




Guide to Heat Pump Incentives

Revised 6/23/20


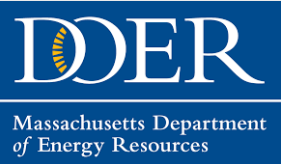
Clean heating and cooling technologies are eligible for thousands of dollars in tax credits and incentives from the Concord Municipal Light Plant and the Massachusetts Dept. of Energy Resources.

****Note: Concord residents receive incentives and home energy assessments through the Concord Municipal Light Plant (CMLP), the Massachusetts Dept. of Energy Resources, and Mass Save (home energy assessments only for natural gas customers). Concord residents are not eligible for incentives from the Massachusetts Clean Energy Center (MassCEC).****

Energy Assessments

Program Name	Description	Special Requirements
	<p>Energy assessments (or audits) are required to receive rebates for air- and ground-source heat pumps, as well as rebates for home weatherization, depending on what fuel you use to heat your home.</p> <p>In addition to helping you access rebates, your auditor will help you learn more about your home's energy performance and provide you with free LEDs and a smart power strip.</p> <p>Sign up for an energy assessment to make sure you'll be able to access all rebates you are eligible for.</p>	<p>If you heat with natural gas, you can get your free home energy assessment through the Mass Save Home Energy Services program. Visit https://www.masssave.com/en/saving/energy-assessments/homeowners/ to sign up. Gas customers who use the Mass Save process may also be eligible for home weatherization rebates through Mass Save.</p> <p>For all other Concord residents, you can get your free home energy assessment from Energy New England, the CMLP energy audit provider. Visit https://ee.ene.org/ to sign up. Customers heating with electricity are eligible for CMLP's weatherization rebate. Weatherization rebates for customers heating with oil will be available from CMLP soon. Learn more at https://concordma.gov/1752/Your-Home</p> <p>Further weatherization incentives are available to all Concord residents, regardless of heating fuel, through the Home MVP Program. Learn more about Home MVP at https://www.mass.gov/guides/home-mvp</p>

Air Source Heat Pumps

Program Name	Description	Special Requirements
 <p>CONCORD MUNICIPAL LIGHT PLANT ELECTRIC BROADBAND ENERGY MANAGEMENT</p> <p>CMLP Air Source Heat Pump Rebate</p>	<p>\$500 per indoor unit (for single-zone systems) or ton of heating capacity (for multi-zone/centrally ducted systems) (up to \$2,000)</p> <p>This rebate increases to \$750 (and potentially \$1,000) per unit if your home meets certain income-based criteria.</p> <p>See page 7 for more information.</p>	<p>Heat pump systems must be on the Northeast Energy Efficiency Partnership's (NEEP's) current ccASHP Product List to be eligible for a rebate.</p> <p>If you live in a 1-4 unit building, you will need to have completed a home energy assessment within the past 4 years. If you have not, you can complete a free home energy assessment within 6 months of your heat pump installation. See Page 1 for more information.</p> <p>If you live in a 5 or more unit building, you do not need to complete a home energy assessment.</p> <p>Sign up for a home energy assessment to make sure you'll be able to get this rebate.</p> <p>Once you've completed or scheduled your audit, your installer will submit your rebate application on your behalf.</p>
 <p>Alternative Energy Certificates</p>	<p>The Commonwealth's Alternative Portfolio Standard awards Alternative Energy Certificates (AECs) to owners of clean heating & cooling technologies. These AECs can be worth around \$15-20 each, determined by the price paid by electric utilities at a public auction held every quarter.</p> <p>You will only be able to receive AECs if your heat pump system is the only or primary source of heat. The number of certificates you'll receive will be based on three criteria: (1) the square footage of your home; (2) how efficient your home is; and (3) whether your heat pump is the sole source of heat.</p> <p>After registering your system, you will be awarded AECs equal to 10 years' worth of the heat your heat pump system is expected to provide. Depending on the number of certificates you receive, this incentive could be worth anywhere from \$1,200 to \$4,500!</p> <p>Talk with your installer for more information on this incentive and eligibility requirements.</p>	<p>We strongly encourage you to contract with an AEC aggregator, who can sell your AECs on your behalf for a small fee. A list of potential AEC aggregators can be provided by your installer.</p> <p>If you wish to contract with an aggregator, you will need to provide all information required by your aggregator. That's it! Once the auction occurs, the aggregator will send you a check based on the auction price.</p> <p>If you do not wish to contract with an aggregator, you will need to register your system at http://rt.masscec.com. Note that utilities purchasing AECs tend to buy large quantities, and they may not purchase AECs for just your system.</p>



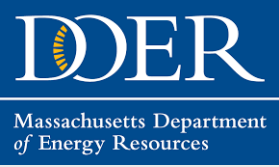


**Non-Business Energy
Property Tax Credit**

A one-time credit of **\$300** is available for installing an air-source heat pump or a heat-pump water heater that meets efficiency requirements. This credit falls in the category of Non-Business Energy Property tax credits.

A tax credit may be claimed for an air-source heat pump or for a heat pump water heater, but not for both. The tax credit phases out at the end of 2020. Learn more at energystar.gov/about/federal_tax_credits.

Ground Source Heat Pumps

Program Name	Description	Special Requirements
 <p>CONCORD MUNICIPAL LIGHT PLANT ELECTRIC BROADBAND ENERGY MANAGEMENT</p> <p>CMLP Ground Source Heat Pump Rebate</p>	<p>\$625 per ton of heating capacity (up to \$3,125 for single-family homes and up to \$6,250 for multi-family or non-residential projects)</p> <p>This rebate increases to up to \$1,500 per ton of capacity if your home meets certain income-based criteria.</p> <p>See page 7 for more information.</p>	<p>If you live in a 1-4 unit building, you will need to have completed a home energy assessment within the past 4 years. If you have not, you can complete a free home energy assessment within 6 months of your heat pump installation. See page 1 for more information.</p> <p>If you live in a 5 or more unit building, you do not need to complete a home energy assessment</p> <p>Sign up for a home energy assessment as soon as possible to make sure you'll be able to get this rebate.</p> <p>Once you've completed or scheduled your audit, your installer will submit your rebate application on your behalf.</p>
 <p>Renewable Energy Tax Credit</p>	<p>This tax credit is worth 26% of the installed cost of your ground source system after rebates (with no maximum). If you don't have sufficient tax liability, you may be able to claim the credit in future years. Consult a tax professional for more information. This credit falls in the category of Renewable Energy Tax Credits.</p>	<p>Learn more at energystar.gov/about/federal_tax_credits. Residents should complete Form 5695 and follow the IRS instructions.</p> <p>Note that the federal tax credit steps down from 26% to 22% at the end of 2020, and phases out completely at the end of 2021. Speak with your installer if you have concerns about whether your project will be able to receive the full tax credit.</p>
 <p>Massachusetts Department of Energy Resources</p> <p>Alternative Energy Certificates</p>	<p>The Commonwealth's Alternative Portfolio Standard awards Alternative Energy Certificates (AECs) to owners of clean heating & cooling technologies. These AECs can be worth around \$15-20 each, determined by the price paid by electric utilities at a public auction held every quarter.</p> <p>The number of certificates you'll receive will be based on three criteria: (1) the square footage of your home; (2) how efficient your home is. Your home must also use the heat pump system as the only source of heating in your home.</p> <p>After registering your system, you will be awarded AECs equal to 10 years' worth of the heat your heat pump system is expected to provide. Depending on the number of certificates you receive, this might be worth anywhere from \$3,500 to \$11,000 or more! Talk with your installer for more information.</p>	<p>We strongly encourage you to contract with an AEC aggregator, who can sell your AECs on your behalf for a small fee. A list of potential AEC aggregators can be provided by your installer or found on the HeatSmart website.</p> <p>If you wish to contract with an aggregator, you will need to provide all information required by your aggregator. That's it! Once the auction occurs, the aggregator will send you a check based on the auction price.</p> <p>If you do not wish to contract with an aggregator, you will need to register your system at http://rt.masscec.com. Note that utilities purchasing AECs tend to buy large quantities, and they may not purchase AECs for just your system.</p>



Sales Tax Exemption

Ground source heat pumps are **exempt from the Massachusetts sales tax (6.25%)** under MGL 64H.6(dd).

Fill out Form ST-12 (Exempt Use Certificate, Section 3) and provide it to your installer. The form can be found here: <https://www.mass.gov/files/documents/2017/12/12/dor-sales-use-form-st-12.pdf>

Heat Pump Water Heaters



\$750 when the heat pump water heater replaces an oil, propane or gas-fired hot water heater, or when installing a heat pump water heater in a new home.

\$185 when the heat pump water heater replaces an existing electric resistance water heater.

The heat pump water heater must meet minimum Uniform Energy Factors (UEF), depending on equipment size. Find more information at <https://concordma.gov/2024/Heat-Pump-Water-Heaters>.



A one-time credit of **\$300** is available for installing a heat-pump water heater or an air-source heat pump that meets efficiency requirements. This credit falls in the category of Non-Business Energy Property tax credits.

A tax credit may be claimed for a heat pump water heater or for an air-source heat pump, but not for both. The tax credit phases out at the end of 2020. Learn more at energystar.gov/about/federal_tax_credits.

Am I eligible for a larger rebate from the Concord Municipal Light Plant?

To make clean heating and cooling more affordable for Concord residents, CMLP offers larger rebates for households that earn less than 120% of the state median income (for your household size). This rebate increases if you earn less than 80% of the state median income.

For more details on these larger rebates, visit CMLP's website at: <https://concordma.gov/1870/Rebates-for-your-Home>

Technology Name	Base Rebate	<120% of State Median Income	<80% of State Median Income
Air source heat pumps	\$500 per indoor unit or ton of heating capacity (up to \$2000)	\$750 per indoor unit or ton of heating capacity (up to \$3,000)	\$1,000 per indoor unit or ton of heating capacity (up to \$4,000)
Ground source heat pumps	\$625 per ton of heating capacity (up to \$3,125)	\$800 per ton of heating capacity (up to \$4,000)	\$1,500 per ton of heating capacity (up to \$6,000)

How do I know if I qualify for a larger income-based rebate?

If you meet the income thresholds for your household size (in the table to the right), you can request income verification from CMLP.

Alternatively, if you receive a special low-income electricity rate or heating fuel assistance, you can submit a copy of your electric bill showing a Residential Assistance Credit or a fuel assistance letter with your rebate application.

Look for more details under "How do I qualify for an income-based rebate?" on CMLP's website: <https://concordma.gov/1875/Apply-Now-for-an-ASHP-Rebate>

Household Size	80% of State Median Income	120% of State Median Income
1	\$47,347	\$71,020
2	\$61,916	\$92,874
3	\$76,484	\$114,726
4	\$91,052	\$136,578
5	\$105,620	\$158,430
6	\$120,188	\$180,282
7	\$122,920	\$184,380
8	\$125,652	\$188,478

***Note: These levels are updated annually. For the most up-to date income thresholds, visit <https://concordma.gov/1875/Apply-Now-for-an-ASHP-Rebate>.*