2nd Revised Sheet No. 1

DSM - 3

Heat Pump Retrofit Program

Purpose

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

Availability

This program is available to residential members served by Fleming-Mason Energy.

Eligibility

This program is targeted to members 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 ENEGRY 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 | <u>Rebate</u> | |
|---|---------------|------------------------------------|
| Centrally Ducted Systems: Current Energy Conservation Standard established by the Federal Department of Energy "DOE" | \$500 | CANCELLED |
| Current ENERGY STAR® level equipment or greater | \$750 | September 1, 2021 |
| Mini Split Systems: Ducted or Ductless Mini-Splits ENERGY STAR® Level equipment or greater. | \$250 | KENTUCKY PUBLIC SERVICE COMMISSION |

Term

The program is an ongoing program.

KENTUCKY DATE OF ISSUE: January 30, 2019 PUBLIC SERVICE COMMISSION Gwen R. Pinson DATE EFFECTIVE: Service rendered on or after March 2, 2019 **Executive Director ISSUED BY:** Twen R. Punso JonuK. Hazelrigg, President and Chief Executive Officer **EFFECTIVE** Issued by authority of an order of the Public Service Commission of Kentucky. 3/2/2019 Case No. 2019-00060 Dated: November 26, 2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)