



## **Debunked: Five myths about energy-efficient lighting upgrades**

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If you're holding off on initiating an energy-efficient lighting upgrade in your facility for any of the reasons listed below, think again. Here are some popular misconceptions about lighting upgrades and why they're untrue:

**\* Paybacks on energy-efficient upgrades are too slow**

Thousands of companies nationwide have proven that lighting upgrades involving such technologies as energy-efficient lamps, ballasts, lighting controls, etc. can reduce lighting costs by 30-50% and total facility energy costs by up to 25%. Often paying themselves back in 2-3 years or less, these projects drive returns that typically exceed standard corporate capital hurdle rates and stand as some of the most financially attractive investments around.

**\* Most buildings are already energy-efficient**

If your facility is in the overwhelming majority of U.S. commercial structures that was built before 1990, its original construction could not have taken advantage of the tremendous advances in energy-efficient lighting that have occurred in the past 15-20 years. The average commercial facility is full of opportunities to replace outmoded lighting systems with more efficient technologies, such as T-8 fluorescent lamps, electronic ballasts, compact fluorescent lamps, LEDs, occupancy sensors, etc.

**\* Energy-efficient lighting upgrades require trade-offs in other areas**

The energy crisis of the 1970s left many with the belief that energy conservation equates to sacrifice -- in the form of reduced light levels, lower room temperatures, etc. But efficiency and comfort are no longer mutually exclusive, as some of the highest quality products on the market today are also some of the most efficient. For example, energy-efficient T-8 fluorescent lamps use higher-quality phosphors than less-efficient T-12 models, delivering better color rendering and better quality light than ever before!

**\* Facilities have to fund the cost of the upgrade themselves**

A variety of financing options are currently available to help subsidize the up-front cost of upgrades to facilities. In many cases, providers like utilities and energy service companies are so confident of the savings driven by lighting upgrades that they will finance the up-front costs of the project and recover the expenses out of the stream of savings generated. Many utilities offer product rebates or other financial incentives to encourage the use of energy-efficient lighting technologies, which further hastens payback periods and boosts returns on investment. States may also make grants and loans available to qualifying upgrade projects and facilities.

In addition, the landmark 2005 Energy Policy Act offers new federally-sponsored tax deductions to reward the use of qualifying energy-efficient lighting technologies installed in new construction and retrofit applications between January 1st, 2006 and December 31, 2008. Available on top of the

extremely attractive returns that lighting upgrades generate all on their own, these new tax deduction opportunities provide an even more compelling reason for end users to pursue an energy-efficient lighting upgrade today!

\* Savings projections are not reliable

A facility audit conducted by a knowledgeable and accredited service provider - such as a utility professional, energy service company, or qualified electrical distributor or contractor - should result in reliable projections and help insure desired or promised results. With these popular misconceptions dispelled, can your property afford not to pursue an energy-efficient lighting upgrade today?

For a free lighting upgrade guide, contact Susan Bloom at [susan.atc.bloom@philips.com](mailto:susan.atc.bloom@philips.com). For more information on EAct 2005 tax deduction opportunities, visit [www.lightingtaxdeduction.org](http://www.lightingtaxdeduction.org) or [www.energybillinfo.com](http://www.energybillinfo.com).

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