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Lighting upgrades made easy: The path to energy savings

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According to the Department of Energy, nearly 90% of the estimated 5 million commercial, industrial, and institutional buildings in the U.S. were built prior to 1986, before the introduction of many of the energy-efficient lighting technologies which are often standard in today's new construction. A large majority of these buildings still contain outmoded lighting systems, which could readily be upgraded to achieve substantial energy and cost savings.

Lighting upgrades involving such readily-available products as energy-efficient lamps, ballasts, and lighting controls can routinely reduce lighting costs by 30-50% and pay themselves back within 2-3 years or less, an attractive proposition by most company standards. With lighting costs accounting for an estimated 30-40% of total energy usage in a typical commercial building, the pursuit of an energy-efficient lighting upgrade can help reduce total facility energy consumption and costs by as much as 20-25%.

And if these results didn't qualify lighting upgrades as extremely attractive investments all on their own, the availability of commercial tax deductions for eligible upgrades through the Federal government's 2005 Energy Policy Act provides an even more compelling reason to pursue an energy-efficient lighting upgrade in your facility today.

If you're overwhelmed by the prospect of undertaking a lighting upgrade within your facility, you needn't be, because conducting a lighting upgrade is easier than you may think. Following is an overview of the basic steps involved in conducting a lighting upgrade and getting on the road to energy and cost savings:

1) Get a general estimate of the potential savings in your facility: If you don't possess the in-house expertise, a local electrical distributor, energy service company (ESCO), or utility professional can give you a low or no-cost (and no-obligation) estimate of the savings opportunity in your facility.

2) Pursue a more detailed facility audit: Though not necessarily free of charge, a confirming audit will generally include a comprehensive itemization of the opportunity within your facility and the audit fee can often be applied towards the cost of the actual upgrade. A detailed audit proposal is a critical document, as it will typically outline the specific products involved, the cost outlay associated, the energy and cost savings achievable, and the terms of the project.

3) Decide how to finance the upgrade: Many financing options are available to fund an upgrade and, contrary to popular thinking, often do not rely on an up-front cash outlay by the facility. Energy service companies and utilities may offer shared savings plans (in which they are paid out of the facility's cost savings), and upgrade-related loans and leases are other options. In addition, many utilities offer cash rebates on energy-efficient lamps, ballasts, and controls to incentize end users to save energy. Such rebates can significantly speed up project payback periods and elevate returns on investment.

4) Complete the upgrade: A carefully-managed project conducted by skilled, accredited

professionals will help insure promised results and keep any facility disruptions to a minimum.
5) Enjoy the upgrades: Tens of thousands of other companies who have undertaken upgrades can verify that the savings are real and ongoing for the life of the lighting products. Facilities that have undertaken upgrades can also bask in the knowledge that they have contributed positively to the environment as well as enhanced facility ambiance and worker comfort levels.
Could your facility space and bottom line benefit from a lighting upgrade? Take the low-risk step of having a preliminary audit conducted in your facility and find out. The magnitude of the opportunity may surprise you!

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