



Residential
High Efficiency Heat Pump

“Incentive or Loan”

Program Guidelines

Sponsored By:



Nebraska Public Power District

“Always there when you need us”

And its Participating Wholesale Utility Customers

Residential High Efficiency Heat Pump Incentive Program

(Effective January 1, 2012)

High Efficiency Heat Pump - Incentives			
System Type	Incentive Criteria	Who Gets the Incentive	Incentive Amount
Air Source HP	14 SEER & 8.2 HSPF	Homeowner	\$ 100
Air Source HP	15+ SEER, 12.5 EER, 8.5 HSPF	Homeowner	\$ 300
Water or Ground Source HP	Any EER	Homeowner	\$ 400
- For Dealer (installation contractor) Only -			
ENERGY STAR Qualified HP Installation	Operates within 10% of Mfg. Specifications	Dealer	\$ 50

OR.....

A 2.5% loan for the heat pump system through the Nebraska Energy Office's "Dollar and Energy Savings Loan Program" for your new qualifying system

An AHRI Certificate is required for all 15+SEER equipment that meets the requirements in the table above. If an AHRI Certificate is not attached to the verification form, the maximum incentive will be \$100.

Qualifying systems include:

- New Construction (only eligible for incentive – not the loan)!
- Conversions (to electric heat from a fossil fuel heating system)
- Upgrades (existing heat pump to a new heat pump)
- For air source heat pumps, the back-up fuel source can be either electric or fossil fuel.

Residential High Efficiency Heat Pump Program Guidelines

The following guidelines will generally apply. Exceptions will be handled on a case-by-case basis.

1. All HVAC equipment must be permanently installed in a residential single-family dwelling. A mobile home must be on a permanent foundation.
2. Qualifying equipment is AHRI listed with a indoor and outdoor unit combination that meets the minimum requirement of 14.0 Seasonal Energy Efficiency Ratio (SEER) and 8.2 Heating Seasonal Performance Factor (HSPF), or higher. This is the minimum efficiency level for both the homeowner and dealer (installing contractor) incentive.
3. An incentive payment will be paid to the owner of a residence after the equipment is installed, operating, and a performance verification has been submitted by the dealer. No incentive(s) will be paid without the completion of the application form, which requires that a performance verification be conducted on the system. The application form must then be signed by both the dealer (often individual (employee) who performed the verification) and the homeowner. This form will then be submitted to the homeowner's electric utility.
4. If the system is operating within 10% of manufacturers specifications for the test conditions, the system is assumed to be installed and operating correctly – thus “passes”. For systems that pass, both the homeowner and the dealer is eligible for the incentive. If the system is not operating within 10% of manufacturers specifications, it does “not pass”, which may be the case with some existing home installations. In these situations, the homeowner is still eligible for their incentive as they chose higher efficient equipment, but the dealer is NOT eligible for their incentive.
5. The incentive payment to the homeowner will come directly from their local electric utility. The incentive payment to the dealer will come from NPPD as they will be paid once a month for the qualifying systems that have been submitted through the local electric utilities. Accompanying the check will be a report providing information about the qualifying system information, such as; customer name, address, and electric utility involved, etc.
6. Low Interest Loan - For homeowners who choose this option (instead of the incentive) – the program is administered through the Nebraska Energy Offices – Dollar and Energy Savings Loan Program. Qualifying equipment, in addition to the heat pump, can include: furnace (regardless of fuel source - electric or fossil fuel), programmable thermostats, and associated wiring, and ductwork that may be required with the installation with the new heat pump.

NOTE – homes built within the last 5 years are not eligible for the low interest loan, but they are eligible for the incentive.

Eligibility is dependent upon meeting the requirements of the Dollar and Energy Savings Loan Program (equipment minimums):

- Air source heat pump - 15 SEER, 12.5 EER, and 8.5 HSPF
 - Back-up furnace options:
 1. Electric – any model
 2. Natural Gas or Propane – 90% AFUE or more
 - Note – must install a new heat pump for a fossil fuel furnace to be eligible for this loan.
- Ground Water heat pumps – 16.2 EER and 3.6 COP
- Thermostats - Heat Pumps with electric back up (furnace) must be installed with a ramp-up type thermostat especially designed to bring on backup heat in stages

For more information go to www.neo.ne.gov (Dollar and Energy Savings Loan)

Performance Verification - (with a low interest loan). Either the customer or the installing contractor can request that a performance verification be conducted on the installation. The High Efficient Heat Pump Verification application will be used to submit the results of the verification test. The application must mark “low interest loan” as the customer is only eligible for either the loan or incentive. If the application is completed with the verification results, signed by both the homeowner and contractor and is operating within 10% of manufacturer’s specification, the contractor will be paid an incentive of \$50.

7. Multifamily structures that are separately metered will be considered residential, thus requiring separate applications. If they are master metered, they are eligible for incentives under the Commercial HVAC Program.

8. “New” refers to new construction with new equipment.

“Conversion” means that the primary source of heat had been a fossil fuel system.

“Upgrades” refers to the installation of new equipment in which the system being directly replaced is currently a heat pump.

9. In those cases where combinations of two or more heat pumps are installed in the same house, both or all are eligible for the full incentive amount. The dealer is also eligible for their incentive if the system qualifies and passes.

10. To be eligible for an incentive, a cottage/cabin must be heated during the winter months of October through May.

11. If electricity is the primary source of heat for a residence, the use of solar panels, wood stove or fireplace will not affect the eligibility for an incentive payment.

12. Additions and supplemental systems are not eligible for incentive payments unless they are large enough for their own dedicated heating and cooling system.
13. Package Terminal Heat Pumps (PTHP's) are not eligible. Only split system heat pumps with a ducted supply and return system and the duct-less mini-splits are eligible.
14. "Dealer" is the term used in this document to identify the installing contractor. Most often this will be the heating and cooling contractor that performs the load calculation, sizes the system, installs it, and performs the verification test. Final determination will be made by NPPD.
15. Program is subject to the Terms and Conditions as outlined on the application and to the General Guidelines.

For program compliance questions or concerns, contact:

Steve Zach
Energy Efficiency Supervisor
1414 15th Street
Columbus, NE 68601
Office – 402-563-5472, Cell – 402-276-0941, Email –sjzach@nppd.com