



## Residential 2026 Program Updates

# Objectives

Learn about recent and upcoming changes to Residential

Provide overview of trainings

Discuss market trends by measure

Identify major 2027 incentive changes

Provide incentive processing and quality assurance overview

# Residential Updates

## Transition to Area Median Income Eligibility

- On June 1st 2026, **Energy Trust started using Area Median Income (AMI) for income-qualified programs**. AMI is determined by county-level income data whereas the previous income metric was determined by state-level income data.

*Previous (before June 1)*

**Low income:  $\leq 60\%$  SMI**  
**Moderate Income:  $\leq 120\%$  SMI**



*New (since June 1)*

**Low income:  $\leq 80\%$  AMI**  
**Moderate Income:  $\leq 150\%$  AMI**

**Income-qualified offers will continue using self-attestation. Offers that are impacted by this change include:**

- Savings within Reach
- Manufactured Home Replacement
- Community Partner Funding
- In-Home Energy Services

## Why transition to Area Median Income (AMI)

- **Increased equitable access:**

- AMI is calculated by county, better reflects economic conditions that vary across the state.
- AMI increases overall number of eligible customers by an estimated 21%

- **Streamlined delivery with other income-qualified programs:**

- HOMES & HEAR programs
- Energy Friendly Homes use AMI thresholds
- Simplified navigation for customers & trade allies and will reduce admin work for all

# ECHP Qualification Change - CEE Tier 1 Path A

- On January 1st 2026, Energy Trust began using the 2025 Consortium for Energy Efficiency (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 |



- This change was made to align with an existing industry standard and uses efficiency criteria that manufacturers were tailoring equipment to, as CEE Tier 1 Path A was also used for federal tax credit eligibility.
- An ECHP System Qualifiers document was published to the Energy Trust website earlier in the year, which goes through the process of checking an AHRI listing to determine if a model meets 2025 CEE Tier 1 Path A criteria. This document is linked through the QR code above.

## ECHP Qualification Change - CEE Tier 1 Path A

- Please note that CEE released a 2026 version of the CEE Tier 1 Path A criteria, which is now represented by the CEE Tier field listed in AHRI.
- It's important to know that this CEE Tier field in AHRI represents whether a model meets the **2026 version** of CEE Tier 1 Path A, **not the 2025 version** which is used for Energy Trust's ECHP incentives. This means an ECHP might still qualify for the incentive even if this field is blank in AHRI, as it will be eligible if it meets the 2025 CEE Tier 1 Path A criteria.
- Additionally, if an ECHP model does have CEE Tier 1 Path A listed in AHRI, then it will qualify, as any ECHP that meets the 2026 version of CEE Tier 1 Path A inherently meets the 2025 version. This is due to the 2026 version of CEE Tier 1 Path A being more stringent than the 2025 version.

## ECHP Qualification Change - CEE Tier 1 Path A

- **ECHP replacing an electric furnace:**

- At the end of 2025, the incentive for ECHPs replacing electric furnaces was sunset. **However, these projects are still eligible for an Energy Trust incentive**, but should be submitted as a ducted HP incentive. Ducted HPs have a lower HSPF2 requirement than ECHPs, so any qualifying ECHP qualifies as a ducted HP.
- The ducted HP incentives for projects installed in rental properties, attached residential properties, and through Savings Within Reach also include a higher incentive amount compared to their ECHP counterparts - \$3,000 for ducted HPs for these project types vs \$2,000 for ECHPs.

# Oregon Home Energy Rebate Programs: HOMES/HEAR

Two new financial incentive programs through the Inflation Reduction Act's distribution of funds to the Oregon Department of Energy (ODOE)

- Available for existing single-family and multifamily households

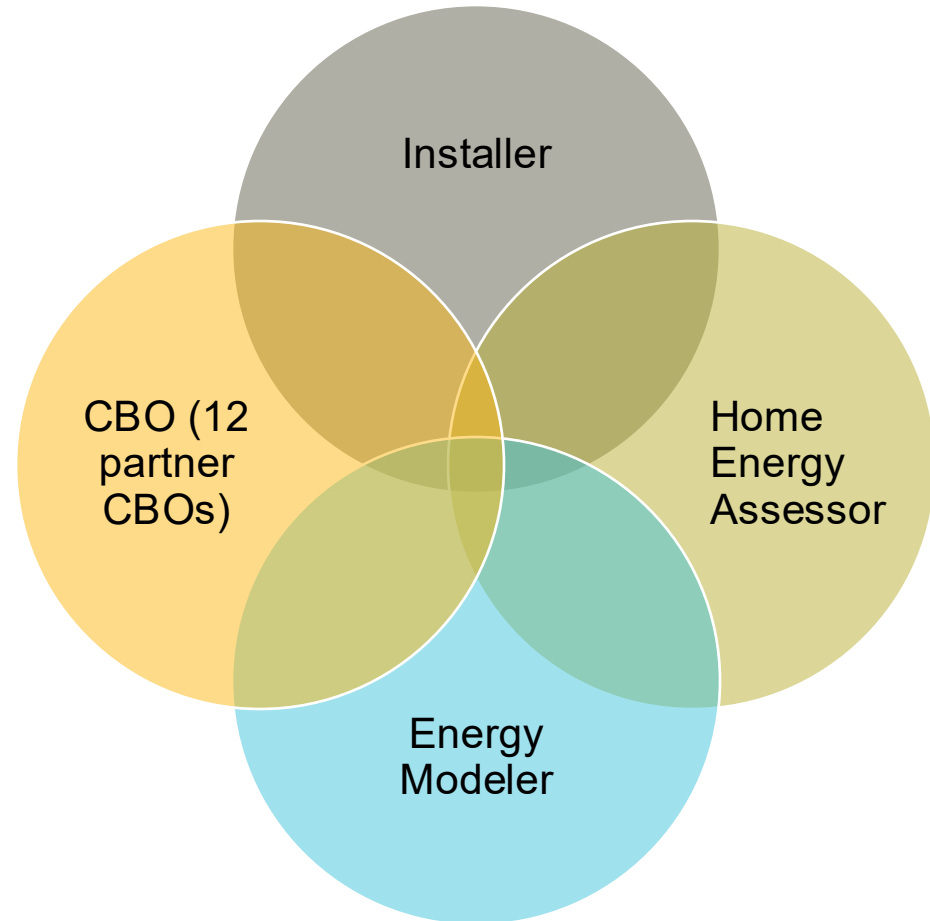
## Enrollment Process

- Enroll/get approved in the Rebate Management System (RMS)
- Complete required trainings (including Orientation)

## Timeline

- Pre-registration available now; scheduled to officially launch late this fall

## Pathways to participate



# HOMES and HEAR

## HOMES

Home Efficiency Rebates Program

Whole home/energy-model based\*

All income levels, with funding set aside for low-income properties

Focus on reducing energy use over existing conditions

## HEAR

Home Electrification and Appliance Rebate Program

Individual appliances/equipment

Low-income & moderate-income households only

Purchase of electric appliances/products

*\*Must be able to demonstrate a minimum of 20% energy savings.*

# Training Overview

## Training: Overview

2026 marks the first full year of Residential Home Retrofit Training

The program seeks to offer learning opportunities and resources to the network to increase skills and provide exposure to new and upcoming industry changes

- **Virtual Training (35 YTD)**

- Tuesday mornings at 8:30AM
- Wide ranging topics including technical skills, building science, customer interactions, and more

- **In-Person Training (16 YTD)**

- Targeted offerings across all regions
- Focus on technical skills and hands on examples

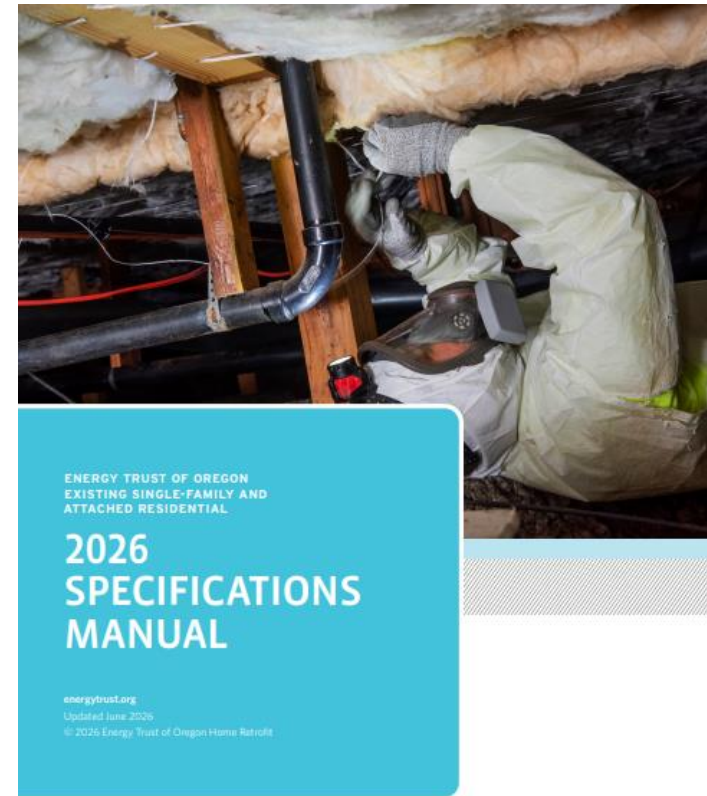
- **2026 Highlights**

- Building Science Principles offered once per quarter to offer continuous access to training for new hires
- Quarterly offering of the Specifications Manual training in Spanish

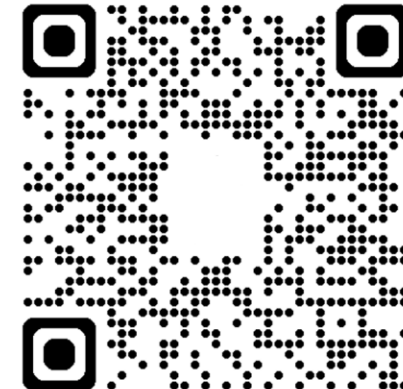


# Training: New in 2027

- Specifications Manual Training required annually for all trade allies (Completed by March 31, 2027)
  - Specifications manual training in two parts (weatherization and mechanical) Offered 1st and 3rd Tuesday of the month
- To request an in-person specifications manual training for your organization please email [training@energytrust.org](mailto:training@energytrust.org)
- All virtual Energy Trust training offerings can be found at: [www.insider.energytrust.org/resources-training-calendar/](http://www.insider.energytrust.org/resources-training-calendar/)
- Continued focus on relevant hands-on training topics
- Insider improvements and increased access to training recordings



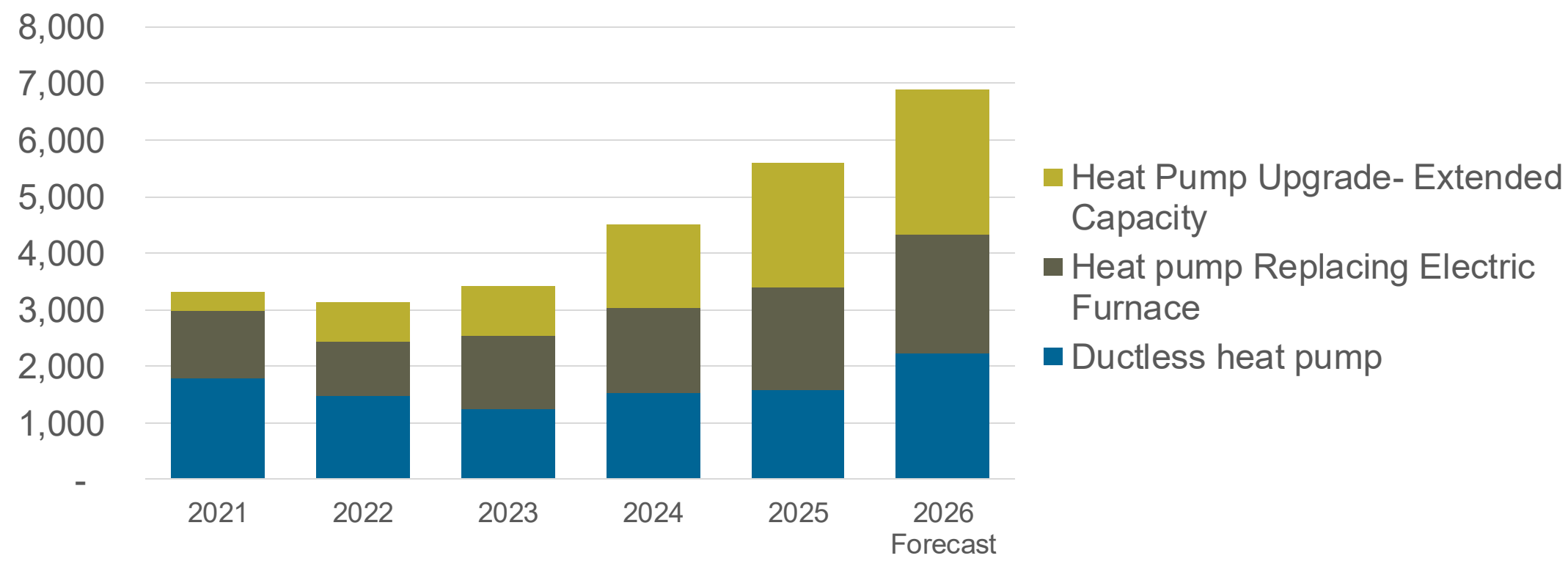
**JOIN THE TRAINING  
CONTACT LIST FOR  
FUTURE TRAINING  
OPPORTUNITIES**



# Residential Market Trends

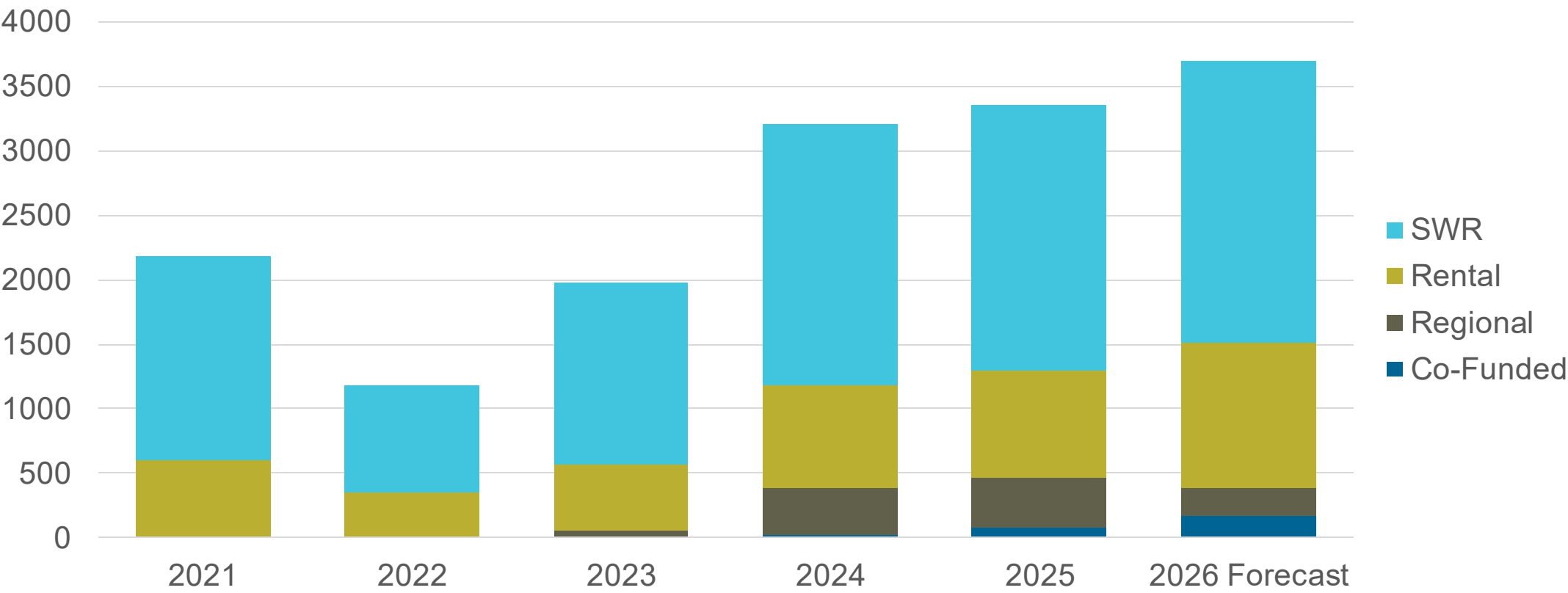
# Statewide Electric/Gas HVAC Trends

Electric HVAC Trends

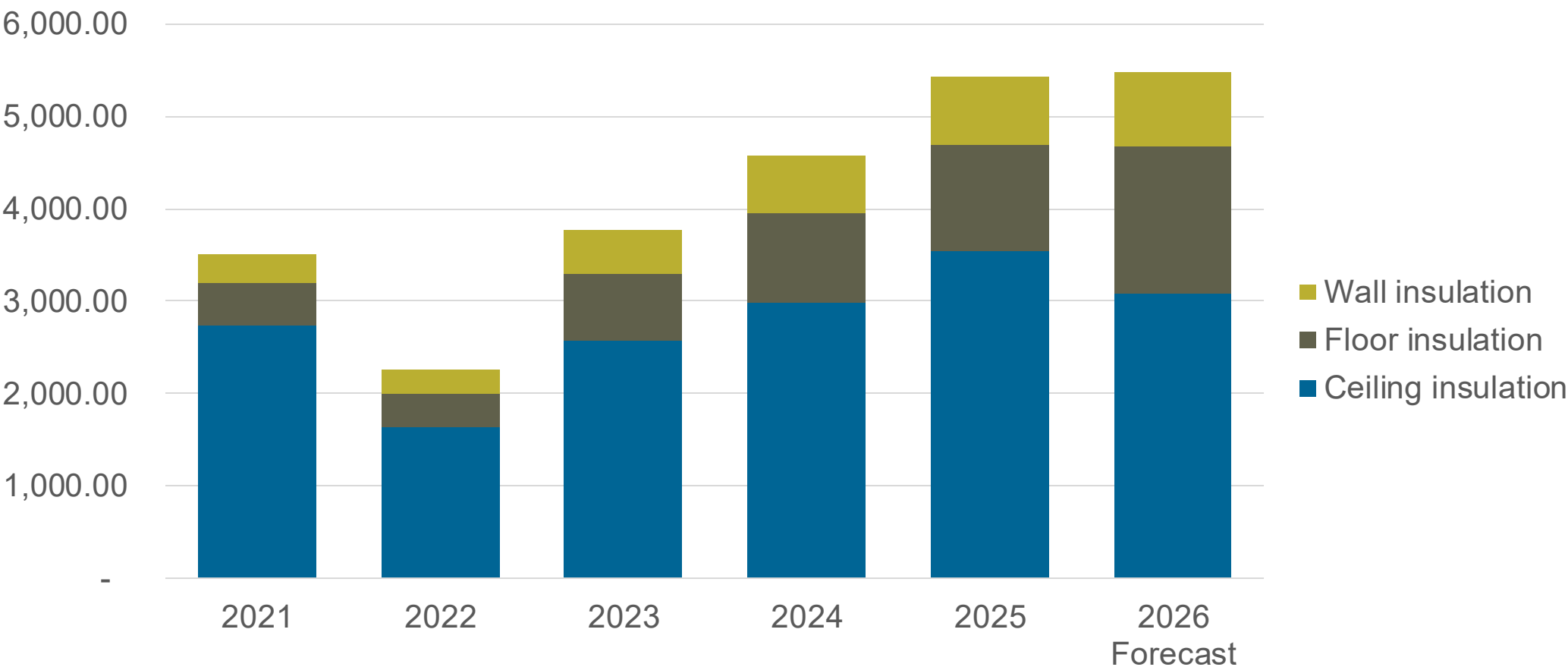


# Statewide Electric/Gas HVAC Trends

Gas Furance Projects



# Statewide Electric/Gas Insulation Trends



**Question:** What recent trends do you see in the market? What challenges and opportunities does your company experience?

# 2027 Residential Incentive Updates

## 2027 Incentive Changes

| Measure     | Program     | State   |
|-------------|-------------|---------|
| Gas Furnace | Residential | OR + WA |

New requirements for a site to be eligible for Gas Furnace measures offered by Energy Trust. If a gas furnace is being replaced, then the existing gas furnace must be a **non-condensing gas furnace**. 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.

# 2027 Incentive Changes

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

# Discontinued Incentives Effective 1/1/2027

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

# 2027 Residential Incentive Summary

| Energy Upgrade         | Single Family<br>Owner Occupied | Savings Within Reach<br>Rental Properties<br>Plexes and Townhomes |
|------------------------|---------------------------------|-------------------------------------------------------------------|
| Ductless Heat Pump     | \$800                           | \$1,800                                                           |
| Ducted Heat Pump       | \$1,000                         | \$3,000                                                           |
| Extended Capacity      | \$1,000                         | \$2,000                                                           |
| Smart Thermostat       | \$100-\$250                     | \$100-\$250                                                       |
| Gas Furnace            | \$800*                          | \$1,600                                                           |
| Attic Insulation       | \$1.25 sq ft                    | \$1.25-1.50 sq ft                                                 |
| Wall Insulation        | \$1.25-\$1.50 sq ft             | \$1.25-\$2.25 sq ft                                               |
| Floor Insulation       | \$0.75-1.25 sq ft               | \$1.00-1.25 sq ft                                                 |
| Heat Pump Water Heater | \$400-\$1,200                   | \$400-\$1,200                                                     |
| Tankless Water Heater  | \$900                           | \$900                                                             |

*\*Washington only*

# Incentive Processing and Quality Assurance

# Application Status Visibility

Energy Trust launched a new application visibility tool July 2026. This tool provides real-time status updates and indicates whether any action is needed to keep an application moving forward.

## Who can use it?

- Customers
- Trade Allies

## How do I access the tool?

- Incentive tracking code provided after submission
- Email address or site address associated with the application
- A link for the tool is provided in your submission email or found on the Energy Trust website

## Application Status Check

Use this tool to check the status of your Energy Trust of Oregon application.

Enter your Incentive Tracking Code along with the email address used when submitting, or the full address where the work is being done.

🔍 Search

Incentive Tracking Code \*

e.g. 1e4913cd

📘 You can find this code in your application confirmation email.

Search using \*

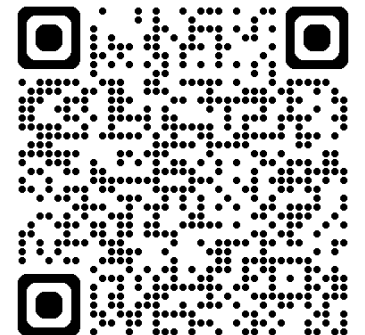
☒ Email address ☐ Site address

Email Address \*

e.g. customer@example.com

Enter the email address used when the application was submitted.

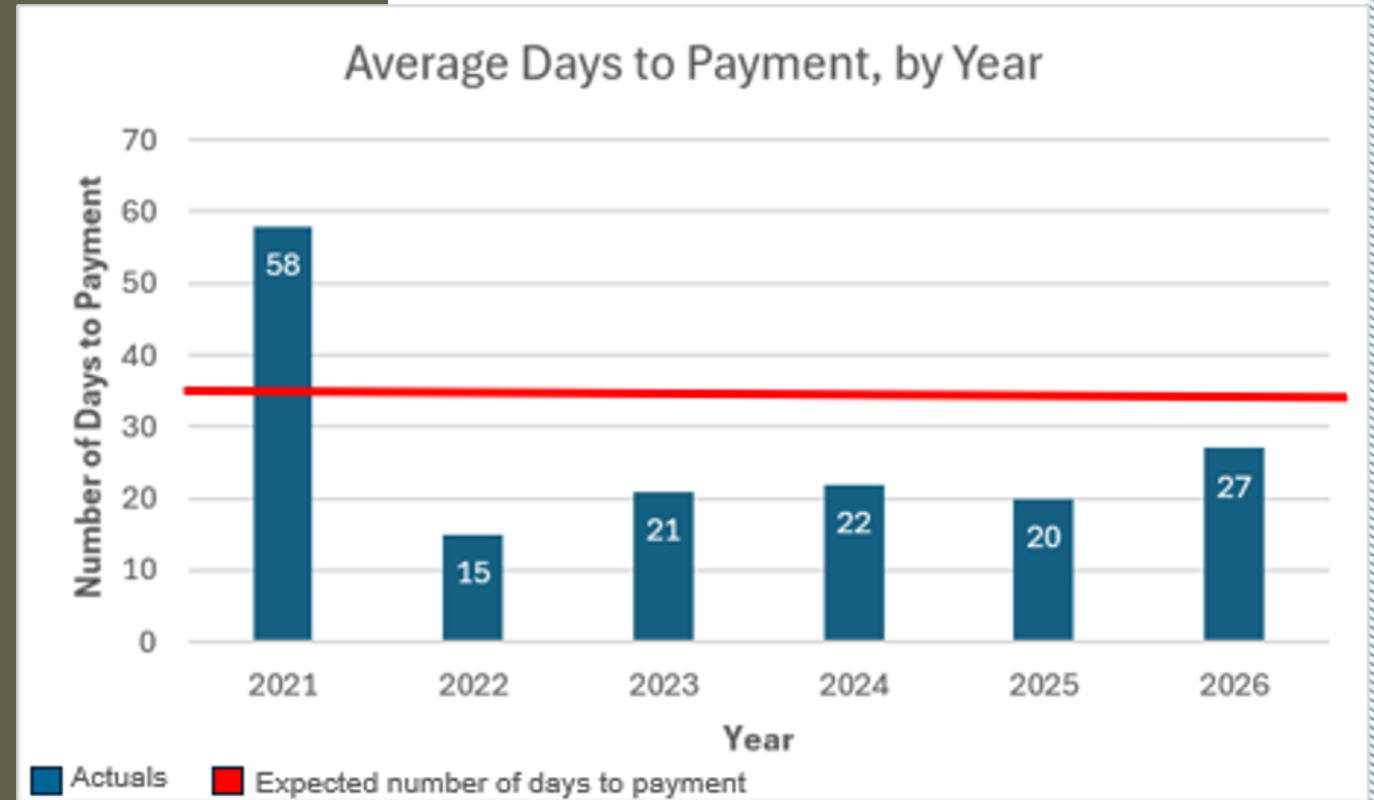
🔍 Check Status



# Incentive Processing

- YTD there is an average of 23 days from installation to application submission.
- Average of 27 days from paperwork submission to check cut so far in 2026.

*This does not account for projects submitted with missing information.*

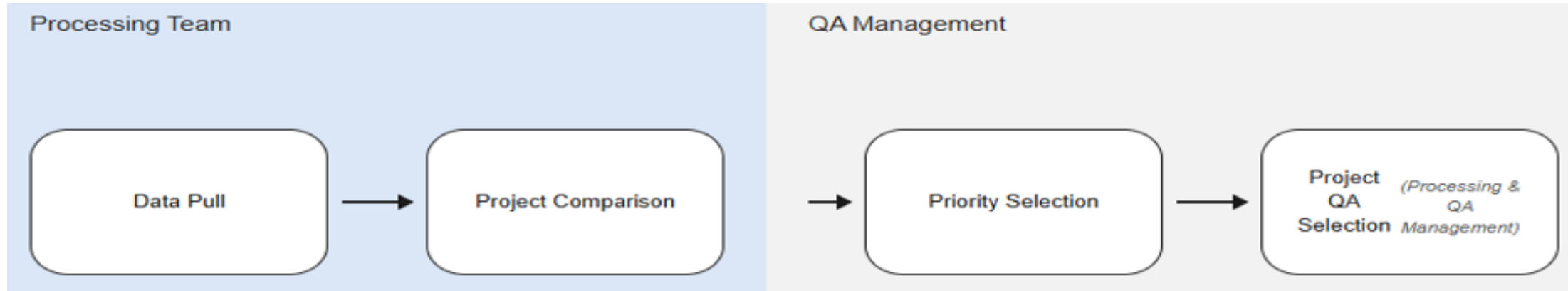


## Most Common Missing Information

- Invoice Issues – 35%
- Missing Signature – 13%
- Installation – 12%

Program has seen a 7% increase in projects received through 2026 so far, compared to 2025.

# Quality Assurance Selection/Process Information



- Data driven approach to work quality verifications (WQV)
  - Contractor pass rates, non-compliance rates, non-qualifying projects, measure breakdowns specific to regions and contractors
- New contractors always prioritized (first 5 projects)
- Contractor priority levels (1-3) using data on contractors and projects

# Quality Assurance Selection/Process Information

- Increased inspection rates and targets
- Corrections shall be scheduled within five business days of notification



- 30 business days to request a WQV or submit pictures with corrections with Energy Trust for the final installation day or site revisit

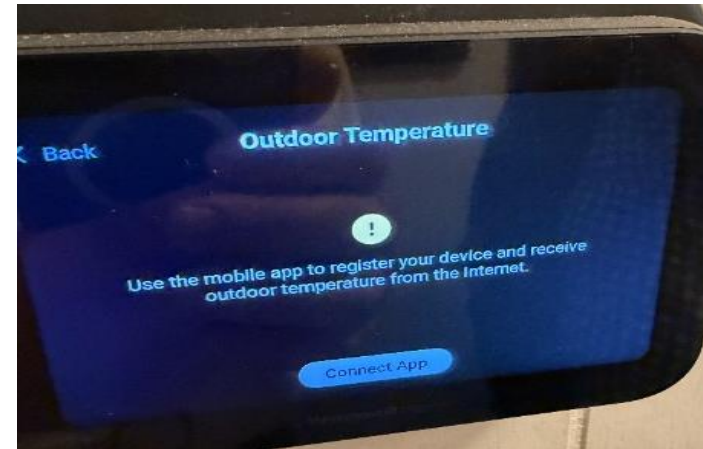
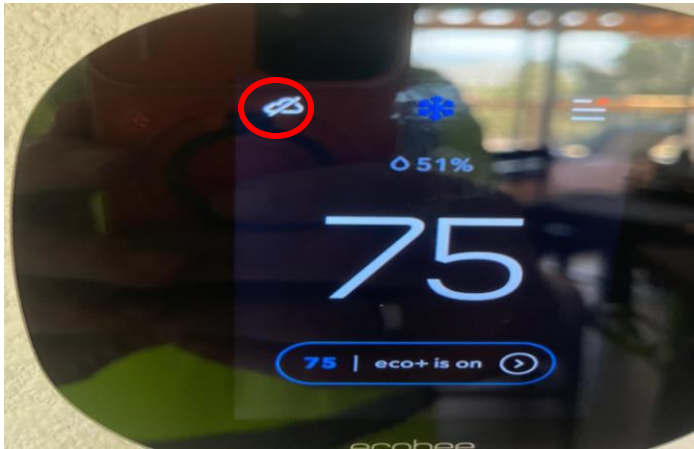
# Common Quality Assurance Corrective Actions

- Improper lockout controls for ducted heat pumps
  - Auxiliary heat set to 35 degrees or less
  - ECHP's based on balance point
  - Compressor lockout set to 5 degrees or less
- *\*Google Nest approved to use the “Max Savings” Heat Pump Balance setting in lieu of the 35°F*



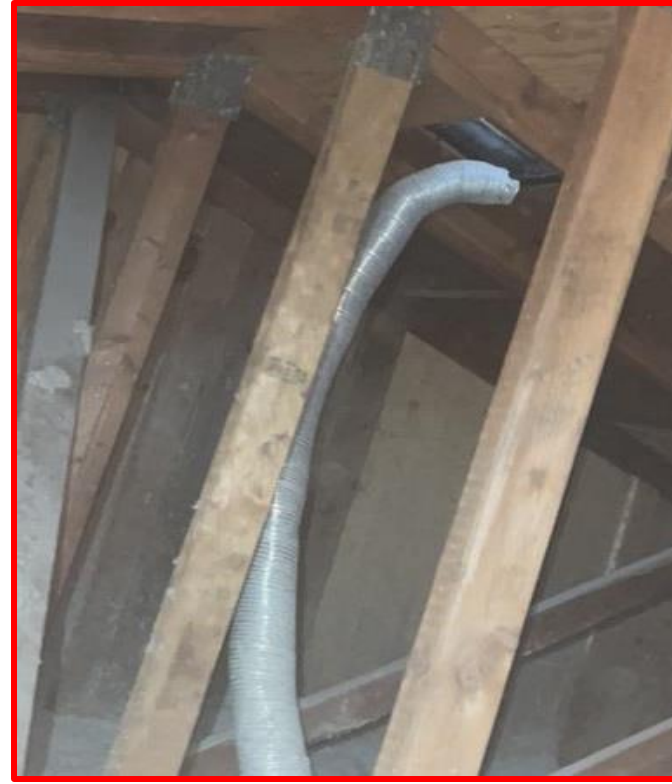
# Common Quality Assurance Corrective Actions

- Ensuring Wi-Fi is enabled or outdoor temperature sensor is installed (especially for Ecobee)
- Contractors should ensure Wi-Fi is enabled and thermostat is registered: Customers may miss this step



# Common Quality Assurance Corrective Actions

- Bath and kitchen exhaust ducts not properly vented
  - Energy Trust requires all exhaust ducts to be terminated to the exterior of the structure and secured to the exterior sheathing



# Common Quality Assurance Corrective Actions

- Line set penetrations through building/crawl envelop not sealed
  - Energy Trust requires electrical, condensate, or any other penetrations through the building shell shall be sealed with caulk, foam or other compatible UV-resistant sealant rated for exterior



# Most Common Quality Assurance Disqualification

- Ductless Heat Pump
  - Primary head must be installed in main living area. Primary head is defined as indoor unit with largest capacity
    - The qualifying indoor head is not eligible if installed in previously unconditioned spaces such as a garage, attic, or home addition
  - Qualifying indoor head must be installed in a space previously heated by electric resistance heat for at least the past two heating seasons
  - Ductless heat pumps are consistently the most disqualified projects due to not replacing electrical resistance heat or located in non-primary areas of the home.





# Thank you!

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