For All Counties Served P.S.C. No.1 First Revised Sheet No. 168 Cancelling P.S.C. No.1 Original Sheet No.168

BLUE GRASS ENERGY COOPERATIVE CORPORATION

Section DSM -**Heat Pump Retrofit Program**

CANCELLED MAR 0 2 2019 KENTUCKY PUBLIC

Purpose

The Heat Pump Retrofit Program provides incentives for residential members to replace their existing resistance heat source with an efficiency heat pump.

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Availability

This program is available to home owners served by Blue Grass Energy.

Eligibility

This program is targeted to home owners who currently heat their home with a resistance heat source; this program is targeted to site built homes, manufactured homes, and multi-family dwellings. Eligibility requirements are:

Incentive only applies when homeowner's primary source of heat is an electric resistance heat furnace, ceiling cable heat, baseboard heat, or electric thermal storage.

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- Existing heat source must be at least 2 years old.
- New manufactured homes are eligible for the incentive.
- Two (2) maximum incentive payments per location, per lifetime for centrally ducted systems.
- Ducted and Ductless mini-splits applying for the incentive will be incentivized at a rate of \$250 per indoor head unit up to a maximum of three head units per location, per lifetime.
- Participants in the Heat Pump Retrofit Program are not eligible for participation in the ENERGY STAR® Manufactured Home Program.

Incentives

Homeowners replacing their existing resistance heat source with a heat pump will qualify for the following incentive based on the equipment type:

Equipment Type

INCENTIVE TO MEMBER

Centrally Ducted Systems:

Current Energy Conservation Standard established By the Federal Department of Energy "DOE"

\$500

Current ENERGY STAR® level equipment or greater

\$750

\$250

Mini Split Systems:

Ducted or Ductless Mini-Splits ENERGY STAR® Level equipment or greater

KENTUCKY PUBLIC SERVICE COMMISSION

Gwen R. Pinson

The program is an ongoing program.

Executive Director Steven R. Punso

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