



THE TIME IS NOW!

Explore example scenarios of tax incentives expanded by the Inflation Reduction Act



Did
You
Know...

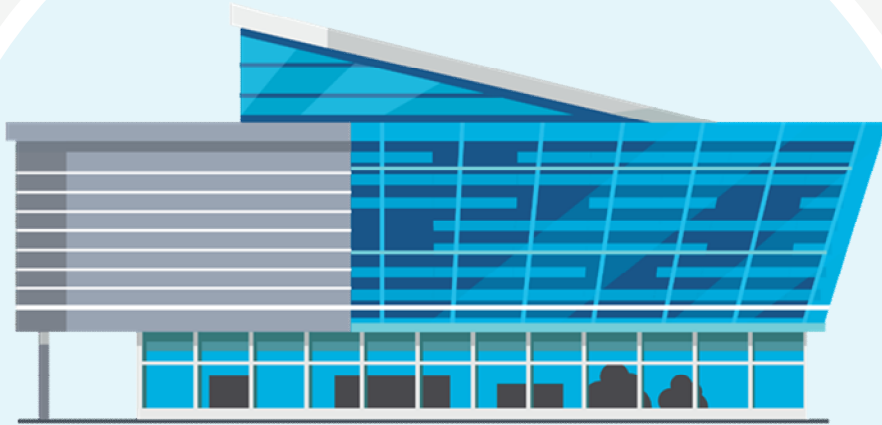
...it's now easier than ever
to fund a sustainability
or renewable energy
project for your building?



Federal tax incentives
expanded by the
Inflation Reduction Act (IRA)
mean a building resiliency &
sustainability project is more
affordable and attainable
than it's ever been.

PROJECT SCENARIO

Office Building in Miami, Florida



200,000 sq. ft. Office Building
Miami, FL

NOT in a Low-Income or Energy Community defined by the U.S. Department of Energy

Energy Community Tax Credit Bonus;
Low-Income Communities Bonus Credit Program

Project Costs	
Solar system install (on parking canopy structure)	\$2.8M ✓
Thermal energy storage system	\$1.2M ✓
Replacement AHUs	\$1M
Energy conservation measures	\$2M
3-year maintenance agreement	\$200K
Total	\$7.2M

Project Profile	
Est. Start Date	12/1/2023
Est. Completion Date	12/30/2024
Meets Prevailing Wage & Apprenticeship Requirements?	Yes
Meets Domestic Content Requirements?	No
Energy Efficiency Improvement	17%
Renewable Energy Generated	2MW Annually

Est. Tax Incentive Value	Eligible Incentives 48 ITC	~\$840K
---------------------------------	-------------------------------	---------

Est. Utility Incentive Value	+ additional incentives for solar generation	\$650K
-------------------------------------	--	--------

Final Potential Project Cost	(Tax Incentives Applied)	~\$5.76M
-------------------------------------	--------------------------	-----------------

✓ Eligible for a federal incentive

PROJECT SCENARIO

Warehouse in Toledo, Ohio



200,000 sq. ft. Warehouse
Toledo, OH (Lucas Co.)

In a Low-Income and Energy Community defined by the U.S. Department of Energy

Energy Community Tax Credit Bonus;
Low-Income Communities Bonus Credit Program

Project Costs	Solar system install (on parking canopy structure)	\$2.8M	✓
	Thermal energy storage system	\$1.2M	✓
	Replacement AHUs	\$1M	
	Energy conservation measures	\$2M	
	3-year maintenance agreement	\$200K	
	Total	\$7.2M	

Project Profile	Est. Start Date	2/30/2025
	Est. Completion Date	1/30/2026
	Meets Prevailing Wage & Apprenticeship Requirements?	Yes
	Meets Domestic Content Requirements?	No
	Energy Efficiency Improvement	17%
Renewable Energy Generated	2MW Annually	

Est. Tax Incentive Value	Eligible Incentives: 48E ITC, 48(e) bonus credit & accelerated depreciation	~\$1.5M in year 1
---------------------------------	---	-------------------

Est. Utility Incentive Value	N/A
-------------------------------------	-----

Final Potential Project Cost	(Tax Incentives Applied)	~\$5.7M
-------------------------------------	--------------------------	----------------

✓ Eligible for a federal incentive

PROJECT SCENARIO

Hospital in Savannah, Georgia



645,000 sq. ft. Not-for-Profit Hospital
Multiple Buildings
Savanna, GA (Chatham Co.)

In a Low-Income and Energy Community defined by the U.S. Department of Energy

Energy Community Tax Credit Bonus;
Low-Income Communities Bonus Credit Program

Project Costs	Solar system install	\$2M	✓
	Thermal energy storage system (cooling only)	\$1.5M	✓
	Steam production	\$400K	✓
	Heat recovery (direct water heating from chilled water production)	\$3M	✓
	Building controls replacement	\$3.2M	
	LED lighting	\$600K	
	All-electric heat pumps	\$500K	
	3-year maintenance agreement	\$800K	
	Total	\$12M	
Project Profile	Est. Start Date	2/15/2024	
	Est. Completion Date	3/15/2027	
	Meets Prevailing Wage & Apprenticeship Requirements?	Yes	
	Meets Domestic Content Requirements?	No	
	Energy Efficiency Improvement	28%	
Renewable Energy Generated	315,000 kWh Annually		
Est. Tax Incentive Value	Eligible Incentives: 48E ITC, 48(e) bonus credit & 179D deduction (allocated to developer)	~\$2.04M in year 1 (direct pay eligible)	
Est. Utility Incentive Value	+ additional incentives for solar generation	\$75K	
Final Potential Project Cost	(Tax Incentives Applied)	~\$9.89M	

PROJECT SCENARIO

K-12 School District



645,000 sq. ft. Public K-12 School District
Multiple Buildings
Spring Valley, NY(Ramapo Co.)

In a Low-Income Community
NOT an Energy Community defined by
the U.S. Department of Energy

Energy Community Tax Credit Bonus;
Low-Income Communities Bonus Credit Program

Project Costs	Limited solar system (behind the meter)	\$1M	✓
	Ground source heat pumps	\$4M	✓
	AHU replacements	\$3.5M	
	All-electric heating systems	\$2M	
	New building controls	\$3.5M	
	High-efficiency lighting retrofit (combo LED/non-LED)	\$2.5M	
	Airside renovation (new filters & insulation, air flow)	\$400K	
	3-year maintenance agreement	\$600K	
Total		\$17.5M	
Project Profile	Est. Start Date	12/15/2023	
	Est. Completion Date	9/15/2025	
	Meets Prevailing Wage & Apprenticeship Requirements?	Yes	
	Meets Domestic Content Requirements?	No	
	Energy Efficiency Improvement	21%	
Renewable Energy Generated	700,000 kWh Annually		
Est. Tax Incentive Value	Eligible Incentives: 48E ITC, 48(e) bonus credit	~\$1.1M in year 1 (direct pay eligible)	
Est. Utility Incentive Value		~\$3.8M	
Final Potential Project Cost	(Tax Incentives Applied)	~\$12.6M	



Never has your building
resiliency or sustainability
project been more
affordable or attainable.

ACT NOW!

Learn more at trane.com/incentives



© 2024 Trane. All Rights Reserved.

Reproduction, distribution, display, and use of the presentation without written permission of Trane is prohibited.

DISCLAIMER: Trane does not provide tax, legal, or accounting advice. This material is for informational purposes only and it should not be relied on for tax, legal, or accounting advice. Tax law is subject to continual change. All decisions are your responsibility, and you should consult your own tax, legal, and accounting advisors. Trane disclaims any responsibility for actions taken on the material presented.