

Green Building Financial Incentives

AIA Seattle COTE

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3/15/07

Disclaimer: Green building financial incentives are constantly changing and require detailed research for your specific project. Do your homework – ideally before the eco-charrette.

1. Direct Green Building Payback
 - a. Traditional savings – more efficient buildings have lower utility bills.
 - b. Easy to measure but long paybacks.
2. Indirect Green Building Payback
 - a. Health, well being and productivity.
 - b. Hard to measure but fast paybacks.
3. Utility Grants
 - a. Requires discussion and a signed agreement with utility.
 - b. Electric power.
 - i. Up to \$1 to \$2/sq ft for 30% to 50% energy savings.
 1. For PSE Energy Smart program see http://www.pse.com/solutions/ForBusiness_EfficiencyPrograms.aspx
 2. For SCL Energy Smart program see <http://www.seattle.gov/light/conserve/>
 3. For Snohomish County PUD see <http://www.snopud.com/?p=1790>
 4. For Tacoma Power see http://www.tacomapower.com/Business/new_construction_efficiency_services.htm
 - c. Natural gas.
 - i. For PSE Energy Smart see http://www.pse.com/solutions/ForBusiness_EfficiencyPrograms.aspx
 - ii. For CNG see <http://www.cngc.com/residential/specialprogs.asp>
 - d. Water & wastewater.
 - i. Contact utility. Programs vary widely.
 - ii. Incentives are larger for wastewater reduction than water efficiency.
 - iii. Incentives are an order of magnitude lower than for energy.
 - iv. For SPU and greater Seattle metro area see <http://www.savingwater.org/>
 - e. Others (storm, solid waste, district heat, etc.)
4. Utility Rebates
 - a. These are fixed rebates, for example a fixed rebate for each incandescent bulb replaced with a compact fluorescent.
5. Federal Tax Incentive
 - a. EPACT 2005 – Commercial Building Incentive

- i. Buildings - \$1.80/sq ft federal tax deduction for 50% total savings or \$0.60/sq ft for 16 2/3% savings individually on Envelop, Lighting, or HVAC.
 - ii. Private Projects. Owners take the deduction.
 - iii. Public Projects. Design teams take the deduction.
 - iv. Complex. See IRS rules for details. Energy modeling per ASHRAE 90.1, installation verification, and so forth.
6. Demonstration Technology
 - a. Low or no cost materials, equipment, and installation from manufacturers, suppliers, and contractors.
7. Third Party/ESCO
 - a. Low or no initial cost in return for share of the savings.
8. WA State Incentives
 - a. Many programs, see <http://www.dsireusa.org/library/includes/map2.cfm?CurrentPageID=1&State=W&RE=1&EE=1>
9. City of Seattle Incentives
 - a. LEED Silver zoning incentive, see <http://www.seattle.gov/dpd/GreenBuilding/OurProgram/PublicPolicyInitiatives/DevelopmentIncentives/default.asp>
 - b. Green factor, see <http://www.seattle.gov/dpd/permits/greenfactor/>
10. King County Incentives
 - a. LEED Silver, Gold, and Platinum grants of \$15K, \$20K, & \$25K, see http://www.seattle.gov/dpd/stellent/groups/pan/@pan/@sustainableblding/documents/web_informational/dpdp_018427.pdf
 - b. Other incentives, see <http://www.metrokc.gov/dnrp/swd/greenbuilding/>
11. Foundations
 - a. Bonneville Environmental Foundation, water shed and renewable energy grants, see <http://www.b-e-f.org/grants/index.shtm>
 - b. Kresge Foundation Green Building Initiative, see <http://www.kresge.org/content/displaycontent.aspx?CID=26>
 - c.
12. Finance
 - a. Green loans from participating financial institutions.
13. References
 - a. WSU Energy Extension Office, see http://www.tacomapower.com/Business/new_construction_efficiency_services.htm
 - b. Energy Tax Incentives, see <http://www.energytaxincentives.org/>
 - c. Database of State Incentives, see <http://www.dsireusa.org/index.cfm?EE=1&RE=1>
 - d. Better Bricks, see <http://www.betterbricks.com/default.aspx?pid=programs incentives>