



# **Energy Efficient Transformer Rebate Program**

The Office of Manufacturing and Energy Supply Chains (MESC) is providing rebates for energy efficient transformers. The rebate program aims to help qualified entities—such as certain domestic manufacturers, utilities, hospitals, schools, and other operators—replace qualified energy inefficient transformers with qualified energy efficient transformers. The application is free and MESC will solicit applications for rebates until the program deadline of December 8, 2023, or until funds are expended, whichever comes first.

#### **Incentivizing the Clean Energy Transition**

The total value of a rebate is based on the energy efficiency gain. It is equal to the difference in core losses between the inefficient transformer and the efficient transformer multiplied by \$2. For example, if the inefficient transformer had a core loss of 1,000 watts (W) and the replacement transformer has a core loss of 750 W, the rebate would be  $$2 \times (1,000 - 750) = $500$ . Applicants are *strongly* encouraged to apply for as many rebates as they qualify for, and there is no cap on the amount of funds a single entity may receive. Recipients should assume that rebates will be considered taxable income, and they will receive a 1099 Form.

## **Strengthening Supply Chains**

Acknowledging that current supply chain constraints potentially complicate the purchase and deployment of an energy efficient transformer before the program deadline, entities may apply for a rebate for a transformer that has yet to have been delivered or installed, provided they submit the purchase order, other required supporting documentation, and meet all requirements of the program. Rebates are also available for transformers installed prior to the launch of the program, so long as technical requirements are met, and all required documentation is submitted.

### What is an Efficient Transformer?

For the purposes of this rebate program, an energy efficient transformer is defined as any transformer that meets the definition provided in Sec. 1006(a)(1) of the Energy Act of 2020. This is different from, and should not be confused with, the Department's proposed 2022 Energy Conservation Standards for Distribution Transformers.

## **Connect with MESC**

Scan our QR code to visit MESC's Rebate Portal for more information.

Our team can be contacted at <u>DOERebates@icf.com</u> if you have any questions.

DOE's Office of Manufacturing and Energy Supply Chains website: <u>https://www.energy.gov/mesc/office-manufacturing-and-energy-supply-chains</u>



