) 25% EUL buy down incentive (B x F) =	\$2,000 x 1 year = \$2,000	\$2,000 x 4 years = \$8,000
(G) Your Approved Custom Incentive**		
Greater of calculation 1 or 2 =	\$2,500	\$8,000
Simple Payback After Custom Incentive (A - G) ÷ B =	3.75 years	4 years

*Project cost-effectiveness will be evaluated by MidAmerican Energy during the preapproval process; only cost-effective projects can be preapproved.
 **Custom incentives may not exceed 50 percent of the approved project cost and may not reduce the simple payback period for a project to less than two years.

INDUSTRIAL PARTNERS

By participating in the Industrial Partners program, manufacturing facilities of any size may receive a no-cost, facility-wide energy assessment, assistance with detailed system optimization studies, customized recommendations for energy-saving improvements and other services to help increase the energy efficiency of your facilities and business.

NEW INDUSTRIAL PARTNERS BONUS

Bonus incentives available to Industrial Partners participants are equal to:

One-half of one year's worth of eligible energy cost savings.

Bonus incentives are available when two or more projects are completed at a facility; all qualifying projects must each cost \$1,000 or more.



Example of Bonus Incentive Calculations

	1) EXAMPLE PROJECT	2) EXAMPLE PROJECT
<i>See table on reverse side for details on how your approved custom incentive is calculated.</i>		
(G) Your Approved Custom Incentive* (From table on the reverse side)	\$2,500	\$8,000
(H) One-half of one year's Energy Cost Savings = (Bonus Incentive)	\$1,000	\$1,000
(I) Total Industrial Partners Incentives** (G + H) =	\$3,500	\$9,000
Simple Payback after Incentives [(A - I) ÷ B] =	3.25 years	3.5 years

*Custom incentives may not exceed 50 percent of the approved project cost and may not reduce the simple payback period for a project to less than two years.

** Industrial Partners incentives may not exceed 65 percent of the approved project cost and may not reduce the simple payback period for a project to less than one year.