Energy Star rebates bring long-absent business back to appliance stores

Retailers are hoping the newly enacted Energy Star rebate program does for appliance stores what the “Cash for Clunkers” campaign did for American auto dealers.

The state-run program, coordinated by Focus on Energy in cooperation with the American Recovery and Reinvestment Act, offers rebates of as much as $100 to customers who replace old appliances with new, energy-efficient models.

It began Jan. 1 in Wisconsin, and will continue until the state’s allocation of $4.5 million is expended. Nationwide, $300 million is available through the rebate offer.

For at least one business, the introduction of the rebates has had an immediate payback.
Biever Kissinger Maytag Home Appliance Center, 700 N. Wisconsin St. in Port Washington, held a one-day sale last week to mark the launch of the program in Wisconsin.

“We had a one-day sale to mark the start of the rebate program, and we were busy all day — despite the snowstorm,” said owner Jim Kissinger.

“We ended up selling 33 appliances that day. There have been months recently where we haven’t had 33 sales.”

Rebates are available for most Energy Star-rated appliances, including $100 for

qualifying washing machines, $75 for refrigerators, $50 for freezers and $25 for dishwashers.

Even greater savings are possible for heating and cooling equipment. Rebates of up to $2,000 are available for those putting in new solar hot-water systems, $200 for furnaces or boilers and $75 for central air conditioners or geothermal heat pumps.

Kissinger said the rationale for the program is the same, regardless of the equipment being replaced.

“The whole idea is to get the older, less-efficient appliances out of the system,” he said.

To ensure that happens, one of the requirements of the rebate program is for the customer to sign a form stating that the old appliance was disposed of — not just moved to the basement or garage.

There is no minimum age for the appliances being replaced, but even a few years can make a substantial difference in energy use.

For clothes washers, which Kissinger said are the biggest movers because of the rebates, the benefits of a change can be widespread.

The latest in washing machine technology, whether in a front-loading model or the updated version of the more conventional top-loading machine, can result in a significant reduction
the amount of water and energy used.

“Where older machines would use 40 gallons of water for each load of laundry, the new machines use 12 to 14 gallons a load. That means less water, which is expensive no matter
where you live, and less energy needed to heat that water,” Kissinger said.

“In every category, there are savings to be seen in switching to the new, front-loading machines. It is not an exaggeration to say those savings will be sufficient, in as little as one or two years, to pay for the drier.”

The Focus on Energy rebate form gives more detail on the energy-saving benefits

of new appliance technology. Because 90% of the energy consumed in washing a load of laundry comes from heating the water, the program notes, low-water-use machines are always more efficient than older models.

Energy savings can be just as dramatic with refrigerators, Kissinger said.

A 19-cubic-foot, energy-efficient model can run for a full year for $48, about the same cost as leaving a 75-watt light bulb on for that same period of time, Kissinger said.

The shot in business brought by the rebate program is welcomed by retailers.

“This economy has been tough on businesses like ours. Sales are down, largely because homes aren’t selling. When people don’t move or aren’t building new homes, they don’t need
as many appliances,” Kissinger said.

He said interest in the cash-back program has been strong, even before it was available in the state.

“We started getting calls in November when it was first mentioned. At that point, the state didn’t even know when they were going to offer it,” Kissinger said.

Jim Lindsey, manager of Sears Hardware and Appliance in Grafton, said the program has also been drawing customers to the store at 1715 Wisconsin Ave.

“It is hard to say what the impact of the program will be because it has only been in place since Jan. 1. The program is not as all-encompassing as some people thought it would be, but so far it has been going very well for us,” Lindsay said.

He said his staff has been busy in recent days, posting signs on the appliances from the eight manufacturers the chain carries, identifying which models qualify for the rebate
program.

Technical measurements of each product determine whether they qualify for the cash-back program.

Using Energy Star ratings, qualifying clothes washing machines must have a

modified energy factor of 2.2 or greater and a water factor of 4.5 or less.

Qualifying dishwashers must have a minimum energy factor of .75, a maximum kilowatt per year rating of 295 and a maximum rating of 4.25 gallons per cycle.

A complete list of qualifying appliances is available at focusonenergy.com/recovery.

Only homeowners qualify for the rebate program. Landlords and the owners of commercial properties are not eligible.

Cash-back checks are expected to take six to eight weeks to arrive in the mail.

Don Smith of Focus on Energy said money to fund the cash-back program is expected to last six to 12 months.

“The response has been good, but the factor we don’t have a predictor for is how aware the public is of the program,” Smith said.

“We have gotten a lot of calls, and we hear dealers are reporting getting a lot of traffic in their stores.”

PEGGY AND JIM KISSINGER of Biever Kissinger Maytag in Port Washington posed with two stacks of laundry to show how new washing machines are capable of cleaning twice the clothes with less energy consumption. Rebates of $100 are available on select clothes washers through Focus on Energy. Photo by Mark Jaeger