





**January 12, 2010** 

## The American Clean Energy Leadership Act

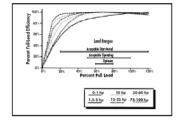
## Bill HR #4031 Provides for a \$700 Million Rebate Program on NEMA Premium Efficiency Motors

READING ELECTRIC, a leading supplier of electro-mechanical equipment and repair services for over 50 years, provides technical information to the region's Industrial and Commercial Community. This Bulletin is the second in the Technical Information Series providing information on the recently approved Premium Efficiency Motor Rebate Program.

A NEMA-Backed Motor Rebate Bill (also known as 'crush for credit') has been introduced in the House of Representatives as HR #4031. The bill includes recommendations from the National Electrical Manufacturers Association (NEMA), Rosslyn, VA. The bill has key provisions that establish a \$700 million rebate Program to purchase and install NEMA Premium efficiency electric motors; conduct a market assessment of electric motors, drives, controls, and recommendations on improving deployment of these technologies. The \$700 million legislative proposal creates a federal rebate program that will provide a \$25 per horse power rebate for the purchase of NEMA Premium energy-efficient motors. It also provides for a \$5 per horse power rebate for the proper disposal of the less efficient, non-NEMA Premium motor. Full details on the Program have not been released at this time.

To prepare for the pending roll-out of this Rebate Program, it is necessary to understand the 'true operating cost' of your motor(s) if an informed decision is to be made regarding repairing an existing motor or replacing it with a Premium Efficient Motor. For example, using motor nameplate efficiency rating information only does not guarantee energy savings.





A Motor Management Program is strongly recommended by all Industry Motor Users. A Motor Management Program is a set of ongoing procedures that help facilities effectively and efficiently manage their motor populations based on life-cycle costing and planning. Motor Management helps reduce downtime, decrease energy costs and improve productivity. A Motor Management Program is based on a set of simple "Processes". Individual processes can be included or excluded, implemented in any order, and mixed and matched to suit individual facility needs. They are:

- 1) Proactive Repair/Replace Decision-making
- 2) Purchasing Policies Based on Life-cycle Costing
- 3) Repair Policies based on Best Practice Repair
- 4) Spare Motor Inventory
- 5) Predictive and Preventive Maintenance Planning
- 6) Motor Survey and Tracking Program

By understanding true costs, planning ahead for motor failure, and ensuring the right motor is available when needed, companies significantly improve their bottom line. (Information contributed by MDM)

## **REMEMBER:** We offer 24 / 7 Repair Service.

For more information on Premium Efficiency Motors and Motor Management Programs, Contact Chris Bashore at READING ELECTRIC 80 Witman Road, Reading, Pennsylvania 19605. Phone: 610-929-5777; Fax: 610-929-1670; Visit our Website at www.readingelectric.com or email us for additional information at <a href="mailto:info@readingelectric.com">info@readingelectric.com</a> (TB585-011210)