

Chugach Heat Pump Incentive Program



Chugach Electric's Heat Pump Incentive Program aims to accelerate adoption of electric heat pumps in the Chugach service area. This program incentivizes adoption by providing a rebate to members who install a qualifying heat pump system for their home or business. Incentive funds are limited, and applications will be processed on a first-come-first-served basis. Members are encouraged to contact Chugach to verify funds are still available prior to applying.

The incentive payment will be provided to the member as a cash rebate upon verification that the heat pump system is installed, operational, and meets the criteria outlined below. Members are eligible for a maximum of two heat pump rebates per Chugach account.

Residential Members

Residential members may receive an incentive of up to **\$900** toward the total cost of a heat pump system that meets eligibility requirements. Maximum of two per account.

Commercial Members

Commercial members (Small General Service and Large General Service) may receive an incentive of up to **\$1,500** toward the total cost of a heat pump system that meets eligibility requirements. Maximum of two per account.

How To Apply

Chugach encourages working with a professional HVAC contractor to ensure appropriate selection of a heat pump system that is rated for cold climates and correctly sized for the intended application. Heat pump systems should be installed by a manufacturer-approved HVAC installer to be eligible for this program. Heat pump systems without local manufacturer-certified installers will be considered on a case-by-case basis provided the applicant can verify a professional quality installation. You may apply to the program once the heat pump is installed and operational.

Application Process:

- 1) Install an eligible heat pump system
- 2) Complete and submit the online [Heat Pump Pilot Program Application](#) and upload or email the following documents:
 - a. 12 months of heating fuel use prior to installation (not required for new construction)
 - b. Invoice for equipment and installation (PDF or photos of receipts)
 - c. Description or list of additional expenses (if available)
 - d. Photos of completed installation (indoor and outdoor)
 - e. Completed W-9 form with name of applicant and current mailing address
- 3) If approved, Chugach will issue a rebate check to the applicant

Documentation and Required Information

All data provided by applicants will be treated as confidential and will be used to inform Chugach's program design.

- a) Provide 12 months of historical heating fuel consumption data (e.g., natural gas utility bill, fuel oil delivery invoices) prior to the heat pump installation. *Historical fuel use is not required for new construction.*
- b) A copy of the invoice or receipt for the purchase and installation of the heat pump system.

- c) A description of any additional expenses directly related to the heat pump system, including supporting upgrades to the electrical system.
- d) A photo of the heat pump system installed and operating.
- e) A complete [W-9](#)¹ form including the applicant's name and current mailing address. Chugach will provide a 1099-MISC form consistent with IRS requirements for income reporting.

Eligibility Criteria

Heat pump systems should be installed by a manufacturer-approved HVAC installer to be eligible for a rebate incentive. Heat pump systems installed by the owner may be considered on a case-by-case basis if the installation is consistent with the manufacturer's recommendations and applicable code and regulatory requirements. The applicant must provide documentation that the installed system meets these criteria.

Ducted Heat Pump Systems: (Also called multi-head or split systems)

Air-source heat pump systems must be Energy Star certified. Preference will be given to heat pump systems that are Energy Star cold climate certified. Recommended performance ratings include CEE Tier 1 or higher, EER2 rating of ≥ 10 . *

Non-ducted Heat Pump Systems: (Also called mini-split systems)

Must be Energy Star certified. Preference will be given to heat pump systems that are Energy Star cold climate certified. Recommended performance ratings include CEE Tier 2 or higher, SEER2 rating of ≥ 16 , EER2 ≥ 9 , and HSPF2 ≥ 9.5 , and COP of ≥ 1.75 at 5°F. *

Other heat pump systems: Ground-source heat pumps and hybrid heat pump systems that include an air-source heat pump and natural gas furnace with automatic controls will be evaluated on a case-by-case basis. Please email Chugach for more information.

Federal Incentive Amounts

Federal rebate or tax credit incentives may be available to support the cost of a heat pump system and supporting energy efficiency improvements. Please consult with a tax professional and HVAC installer to ensure eligibility. Receiving a separate rebate or tax credit does not impact eligibility for the Chugach Heat Pump Incentive Program.

The following resources provide more information on heat pumps and home energy rebate incentives:

[Department of Energy Home Energy Rebate Programs](#)

[Energy Star Air Source Heat Pumps Tax Credit](#)

[Alaska Heat Smart FAQ](#)



[Heat Pump Program Application](#)

¹ [Form W-9 \(Rev. March 2024\)](#)

* For performance criteria definitions please visit the [Energy Star Tax Credit Definitions](#) website