



Life without Con Ed funding

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Con Ed's funding for LED retro-fits will soon be winding down. While the economics of replacing fluorescent and incandescent lamps with LED can stand on its own merits, adding Con Ed's incentives to the equation makes the math more compelling.

Con Ed introduced their funding programs in 2014 with the objective of achieving a 600 MW reduction of electrical consumption by mid 2016. Their programs include incentives for lighting retro-fits ranging from 20% to 50% of project costs to promote energy efficient lighting projects.

Some examples:

1. Multifamily: 12 floors / 110 residential units. In this example, the LED retro-fit covers the lobby, upper floor corridors, basement and fire stairs. For this project, LED lamps will replace 470 incandescent lamps and 50 fluorescents. Because this retro-fit is heavily weighted toward the replacement of inefficient incandescent lighting, above average annual savings of \$16,500 will be achieved. These savings exceed the total LED lamp replacement cost totaling \$14,500, so this project will pay for itself in less than one year. Combining the Con Ed funding for this project with the \$16,500 savings, the payback period will be further reduced to under two months.

2. Commercial: Single floor facility with offices, classrooms, conference rooms and two gymnasiums. In this example there are outdated fluorescent fixtures throughout the facility along with additional examples of inefficient lighting, including sodium lamps in the gymnasiums. The scope of work for this project includes the removal of 150 old fluorescent ceiling fixtures followed by the installation of new LED replacement fixtures and the re-lamping of the remaining 100 fixtures. Annual savings of \$30,000 will be realized from this retro-fit. The total project cost is \$88,000, which includes the cost of the LED lamps, the newly installed LED ceiling fixtures along with associated installation costs. The payback based on the \$30,000 annual savings will be under three years. Combining the annual savings of \$30,000 with the Con Ed funding, the payback will be reduced to two years.

Multifamily properties with incandescent lighting should consider energy saving LED retro-fits which can be structured as virtual "no cost" projects with the help of a Con Ed marketing partner. For commercial projects, note that new fixtures can be incorporated, an opportunity to upgrade your property with Con Ed as your silent partner.

But even if you miss the Con Ed funding deadline, the payback math for a LED lighting project will still work.

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