

Arizona Industrial Resource Fact Sheet

Introduction

Arizona's economy is ranked 17th in the nation in terms of 2008 gross domestic product (GDP), generating \$249 billion annually. Industrial manufacturing is an important sector of Arizona's economy, providing the state with 74,482 jobs and supplying \$27,073 million worth of goods. In addition, the largest manufacturing sectors in the state are transportation and electronic equipment manufacturing. In 2006, Arizona's industrial sector ranked 33rd in the nation in terms of energy expended, accounting for 234.7 trillion British thermal units (Btu). The state's natural gas consumption totaled 18.7 trillion Btu, which was the 42nd highest in the nation in 2006. Furthermore, the industrial sector accounted for 7.5 million metric tons of carbon dioxide emissions, according to 2005 data.

Arizona has worked to address its energy consumption by focusing on expanding energy efficiency and renewable energy. The state government has created policies and legislation to encourage investments in energy efficiency that will help lower the state's carbon emissions. In 2006, Arizona published the Climate Change Action Plan that offered policy recommendations, such as establishing a statewide greenhouse-gas-reduction goal of achieving 2000 levels by 2020. In this plan, the Climate Change Advisory Group approved demand-side policies that offered the industrial sector opportunities to improve energy and reduce emissions. In addition to the action plan, Arizona's government created the Arizona's Administrative Code R14-2-213, which requires utilities to create energy-conservation plans that offer customers energy-efficiency programs. Additional resources that are available throughout the state are listed below.



Government Resources

State Government: The State of Arizona offers incentives to manufacturers for installing renewable-energy generation systems at their places of business. The Arizona Department of Commerce offers tax credits to businesses that install solar devices, including solar-water heaters and photovoltaic solar-generation systems. Also, all state property taxes are waived on solar devices.

City/Town Government: The City of Tucson will waive any fee for solar installation.

Utility Resources

Investor-Owned Utilities: There are a number of investor-owned utilities (IOUs) that offer incentives for businesses to become more energy efficient. The primary IOUs in Arizona—Unisource Energy Services, Southwest Gas Corporation, and Arizona Public Service (APS)—all offer nonresidential customers a multitude of energy-saving programs. APS, which provides service to 40 percent of the state's residents, anticipates adding 0.6 million customers over the next 16 years and has developed a portfolio of programs and incentives designed to ensure that there will be enough energy to meet future demands. APS's portfolio includes energy management and training tools, incentives for solar and generation devices, and additional custom rebate programs. Unisource Energy Services offers customers incentive payments for increasing solar day-lighting, installing solar-energy systems, natural-gas-saving equipment, and a host of other electric-saving devices. The utility also offers energy assessments. Southwest Gas Corporation's nonresidential customers are eligible for rebates on new, high-efficiency natural-gas equipment, combined heat and power systems, and industrial energy assessments.

Public Power Utilities: The Salt River Project (SRP) is the one of the largest public power providers in the nation, servicing the greater Phoenix area. SRP offers a number of money-saving programs, which are geared towards commercial and industrial customers. Cash rebates are available on high-efficiency air conditioners, lighting retrofits, window upgrades, and shade screens. The utility also offers retro-commissioning incentives and energy-analysis tools. Further south, Tucson Electric Power offers energy-efficient incentives for commercial and industrial customers in the Tucson area. Incentives are available for solar electric-generation devices, energy-analysis tools, day-lighting, and additional custom incentives.

Electric Cooperatives: There are a number of electric power cooperatives in Arizona that offer cash rebates and other incentives designed to improve industrial energy efficiency and incorporate renewables. For example, the Trico Electric Cooperative and the Sulphur Springs

Valley Cooperative (SSVC) offer energy-assessment tools. Additionally, both utilities offer incentives for installing solar electric-generation systems through their respective SunWatts programs. Furthermore, SSVC offers members low-interest loans and a heat-pump rebate program. Sierra Southwest Cooperative Inc. offers performance contracting; however, the rebate amount is dependent on observed energy savings. Similarly, Columbus Electric offers rebates on water heaters and electric thermal units, as well as free-of-cost energy audits for businesses. Mohave Electric Cooperative offers energy-efficiency consultations.

Regional Resources

Industrial Assessment Center (IAC): The San Diego State University Industrial Assessment Center, which is funded by the U.S. Department of Energy (DOE), provides small- and medium-sized manufacturing facilities no-cost energy assessments.

Combined Heat and Power Regional Application Center: The Intermountain Combined Heat and Power (CHP) Application Center was formed by DOE to increase adoption of CHP. This center provides end-users with project support and facilitations, education and outreach, and market assessment, along with added information on CHP, such as available financial incentives.

Local Resources

Manufacturing Extension Partnership (MEP): The Arizona Manufacturing Extension Partnership works with industry to make them more competitive and prosperous. This nonprofit provides manufacturers with services that include Enterprise Management, Performance-Based Training, and Supply Chain Management.

For More Information

DOE Industrial Technologies Program (ITP), <http://www1.eere.energy.gov/industry/index.html>

ITP Save Energy Now, <http://www1.eere.energy.gov/industry/saveenergynow/>

ITP State Activities Web site (Arizona), http://www1.eere.energy.gov/industry/states/state_activities_map_new.asp?stid=AZ

ITP State Incentives and Resources Database, http://www1.eere.energy.gov/industry/about/state_activities/incentive_search.asp

Energy Efficient Upgrades, <http://www.business.gov/expand/green-business/energy-efficiency/upgrades/office-equipment.html>

Arizona Department of Commerce, <http://www.azcommerce.com/Energy/>

Arizona Department of Revenue Bill 42-11054, <http://www.azleg.gov/FormatDocument.asp?inDoc=/ars/42/11054.htm&Title=42&DocType=ARS>

Arizona Corporation Commission, <http://www.cc.state.az.us/divisions/utilities/electric/Netmetering.asp>

City of Tucson Resolution No. 20193, <http://www.dsireusa.org/documents/Incentives/AZ26F.htm>

Unisource Energy Services, <http://uesaz.com/Business/>

Southwest Gas Corporation, <http://www.swgas.com/efficiency/az/combined.php>

Arizona Public Service, http://www.aps.com/aps_services/apsservicesb.html

Salt River Project, <http://www.srpnet.com/energy/powerwise/business/standardrebate.aspx>

Tucson Electric Power, <http://www.tep.com/Business/>

Columbus Electric, <http://www.columbusco-op.org/services/services.cfm>

Trico Electric Cooperative, http://www.trico.coop/key_accounts.html#

Sulphur Springs Valley Cooperative, <http://www.ssvco.org/programs/energy.php>

Sierra Southwest Cooperative Inc, <http://www.sierrasouthwest.coop/metadot/index.pl?iid=1861>

Mohave Electric Cooperative, <http://mohaveelectric.com/mec.energy.htm>

Contacts

Industrial Assessment Centers (IACs) for Region

San Diego State University

Director: Dr. Asfaw Beyene

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Web site: <http://www-rohan.sdsu.edu/dept/eadc/IAC/>

Manufacturing Extension Partnership (MEPs) in Arizona

Arizona Manufacturing Extension Partnership

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Phone: (480) 874-9100

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E-mail: director@arizanamep.org

Web site: <http://www.arizanamep.org>

Source: <http://blue.nist.gov/centers/AZ>

Regional Clean Energy Application Center Intermountain CHP Application Center

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Web site: <http://www.intermountainchp.org/>

Source: http://www.eere.energy.gov/de/chp/chp_applications/chp_application_centers.html

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Source: <http://www.eere.energy.gov/industry/about/contacts.html>

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www.eere.energy.gov/informationcenter