

No Cost Heat Pump Offers

Reference Guide for Community Partners

Updated January 2026

The new No-Cost Heat Pump Offer is designed to increase access to energy-efficient upgrades for historically underserved households by fully covering the cost of qualifying heat pump installations. This program builds upon the previous No-Cost Heat Pump Pilot. Offering incentives to ensure there is no-cost for the customer for ductless heat pumps, ducted heat pumps, and heat pump hot water heaters through a time and budget-limited program through **December 31, 2026**.

Target Audience: Pacific Power and Portland General Electric customers who:

- Meet income guidelines
- Live in existing single family structures: manufactured home or site built/stick built.

Offering Basics: Ductless Heat Pump (DHP), Ducted (Central) Heat Pump (HP), and Heat Pump Water Heater (HPWH) are offered to displace or replace existing electric appliances at no-cost to customers. No replacement or displacement of gas appliances.

- [Ductless Heat Pumps \(DHPs\)](#), or mini-splits, are a good choice for homes where ductwork does not exist. these have one or two indoor heads that blow heated/cooled air. One head is always installed in the main living space of the home, and sometimes a second can be installed in another room. A remote is used to adjust the settings.
- [Ducted Heat Pumps \(HPs\)](#) can replace an existing forced air furnace and A/C if present. They provide heated and cooled air for the duct work already in the home. A new thermostat will replace the existing thermostat.
- [Heat Pump Water Heaters \(HPWHs\)](#) are the most efficient form of water heating. They have a small heat pump built into the top of the water heater. They are slightly larger than electric tank water heaters and need plenty of airflow. In some circumstances new ventilation to the outside must be installed. These appliances are only recommended in locations where blowing cold air and making noise are acceptable

Partner Responsibilities

1. Verify customer eligibility and submit accurate applications.
2. Ensure projects meet program guidelines before submitting for approval.
3. Work with trade allies for installation.
4. Utilize co-funding sources where applicable.
5. Provide project final documentation on time.

Eligibility Requirements

1. Income Eligibility

- Households must be at or below 60% of the Oregon State Median Income (SMI) for 2025.
- Income eligibility is determined based on household size and gross annual income.

Household Size	Income Limit (Annual)
1	\$36,811
2	\$48,138

3	\$59,464
4	\$70,790
5	\$82,117
6	\$93,443
7	\$95,567
8	\$97,690
9	\$99,814
10	\$101,938
11	\$104,062
12	\$106,185
Each Additional Person Add	\$2,123

- ❖ **Recommendation:** Use the demographic information survey on [300CPF Form](#) to provide income and household size.

2. Site Eligibility

The home must be served by Portland General Electric (PGE) or Pacific Power.

Eligible property types:

- Single-family homes
- Manufactured homes

Eligible system types:

- Replacing electric resistance heating (e.g., baseboard, wall heaters, electric furnaces).
- Replacing an electric water heater with a heat pump water heater.
- Homes heated with non-utility fuels (wood, oil, propane, etc.) are now eligible for DHP.

Community Partner should verify if participant is enrolled in bill discount on the 300CPF under Energy Upgrade Considerations. Participants do not have to be enrolled to qualify for no-cost offers. It is highly recommended that the participant enrolls in bill discount to save more money on their energy bill.

Eligible Measures & Incentive Amounts

Offer	Description	Replacement Requirement	Incentive (up to)
Ductless Heat Pump (DHP)	DHP 1:1	Replacing electric resistant heating	\$5,800
	DHP 1:2	Replacing electric resistant heating	\$8,500
Ducted Heat Pump (HP)	HP in Site-built home	Replacing forced-air electric furnace	\$13,000
	HP in Manufactured home	Replacing forced-air electric furnace	\$11,500
Heat Pump Water Heater (HPWH)	HPWH with midstream	Replacing an electric water heater	\$3,700

**HPWH Midstream: Trade ally must indicate on invoice if they purchased a HPWH from a supplier. Energy Trust midstream incentives for HPWH are up to \$700.*

**Does not include multifamily incentives. For more information contact FSalazar@trccompanies.com*

Recommendation:

- ❖ Due to limited funding for no-cost offers, partners are strongly encouraged to apply other funding sources first then use no-cost funds to bridge the gap. This will help these funds serve as many customers as possible and support partners who do not yet have other funding sources to utilize.
 - a. If co-funding is unavailable, cost exceptions may be available on a case-by-case basis.

Application & Installation Process

Step 1: Conduct Home Energy Assessment

- Sites require a Home Energy Assessment (HEA).
- If needed, an Energy Trust trade ally can conduct an assessment for community partners.

Step 2: Determine Eligibility

- Verify household income by using income and household table on the customer demographic section of the 300CPF form. Income guidelines are also included below in the FAQ for reference.
- Confirm electric service provider (PGE or Pacific Power).
- Ensure the existing heating or water heating system qualifies for upgrade.
- Pre-approval is no longer required for no-cost heat pump projects. You may now submit projects for review to confirm eligibility prior to installation. Please be sure to understand the income-qualification requirements, incentive thresholds, and required data points. Projects that move forward with an installation that is not eligible will risk funds not being paid to installer.
 - Feel free to send projects ahead of review or to confirm eligibility with your Energy Trust relationship manager or support staff.

Step 3: Installation by Approved Contractor

- Community partners can work with contractors outside of Trade Ally network, however, Energy Trust cannot pay contractors directly unless they are part of the trade ally network and have signed a participation agreement.

Step 4: Project Completion & Payment

- Contractor completes installation and upgrades.
- Submit the 320CPF – Project Completion Form, indicate no-cost offer, and provide the amount of funding requesting. The HP Questionnaire form is no longer required.
- Submit contractor invoice to Energy Trust for payment.

Demographic Information: Why It Matters

As part of the No-Cost Heat Pump Offer and other CPF Incentives, it is helpful when demographic information is collected and tied to a project address via the 300CPF Form. This data helps us measure the success of the program, demonstrate its impact, and secure future funding to continue providing energy-efficient upgrades to communities in need.

We take data security and privacy very seriously. All demographic information is handled with strict data protection protocols, and is never shared in a way that could identify individual customers. Instead, it helps us understand at a high-level who we are reaching, identify potential gaps in service, and advocate for continued funding to support underserved communities.

By providing accurate demographic data, community partners play a critical role in strengthening the program and ensuring its long-term sustainability. We appreciate your partnership in making energy efficiency accessible to all.

Frequently Asked Questions (FAQ)

Q: What happens if the installation cost exceeds the cost cap?

A: Partners should first look for co-funding opportunities. If additional funds are needed, there may be cost exceptions available in situations where co-funding has been exhausted, and extra funds are needed to complete the upgrade.

Q: Can customers in gas-heated homes qualify?

A: No. The No-Cost Heat Pump Offer only applies to homes currently using electric resistance heating or electric water heaters.

Q: How do I submit applications and project documents?

A: All 300CPF and 320CPF forms should be submitted via the community partners queue at:

 communitypartners@energytrust.org

Q: What support is available for community partners?

A: Energy Trust provides:

- One-on-one technical assistance for incentivized equipment, project eligibility, applications submissions and more.
- Office hours for processing & eligibility questions.
- Training sessions & webinars to review program updates.

Q: What are the determining factors if someone will qualify for the No-Cost Offers?

A: There are three data points that community partners will need to provide to determine if a participant is eligible for the no-cost offers:

1. Household size
2. Income (60% state median income or below)
3. Primary heating

Other important considerations to report:

1. Bill Discount enrollment (300CPF under Energy Upgrade Considerations)
2. Existing condition of the primary heating (functional, poor function, or non-functional)

Q: What is required for a Energy Trust to reimburse for a project?

A: In addition to the three data points regarding the participant of the no-cost offer, community partners must submit the 300CPF form (that captures income and household size), the 320CPF, and invoice for in order to process reimbursement. Please verify that the existing systems are eligible for the offer: electric zonal heating, electric furnace, and electric water heater.

Q: What income thresholds are being used?

A: The No-Cost Heat Pump offer is currently using 60% State Median Income (SMI) as the income threshold. If household size exceeds more than 12 people add \$2,123 to \$106,185 for every person after 12. For households that exceed the income limit slightly, income exceptions may be available.

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Q: How will exceptions work with no preapproval being required anymore?

A: Do not proceed with the upgrade if you know the site will require an exception. Email the 300CPF with required information (income and household size) to communitypartners@energytrust.org with the title "Exception Request 1234 Main St." Please provide as much detail possible about the situation: primary heating, income, reason why exception is being requested, summary of the situation, energy bills, and etc.

Once an exception has been approved for the project, the community partner may move forward with the installation.

Please contact your account manager or cpfsupport@energytrust.org if you have any other questions.

Q: What can be included in estimate for the no-cost heat pump water heater offer?

A: The no-cost heat pump water heater offer can include a wide range of upgrades that are required for the installation:

- *HPWH ducting*
- *Breaker panel or other electrical improvements required for the HPWH unit*
- *Expansion tank*
- *Earthquake straps*
- *Condensation lines and pump*
- *Plumbing line extensions (if required)*
- *Other materials required for HPWH unit to properly function*