

# 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](#)<sup>1</sup> 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  $\geq 10$ . \*

#### **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  $\geq 16$ , EER2  $\geq 9$ , and HSPF2  $\geq 9.5$ , and COP of  $\geq 1.75$  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 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](#)

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<sup>1</sup> [Form W-9 \(Rev. March 2024\)](#)

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

For more information about the Heat Pump Pilot Program please email us at

[save\\_energy@chugachelectric.com](mailto:save_energy@chugachelectric.com)

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