

Trade Ally Forum

Session Name: Residential Updates

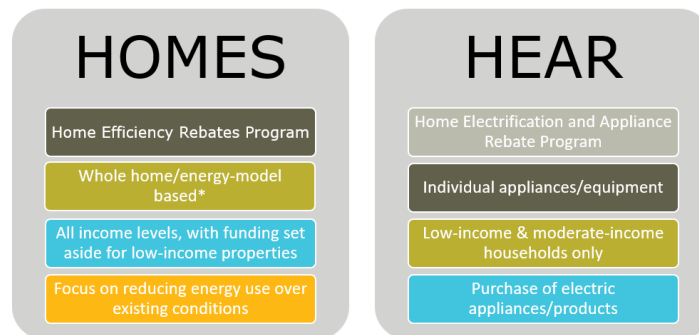
Session Summary:

Residential Updates

- Starting on January 1, 2026, the Residential program began using 2025 CEE Tier 1 Path A criteria to determine eligibility for extended capacity heat pump (ECHP) incentives.
 - 2025 CEE Tier 1 Path A criteria:

SEER2	EER2	HSPF2	COP at 5°F	Capacity Ratio
≥16.0	≥9.8	≥8.5	≥1.75	≥60% at 5°F/47°F

- Starting on June 1, 2026, the Residential program began using Area Median Income (AMI) for income-qualified programs. Program previously used State Median Income (SMI).
 - This change to AMI increases overall number of eligible customers by an estimated 21%.
 - Aligns with other income-qualified programs, including HOMES and HEAR.
- Two new financial incentive programs, HOMES and HEAR, are soon launching through the Inflation Reduction Act's distribution of funds to the Oregon Department of Energy (ODOE).



- In July 2026, the Residential program launched a new application status visibility tool, for both customers and Trade Allies to check the real-time status of an incentive application.



Program Trends

- Energy Trust is seeing increases in installations of heat pumps, gas furnaces, and insulation.

Training

- As of September 10, the program has completed 35 virtual trainings and 16 in-person trainings.
- Building Science Principles trainings are offered once per quarter to offer continuous access to training for new hires.
- Quarterly offering of the Specifications Manual training in Spanish.

- Beginning in 2027, Specifications Manual training will be required annually for all Trade Allies.

2027 Incentive Changes

Measure	Program	State
Gas Furnace	Residential	OR + WA
New requirements for a site to be eligible for the SWR and Rental Gas Furnace measure. If a gas furnace is being replaced, then the existing gas furnace must be a <u>non-condensing gas furnace</u>. Projects replacing an existing condensing gas furnace will not be allowed. Application documents will be updated to include additional requirement changes and must include a photo showing the existing furnace venting before the system was replaced. Energy Trust will no longer disallow the installation of a heat pump when the gas furnace is being replaced. New application questions will ask for details about cooling systems installed as part of the furnace project, if applicable.		

Measure	Program	State
Tankless Gas Water Heater	Residential	OR + WA
The program will increase the incentive for Tankless gas water heaters from \$400 to \$900 effective January 1, 2027. Tankless gas water heater installations where the gas line has been upgraded are now allowable for Oregon.		

2027 Discontinued Incentives

Measure	Incentive	State
Gas Fireplace	\$150-\$250	OR + WA
Qualifying systems must be installed by December 31, 2026 to receive an incentive.		

Quality Assurance Information & Common Corrective Actions

- Installations that are eligible for Energy Trust incentives must follow the steps outlined in the Residential Specifications Manual  
- The Residential program increased inspection rates and targets this year.
- Any project that is inspected and results in corrective actions needed to meet the installation requirements listed in the Specifications Manual will have the incentive payment withheld until the corrective actions are completed.
- Common corrective actions include:
 - Improper lockout controls for ducted heat pumps.
 - Smart thermostats not connected to Wi-Fi or do not have an outdoor temperature sensor installed.
 - Bath and kitchen exhaust ducts not properly vented.
 - Line set penetrations through building/crawl envelope not sealed.
- Most common quality assurance disqualification:
 - Ductless heat pumps due to not replacing electric resistance heat or being installed in non-primary areas of the home.

Make sure to visit the Energy Trust of Oregon Insider page for incentive information, contractor resources, and program updates:

