

TRAVERSE ELECTRIC COOPERATIVE, INC.

Wheaton, Minnesota

BOARD POLICY NO. 307

Energy Efficiency, Conservation, and Generator Programs

I. OBJECTIVE

To establish an energy efficiency and conservation program with incentives that will encourage members of Traverse Electric to purchase and install Energy Star appliances, heating systems, lights, motors, and crop drying equipment. And to also promote the purchase of generators through our Generator Program.

II. ELECTRIC HEATING SYSTEMS-RESIDENTIAL (Single family, Condos, Townhomes, and Duplexes)

A. Traverse Electric will offer incentives and loans to install high efficient heating equipment in unattached single family homes.

- 1). Must be 2 ton or larger electric heat pump.
- 2). Must be new equipment.
- 3). The heat pump (outside unit only) must meet the DOE manufacturing standard for HSPF efficiency. (For 2022 the DOE standard is 8.2.)
- 4). Only one electric heating incentive payment will be paid per structure every ten (10) years.
- 5). Electric Heat Incentive levels are:

East River Rebate	Traverse Electric Rebate	Total
\$400	\$200	\$600

6). Condos, townhomes, and duplexes will be considered as individual units if each living unit has its own heating system and meets the minimum qualifications above or the size of the building's system divided by the number of living units meets the qualifications above.

B. In conjunction with East River's marketing program, Traverse Electric will loan up to \$10,000 to eligible members/consumers for the following:

- 1). Heating equipment, heat pumps and geothermal systems
 - 2). Wiring costs
 - 3). Duct work
 - 4). Generators sold by Traverse Electric Cooperative through the Generator Program
- C. All loans will carry an interest rate of five percent (5%) per annum and will be amortized for 84 months.

III. Ductless Air Source Heat Pumps (Mini-Splits):

- 1). Equipment must be new, under 2 tons and electrical ductless equipment.
- 2). The equipment must meet the DOE manufacturing standard for HSPF efficiency. (For 2022 the DOE standard is 8.2.)
- 3). Only one ductless electric heating (Mini-Split) incentive payment will be paid per structure every 10 years. A member may apply for and receive both a residential electric heating rebate and a ductless rebate in the same structure within 10 years as long as the rebates cover separate pieces of equipment.
- 4). Condos, townhomes and duplexes will be considered as individual units if each living unit has its own heating system and meets the minimum qualifications above.
- 5). Electric Heat Incentive levels are:

East River Rebate	Traverse Electric Rebate	Total
\$150	\$150	\$300

IV. ENERGY STAR APPLIANCE POLICY

Traverse Electric offers rebate only on appliances that are replacing existing appliances.

- A). Rebate payments will be processed upon proof of disposal of the old appliance for refrigerators and freezers.
- B). Only new Energy Star appliances will qualify for the rebate.
- C). Payment will be processed from purchase receipts.
- D). Seasonal accounts and farm shops do not qualify for this program.

E). Only one rebate per appliance will be paid on each location.

F). Energy Star Appliance rebate levels are:

	East River Rebate	Traverse Electric Rebate	Total
Refrigerators	\$0	\$50	\$50
Freezers	\$0	\$50	\$50
Dish Washers	\$0	\$25	\$25
Clothes Washers	\$0	\$25	\$25
Clothes Dryers	\$0	\$25	\$25

V. ENERGY EFFICIENT LIGHTING INCENTIVES

Traverse Electric will offer incentives for the replacement of inefficient lighting systems in nonresidential settings.

A). The Member Services person will verify that new lights were installed.

B). The maximum incentive payment allowed is \$1000 (\$500 from East River & \$500 from Traverse Electric).

C). The incentives will be calculated based on the total watts reduced. The incentive is 20 cents per watt reduction (10 cents from East River and 10 cents from Traverse Electric).

VI. APARTMENT, COMMERCIAL, AGRICULTURAL, INSTITUTIONAL AND INDUSTRIAL ELECTRIC INCENTIVES

Traverse Electric will offer the following incentives to address the needs of non-residential accounts: Apartment, Commercial, Institutional and Industrial Buildings.

A). Electric Heating Systems:

1. Resistance: \$20 (\$10 from East River, \$10 from Traverse Electric) per kW up to a max of 600 kW
2. Electric Heat Pump: \$50 per ton of heating capacity

B). Natural Air and Electric Crop Drying: A 5% interest rate loan for costs associated with installation of natural air or electric crop drying equipment.

C). Commercial/Industrial Process Equipment: A 5% interest loan for the cost of new electric equipment used to meet the process requirements of commercial and industrial customers. All applications under this section will require consultation and pre-approval from East River.

E). Third-Party Irrigation Management Systems: A one-time rebate of \$750 (\$500 from

East River, \$250 from Traverse Electric) will be paid per device for a third-party remote managed irrigation system provided that it meets the following minimum requirements:

1. New system eliminates the need for an East River load control receiver (irrigation controller).
2. Ability to ingest automated notice from East River of shed and restore via email, text, or voice.
3. Provide less than 15-minute latency from East River email to load shed/restore.
4. Provide Traverse Electric notice of customer bypass.
5. If a consumer who received a rebate discontinues third-party control within five years and requests an East River control be re-installed, the consumer is required to pay for a new East River receiver up to \$500.

F). Third-Party Grain Dryer Management Systems: Traverse Electric will pay a onetime \$750 (\$500 from East River and \$250 from Traverse Electric) rebate per device for a third-party remote managed Grain Dryer Management system provided that it meets the following minimum requirements:

1. New system eliminates the need for an East River load control receiver.
2. Ability to ingest automated notice from East River of shed and restore via email, text, or voice.
3. Provide less than 15-minute latency from East River email to load shed/restore.
4. Provide distribution cooperative notice of customer bypass.
5. If a consumer who received a rebate discontinues third-party control within five years and requests an East River control be reinstalled, the consumer is required to pay for a new East River receiver up to \$500.

This rebate will expire on December 31, 2021 unless approved to continue by the East River Communications and Marketing committee. Retroactive rebates are up to the discretion of Traverse Electric.

VII: ENERGY AUDIT INCENTIVES

- A). Traverse Electric will perform energy audits for the members at a cost of \$50.
- B). The energy audit shall provide a list of recommended energy efficiency improvements with estimated paybacks of 10 years or less.
- C). East River will provide rebates of 10% of the cost of energy improvements, up to \$500. This rebate is only to homes that have had an energy audit and only one rebate payment will be made per structure.

D). 5% interest rate loans will be available for weatherization and energy efficiency improvements that are recommended in the energy audit. Traverse Electric employees are eligible for loans (but no rebates) under this program.

VIII.

- A. The General Manager and department heads are responsible for the administration of this policy.
- B. The Board of Directors is responsible for any changes in or revisions of this policy.

Date Adopted: 12-02-86

Date Reviewed: 12-31-07

Date Reviewed: 02-22-10

Date Revised: 04-30-19

Date Revised: 07-23-19

Date Revised: 01-07-20

Date Revised: 12-28-21

Mark Pearson, Secretary