

Custom Distributed Generation Projects



Maine businesses, nonprofits, institutions and governments are eligible for funding for distributed generation projects through Efficiency Maine's Commercial and Industrial (C&I) Custom Program. Distributed generation projects are behind-the-meter generation projects that reduce the consumption of grid-supplied electricity and meet Efficiency Maine's cost-benefit analysis.

Combined heat & power (CHP) projects are the most common type of distributed generation project completed through the C&I Custom Program. For a list of previously awarded custom projects, [click here](#).

Eligible Projects

- A distributed generation project that reduces on-site electricity consumption from the grid.
- A distributed generation project must have an operating efficiency of 60% or greater.
- The project must result in kWh reductions of at least 36,000 kWh annually
- The project also must include a meter dedicated to providing 15-minute interval energy data to Efficiency Maine.

Ineligible Projects

- Projects that have a benefit-to-cost ratio less than 1, as per Efficiency Maine's Total Resource Cost test. For more information on how this requirement affects CHP projects, please review the [CHP Cost Effectiveness Guidelines](#).
- Projects that have a simple payback under one year (after factoring in the Efficiency Maine incentive).
- Projects that export electricity to the grid or to other customers
- Projects for which the customer (or its affiliate) has made binding commitments to proceed prior to the official award of funding under this Custom Program.
- Projects for customers that do not have an account with a Maine electric utility.
- Feasibility studies.
- Power quality, power factor, and power conditioning projects.
- Fundraising seed money for projects to be completed and funded subsequently.

Funding Overview:

- Funding levels will range from a minimum of \$10,000 to a maximum of \$1,000,000 per facility up to 50% of the total project costs.
- Projects of all sizes will require a formal [contract](#) with the Efficiency Maine Trust. [Click here](#) for further detail on these larger projects.
- Applicants must provide a minimum 50% cost share for the project.
- Incentive awards are capped based on the magnitude of the validated annual reduction in grid-supplied energy (kWh/year). Incentives will not exceed \$0.28 per kWh of validated annual reduction in grid-supplied energy.
- Efficiency Maine will consider new applications until the available program funding is exhausted.