

Energy Financial Incentives for Pennsylvania Businesses

Energy efficiency opportunities for businesses can range from energy management automation to building envelope measures to more efficient operations. There are a wide range of financial incentives available for businesses including for measures such as high efficiency variable speed drives, motors, lighting, compressed air, pumps, HVAC systems, and renewable energy. By taking advantage of financial incentives for energy efficiency, conservation, and renewable energy, businesses can become more competitive economically while improving the environment.

Act 129 Electric Company and Other Utility Energy Efficiency Programs and Rebates

The PA Public Utility Commission implements Act 129, which guides businesses and electric utilities toward achieving reduced energy consumption and peak electric demand. To find out more information about energy efficiency programs offered in your area, click on your electric distribution company below:

[Metropolitan Edison Company](#)

[West Penn Power](#)

[Pennsylvania Power Company](#)

[Pennsylvania Electric Company](#)

[Duquesne Light Company](#)

[PPL Electric](#)

[PECO Energy Company](#)

[UGI Utilities Inc.](#)

[Citizens Electric of Lewisburg](#)

Small Business Advantage Grant Program

The Small Business Advantage Grant (SBAG) is a program which provides 50 percent matching grants, up to a maximum of \$9,500, to enable a Pennsylvania small business to adopt or acquire energy efficiency or pollution prevention equipment or processes. Well-designed energy efficiency or pollution prevention projects can help small businesses cut costs and reduce the risk of regulatory issues, while simultaneously protecting the environment. For more information, click [SBAG](#).

Pollution Prevention Assistance Account (PPAA) Loan Program

PPAA provides 2% interest rate loans to Pennsylvania small businesses (100 or less full-time employees) undertaking projects that reduce waste, pollution or energy. Funding can be used for pollution prevention and energy efficiency projects that help small businesses comply with environmental regulations. The maximum loan amount is \$100,000 for 75% of the total eligible project cost within any 12-month period. For more information, click [PPAA Loan](#).

Pennsylvania Energy Development Authority (PEDA)

PEDA is an independent public financing authority whose mission is to incentivize clean, advanced energy projects in Pennsylvania. Projects that could potentially qualify for financial support from the Authority include: solar energy, wind, low-impact hydropower, geothermal, biomass, landfill gas, fuel cells, integrated gasification combined cycle, waste coal, coal-mine methane, and demand management measures. The authority can award grants, loans, and loan guarantees. For more information, click [PEDA](#).

Commonwealth Financing Authority (CFA)

CFA was established in 2004 as an independent agency of the Department of Community and Economic Development to administer Pennsylvania's economic stimulus packages. CFA can provide grants and loans for clean and alternative energy projects. Eligible projects may include high performance buildings and renewable energy development. For more information, click [CFA](#).

Alternative Fuels Incentive Grant Program (AFIG)

Alternative Fuel Incentive Grant projects promote and build markets for advanced, renewable and alternative fuels and transportation technologies. Pennsylvania provides grants to businesses, nonprofits, schools, and local governments for incremental costs related to purchase or retrofit of alternative fuel vehicles and biofuels; and deployment of infrastructure and the development of innovative technologies. For more information about the AFIG Program click [AFIG](#).

Environmental Education (EE) Grant Program

The Pennsylvania Department of Environmental Protection (DEP) offers grants for educational opportunities for projects ranging from creative, hands-on lessons for students, teacher training programs, and outdoor learning resources to conservation education for adults. Projects that include subjects such as sustainable living, Chesapeake Bay and watershed education, air quality, climate change, and energy education are eligible. For more information, click [EE Grants](#).

USDA Rural Energy for America Program (REAP)

Funding is available to assist agricultural producers and small business owners (in eligible rural areas, including most of Pennsylvania) in applying for resources to purchase and install renewable energy systems or make energy efficiency improvements. Eligible renewable energy systems include wind, solar, renewable biomass (including anaerobic digesters), small hydro-electric, and other renewable resources. For more information, click [REAP](#).

PA Green Energy Loan Fund (GELF)

GELF provides low-interest loan financing for energy efficiency retrofits and the installation of energy conservation measures and high-performance energy systems in buildings throughout Pennsylvania. GELF is managed by The Reinvestment Fund and is supported by DEP and the U.S. Department of Energy. For more information, click [GELF](#).

PA Sustainable Energy Funds (PA SEF)

PA SEF, through loans, investments, and grant programs, promote projects that improve the environment via the development and use of renewable energy and clean energy technologies, as well as implementation of energy conservation and efficiency, and support of sustainable energy business practices within each Electric Distribution Company service territories. For more information, click [PASEF](#).

Rebates for Energy Star Products

To encourage customers to buy energy efficient products, ENERGY STAR partners with sponsors to provide special incentive offers, such as sales tax exemptions, credits, or rebates on Energy Star certified products. Click [EnergyStar](#) and enter your zip code to see what incentive offers may be available in your area.

Federal Business Energy Investment Tax Credit (ITC)

For information about available tax credits which may be available for you when you purchase products such as: geothermal heat pumps, small wind turbines, solar energy, fuel cells, and other systems, click [ITC](#).

Plug-In Electric Drive Motor Vehicle Federal Tax Credit

A federal tax credit is available for the purchase of a new qualified plug-in electric drive motor vehicle that draws propulsion using a traction battery. Eligible vehicles must have a battery capacity of at least five kilowatt-hours (kWh), use an external source of energy to recharge the battery, have a gross vehicle weight rating of up to 14,000 pounds, and meet specified emission standards. For more information, click [MVTC](#) or call the U.S. Internal Revenue Service at 800-829-1040.

Database of State Incentives for Renewables and Efficiency (DSIRE)

Click [DSIRE](#) for a list of additional incentives that may not be included above.

For more information, visit www.dep.pa.gov.