



City of Sturgis

Commercial & Industrial Energy Efficiency Program

2026 Incentive Application

Ready to start your project? Follow these 3 simple steps.

Step #1: Request Pre-Approval

To ensure that your project is eligible and to reserve funds, please complete and submit:

1. The Pre-Approval Agreement (found on page 2 of this application), completed and signed.
2. The worksheet(s) that are applicable to your project, completed (found on pages 4-14 of this application).
3. Itemized quote/proposal with model numbers from your contractor.
4. New product specification sheets.

All projects are subject to inspection before and/or after work is performed, and must receive a reservation letter before work is performed. Measures eligible* for New Construction are indicated by . *Unless required by code

Step #2: Complete Your Project

If your project meets the pre-approval criteria, you will receive a letter indicating funds have been reserved. Install your equipment within 90 days, following the specifications listed in this application. Applications that are not completed within 90 days from the date on the acceptance letter are subject to cancellation. All equipment must be installed and operational within 90 days of the date on the acceptance letter or by November 30, 2026, whichever date comes first.

Step #3: Get Your Incentive

Once your project is complete, it's time to request your incentive. Within 30 days of project completion, you must submit:

1. The Payment Approval Agreement (found on page 3 of this application), completed and signed.
2. The itemized invoice(s) for materials and any applicable external labor costs, including the following:
 - Contractor's name and contact information
 - Customer's name and contact information
 - Date of invoice
 - Line item cost for each product
 - Quantities of each product
 - Complete product model numbers
 - Labor (and other) expenses listed separately from product costs
 - Total invoice amount

Final project documentation must be submitted no later than November 30, 2026.

Have questions?

Contact us at 877-674-7281 or visit www.mienergysmart.com.



Please submit your documents one of three ways:

URL www.mienergysmart.com

Email energysmart@franklinenergy.com

Fax 517-203-0658



2026 Energy Smart Commercial & Industrial Program Pre-Approval Agreement

Pre-Approval Agreement

Please complete and submit this page, along with the appropriate worksheet(s) and quotes with model numbers from your contractor, *before you begin your project*. If you plan to install the equipment yourself (as opposed to hiring a contractor to do so), please submit a quote/proposal for the cost of the equipment from a supplier or distributor. If your project meets the pre-approval criteria, you will receive a letter indicating the funds have been reserved. You can then proceed with completing your project, as described in Step #2 on page 1 of this application.

Name of Business		Phone	Email	
Mailing Address		City	State	ZIP Code
Installation Address		City	State	ZIP Code
Annual Hours of Operation	City of Sturgis Electric Account Number		Taxpayer ID # (SSN/FEIN or Payee)	
Building Use (Please Check One): ☐ New Construction (refer to the New Construction application) ☐ Office ☐ Retail ☐ Warehouse ☐ Restaurant ☐ Grocery Store/Supermarket ☐ Manufacturing ☐ Lodging ☐ School (K-12) ☐ School (College) ☐ Healthcare Facility ☐ Other/Miscellaneous				
How did you learn about the program? ☐ My Utility ☐ Utility Website ☐ Online Ad ☐ Mail/Bill Insert ☐ Event ☐ Contractor ☐ Newspaper ☐ Radio				
Name of Supplier/Distributor		Contact Name		
Name of Installing Contractor		Contact Name		
Address		City	State	ZIP Code
Contractor Phone		Contractor Email		

Certifications and Signature

I hereby certify that: 1. The information contained in this application is accurate and complete. 2. All rules of this incentive application have been followed. 3. I have read and understand the Terms and Conditions included with this document. 4. I agree to verification of equipment installation which may include a site inspection by a program or utility representative. 5. I understand that I cannot apply for, nor receive, incentives for the same product, equipment or service from more than one utility unless there are both electric and gas savings. 6. I hereby agree to indemnify, hold harmless, and release the utility from any actions or claims in regard to the installation, operation and disposal of equipment (and related materials) covered herein, including liability from any incidental or consequential damages.

Customer Signature	Date Submitted
Print Customer Name	Estimated Completion Date

You can submit your
documents one of three ways...

URL www.mienergysmart.com
FAX 517-203-0658
EMAIL energysmart@franklinenergy.com



2026 Energy Smart Commercial & Industrial Program Payment Approval Agreement

Payment Approval Agreement

Please complete and submit this page, along with your itemized invoice(s), within 30 days of project completion.

Name of Business			
Total Project Cost	Total Incentives Requested	Pre-Approval Incentive Amount	
Mailing Address	City	State	ZIP Code
Installation Address	City	State MI	ZIP Code
Print Name	Date	Installation Completion Date	

Certifications and Signature

I certify that I am an eligible City of Sturgis electric utility customer and that the efficiency measures in this application were installed in this facility in 2026. I certify that I have read and complied with the Terms and Conditions of this application. By submitting this application, I understand that this facility may be inspected by employees or contractors/subcontractors of City of Sturgis to verify installation of any and all measures applied for in this application and that the project follows all program guidelines.

Customer Signature (Must Be Same Person Who Signed Pre-Approval Agreement)

OPTIONAL: Complete section below **ONLY** if incentive is to be paid to a third-party other than the customer.

Make Payable To	Contact Name	Contact Phone	
Mailing Address	City	State	ZIP Code
Taxpayer ID # (FEIN or Payee)	Tax Status (Please Check One): ☐ Corporation ☐ Tax Exempt ☐ Individual ☐ Other:		
Print Name	Date		

Certifications and Signature

I am authorizing the payment of the incentive to the third party named above, and I understand that I will not be receiving the incentive payment. I also understand that my release to a third party does not exempt me from the program requirements outlined in the Terms and Conditions.

Customer Signature (Must Be Same Person Who Signed Pre-Approval Agreement)

I certify that I have read and complied with the Terms and Conditions of this application.

Third Party Rebate Recipient Signature

You can submit your
documents one of three ways...

URL www.mienergysmart.com
FAX 517-203-0658
EMAIL energysmart@franklinenergy.com



2026 Energy Smart Commercial & Industrial Program

General Incentive Information / Lighting Worksheet

Introduction to Prescriptive and Custom Incentives

The following pages are prescriptive incentives for energy efficient measures that are for one-for-one replacement. Other replacement options as well as measures that are not on this application may be eligible for custom incentives. Please contact us to discuss custom projects.

Custom Incentives

Custom incentives are based on the first-year energy (kWh) savings.

Payback must be greater or equal to one (1) and less than or equal to eight (8) year to be eligible for a custom incentive. Payback = Incremental Measure Cost (annual kWh Saved x Electricity Rate). Custom incentive cannot exceed 50% of the total custom project cost.

When applying for pre-approval of a custom project, you must submit the following items: - Completed and signed Pre-Approval Agreement (page 2) - Project details of existing system and proposed project - Itemized quote/proposal for all related materials and any external labor - Manufacturer's specification sheets for all equipment	Custom Incentive Rate	
	Lighting \$0.10 / kWh	Non-lighting \$0.12 / kWh

Lighting & Lighting Controls Worksheet (one-for-one unit replacement)

All lighting projects are required to comply with the IESNA recommended lighting levels or local code.

Measure	Specs	Quantity	\$ / Unit	Total
Interior Fixtures				
LED Exit Signs	Replacement of an incandescent or fluorescent exit sign with LED.		\$13 / Fixture	
General Lighting Controls				
Interior Occupancy Sensors: < 150 sq. ft.	Available for passive infrared (PIR) and ultrasonic sensors. Sensors installed for a single fixture are only eligible for < 150 sq. ft. with the exception of single highbay fixture which are eligible for the 150-500 sq. ft. offering.		\$10 / Sensor	
Interior Occupancy Sensors: 150-500 sq. ft.			\$20 / Sensor	
Interior Occupancy Sensors: > 500 sq. ft.			\$50 / Sensor	
Exterior Occupancy Sensors	Baseline lighting system must operate continuously during night hours.		\$0.25 / watt controlled	
 Exterior Multi-step Dimming Time Clock	Controlled lighting fixtures must operate at no more than 50% full rated power for at least five hours per night.		\$0.10 / watt controlled	
 Interior Daylight Harvesting Sensor	The controls can be on/off, stepped or dimming and must vary the light output based on the level of sunlight received. The floor plan and control schedule must be submitted. Cannot be used with occupancy sensor. May be eligible for New Construction where not required by code. (Consult ASHRAE 90.1 2019)		\$0.09 / sq. ft.	
Comprehensive Lighting Controls				
Incentives for occupancy sensors or daylight controls cannot be received for same areas controlled by comprehensive lighting controls. Control schedule and floor plans must be submitted.				
Interior Central Lighting Control	For automated central controls with override capability in interior spaces. Must be programmed considering occupant's schedule. Can include time clocks, package programmable relay panels and complete building automation controls.		\$0.06 / sq. ft.	
 Network Lighting Controls	For central control of interior and/or exterior spaces. Must have step dimming, remote interface and control and small zone control capability. Must be on DLC Qualified Product List of Networked Lighting Controls and include three (3) savings control strategies including but not limited to time scheduling, daylight harvesting, occupancy/vacancy sensing, task tuning, load shedding or high end trim.		\$0.17 / sq. ft.	

Lighting & Lighting Controls Worksheet Incentive Subtotal, page 4: \$

Lighting Worksheet continues on page 5.



2026 Energy Smart Commercial & Industrial Program Lighting Worksheet

Lighting & Lighting Controls Worksheet, continued

All lighting projects are required to comply with the IESNA recommended lighting levels or local code.

Interior Lighting - Non-High Bay Interior Lighting - Non-High Bay			
Incentives are eligible for replacement of interior linear fluorescent fixtures/retrofits. Incentive is \$0.08/kWh for LED. All new fixtures, retrofit kits, and lamps must be DLC. Linear LED tubes are NOT eligible for New Construction. Existing wattages used must come off of the Standard Wattage Table below. Use wattage listed on DLC sites for proposed fixture or lamps.			
Existing Fixture:		Watts/Fixture:	Quantity:
Proposed Fixture:		Watts/Fixture:	Quantity:
☐ Lamp-only replacement	Annual Operating Hours:		
Total:	Watts Saved:	kWh Saved:	Incentive:
Existing Fixture:		Watts/Fixture:	Quantity:
Proposed Fixture:		Watts/Fixture:	Quantity:
☐ Lamp-only replacement	Annual Operating Hours:		
Total:	Watts Saved:	kWh Saved:	Incentive:
Existing Fixture:		Watts/Fixture:	Quantity:
Proposed Fixture:		Watts/Fixture:	Quantity:
☐ Lamp-only replacement	Annual Operating Hours:		
Total:	Watts Saved:	kWh Saved:	Incentive:

Standard Wattage Tables

Standard Wattage Table		Existing 4 Foot Linear Fluorescent Fixtures						Existing U Lamp Fixtures		
Fixture	Wattage		T8 F32	T12 F40 34W Mag	T12 F48 40W Mag	T5 F28	T5 F54 HO		T8 FU32	T12 FU40
HID 50W	61	1 Lamp	30	43	51	33	59	1 Lamp	29	43
HID 70W	89	2 Lamp	59	72	82	63	117	2 Lamp	55	63
HID 100W	120	3 Lamp	88	115	133	96	179	3 Lamp	81	115
HID 150W	174	4 Lamp	115	144	164	126	234	Existing 2 Foot Fluorescent Fixture		
HID 175W	194	6 Lamp	162	216	266	192	351		T8 F17	T12 F20
HID 200W	230	8 Lamp	230	288	328	252	468	1 Lamp	18	25
HID 250W	290	10 Lamp	295	360	410	315	585	2 Lamp	33	50
HID 400W	455	12 Lamp	345	460	492	384	702	3 Lamp	47	71
HID 750W	850	Existing 8 Foot Linear Fluorescent Fixtures						4 Lamp	59	100
HID 1000W	1080		T12 Mag (60W lamp)	T12 Mag STD (75W lamp)	T12 Mag (95W lamp)	T12 HO Mag STD (110W lamp)				
		1 Lamp	75	-	112	-				
		2 Lamp	128	173	227	257				

Lighting & Lighting Controls Worksheet Incentive Subtotal, page 5: \$

Lighting Worksheet continues on page 6.



2026 Energy Smart Commercial & Industrial Program Lighting Worksheet

Lighting & Lighting Controls Worksheet, continued

All lighting projects are required to comply with the IESNA recommended lighting levels or local code.

Interior Lighting — All High Bay Lighting, 15 feet and above for ceiling height				
 Incentives are eligible for replacing High Bay Fixtures with interior High Bay LED fixture, retrofit kits or lamps. Incentive is \$0.30 per watt reduced. Incentive for DLC Premium fixtures or retrofit kits is \$0.40 per watt reduced. All new fixtures, retrofits or lamps must be DLC. Linear LED tubes are NOT eligible for New Construction. Existing wattages used must come off of the Standard Wattage Table on page 4. Use wattage listed on DLC sites for proposed fixture for lamps.				
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ Lamp-only replacement	☐ DLC Premium	Total:	Watts Saved:	Incentive:
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ Lamp-only replacement	☐ DLC Premium	Total:	Watts Saved:	Incentive:
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ Lamp-only replacement	☐ DLC Premium	Total:	Watts Saved:	Incentive:
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ Lamp-only replacement	☐ DLC Premium	Total:	Watts Saved:	Incentive:
Exterior Lighting				
 Incentives are eligible for the replacement or retrofit of an exterior fixture with LED fixture, retrofit kit or lamp which have a reduced input wattage of at least 40%. Incentives are per fixture and are based on the nominal lamp wattage of the original fixture. Incentive is for fixtures that operate more than 4 hours and less than 24 hours per day. Incentive is \$0.35 per watt reduced. Incentive for DLC Premium fixtures or retrofit kits is \$0.45 per watt reduced. Existing wattages must come off of the Standard Wattage Table on page 4. All new fixtures and retrofits must be DLC. Use wattage listed on DLC sites for proposed fixture or lamps.				
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ DLC Premium	Total:	Watts Saved:	Incentive:	
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ DLC Premium	Total:	Watts Saved:	Incentive:	
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ DLC Premium	Total:	Watts Saved:	Incentive:	
Existing Fixture:		Watts/Fixture:	Quantity:	
Proposed Fixture:		Watts/Fixture:	Quantity:	
☐ DLC Premium	Total:	Watts Saved:	Incentive:	

Lighting & Lighting Controls Worksheet Incentive Subtotal, page 6: \$

Lighting & Lighting Controls Worksheet Incentive TOTAL: \$



2026 Energy Smart Commercial & Industrial Program

Indoor Agriculture Worksheet

Indoor Agriculture Lighting

All lighting projects are required to comply with the IESNA recommended lighting levels or local code.

Annual Hours / Type*	Eligible for HVAC Reduction?	Watts/Fixture		Quantity		Total		
		Existing	Installed	Existing	Installed			
Incentives are eligible for installing energy efficient LED grow lights in either a new construction or retrofit application. All installed grow lights must be DLC-listed in Horticultural Lighting with a PPE (Photosynthetic Photon Efficacy) ≥ 1.9 mmol/J and a power factor ≥ 0.9. The incentive is \$0.70 per watt installed for new construction and \$0.70 per watt reduced for retrofit. Projects are eligible for an additional HVAC reduction incentive of \$0.15/watt reduced if space is mechanically-cooled year-round with no free cooling.								
LED Grow Lights - New Construction								
Flowering 4,000-5,999 hrs	☐ Yes ☐ No							
Flowering 4,000-5,999 hrs	☐ Yes ☐ No							
Vegetative $\geq 6,000$ hrs	☐ Yes ☐ No							
Vegetative $\geq 6,000$ hrs	☐ Yes ☐ No							
Seedling 24 hrs/7 days/wk	☐ Yes ☐ No							
Seedling 24 hrs/7 days/wk	☐ Yes ☐ No							
LED Grow Lights - Retrofit								
Flowering 4,000-5,999 hrs	☐ Yes ☐ No							
Flowering 4,000-5,999 hrs	☐ Yes ☐ No							
Vegetative $\geq 6,000$ hrs	☐ Yes ☐ No							
Vegetative $\geq 6,000$ hrs	☐ Yes ☐ No							
Seedling 24 hrs/7 days/wk	☐ Yes ☐ No							
Seedling 24 hrs/7 days/wk	☐ Yes ☐ No							

Space	Annual Operating Hour annual operating hours based*	Watts Reduced/Fixture	Quantity	Total
Incentives are eligible for dimming controls applied to LED Grow Lights in indoor agriculture facilities excluding greenhouses that operate year-round. Each grow room must be annual operating hours based depending on dedicated use of the room. If the room is a mixed use, the lower option should be selected. Proposed operation schedule must be provided for each unique grow room with an affidavit of proposed week by week dimming operation outlining the fixture output setting for each week and the average watts reduced. The incentive is \$0.50 per watt reduced.				
LED Grow Light Dimming Controls				
	☐ $\geq 4,000$ hours OR ☐ $\geq 6,000$ hours			
	☐ $\geq 4,000$ hours OR ☐ $\geq 6,000$ hours			
	☐ $\geq 4,000$ hours OR ☐ $\geq 6,000$ hours			

Measure	Pints/Day Capacity of Unit	Quantity	Total
Indoor Agriculture Dehumidification			
Incentives are eligible for dehumidification equipment serving indoor agriculture facilities excluding greenhouses that operate year-round. Eligible units may be ENERGY STAR portable units or purpose built dehumidification units. Purpose built units must be rated at 1.77 L/kWh for units ≤ 155 pints per day OR 2.41 L/kWh for units > 155 pints per day. The incentive is \$1/pint/day capacity.			
ENERGY STAR Portable Dehumidifier in Indoor Horticulture			
Purpose Built Dehumidification for Indoor Horticulture			

*Hours reference: 4,000 hours is equivalent to 12 hours per day. 6,000 annual hours is equivalent to 18 hours per day.

Indoor Agriculture Worksheet Incentive TOTAL: \$



2026 Energy Smart Commercial & Industrial Program

HVAC Worksheet

HVAC & HVAC Controls Worksheet

Measure	Specs	Quantity	\$ / Unit	Total	
C&I Efficient Electrification					
New heat pumps must replace an existing HVAC system that includes fossil fuel fired heating and electric air conditioning.					
Existing HVAC System Details		New HVAC System Details			
Fuel type: ☐ Natural Gas ☐ Propane ☐ Fuel Oil		Heating system capacity (MBh): _____ Cooling system capacity (tons): _____		Incentive rate is based on tons capacity of the newly installed air source heat pump system.	
Heating system type: ☐ Furnace ☐ Boiler		Heating efficiency rating: _____ Cooling efficiency rating: _____ ☐ AFUE ☐ Thermal Efficiency ☐ SEER ☐ SEER2 ☐ IEER			
Air-source heat pump, gas heat baseline	≤ 5.4 Tons	Split System: 15.2 SEER2 / 7.8 HSPF2 Packaged: 15.2 SEER2 / 7.1 HSPF2		\$300 / Ton	
	≤ 11.25 Tons	15.1 IEER, 3.5 COP		\$300 / Ton	
	≤ 20 Tons	14.3 IEER, 3.4 COP		\$300 / Ton	
	≤ 63.3 Tons	13.5 IEER, 3.3 COP		\$300 / Ton	

Measure	Heat Pump Specs	AC Specs	Quantity	\$ / Unit	Total
Packaged/Split System Replacement					
 Air Conditioner/ Air-Source Heat Pump ☐ Check here if system is a mini-split - tons based on outdoor unit	≤ 5.4 Tons	ENERGY STAR® qualified* Split: 15.2 SEER2 / 7.8 HSPF2 Package: 15.2 SEER2 / 6.7 HSPF2	*ENERGY STAR qualified* 15.2 SEER2	\$50 / Ton	
	≤ 11.25 Tons	15.1 IEER, 3.5 COP	17.8 IEER	\$50 / Ton	
	≤ 20 Tons	14.3 IEER, 3.4 COP	16.8 IEER	\$50 / Ton	
	≤ 63.3 Tons	13.5 IEER, 3.3 COP	15.5 IEER	\$50 / Ton	
	> 63.3 Tons	13.5 IEER, 3.3 COP	10.2 EER	\$50 / Ton	

Measure	Capacity	Specs	Quantity	\$ / Unit	Total
Packaged Terminal Heat Pump (PTHP)					
 New PTHP units that replace an existing PTHP or are new units where no previous HVAC in place.	< 7,000 Btu/hr 7,000 to 15,000 Btu/hr > 15,000 Btu/hr	13.1 EER / 3.6 COP 11.8 EER / 3.5 COP 10.5 EER / 3.4 COP	Must provide manufacturer and model of existing equipment. Image of nameplate preferred.	\$35 / unit	
Replacement of an existing PTAC unit with an efficient PTHP.	< 7,000 Btu/hr 7,000 to 15,000 Btu/hr > 15,000 Btu/hr	13.1 EER / 3.6 COP 11.8 EER / 3.5 COP 10.5 EER / 3.4 COP		\$100 / unit	

Measure	Sizes	FL Specs	IPLV Specs	Quantity	\$ / Unit	Total
HVAC Chiller Replacement						
Incentives are not available for back-up or redundant chillers. Qualification and incentive based on ratings at AHRI Conditions. Must meet full-load (FL) OR part-load (IPLV). If specifications are in EER, convert to kW/ton. (kW/ton = 12/EER)						
 Air-Cooled	All Sizes	≤ 1.14 kW/ton	≤ 0.71 kW/ton		\$40 / Ton	
 Water-Cooled Positive Displacement	≤ 150 Tons	≤ 0.69 kW/ton	≤ 0.46 kW/ton		\$40 / Ton	
	≤ 300 Tons	≤ 0.63 kW/ton	≤ 0.41 kW/ton		\$40 / Ton	
	> 300 and ≤ 600 Tons	≤ 0.58 kW/ton	≤ 0.38 kW/ton		\$40 / Ton	
 Water-Cooled Centrifugal	≤ 150 Tons	≤ 0.58 kW/ton	≤ 0.41 kW/ton		\$40 / Ton	
	≤ 300 Tons	≤ 0.58 kW/ton	≤ 0.37 kW/ton		\$40 / Ton	
	≤ 600 Tons	≤ 0.53 kW/ton	≤ 0.35 kW/ton		\$40 / Ton	

HVAC & HVAC Controls Worksheet Incentive Subtotal, page 8: \$

*In the event that the ENERGY STAR program is ended, the last effective ENERGY STAR specification should continue to be used through the 2026 program year.

HVAC & HVAC Controls Worksheet continues on page 9.



HVAC & HVAC Controls Worksheet, continued

Measure	Specs	Quantity	\$ / Unit	Total
Computer Room Air Conditioning (CRAC)				
	High Efficiency CRAC Unit ☐ Class 1 ☐ Class 2 ☐ Class 3	Air Cooled; min SCOP = 2.2	\$14 / MBH	
		Water Cooled; min SCOP = 2.51		
		Glycol Cooled; min SCOP = 2.08		
	CRAC Unit Economizer ☐ Class 1 ☐ Class 2 ☐ Class 3	Air Cooled Refrigerant Economizer	\$35 / MBH	
		Air Cooled Air Side Economizer		
		Glycol Cooled Glycol Economizer		
	VFD on Existing CRAC Unit Process Fans	☐ Class 1 ☐ Class 2 ☐ Class 3	\$150 / HP	
	Data Room Hot/Cold Aisle Configuration ☐ Class 1 ☐ Class 2	☐ Air Cooled ☐ Water Cooled ☐ Glycol Cooled Return Air Temp Increase ≥ 5°F	\$10 / MBH	
		☐ Air Cooled ☐ Water Cooled ☐ Glycol Cooled Return Air Temp Increase ≥ 10°F	\$20 / MBH	

Measure	Specs	Quantity	\$ / Unit	Total
Maintenance				
	Air-Cooled & Water-Cooled Chiller Tune-Up	Chiller must be ≥ 20 Tons. Eligible every 2 years.	\$5 / Ton	
	Cogged Belt Drive	Cogged belt replacing standard V-shaped belt.	\$5 / HP	
	Synchronous Belt Drive	Synchronous belt replacing standard V-shaped belt.	\$9 / HP	

Measure	HP	Quantity	\$ / Unit	Total
Variable Frequency Drives (VFD) - HVAC				
Drives must be added to existing pumping or air handling applications related to HVAC applications. VFDs must be automatically controlled by a variable signal and have load diversity that will result in savings through motor speed variation. To qualify for HVAC equipment the motor size must be ≤ 100 HP and annual hours must be ≥ 1800 hours. Redundant units, soft start, back-up units and replacements of existing VFDs do not qualify. See Manufacturing section for process options.				
	HVAC Fan ☐ Return ☐ Supply ☐ Tower ☐ Condenser		\$75 / HP	
	HVAC Fan - Fixed Frequency: ☐ 51-54 Hz ☐ < 50 Hz		\$75 / HP	
	HVAC Pump - Fixed Type: ☐ CHW ☐ CW ☐ HW Frequency: ☐ 51-54 Hz ☐ 51 Hz Control: ☐ Bypass ☐ Throttled		\$75 / HP	
	HVAC Pump ☐ CHW ☐ CW ☐ HW		\$75 / HP	
	ECM Pump < 100W ☐ Domestic Hot Water ☐ Heating Water ☐ Cooling Water		\$30 / HP	
	ECM Pump 100-500W ☐ Domestic Hot Water ☐ Heating Water ☐ Cooling Water		\$150 / HP	
	ECM Pump > 500W ☐ Domestic Hot Water ☐ Heating Water ☐ Cooling Water		\$500 / HP	

HVAC & HVAC Controls Worksheet Incentive Subtotal, page 9: \$

HVAC & HVAC Controls Worksheet continues on page 10.



2026 Energy Smart Commercial & Industrial Program

HVAC & HVAC Controls Worksheet, continued

Measure		Specs	Quantity	\$ / Unit	Total
HVAC Controls					
	Building Temperature Controls	Must control central AC and replace a non-programmable building management system. The new system must offer time of day controls and a minimum temperature setback of 8 degrees (heating/cooling).		\$45 / 1,000 sq. ft.	
	Occupancy Sensor Control for HVAC	Installation of new controls to an existing EMS system which automatically control the HVAC system based on occupancy sensors. Provide wiring schematic at the time of submitting pre-approval.		\$30 / 1,000 sq. ft.	
	Constant Volume AHU to VAV	Converting constant volume air handling system to a variable air volume. Must have reheat and supply at least four zones.		\$450 / 1,000 sq. ft.	
	Economizer	Available for air handling units supplying air conditioning which have none or inoperable economizer controls.		\$15 / ton	
	Critical Zone Supply Air Reset Control	Available for addition of critical zone reset (static pressure reset) controls to VAV system. Airflow at each VAV box must be monitored and adjust control sequences must be in accordance to ASHRAE 90.1.		\$35 / ton	
	Advanced Rooftop HVAC Control	For addition of enhanced ventilation control to single-zone packaged HVAC units or rooftops. Must include: advanced digital economizer control system, demand control ventilation and VSD supply fan.		\$80 / ton	
	Chilled Water Reset 5°F	Available for installing a chiller water reset to allow supply chilled water temperature to increase based by 5°F or 10°F based on either zone demand or outdoor air temperature. Provide reset schedule. Reset schedules with chillers in economizing mode do not qualify.		\$15 / ton	
	Chilled Water Reset 10°F			\$30 / ton	
	Optimized Chiller Plant Sequencing	Implementation of automated optimized chiller sequencing in existing chiller plants (2 or more chillers) where the existing chillers currently operate with stand-alone controls. Water-cooled plants must also control corresponding cooling towers and condenser water pumps.		\$4 / ton	
	Hotel GREM Controls – A/C with Electric Heat	For sensors which automatically control HVAC equipment. Incentive is for new controls only and is offered per room installed.		\$65 / Room	
	Hotel GREM Controls – A/C with Gas Heat			\$10 / Room	
Smart Thermostat					
	Smart Thermostats	Thermostat must be capable of two-way communication and leverage default scheduling with automatic variations based on external sensors and algorithms. May control only packaged or split systems, less than 10 tons. Must provide square footage of area controlled: _____		\$100/unit	

HVAC & HVAC Controls Worksheet Incentive Subtotal, page 10: \$

HVAC & HVAC Controls Worksheet Incentive TOTAL: \$



2026 Energy Smart Commercial & Industrial Program

Compressed Air Worksheet

Compressed Air & Industrial Worksheet

Measure		Specs	Quantity	\$ / Unit	Total
Compressed Air Equipment					
	VSD Air Compressor (< 301 HP)	Replacement of constant speed compressor with rotary screw compressor controlled by a VSD. Annual operating hours must be more than 2,000 hours. Not available for back up/redundant compressor.		\$150 / HP	
		Annual operation hours: ☐ 2,080 hrs/yr ☐ 4,160 hrs/yr ☐ 6,240 hrs/yr ☐ 24/7 Compressor System: ☐ Single ☐ Multiple			
	Variable Displacement Air Compressor (<50 HP)	New variable displacement screw compressor of at least 50 HP replacing a screw compressor with modulating or load/no load control. Annual operation hours ≥ 4,000 hours.		\$35 / HP	
	Two Stage Rotary Screw Air Compressor	New two-stage screw compressor of at least 50 HP. Annual operation hours ≥ 4,000 hours. Type: ☐ VSD ☐ Variable Displacement ☐ Load/No Load ☐ Inlet Modulation		\$20 / HP	
	Desiccant to Refrigerated Air Dryer	New externally heated or blower purge air dryer replacing a desiccant dryer. Dryers installed on inlet modulating compressors are not eligible.		\$4 / SCFM	
	Heat of Compression Air Dryer	Waste heat from oil-free air compressor used to regenerate desiccant dryer. System HP must be greater than 50.		\$4 / SCFM	
	Thermal Mass Air Dryer	Available for replacing a non-cycling refrigerated air dryer with a cycling refrigerated dryer of equal capacity.		\$2 / SCFM	
	Variable Speed Air Dryer			\$2 / SCFM	
	Refrigerated Cycling Digital Scroll Air Dryer			\$2 / SCFM	
	Dew-Point Sensor Control for Desiccant Dryer	Available for dewpoint sensor control as a retrofit or an option on a new dryer. Dryers installed on inlet modulating compressors are not eligible.		\$5 / SCFM	
	Compressed Air Storage Tank (If going from < 1 gal/cfm to > 5 gal/cfm, the < 1 to > 3 and < 3 to > 5 measures can be used concurrently. HP and gal/cfm used must be from the trim compressor. Only for screw compressor systems operating greater than 90 psig.	Existing: ≤ 1 gal/cfm to new ≥ 3 gal/cfm		\$50 / HP	
		Existing: ≤ 3 gal/cfm to new ≥ 5 gal/cfm		\$50 / HP	
		Existing: ≤ 5 gal/cfm to new ≥ 10 gal/cfm		\$30 / HP	
	Air Compressor Outside Air Intake	Ducted outside air must provide compressed air supply. Compressor must run at least 2,000 hours at 80 psig or greater.		\$8.50 / HP	
	Flow Controller	The actual air compressor discharge pressure set point must be reduced by 5 psig. Must be a minimum of 50 horsepower.		\$10 / HP	
	Engineered Nozzles	A new compressed air nozzle installed on an open pipe or tube. Usage must be greater than 1,000 hours.		\$150 / Nozzle	
	Low-Pressure Drop Air Filters for Compressed Air	New low pressure drop filter (PSID ≤ 1 initial differential) replacing a standard coalescing filter.		\$5 / HP	
	No-loss Drains – Compressed Air	Replacing manual or timer drains.		\$175 / Drain	

Compressed Air & Industrial Worksheet Incentive Subtotal, page 11: \$

Compressed Air & Industrial Worksheet continues on page 12.



2026 Energy Smart Commercial & Industrial Program

Compressed Air Worksheet

Compressed Air & Industrial Worksheet, continued

Measure	Description	Quantity	\$ / Unit	Total
Compressed Air Energy Audit and Leak Reduction				
Incentives are available for the repair of a minimum of 50% of leaks by CFM documented in a leak audit of a compressed air system which was performed by a qualified, independent contractor. Customer or contractor can repair the leaks. Pre-approval is required prior to repairing leaks.				
To qualify for pre-approval:				
Submit evidence of the compressed air audit leaks utilizing a spreadsheet detailing:				
☐ Date of inspection.				
☐ The leak locations.				
☐ Estimated size of leak by volume (SCFM).				
☐ Secure a tag at each leak location stating data above.				
To receive incentive payment:				
Submit payment form, invoice and evidence of the compressed air leaks utilizing a spreadsheet and notes on tags detailing:				
☐ Date of repair.				
☐ The leak locations.				
☐ Name of person who completed the repair.				
☐ Leave updated tags in place for up to 30 days or until post inspection is performed.				
Compressed Air Leak Audit AND Repair of 50% of Documented Leaks by Volume	☐ VSD ☐ Non-VSD		\$15 / HP	

Measure	HP	Quantity	\$ / Unit	Total
Variable Frequency Drives (VFD) - Process				
Drives must be added to existing pumping or air handling applications related to process applications. VFDs must be automatically controlled by a variable signal and have load diversity that will result in savings through motor speed variation. To qualify for Process equipment, motor size must be ≤ 50 HP and annual hours must be ≥ 2,000 hours. Redundant units, soft start, back-up units and replacements of existing VFDs do not qualify.				
Process Fan	If fixed speed complete these: Frequency: ☐ 51-54 Hz ☐ < 50 Hz		\$75 / HP	
Process Fan	If fixed speed complete these: Frequency: ☐ 51-54 Hz ☐ < 50 Hz		\$75 / HP	
Process Pump	If fixed speed also complete these: Frequency: ☐ 51-54 Hz ☐ < 50 Hz Control: ☐ Bypass ☐ Throttled		\$75 / HP	
Process Pump	If fixed speed also complete these: Frequency: ☐ 51-54 Hz ☐ < 50 Hz Control: ☐ Bypass ☐ Throttled		\$75 / HP	

Measure	Description	Quantity	\$ / Unit	Total
Plastics Industry				
	All-Electric replacing existing hydraulic or expanded capacity.		\$20 / metric ton	
	Hybrid (servo hydraulic) replacing existing hydraulic or expanded capacity.		\$20 / metric ton	
	New VSD hydraulic machine or VSD retrofit to existing hydraulic machine. 4,000 annual hours minimum.		\$50 / hp	
	Type: ☐ Constant ☐ Variable	Operational Hours: ☐ 1600-3000 hrs ☐ 3001-5000 hrs ☐ 5001-8760 hrs		
	Barrel Wrap Insulation	Available for insulated blanket installed around uninsulated barrels of extruders or injection molders.	\$100 / sq. ft.	

Measure	Description	Quantity	\$ / Unit	Total
General Industry				
3-Phase High Frequency Battery Charger	☐ 1 Shift ☐ 2 Shift ☐ 3 Shift		\$200/charger	

Compressed Air & Industrial Worksheet Incentive Subtotal, page 12: \$

Compressed Air & Industrial Worksheet Incentive TOTAL: \$



2026 Energy Smart Commercial & Industrial Program

Refrigeration Worksheet

Refrigeration Worksheet

Measure	Specs	Quantity	\$ / Unit	Total
Commercial Refrigeration Systems				
Floating Head Pressure Control	Available for systems without control. Controls must vary head pressure based on outdoor air temperature with at least 20°F variance must be achieved in milder weather. Capped at 50% of project cost.		\$125 / Ton	
Anti-Sweat Heater Controls	Controls which monitor relative humidity and turn off anti-sweat heaters when appropriate.		\$80 / Door	
No Heat Reach-In Case Doors	Replace existing case door with special glass door that requires no anti-sweat heat.		\$150 / Door	
LED Grocery Case Lighting	Replace T12 or T8 with DLC listed LED lighting in refrigerator or freezer cases.		\$40 / Door	
Occupancy Sensor for LED Case Lighting	Sensors which automatically turn on LED cooler lighting when motion is detected.		\$10 / Door	
Walk-In or Case Cooler/Freezer ECM	Replacement of PSC or shaded pole evaporator motors with an ECM motor. NC Eligible only if >1 HP		\$100 / Motor	
Evaporator Fan Motor Control	Available for walk-in units where fan(s) run continuously. Must lower air flow when there is no refrigerant flow through evaporator. Must be > 15 and < 40 cubic feet. Motor Type Controlled: ☐ Shaded-Pole ☐ PSC ☐ ECM		\$50 / Controller	
Evaporator Fan Motor Control with Demand Defrost – Cooler	Available for walk-in units where fan(s) run continuously and defrost is on a time clock.		\$4 / Ton	
Evaporator Fan Motor Control with Demand Defrost – Freezer			\$40 / Ton	
Cooler/Freezer Defrost Control	Refrigerator must be used in a commercial setting. Must be > 15 and < 40 cubic feet.		\$20 / Ton	
Cooler/Freezer Door Gaskets	Installation of new gaskets to reduce air infiltration on a cooler or freezer door.		\$9.00 / Linear Foot	
Cooler Night Covers	Vertical covers designed for refrigerated display cases. Incentive is based on linear length of cooler and the time per day covers are used.	Feet: _____ Hours/night: _____	\$1 / Foot / Hour	
Cooler Strip Curtains	Installation of new curtains isolating a cold storage area.		\$5 / ft2	
Freezer Strip Curtains	Installation of new curtains isolating a freezer storage area.		\$25 / ft2	
High Speed Door (Cooler-Dock)	High speed door replacing strip curtains between a cooler space and dock space.		\$15 / Door	
High Speed Door (Cooler-Freezer)	High speed door replacing strip curtains between a cooler space and freezer space.		\$70 / Door	
High Speed Door (Freezer-Dock)	High speed door replacing strip curtains between a freezer space and dock space.		\$145 / Door	
Recycling of Refrigerators	Refrigerator must be used in a commercial setting. Must be > 15 and < 40 cubic feet.		\$50 / Unit	

Refrigeration Worksheet Incentive TOTAL: \$



2026 Energy Smart Commercial & Industrial Program

Food Service, Computers and EV Worksheet

Food Service and Computers Worksheet

Measure	Specs	Product Information	Quantity	\$ / Unit	Total
Commercial Kitchen Systems					
ENERGY STAR® certified Refrigerator* Check one: ☐ Solid Door ☐ Glass Door ☐ Chef Base		_____ ft ³		\$100 / Unit	
ENERGY STAR certified Freezer* Check one: ☐ Solid Door ☐ Glass Door		_____ ft ³		\$100 / Unit	
ENERGY STAR certified Ice Machine*		lbs/day		\$400 / Unit	
ENERGY STAR certified Electric Steam Cooker*	3-pan	Unit		\$900 / Unit	
	4-pan	Unit		\$1000 / Unit	
	5-pan	Unit		\$1100 / Unit	
	6-pan	Unit		\$1200 / Unit	
ENERGY STAR certified Electric Fryer*				\$200 / Unit	
ENERGY STAR certified Hot Holding Cabinets*	Full	Unit		\$400 / Unit	
	3/4	Unit		\$300 / Unit	
	Half	Unit		\$200 / Unit	
ENERGY STAR certified Commercial Dishwasher*				\$600 / Unit	

Measure	Specs	Product Information	Quantity	\$ / Unit	Total
Computer Controls					
Network Power Management Software	New installation must allow centralized control at the server level of the power management settings (sleep mode and shutdown) of desktop computers on a distributed network and must report energy savings.			\$8 / PC controlled	

Food Service and Computers Worksheet Incentive TOTAL: \$

*In the event that the ENERGY STAR program is ended, the last effective ENERGY STAR specification should continue to be used through the 2026 program year.

Lighting and Lighting Controls	\$
Indoor Agriculture	\$
HVAC and HVAC Controls	\$
Compressed Air & Industrial	\$
Refrigeration	\$
Food Service and Computers	\$
All Worksheet Incentive TOTAL:	\$



2026 Energy Smart Commercial & Industrial Program

Terms and Conditions

Terms and Conditions

1. **Eligibility:** These incentives are offered by your Energy Smart utility to commercial and industrial electric customers installing energy efficient equipment only. For questions regarding eligibility, call 877-674-7281.
2. **Incentive Offer:** Energy efficient equipment subject to incentive from your Energy Smart utility must be installed and operational by Nov. 30, 2026. Applicant has 90 days from the date of the acceptance letter to complete the proposed project. Applications that are not completed within 90 days are subject to cancellation. Additionally, invoice(s) related to the equipment upgrade must be submitted to The Energy Smart Program within 30 calendar days of installation (completion) and no later than Nov. 30, 2026. Please keep a copy for your records. Incentives are calculated based on prescriptive incentive rates and shall not exceed the total cost of equipment, labor, and other associated project costs.
3. **Project Documentation Requirements:** Customer will have to provide your Energy Smart utility with the documentation as listed in the instructions (page 1). If Customer does not provide the required project documents to The Energy Smart Program at pre-approval and payment stages, the project may be disqualified from the program. The project may also be disqualified if pre-approval is not received, unless otherwise noted on the application.
4. **Energy Efficiency Improvement Qualifications:** Increased energy efficiency resulting from peak shaving, demand limiting, or operating schedule changes does not qualify. To qualify, lighting equipment must have a planned minimum usage of 1,800 hours per year. Non-lighting equipment must have a planned minimum usage of 1,500 hours per year. If Customer's equipment does not meet required usage hours per year, an incentive cannot be offered. If Customer has questions or concerns about above qualifications, Customer may contact The Energy Smart Program to discuss.
5. **Incentive Limit:** Prescriptive and Custom project applications may receive or cumulate a maximum of \$20,000 combined per customer name and/or business entity each calendar year. Incentive limit is subject to change without notice. Incentives for measures can be up to 100% for Prescriptive projects and 50% for Custom projects of the total project cost of a specific measure but shall not exceed the incentives set by your Energy Smart utility for each measure on the application Worksheet(s).
6. **Compliance:**
 - a. All projects must comply with applicable federal, state and local laws.
 - b. All equipment must be new or retrofitted with new components.
 - c. The purchase and installation of used equipment is not eligible for incentives. Existing equipment must be removed and/or permanently disconnected.
 - d. Equipment must meet specification requirements as defined in application Worksheets and Equipment Guidelines.
7. **Payment:** Approved Final Applications will receive payment within 8-10 weeks of signed payment approval. Incomplete applications will either delay payments or result in denial of application approval. Your Energy Smart utility reserves the right to refuse payment and disqualify Customer from participating in the program if the customer or their contractor violates any program Terms and Conditions. The qualified equipment must be installed and operating for the rated life of the product(s) or for a period of three (3) years from receipt of rebate, whichever is more. If the qualified equipment is removed or replaced with less efficient equipment, or if Customer ceases to be a customer of your Energy Smart utility during the three (3) years, Customer shall refund a prorated amount of rebate dollars based on the time installed within thirty (30) days of receipt of notice from your Energy Smart utility.
8. **Inspection:** Energy Smart staff may conduct inspection(s) of the project site to survey existing conditions and/or newly installed equipment.
9. **Publicity:** Your Energy Smart utility reserves the right to publicize Customer's participation in this program, unless Customer specifically requests in writing otherwise.
10. **Program Discretion:** Incentives are available on a first-come, first-served basis. Incentive amounts and offerings are subject to change and/or termination without notice and at the discretion of your Energy Smart utility.
11. **Disclaimers:** Your Energy Smart utility:
 - a. does not endorse any particular manufacturer, product, labor or system design by offering this program;
 - b. is not responsible for any tax liability imposed on the customer as a result of the payment of incentives. Your Energy Smart utility is tax exempt;
 - c. does not expressly or implicitly warrant the performance of installed equipment or contractor's quality of work (contact your contractor for detailed warranties);
 - d. is not responsible for the proper disposal/recycling of any waste generated as a result of this project;
 - e. is not liable for any damage caused by the installation of the equipment and/or for any damage caused by the malfunction of the installed equipment.
12. **Participating Trade Ally Program:** Participating Trade Allies must adhere to standards of acceptable behavior and performance. Violation of these standards could result in removal from the program. Should an alleged violation occur, the contractor will be contacted.
13. **Indemnification:** Customer shall, to the fullest extent permitted by law, indemnify and hold harmless your Energy Smart utility, and their officers, agents and employees harmless from and against all losses and litigation expenses arising out of or resulting from the performance of work hereunder and caused, in whole or part, by any act or omission of Contractor. Your Energy Smart utility shall further be entitled to all cost (which include both internal and external) incurred in the process of enforcing this or any other provision under this agreement. This provision is not intended and is not to be construed as a waiver of the defense of governmental immunity otherwise available nor is it construed as a waiver of the defense of governmental immunity otherwise available nor is it intended to grant third party beneficiary status to any person or entity.
14. **Governing Law:** This agreement is construed in accordance with Michigan law, without regard to conflict of laws, provisions, and venue is in the county in which the municipality resides.
15. **Intellectual Property:** No rights in copyright, patents, trademarks, trade secrets, or other intellectual property are granted to contractor and/or subcontractor except as expressly provided under these Terms. Contractor and/or subcontractor will not register or use any mark and/or internet domain name that contains any Energy Smart intellectual property.
16. **In the event that the ENERGY STAR program is ended, the last effective ENERGY STAR specification should continue to be used through 2026 program year.**

You can submit your
documents one of three ways...

URL www.mienergysmart.com
FAX 517-203-0658
EMAIL energysmart@franklinenergy.com