



# KPS

## Energy Savings Incentive

### Overview of Energy Savings Incentive

The KPS Energy Savings Incentive is designed to incentivize school leaders to increase the energy efficiency of their schools, which will in turn reduce energy costs. As part of this program, schools can potentially earn an incentive at the end of the fiscal year for their successful efforts to reduce energy use. The incentive is based on how much a school reduces its energy consumption this year versus the year prior.

The baseline period for every school is the 12-month period of June 2014 through May 2015, which is compared to a final measurement period of June 2015 through May 2016. Total energy use is conveyed in kbtu--a common energy measurement that combines electricity and natural gas consumption. Schools will receive 20% of the energy costs saved for their building.

School administrators will receive monthly progress updates via email noting their building's progress and the amount of the incentive if the program was over at that time.

### Calculating Incentives

The incentive amount is based on reductions in energy consumption. The calculation compares weather normalized energy use of the final measurement period (June 2015 to May 2016) to the weather normalized energy use of the baseline period (June 2014 to May 2015). The difference is multiplied by the building's annual cost per kbtu from the baseline period. The incentive is 20% of the costs saved through reduced energy use. See the example below for reference.

Weather normalized kbtu baseline energy use (June '14 - May '15)	Weather normalized kbtu current energy use (June '15 - May '16)	Difference between baseline and current	\$/kbtu (baseline cost)	Dollars saved by decreased energy use	Incentive amount
2,500,000	2,250,000	250,000	\$0.02	\$5,000	\$1,000

### Weather Normalized kbtu

A Kilo British Thermal Unit (kbtu) is a measurement of the total amount of energy (electricity and natural gas) being used in a building. Using the EPA's Energy Star program, utility data is adjusted for abnormal weather events. Energy Star determines an abnormal weather event by using a 30 year "normal" baseline against which to track abnormal events. Energy consumption is then adjusted based on the correlation and the difference in the experienced weather and the 30-year "weather normal."

The data will always represent energy use over a twelve month period; it is the most accurate way to create weather normalized energy use. The measurement period will always show a rolling 12 month sum of energy use, which means that the measurement period and baseline months will overlap (to lessening degrees) until the incentive program is over.

### Adjustments

Adjustments were made to Buffalo Hills and Windy Hills for summer programming due to their alternating programming schedule. Similarly, adjustments were made to Buffalo Hills and Kenwood due to minor lighting issues that impacted energy consumption.

### Energy Savings Incentive & the Green Schools Challenge

The Green Schools Challenge focuses on working with building occupants to reduce energy waste. Thus, supporting the KPS Green Schools Challenge helps a school reduce energy consumption and increases the likelihood that a financial incentive will be earned via the Energy Savings Incentive. Ultimately, however, the two programs and their associated incentives are independent of one another.

The Green Schools Challenge webpage can be accessed by [clicking here](#).

### Improving Performance

Supporting the energy challenges of the [KPS Green Schools Challenge](#) is a great way to increase the likelihood of progress with the Energy Savings Initiative.

The [KPS Green Schools Initiative](#) webpage also provides a variety of resources to help increase energy efficiency and conservation, including:

- [KPS Energy, Waste, & Water Conservation Guidelines](#)
- [KPS Guide to Plug Load](#)
- [KPS Small Appliance Guidelines](#)