

Southern Indiana Power connects members to stimulus savings

It's all over the news; with the passage of the federal stimulus bill there's money available to help many Americans weatherize homes and make energy efficiency improvements. But how can residents in our service area connect with these resources? Southern Indiana Power is ready to help as the American Recovery and Reinvestment Act of 2009 goes into effect.

"The state of our economy has left many Southern Indiana Power members searching for ways to make ends meet," explained Michael Hammack, President/CEO of Southern Indiana Power. "Making the most of each energy dollar is high on everyone's list of concerns. We're ready to help explain which parts of the stimulus bill may affect you, especially if you're considering energy efficiency improvements."

Investing in a few basic measures to secure a home from outside elements could provide major benefits. The U.S. Department of Energy (DOE) says weatherization — the process of sealing air leaks and properly insulating a home — can reduce heating bills by up to 32 percent, resulting in an average energy savings of \$358 per year.

"You can be more comfortable, and save on your energy bill while improving the environment," added Hammack. "Making our nation more energy efficient takes all of us doing our part, and the stimulus bill provides new ways for you to save money while you're doing it."

As a result of the stimulus package, DOE's Weatherization Assistance Program is expanding

with a goal of weatherizing one million homes per year. In the past, only households that earned up to 150 percent of the national poverty level were eligible to participate. The stimulus bill extends eligibility to those with incomes below 200 percent of the national poverty level. For a family of four, that's an income limit of \$44,100.

Program participants receive a professional energy consultation with an analysis of energy bills, a blower-door test to locate air leaks and advice on how to be more efficient. Workers then arrive to make energy upgrades like insulating walls and roofs, sealing air leaks, and installing more efficient heating and cooling systems. The process to weatherize a home through the program usually takes two days with an average cost of \$2,500. Since some homes have different needs, the stimulus bill allows up to \$6,500 to be spent on each home.

For members not eligible for federally funded programs, the stimulus plan provides a homeowner efficiency tax credit of up to \$1,500, or 30 percent, of the cost for new energy upgrades, including weatherization activities as well as installation of efficient heating, ventilation, and air conditioning systems. Efficiency tax credits were already available for 2009, but carried a \$500 limit (with additional caps for certain types of upgrades) and only covered up to 10 percent of a member's investment.

"You may have looked at the tax credit in the past and thought it wasn't worth it," noted Hammack "This change effectively triples the

amount of financial investment you get credit for, and, coupled with how much you can save on energy costs each year, it makes these efficiency measures much more affordable."

Tax credits directly lower a member's federal income taxes, and are generally more valuable than tax deductions because they reduce taxes owed dollar-for-dollar. In contrast, a tax deduction, like a home mortgage or charitable gift, lowers taxable income and may only offer small savings. For example, a \$1,500 tax deduction for someone in the 25 percent tax bracket would lower taxes owed by \$350; a \$1,500 tax credit for energy efficiency efforts will lower taxes owed by \$1,500!

Southern Indiana Power has also increased the rebates offered to members who install energy efficient equipment in their homes. More information on the incentive program is printed below.

Weatherization programs will be handled differently in each state. In Indiana, eligible members should contact Indiana Housing and Community Development Authority, 30 S. Meridian St., Suite 1000, Indianapolis, IN 46204. **Telephone:** 317-233-5372 to apply for the weatherization services. To find out more about energy efficiency measures supported through the stimulus bill, visit www.in.gov/ihcda/2523.htm. To learn about other ways Southern Indiana Power is helping members save on energy use, visit www.sinpwr.com.

New rebate program offers higher incentives for Southern Indiana Power members

In an effort to lower the total system demand of electric for Southern Indiana Power and to delay the need of new generating capacity for our wholesale power supplier, we are offering the new energy efficiency incentives for 2009. (Details are printed at right).

Incentives apply to equipment installed and operating in the 2009 calendar year in homes or structures connected to Southern Indiana Power. Interpretation of qualifying equipment and installations are at the sole discretion of the cooperative. Southern Indiana reserves the right to modify or discontinue the incentives at any time without notice. Visit our Web site www.sinpwr.com for more information and for an incentive application form.

To receive a rebate from Southern Indiana Power, all homeowners must provide ARI (Air Conditioning and Refrigeration Institute) validation for all SEER ratings that can be obtained from the installing heating and cooling dealer. No rebate will be awarded based on HVAC dealer bid specifications, promotional material of dealer, manufacturer or any other source than ARI. A certificate of ARI-certified performance must be submitted. ALL homeowners must complete a rebate request form and provide proof of purchase to receive any 2009 Southern Indiana Power rebate. Deadline to apply for 2009 Rebate Program is Dec. 31.

2009 Southern Indiana Power Incentive Program

Equipment	Conditions	Specs	Rebate
Electric water heater	Must have an energy factor of .90 or higher	40 gallon-75 gallon	\$50
		80 gallon	\$150
Electric heat pump	Installed in a new home; replacing an old air-to-air heat pump; replacing a fossil fuel system; or as part of a dual fuel system	14-15.9 SEER	\$300
		16-16.9 SEER	\$350
		17 or greater SEER	\$400
Electric heat pump (replacing electric resistance heat)	Installed to replace an existing electric resistance heat system such as ceiling cable, baseboards or electric furnace	14 to 15.9 SEER	\$800
		16 to 16.9 SEER	\$900
		17 or greater SEER	\$1,000
Geothermal heat pump	Installed in a new home or replacing any type of heating system other than an existing geothermal system.		\$1,000
Central air conditioner	Installed in a new home or replacing an old central air conditioner	14 to 15.9 SEER	\$200
		16 to 16.9 SEER	\$250
		17 or greater SEER	\$300
ETS unit	Installing a new one in a new home or replacing a gas system	Room Unit	\$30/kw
		Whole House Unit	\$300
		(Contact Southern Indiana Power for details)	\$350
			\$400