

2026 Compressed Air Audit Program

Colorado: Commercial and Industrial Customers

Black Hills Energy is encouraging commercial and industrial facilities utilizing compressed air equipment to minimize energy use associated with these systems. The Compressed Air Audit Program helps customers address inefficiencies in compressed air systems by encouraging the repair of existing systems and purchase of efficient options for new and replacement systems.

The program has two components:

- ☐ **Prescriptive Rebates** are available for the most common high-efficiency options such as no-loss air drains, cycling dryers, mist eliminators, and dew point demand controls. Pre-approval is not required.
- ☐ **Compressed Air Study Rebates** are available for compressed air system studies to analyze the customer's compressed air system and identify opportunities to reduce leaks and redesign or replace system components. The customer must repair at least 50% of the air loss due to leaks as identified by the study. For 50 < 100 HP systems, incentives are 100% of study cost up to \$2,500. For systems \geq 100 HP, incentives are 75% up to \$15,000. The study must be pre-approved.

If the project does not fit the Compressed Air Audit Program criteria, you still may be eligible for a rebate under our Custom Program. Additional information can be found at www.energy-ready.com

Prescriptive Rebates

Available for the most common high-efficiency options as indicated in the table below. Pre-approval is not required for the installation of prescriptive measures.

Checklist

Determine eligibility and receive your rebate check faster by checking off these easy steps before submitting your application. Incomplete applications may delay payment.

- ☐ Determine if the project is eligible for a rebate (review Terms and Conditions and eligible measures)
- ☐ Complete the project installation

Customer Information

(To be completed by customer)

Account Number

(Located in upper right-hand corner of Black Hills Energy electric bill)

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Please check if you are a:

☐ Owner ☐ Lessee ☐ Developer

☐ Other _____

Business/Organization

Account Holder _____
(Please print)

Contact Person _____

Title _____

Telephone _____ Best time to call _____

Email _____

Address _____

City _____ State _____ ZIP _____

Payee Information

(If different than customer information above)

Company Name _____
(Please print)

Contact Person _____

Title _____

Telephone _____ Best time to call _____

Email _____

Address _____

City _____ State _____ ZIP _____

- ☐ Complete the application pages 1, 2, and 4
- ☐ Attach itemized invoice(s), including labor and date of install
- ☐ Attach equipment cut sheets for installed measures
- ☐ Sign and date the Customer Agreement
- ☐ Make and retain copies of all documents
- ☐ Submit application online or by mail

Get your study pre-approved faster by checking off these easy steps.

- ☐ Complete application pages 1, 3, and 4 (mandatory)
- ☐ Make and retain copies for your records
- ☐ Submit documentation by email or mail

PRESCRIPTIVE REBATES

Eligible Measure	Conditions and Requirements	Rebate
VFD Air Compressor	Rebate is based on drive motor's nameplate horsepower and available for compressors between 10 and 49 hp (all others must apply through the Custom Program). Air compressors must have a factory integrated variable speed drive. The existing (or proposed) operating compressed air system must be less than 50 hp.	\$1,000 per air compressor
No Air Loss Drain	The following equipment are ineligible for No Air Loss Drain rebates: manual or timed drains, level operated mechanical traps (float or inverted bucket), or electronically operated solenoid valves.	\$200 per drain
Cycling Dryer	Cycling refrigerated or variable speed cycling refrigerated dryers between 125 to 500 CFM. Non-cycling refrigerated or desiccant dryers are ineligible.	\$500 per dryer
Mist Eliminator	Mist eliminator must have at least 500 SCFM rating and minimum filter element life expectancy of 5 years.	\$1,500 per unit
Dew Point Demand Controls	Dew point demand controls for heatless desiccant dryers between 100 SCFM to 500 SCFM are eligible. Eligible equipment are controls that are being installed where no controls existed. Dryer must have dew point sensor to monitor dryer loading and control purge air.	\$1,500 per control system

Complete the table below for all equipment purchased and installed. If more measures than space allows are being applied for, please copy this form and attach with your application. Equipment must not be used as backup.

VFD AIR COMPRESSOR

Compressors must have a factory integrated variable speed drive. The existing (or proposed) operating compressed air system must be less than 50 HP (all others must apply through the Custom Program). Rebate is based on drive motor's nameplate horsepower.

Manufacturer	Model #	Quantity	Horsepower

NO LOSS AIR DRAIN

Manufacturer	Model #	Quantity

CYCLING DRYER

Manufacturer	Model #	Quantity	CFM

MIST ELIMINATOR

Manufacturer	Model #	Quantity	CFM

DEW POINT DEMAND CONTROLS

Manufacturer	Model #	Quantity	CFM

Compressed Air Study Rebates

A study will analyze the compressed air system and identify opportunities to reduce leaks and redesign or replace system components. The electric driven compressed air system must have a combined minimum of 50 HP (not including back-up). The customer must repair at least 50% of the air loss due to leaks or waste as identified by the study. **Studies must be pre-approved.**

Pre-approval Checklist

Get your study pre-approved faster by checking off these easy steps.

- ☐ Complete application pages 1, 3, and 4 (mandatory)
- ☐ Make and retain copies for your records
- ☐ Submit documentation by email or mail

Study Checklist

Determine your eligibility and receive your rebate check faster by checking off these easy steps before submitting your application. Incomplete applications may delay payment.

- ☐ Receive pre-approval prior to conducting the study (mandatory)
- ☐ Upon study completion, submit a copy of the report and invoice. The report must list leaks and associated CFMs for fixing the leaks.
- ☐ Submit an itemized listing of leaks repaired, how they were repaired, and associated material and labor costs
- ☐ Attach copy of pre-approval letter
- ☐ Make and retain copies of all documents
- ☐ Submit documentation by email or mail

STUDY REBATE	
Horsepower Level	Study Finding
50 HP < 100 HP	100% of study costs, up to \$2,500
≥100 HP	75% of study costs, up to \$15,000

Pre-Approval Study Description					
Total Installed Compressor System Horsepower (excluding backup):					
Estimated Operating Hours:		Total Cost of Proposal:			
Brief description of Compressed Air System process loads:					
Company Name:					
Contact Person:		Telephone:			
Address:	City:	State:	Zip:		
Email:					

Contractor Information

Company Name _____
(Please print)
Contact Person _____
Title _____
Company Address _____
City _____ State _____ ZIP _____
Telephone _____
Email _____
Permit Number (if applicable) _____

Contractor Certification

(To be completed by dealer/contractor/installer)

We certify that the indicated equipment was installed per the Terms and Conditions of this program at the address shown. All Terms and Conditions of the program have been met. We certify that all equipment information provided in the application is correct. Black Hills Energy reserves the right to inspect and verify any equipment before or after issuing rebates.

Signature _____
Date _____
Name (printed) _____

Study Provider Certification

(To be completed by study provider)

We certify that all Terms and Conditions of the program have been met and that the study will be performed in according to the scope. The study cost will not exceed the quoted price without additional notice to the customer and Black Hills Energy. Cost changes may impact study funding. Black Hills Energy reserves the right to inspect and verify any work completed before or after issuing rebates.

Signature _____
Date _____
Name (printed) _____

Customer Agreement

I certify that I have read and agree to the Terms and Conditions of the Black Hills Energy Compressed Air Audit Program.

Customer Signature _____
Date _____

FACILITY INFORMATION (MANDATORY)

(To be completed by dealer/contractor/installer) Complete new equipment information on back.

Type of Facility: ☐ New ☐ Existing ☐ Addition

Year Built _____ Square Footage _____

☐ Own ☐ Rent

Building Type:

☐ Office ☐ Retail ☐ Health Care ☐ Restaurant
☐ Education ☐ Lodging ☐ Grocery ☐ Warehouse
☐ Other (please specify) _____

Equipment Type: ☐ New ☐ Replacement

Heating Fuel Type: ☐ Natural Gas ☐ Electric

Cooling:

Central Air: ☐ Yes ☐ No
Approximate age of old unit _____

Chiller: ☐ Yes ☐ No
Approximate age of old unit _____

Unitary HVAC: ☐ Yes ☐ No
Approximate age of old unit _____

Water Heating Fuel: ☐ Natural Gas ☐ Electric ☐ Other
Approximate age of old unit _____

Where did you learn about our rebates?

☐ Bill insert ☐ Billboard ☐ Door Hanger ☐ Email
☐ Event ☐ Facebook ☐ Flyer ☐ Newspaper Article
☐ Print Ad ☐ Radio ☐ TV ☐ X (Twitter) ☐ Website
☐ Youtube Other (please specify) _____

Referral by: ☐ Evaluator ☐ Contractor/Dealer/Installer
☐ Friend/Family ☐ Other (please specify) _____

Email completed application and itemized invoices to:

blackhillscommercialrebatesco@support.clearesult.com

ADDITIONAL INFORMATION

For more information or to download additional applications visit energy-ready.com or call our toll-free help line at 719-309-0255.

Terms and Conditions

1. Participant must be a Black Hills Energy commercial or industrial electric customer located in Colorado.
2. Compressed Air Studies must be pre-approved before a study is performed.
3. For Prescriptive Rebates, Customer must purchase and install the new equipment prior to submitting a rebate application. Equipment cut sheets must be submitted along with the completed application.
4. A final itemized invoice for all equipment, materials and labor related to the installation must be attached to this rebate application. Applications must be completed in full. Incomplete or incorrect applications will delay processing and may be returned.
5. Projects and studies must be completed between January 1, 2026 and December 31, 2026. Applications for work done must be received by January 15, 2027.
6. All rebate applications are reviewed for cost-effectiveness and must pass the Black Hills Energy cost-effectiveness test.
7. Multiple rebate applications may be submitted. Each individual measure will be evaluated on its own merits.
8. Black Hills Energy reserves the right to adjust the rebate amounts based on final project costs as indicated on customer provided invoices.
9. Rebates calculated to exceed \$50,000 will be evaluated to determine whether the high rebate cost is beneficial to the program. Incentives are capped at one-third of the total program incentives per facility for a given program year, or as program budget allows.
10. New equipment must be installed on the premises and must not be purchased for resale. Used/refurbished/ repaired/rebuilt equipment does not qualify for this rebate.
11. This program is subject to regulatory rules and orders. Black Hills Energy reserves the right to change or to end any portion of this program without notice.
12. Black Hills Energy reserves the right to inspect and verify any equipment before or after the proposed project installation.

Post Installation Verification

An itemized invoice or sales receipt indicating date of installation, dealer/ contractor name, equipment manufacturer name and model number, quantity, and manufacturer equipment cut sheet must accompany the rebate application. Incomplete applications may be delayed. Black Hills Energy reserves the right to verify sales receipts, canceled checks, and installations.

Tax Information

Rebates may be subject to federal and/or state income tax reporting. Applicant is responsible for contacting a qualified tax advisor to determine tax liability. Black Hills Energy is not responsible for any tax consequences of the rebate program.

Additional Information

Funding for these rebates is limited. Applications will be processed on a first-come, first-serve basis. Additional information and assistance can be obtained by calling 719-309-0255 or visiting www.energy-ready.com

Disclaimer

Black Hills Energy does not guarantee that installation of equipment qualifying for rebates will result in reduced energy usage or demand, or in cost savings. The Customer will hold harmless Black Hills Energy and its officers, directors, shareholders, agents, employees, and representatives from all claims, liabilities, fines, interest, costs, expenses, and damages incurred by the Customer, for any damage, injury, death, loss or destruction of any kind to persons or property, to the extent the damage, injury, death, loss or destruction arises out of or is related to the conduct, negligence, willful misconduct, misrepresentation, breach of warranty or other breach of this rebate form on the part of Black Hills Energy.