

BLUE GRASS ENERGY COOPERATIVE CORPORATION

Section DSM –
Heat Pump Retrofit Program

Purpose

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

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.
- 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

Mini Split Systems:

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

\$250

Term

The program is an ongoing program.

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ISSUED BY: *Annalee E. Williams*

TITLE: Vice President & CFO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2019-00060 Dated: November 26, 2019

CANCELLED

November 2, 2025

**KENTUCKY PUBLIC
SERVICE COMMISSION**

**KENTUCKY
PUBLIC SERVICE COMMISSION**

Gwen R. Pinson
Executive Director

Gwen R. Pinson

EFFECTIVE

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