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

BLUE GRASS ENERGY COOPERATIVE CORPORATION

<u>Section DSM –</u> <u>Heat Pump Retrofit Program</u>

<u>Purpose</u>

The Heat Pump Retrofit Program provides incentives for residential members to replace their existing resistance heat source with a high 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, or baseboard heat.
- Existing heat source must be at least 2 years old.
- New manufactured homes are eligible for the incentive.
- Air-Conditioning, Heating, and Refrigeration Institute ("AHRI") ratings may range as follows: Seasonal Energy Efficiency Ratio ("SEER") minimum 13; Heating Seasonal Performance Factor ("HSPF") minimum 7.5.

Incentives

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

AHRI RATING	INCENTIVE TO MEMBER	
13 SEER 7.5 HSPF	\$500 CANCELLED	
14 SEER 8.0 HSPF	\$750 MAR 0 2 2019	
≥15 SEER ≥8.5 HSPF	KENTUCKY PUBLIC SERVICE COMMISSION	

Term

The program is an ongoing program.

	KENTUCKY PUBLIC SERVICE COMMISSION
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ISSUED BY <u>A sloweld mark</u> TITLE <u>Vice Pres</u> Issued by authority of an Order of the Public Service Commission of K	dent & CFO
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