

***The world is greening up...
You want to save energy and reduce costs...
We Can Unlock The Solutions!***

Upgrade Your Lighting System

- Lower utility bills
- Increase worker productivity
- Create a pleasing work environment
- Realize true tax savings
- Go "Green" and be eco-friendly

Using the latest design tools we will recommend a solid solution for your unique requirements. A new lighting system can actually pay for itself in just 12 to 24 months by virtue of the savings in the cost of energy when compared to your older, less efficient system. Even more savings can be realized by the use of state-of-the-art lighting controls. Available tax credits and utility company rebates can further reduce your payback period.

This brochure contains information about the various tax benefits, rebates and energy savings you can achieve with a new lighting system. And with available leasing options, a new system is well within your reach.

**To get the ball rolling, call your
Allen Electric sales rep today at:
734-421-9300**



Before Upgrade...



After Upgrade...



The Difference...

In this simple 1-for-1 replacement, 300 fixtures were changed out. This distribution center now saves 744 KW per 10 hour day. At 10¢ per KW, that's a \$74 savings per day.

The Benefits Are Clear...

A brightly lit workplace contributes to improved productivity, increased worker moral, higher levels of safety, reduced energy costs and increased profitability.

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Utility Rebate Programs

Michigan businesses can benefit from energy efficiency (optimization) programs offered by their local utilities. Customers can lower their energy use and lower their energy bills by taking advantage of incentives including both prescriptive and custom solutions.

Prescriptive rebates are available for lighting, high efficiency heating, ventilating and air conditioning, water heating, motors and other common energy efficiency measures. Custom rebates are available for high efficiency equipment and solutions not offered as prescriptive measures. These comprehensive commercial programs are available now and apply to your lighting upgrade.

All Michigan utilities are offering similar programs. They have been developed in accordance with Public Act 295 of 2008 (the "Clean, Renewable, and Efficient Energy Act"). These energy optimization programs are funded by a monthly surcharge that customers will be charged starting June 1, 2009. Business customers will see varying energy optimization surcharges based on their use of electricity and natural gas.

Federal Energy Tax Credits

The Federal Energy Policy Act of 2005 established energy efficiency tax credits. The majority of these tax credits were for 10% of the cost of investment, up to \$500. Amended in 2008 and 2009, these credits have been increased to 30%, up to \$1,500, and have been extended into 2010.

Additionally, a tax deduction of up to \$1.80 per square foot is available to owners or designers of new or existing commercial buildings that save at least 50% of the heating and cooling energy of a building that meets ASHRAE Standard 90.1-2001. Partial deductions of up to \$.60 per square foot can be taken for measures affecting any one of three building systems: the building envelope, lighting, or heating and cooling systems. These tax deductions are available for systems placed in service from January 1, 2006 through December 31, 2013.

Economic Stimulus and Section 179 Property

The federal economic stimulus package has increased the amount that small businesses may immediately deduct for capital expenditures under Section 179 to \$250,000. This deduction has been extended through December 31, 2009 and may be further extended. In the event you have exceeded your \$250,000 limit, you remain eligible for 50% bonus depreciation on the balance of your purchase.

Lighting equipment purchased from Allen Electric qualifies as Section 179 property regardless of whether you purchase outright, finance or lease. Depending upon your circumstances, you may be able to deduct up to the full purchase price from your gross income. Qualifying equipment must be placed into service prior to the end of 2009 (unless extended by Congress).

Check-Out The Great Tax Savings

Example #1		Example #2	
Equipment Cost:	\$300,000	Equipment Cost:	\$35,000
1st Year Write Off:	\$250,000	1st Year Write Off:	\$35,000
50% Bonus Depreciation on the excess value:	\$25,000	50% Bonus Depreciation on the excess value:	none
Normal Year-1 Depreciation:	\$5,000	Normal Year-1 Depreciation:	none
Total Year-1 Deduction:	\$280,000	Total Year-1 Deduction:	\$35,000
Tax Savings (Assuming 35% Tax Rate):	\$98,000	Tax Savings (Assuming 35% Tax Rate):	\$12,250
Cost of New Equipment		Cost of New Equipment	
After Tax Savings:	\$202,000	After Tax Savings:	\$22,750

Third Party Leasing Makes It Affordable

Benefits of Third Party Leasing Your Lighting Upgrade:

- Don't tie up your own capital
- Don't eat into your bank line of credit
- Add costs of installation into lease agreement
- Obtain utility company rebate (immediate cash payment)
- Obtain federal energy tax credits
- Qualify for IRS Section 179 deductions and/or Bonus Depreciation
- One-dollar buyout after 36, 48 or 60 months
- **Positive Impact On Monthly Cash Flow** ←
- **Monthly Payment Is Less Than Your Energy Savings** ←

Let Allen Electric Help You. We Can:

- Facilitate a third party lease
- Perform a lighting analysis comparing the operating cost and performance of your existing lighting system to a more up-to-date & efficient system
- Prepare paperwork for utility company rebates
- Prepare paperwork for energy tax credits
- Work with you and your contractor to consolidate financing into a single lease agreement

Contact Your Allen Sales Rep Today!

Actual costs, savings, tax and cash flow impact vary from job to job. You should always consult with your own tax advisor to determine how financial transactions and tax matters may apply to your own situation.

Committed To Quality.
An ISO 9001:2008 Registered Company



Unlocking Solutions For Energy Efficiency

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