

## Resources for Non-profits

As of 10/7/2023

Contact Coty Keller [wckeller@earthlink.net](mailto:wckeller@earthlink.net)

### Utility Programs and Rebates

**National Grid** [Home Energy Affordability Team \(HEAT\) Income-Eligible Program](#). *Low-income residential customers and houses of worship -energy-saving products and services **at no cost**, such as*

Programmable or Nest smart thermostats  
Low-flow faucet aerators and showerheads  
Attic insulation  
Weatherstripping  
Duct-sealing  
Air-sealing of leaks

Insulation Program administered by subcontractor [CLEAResult](#). Installation of insulation and weather stripping by [Econo Therm, Inc.](#)

#### **LIPA (PSEG) – two kinds of rebates**

1. Point-of-sale PSEG rebates of \$1000 for the electric high efficiency heat pump hot water heater, under the [Residential Appliance Rebate program](#).
2. PSEG offers rebates on heat pumps (as much as \$1,000- \$2000 per ton of heating for air and ground source -geothermal- heat pumps)

**Con Ed offers heat pump rebates for [residences](#) and [businesses](#).**

### NY State Programs

#### **Metro IAF, NYSERDA Subsidies**

New York State has created a coalition to help promote reduction in use of fossil fuels through conversion of buildings to electric energy (including use of heat pumps) from oil and gas use. They are soliciting houses of worship and other community institutions to serve as demonstration projects for clean, energy-efficient heating & cooling in New York State. The coalition includes [Metro Industrial Area Foundation \(IAF\)](#), and NY State Energy Research & Development Authority ([NYSERDA](#)).

Possible subsidies for houses of worship:

- Up to \$16,000 for planning, permitting, and contracting.

- Direct subsidy for energy savings, calculated by \$75 per million BTUs saved annually by the project. (As much as \$13,000 for St. James planned scope of work)
- Decommissioning expenses for removing fossil fuel equipment (gas boilers and hot water heaters) are funded in the \$5,000-\$10,000 range.

NYSERDA constraint: must be under contract by 3/30/2024

Contact: Joe Morris, Lead Organizer of the Metro IAF Clean Energy Initiative. 201-705-7988.  
Joe Morris [joemorris03@gmail.com](mailto:joemorris03@gmail.com)

### **NY State Tax Incentives**

While the state offers individuals and businesses tax breaks for the use of sustainable energy, non-profits don't pay taxes.

### **Community Solar**

St. James receives our electricity from a solar farm in Center Moriches operated by [Harvest Power](#) a 3<sup>rd</sup> party provider in the [Community Distributed Generation program](#).

We pay about 18 cents per kWh, which is about 25% less than PSEG's rate, and its generated by zero emission solar PV.

### **Federal Tax Incentives**

#### ***House of Worship Designer Tax incentives (179 D Deductions)***

The Energy Policy Act of 2005 (EPAAct) created potential tax savings for building owners or architects and engineers based on the use of energy-efficient improvements. The inflation Reduction Act of 2022 (IRA) gave a big boost to nonprofits, who were not able to benefit from a tax deduction. Now designers of energy systems in nonprofit buildings are allowed to claim the 179D deduction for qualifying projects.

The 179D Designer Tax Deduction was created as an incentive for designers to step up their designs to higher levels of efficiency. The IRS clearly respects those designers that are stamping drawings, for example. It was meant as a small tax deduction for the designer to ensure the building owner gets the benefit of lifelong energy savings.

The IRA increased the qualified deduction range, for projects that meet prevailing wage and apprenticeship standards, to between \$2.50 and \$5.00 per square foot, depending on the building's energy efficiency level. This translates to \$17,500 - \$35,000 for St. James if we assume our church and rectory total area is 7,000'sq.

If our contractors do not meet prevailing wage and apprenticeship requirements, the benefit dwindles to 50 cents to \$1 per square foot (\$3,500 to \$7,000 assuming a 7,000 'square area).

The house of worship deduction can be shared by any (for profit) member of the team with design input and capacity.

### **Alternative Energy – Direct Payment Tax Credits**

Regular homeowners and for profit businesses are eligible for tax credits towards their income tax. For example, if we were a tax paying entity we could get a [tax credit of 30% off the cost of a heat pump water heater](#), rooftop solar, heat pump HVAC, etc. But since St. James, as a non-profit organization, does not pay income tax, these sorts of tax credits are of no benefit to us.

Thanks to the Inflation Reduction Act, this 30% tax credit (+10% for a total of 40% if the product meets domestic content criteria) can be **directly paid to non-profits** for certain items like **solar PV, including batteries and ground source (geothermal) heat pumps** air-source heat pumps are not included, in Direct Pay). The payment we eventually receive will occur up to 15 months after the project is completed.

### **How much money can you get with the Inflation Reduction Act?**

- [Rewiring America Guide](#). Enter your household information to find out how much money you can get with the Inflation Reduction Act.
- [This Guide Can Help You Save Money and Fight Climate Change-](#) NY Times article by Nadja Popovich and Elena Shao.

[Return to Homepage](#)