

No Cost Heat Pump Offers

Reference Guide for Community Partners

The No-Cost Heat Pump program offers exist to increase access to energy upgrades by creating a streamlined program for people historically underserved by Energy Trust. Energy Trust is offering no-cost incentives for ductless heat pumps, ducted heat pumps, and heat pump hot water heaters through a time and budget-limited program through **March 31st, 2025**. The target audience for this pilot project is as follows:

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

- Meet lower-income guidelines,
- Live in existing single family, manufactured, or small multifamily homes (4 units or less) and,
- Are experiencing high energy burden.

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. Homes heated with non-utility fuel (wood, oil, propane, etc) may be eligible.

- **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.
- **Central (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.

Please note:

- The electrical system of the home needs to be able to support the upgrade. The contractor performing the installation must make the final determination regarding the suitability of the existing electrical system.
- IF critical home repairs are necessary to allow installation or the customer to fully benefit from the upgrade, additional funds may be available on a case-by-case basis. Connect with your account manager to learn more.
- Funding for the No-Cost DHP is limited, refer to award letter to determine allocation for 2024.

Delivery Steps:

Pre-approval is required for all no-cost heat pump projects. Please do not initially promise your customer a no-cost project. Program staff will follow the steps below to determine eligibility for the Energy Trust No-Cost Heat Pump offers through Community Partner Funding.

1. **No-Cost Eligibility:** Customers should be asked to complete the [Heat Pump Questionnaire](http://www.energytrust.org/dhpquestionnaire) (www.energytrust.org/dhpquestionnaire) to provide information on their income and how they navigate their energy bills.
 - a. **Customer Eligibility:** Customer must indicate their income is below 60% State Median Income (SMI) AND they are experiencing high energy burden to qualify for this offer.
 - b. **Site Eligibility:** Upgrades must displace or replace existing electric resistance heat and the home must be served by Portland General Electric or Pacific Power.
 - c. Customers are considered to be experiencing high energy burden if they ever have any of the following experiences: struggle to pay utility bills, turn off heating or cooling to avoid high bills, struggle to pay for other necessities, have excessive non-utility energy costs, or experience increased medical costs due to heat or wildfire.

2. **Home Energy Assessment:** If the customer meets customer eligibility requirements in the Heat Pump Questionnaire, program staff will complete or arrange for a visit to the customer's home to verify site eligibility and perform a home energy assessment.
 - a. Once eligibility has been confirmed for the customer and their home, program staff will request a project bid from the selected contractor.
 - b. Contractors are welcome to refer projects to Community Partner Funding, assuming customers meet program requirements.
 - c. Site Condition: The electrical system must be capable of supporting the new appliance, as determined by the installation contractor. If critical home repairs are necessary for health and safety or to allow for the No-Cost upgrades, funds can be requested but are not guaranteed.
3. **Energy Trust Pre-approval:** **Before the upgrade is installed**, contractors will receive Energy Trust project pre-approval. Submit 300CPF form, 300HPQ, and estimate to community partners queue at communitypartners@energytrust.org
 - a. IF program staff discussed additional incentives, like insulation, or critical home repairs with the customer, they will have the opportunity to provide input on contractor proposals and approval for any work beyond the no-cost upgrades.
4. **Incentive Payment:** After the installation, the contractor or community partner will submit the invoice to Energy Trust for payment. Contractors are required to show \$0 billed to the customer for all no-cost work.

For additional information about No-Cost Heat Pump Projects, **please contact** communitypartners@energytrust.org.

Table 1: No-Cost Income Guidelines – 2023 Oregon 60% State Median Income

Household Size	Annual Gross Income*	Monthly Gross Income*
1	\$31,266	\$2,605.60
2	\$40,886	\$3,407.17
3	\$50,506	\$4,208.83
4	\$60,126	\$5,010.50
5	\$69,747	\$5,812.25
6	\$79,367	\$6,613.92
7	\$81,171	\$6,764.25
8	\$82,974	\$6,914.50
9	\$84,778	\$7,064.83
10	\$86,582	\$7,215.17
11	\$88,386	\$7,365.50
12	\$90,189	\$7,515.75
Each Additional Member	\$1,803	\$150.25

Table 2: No-Cost HP Incentives

Project Type	Installation Type	Project Incentive
No-Cost Ductless Heat Pump	1:1 DHP	Up to \$4,800
	2:1 DHP	Up to \$7,200
No-Cost Ducted Heat Pump	Manufactured homes	Up to \$9,500
	Site-built single family homes	Up to \$13,000
No-Cost Heat Pump Water Heater	All installation conditions. <i>Complex installs may be over cost maximum.</i>	Up to \$3,000

If the proposed project cost exceeds the threshold:

- 1) Determine if the participating organization can provide additional co-funding to cover the remaining costs above the incentive.
- 2) If not, exceptions may be available for the incentive to cover a slightly higher cost above the project incentive. Please reach out to your Energy Trust account manager to discuss this on a per-project basis.

