

HeatSmart Northampton: Heat Pump Rebates and Financing Guide

Updated November 1, 2017



The cold climate air source heat pumps offered through HeatSmart Northampton are eligible for over \$900 in incentives as well as 0% interest financing from Mass Save and the Massachusetts Clean Energy Center due to their high efficiency and ability to help the Commonwealth meet its greenhouse gas emission goals.



Each program is different, and this guide will explain to you the rebate and financing options and walk you through the process of how to apply for them.


Summary

The table below summarizes the rebate and financing amounts and major steps required to receive the rebate for each of the three programs. Keep reading further for specific information about each program—and if you have questions about any of these processes, don't hesitate to ask your installer for assistance!

Confused about what an “indoor unit” is or what the difference is between single-zone and multi-zone systems? [Check out the glossary at the end of this guide for more information!](#)

****Note: As of October 31, MassCEC has changed the structure of its rebates and has created an online portal for all rebate submissions. These rebates will either remain the same for most Northampton homeowners and may **increase** for others. All changes to the rebate structure and submission process throughout this guide will be marked in red.****

Program Name	Rebate Amount	Steps and Requirements (after your installation!)
 Mini-Split Heat Pump Rebate	\$100 per indoor unit (for multi-zone systems) \$300 per indoor unit (for single-zone systems)	<ol style="list-style-type: none">1. Submit your rebate application online or print out this form and submit by mail.2. Send Mass Save the invoice provided by the contractor who completed your installation, as well as a copy of your most recent electric bill. You can scan and upload these documents if you submit online or you can send them by mail with your application.
 Clean Heating & Cooling Program: Air Source Heat Pump Rebate	\$625 per indoor unit (for single-zone systems) or ton of heating capacity (for multi-zone) (up to \$2,500) \$800 per indoor unit/ton of heating capacity if your household makes less than 120% of the state median income (up to \$3,200)— or if you are a public or non-profit entity (up to \$16,000) \$1,000 per indoor unit/ton of heating capacity if your household makes less than 80% of the state median income (up to \$6,000)— or if you are installing in an affordable housing development	<ol style="list-style-type: none">1. To receive a rebate from MassCEC, 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. Sign up for a Mass Save home energy assessment through ener-G-save here.2. If you make less than 120% of the state median income, verify your income with MassCEC (through this online portal) to get a larger rebate.3. Complete and submit your rebate application online through the new online portal. To complete this process, you'll need to provide:<ul style="list-style-type: none">• A copy of your most recent electric bill• A copy of the final and paid invoice• Income verification and/or electric resistance replacement verification (if applicable)3. <i>You may also need to submit a summary of your home's Manual J heat load calculation if your heat pump system</i>

	<p>An additional \$300 per indoor unit/ton of capacity if your heat pump installation is displacing electric resistance heating. This rebate adder increases to \$500 if your household makes less than 80% of the state median income.</p>	<p><i>completely replaces your existing heating system with no backup. Speak with your installer about whether this will be necessary.</i></p>
 <p>0% Interest HEAT Loan</p>	<p>0% interest HEAT Loan of up to \$25,000 over a 7-year term for qualifying homeowners</p>	<p>In addition to qualifying for the loan:</p> <p>If you live in a 1-4 unit building, you will need to have completed a Mass Save home energy assessment. Sign up for a Mass Save home energy assessment through ener-G-save (ener-g-save.com/form) as soon as possible to make sure you'll be able to qualify.</p> <p>If you live in a 5 or more unit condo or apartment complex, you will need to meet the following requirements:</p> <ul style="list-style-type: none"> (1) Your unit must be individually metered for electricity and/or gas <p>An authorized representative of the building (e.g. building owner, condo board member, property manager) will need to enroll your building for a Mass Save Multifamily energy assessment.</p>



Mini-Split Heat Pump Rebate Program

Mass Save offers rebates for the mini-split air source heat pumps that will be installed through [HeatSmart Northampton](#) due to their high efficiency heating and cooling (especially relative to window and conventional central air conditioners). This rebate is supported by the “Energy Conservation” charge on your electricity bill (1/4 of a cent per kilowatt-hour of electricity you use).

As noted in the [HeatSmart Northampton Pricing Guide](#), the rebate you can receive will be different depending on the type of system installed:

- **Single-zone systems** will be eligible for a \$300 rebate for each indoor unit installed. Each single-zone system has one outdoor and one indoor unit.
- **Multi-zone systems** will be eligible for a \$100 rebate for each indoor unit installed, as multi-zone systems are slightly less efficient and have multiple indoor units for each outdoor unit.

The rebate you should expect to receive for the systems installed through [HeatSmart Northampton](#) is described in the table below:

Model Number	AHRI Number	Mass Save Rebate
Single-zone		
MUZ-FH09NA	7002062	\$300
MUZ-FH12NA	7002063	
MUZ-FH15NA	7002444	
MUZ-FH18NA2	8797133	
Multi-zone		
MXZ-3C24NAHZ2 (2 indoor units)	8996108	\$200
MXZ-3C30NAHZ2	8993522	\$300
MXZ-4C36NAHZ	7434482	\$400
MXZ-5C42NAHZ	7434477	\$500

Note that Mass Save also offers rebates for high-efficiency central air conditioners and “heat pumps.” Note that these heat pumps are central ducted systems that are not the cold climate, ductless mini-split systems offered by [HeatSmart Northampton](#) installers.

Requirements before submitting a rebate:

The Mass Save rebate has few requirements: all you need to do is complete the installation of an eligible system and submit the required documentation.

- **Required items for submission:**
 - A completed rebate application, submitted by mail or online
 - The signed invoice provided by the contractor who completed your installation
 - A copy of your most recent electric bill

- ⦿ **If you are interested in Mass Save’s 0% interest HEAT Loan**, there will be a separate process you will need to complete. If you will need financing for your system, make sure to apply for the HEAT Loan before completing your installation. View the [HEAT Loan website](#) for more information.

Submitting the rebate: You have the option to submit your rebate application online or through mail.

Submitting online

The online form is straightforward with all required fields marked with a **red asterisk (*)**. Make sure you fill out all required fields: the steps below discuss only specific steps and things to keep in mind as you submit.

1. Visit the Mass Save online rebate form here: <https://efi.secure.force.com/client/LandingMARebatesV1>
2. On the landing page, select “Central Air Conditioners, Heat Pumps, and Mini-Splits.” Also indicate the fuel type of the heating equipment you currently use
3. On the second page, under “Products Purchased,” select “Central Air Conditioners, Heat Pumps, and Mini-Splits.”
 - a. Click next and a new form will appear. Enter the AHRI number of the system you installed. See the table on the previous page or view our [Pricing Guide](#) for the AHRI number. As soon as you enter the number, the page should update with the specifications of the system as well as the rebate amount.
 - b. **If you are installing a multi-zone unit**, make sure to indicate the number of indoor units you are installing as you will get \$100 for each indoor unit installed!
 - c. **If you installed more than one single-zone system**, you should click “Add Another Product” for each single-zone system.
 - d. Fill out all other required information on this page.
4. On the second page under “Submission Options” you will be given three items for submitting your application and supporting documents:
 - a. **Submit online:** Scan or take photos of the invoice from your installer and a copy of your recent electric bill. Upload them to the online application form.
 - b. **Submit by email:** Scan or take photos of the invoice from your installer and a copy of your recent electric bill. After you submit the rebate form, you will receive an email to which you can reply with the scans/photos as attachments.
 - c. **Submit by mail:** After you complete the rebate form, you will be able to print out your application. Mail this application with a copy of the invoice and electric bill to **Mass Save Rebates - Electric, 40 Washington Street, Suite 2000, Westborough, MA 01581**.

Submitting by mail

1. Print out the rebate form here: https://www.masssave.com/-/media/Files/PDFs/Save/Residential/MiniSplitHeatPump_RebateForm_2017.pdf
2. Fill out all information on the Rebate Form.
3. Mail this completed rebate form, along with a copy of the invoice from your installer and a recent electric bill to **Mass Save Rebates - Electric, 40 Washington Street, Suite 2000, Westborough, MA 01581**.

Additional information

- ⦿ For additional information about this program and all requirements, visit the Mass Save site here: <https://www.masssave.com/en/saving/residential-rebates/electric-heating-and-cooling/>

- ⦿ While you do not need to complete a free home energy assessment for the Mass Save rebate, you will need to have completed one in the previous 4 years or complete one within 6 months of installing your heat pump to receive the larger rebate from MassCEC.

We recommend not only completing a free home energy assessment, but also completing recommended home weatherization upgrades like air sealing and insulation. These upgrades are eligible for an **incentive of 75% of the project cost of up to \$2,000** (separate from the heat pump rebate) and will reduce your energy bill, improve the comfort of your home year-round, and improve the performance of your heat pump. If you intend to complete these upgrades, we recommend discussing this with your installer, as it will affect the size of heat pump that you will need to install.

Learn more on the Mass Save site here: <https://www.masssave.com/en/saving/residential-rebates/special-limited-time-offer-on-home-insulation/>.

Clean Heating & Cooling Program: Air Source Heat Pump Program

The Massachusetts Clean Energy Center (MassCEC) offers rebates for cold climate heat pumps through the Clean Heating and Cooling Program. This rebate is supported by the Massachusetts Renewable Energy Trust Fund, which is funded by the “Renewable Energy” charge on your electricity bill (1/20th of a cent per kilowatt-hour of electricity you use).

As noted in the [HeatSmart Northampton Pricing Guide](#), the rebate you can receive will be different depending on the type of system installed:

- **Single-zone systems** will be eligible for a \$625 rebate for each system you install (up to 3 systems)
- **Multi-zone systems** will be eligible for a \$625 rebate for each ton of heating capacity (at 5°F) up to 4 tons

The size of the rebate will also differ based on your household income.

- If you make <120% of the **state median income** (for your household size) **or** you are a public or non-profit entity, you will instead receive a rebate of **\$800** for each system or ton of capacity.
- If you make <80% of the **state median income** (for your household size) **or** you are installing your system in an affordable housing development, you will instead receive a rebate of **\$1,000** for each system or ton of capacity.

Additionally, if you are displacing electric resistance baseboard heating in your home, you will be eligible for an additional rebate adder of **\$300** per system or ton of capacity. If you are eligible for the <80% income rebate, this adder is **\$500**. These rebates increase the maximum rebate available per project.

More information is provided below on the income levels required and how to verify your household income to receive the larger rebate.

The rebate you should expect to receive for the systems installed through [HeatSmart Northampton](#) is described in the table below. Caps are larger for systems installed in non-profit, public, or affordable housing entities (view the [program manual](#) for more information).

(Values listed in red are new changes as of October 31, 2017 due to changes in MassCEC’s rebate structure)

Model Number	AHRI Number	MassCEC Rebate					
		Base Rebate		<120% Income Rebate		<80% Income	
		Base	Electric Heat Adder	Base	Electric Heat Adder	Base	Electric Heat Adder
Single-zone							
MUZ-FH09NA	7002062	\$625 per system (max of \$1,875)	\$925 per system (max of \$2,775)	\$800 per system (max of \$2,400)	\$1,100 per system (max of \$3,300)	\$1,000 per system (max of \$3,000)	\$1,500 per system (max of \$4,500)
MUZ-FH12NA	7002063						
MUZ-FH15NA	7002444						
MUZ-FH18NA2	8797133						
Multi-zone							
MXZ-3C24NAHZ2 (2 indoor units)	8996108	\$1,302.08	\$1,927.08	\$1,666.67	\$2,291.67	\$2,083.33	\$3,125.00

MXZ-3C30NAHZ	8993522	\$1,489.58	\$2,204.58	\$1,906.67	\$2,621.67	\$2,383.33	\$3,575.00
MXZ-4C36NAHZ	7434482	\$2,343.75	\$3,468.75	\$3,000.00	\$4,125.00	\$3,750.00	\$5,625.00
MXZ-5C42NAHZ	7434477	\$2,500.00	\$3,700.00	\$3,200.00	\$4,400.00	\$4,000.00	\$6,000.00

Income-Based Rebates and verification

MassCEC provides larger Income-Based Rebates for low- and moderate-income Massachusetts families to improve the affordability of heat pumps. Income-eligibility is based off of **state median income** as opposed to **area median income** (which is used by other low- and moderate-income programs).

Household Size	80% of State Median Income	120% of State Median Income
1	\$45,840	\$68,760
2	\$59,944	\$89,916
3	\$74,049	\$111,074
4	\$88,153	\$132,230
5	\$102,257	\$153,386
6	\$116,362	\$174,544
7	\$119,006	\$178,510
8	\$121,652	\$182,478

If you make <120% of the state median income, you are eligible for a larger rebate (\$800 per system/ton of capacity instead of \$625—or a 28% larger than the base rebate)

If you make <80% of the state median income, you are eligible for a larger rebate (\$1,000 per system/ton of capacity—or 60% larger than the base rebate)

Verifying your income

To access these Income-Based Rebates, you will need to verify your income through one of four methods (in addition to completing all other rebate requirements). For options 2-4, you will need to provide this documentation during the online rebate submission process:

1. **MassCEC Income Verification Portal:** Before you submit your rebate application, you can get your income verified for free through this Portal (<http://massceverify.com>). Through this portal, you will be asked to provide a completed IRS Form 4506-T for each adult tax filing with your household. This process will take approximately 2 weeks to complete. All information you submit through this portal will be reviewed by a third-party and kept strictly confidential; MassCEC will not have access to your documents or financial information.
2. **Electric Bill:** If you receive a special low-income electricity rate (R2 for Eversource), submit a copy of an electric bill showing this rate code with your application.
3. **Fuel Assistance Letter:** If you receive heating fuel assistance, you can provide a copy of a Fuel Assistance Letter of Acceptance from the past 12 months showing the date and your name and address. View an example letter [here](#).

4. **Mass Save Income Verification Screening:** If you already participated in an income verification screening process for larger incentives from Mass Save, you can submit your letter of approval. View an example letter [here](#).

For additional information, please consult Section 2.4 (pages 7-9) of the MassCEC Air Source Heat Pump Rebate Program Manual (<http://files.masscec.com/get-clean-energy/business/clean-heating-cooling/ASHPProgramManualSmallScale.pdf>).

Verifying your electric heating source

To access the electric resistance adder (\$300 or \$500 per indoor unit/ton of capacity), you will need to verify that you are displacing electric resistance heating during the online rebate submission process. During the rebate submission process, you will need to provide one of the following supporting documents:

1. An electric bill with a space heating rate code (for National Grid, this is an “E”)
2. A Mass Save Home Energy Assessment showing that the existing or backup heat is electric resistance.
3. An electric bill that shows an increased usage in **winter** compared to fall and spring in addition to two photos of electric baseboards in your home.

Requirements before submitting a rebate:

- **If you live in a 1-4 unit building,** to receive a rebate from MassCEC, you will need to have completed a **home energy assessment** within the past **4 years** or have one scheduled **within 6 months** of your heat pump installation. Home energy assessments are offered **for free** if you live in a 1-4 unit building by **Mass Save**. This Home energy assessment is also needed if you want to access a [0% interest HEAT Loan](#) from Mass Save.

If you haven't completed a home energy assessment, **sign up** for a free Mass Save assessment through the [ener-G-save website here](#).

If you live in a 5+ unit condo or apartment complex, you **do not need a home energy assessment** for the MassCEC rebate. However, you will only be able to receive the HEAT Loan if:

- (1) Your unit's electricity and/or bill is individually metered to your unit (and not included in your condo fees)
- (2) An authorized representative of the building (e.g. building owner, landlord, condo board member, property manager) enrolls your building for [Mass Save's Multifamily energy assessment](#).

Required items for submission: The rebate submission process can be completed through a new online portal that will walk you through the steps necessary and let you know what supporting documents are required. The online portal can be accessed here: <https://efi.secure.force.com/client/FormMACECV1>. You can submit your supporting documentation through the online portal, via email, or by mailing in the documents.

Submitting the rebate: Email all required information to ASHP@masscec.com with “ASHP Application: [your name]” in the subject header. If you are a business or non-profit, put “ASHP Application: [Name of your Site/Organization]” in the subject header.

Additional information: For more information about the MassCEC ASHP program, view the full program manual here: <http://files.masscec.com/get-clean-energy/business/clean-heating-cooling/ASHPProgramManualSmallScale.pdf>



0% Interest HEAT Loan

Mass Save offers a 0% interest loan through a variety of statewide and regional banks and credit unions. This loan could be up to **\$25,000 over a 7-year term** for qualifying homeowners.

This loan is not limited to just heat pumps: any Mass Save- or MassCEC-incentivized energy efficiency or clean heating and cooling measures can be combined and financed through the HEAT Loan. This includes:

- **High-efficiency/renewable water heaters**, including solar hot water and heat pump water heater systems, which are offered by Express Plumbing, Heating, and Solar Service (see [here](#) for more information)
- **Insulation and air sealing improvements and replacement windows** for existing properties, which may be recommended to you by your home energy auditor (see [here](#) for more information)
- **Other clean heating and cooling technologies**, including ground source heat pumps and central wood pellet heating systems (through the limited-time [expanded HEAT Loan](#))

The HEAT Loan can be a great option for you to finance the cost of a heat pump system—as well as combine it with some insulation and air sealing improvements to further increase your energy savings and home comfort.

Local lender options

Five HEAT Loan providers offer loans up of to \$25,000 and \$15,000 to customers in Hampshire County. Some lenders will get allow you to be prequalified for a HEAT Loan, which will expedite the approval process.

HEAT Loan provider name	Maximum amount	Prequalification?	Other notes
Country Bank for Savings	Up to \$25,000	Yes	Secured and unsecured loans available; no recording fees
Greenfield Co-operative Bank	Up to \$25,000	Yes	Secured and unsecured loans available; standard recording fees apply for secured loans
Spencer Savings Bank	Up to \$25,000	Yes	Secured and unsecured loans available; \$68.50 fee for secured loans
Monson Savings Bank	Up to \$15,000	Yes (only at branch)	Unsecured loans only
UMass Five College Credit Union	Up to \$15,000	Yes	Unsecured loans only

Requirements

- **If you live in a 1-4 unit building**, you will need to have completed a Mass Save home energy assessment. Sign up for a Mass Save home energy assessment through ener-G-save (ener-G-save.com/form) as soon as possible to make sure you'll be able to qualify.
- **If you live in a 5 or more unit condo or apartment complex**, you will need to meet the following requirements:

- Your unit must be individually metered for electricity and/or gas
- An authorized representative of the building (e.g. building owner, condo board member, property manager) will need to enroll your building for a Mass Save Multifamily energy assessment.

After your assessment is completed, you may apply for a HEAT Loan online. It is recommended that you review additional information on the Mass Save HEAT Loan site and follow the application process through the online portal here: <https://www.masssave.com/en/saving/residential-rebates/heat-loan-program>.

Glossary of terms

We've done our best to make [HeatSmart Northampton](#) as straightforward as possible. But we know there's some jargon and terminology you may not be familiar with throughout this guide. Here's an explanation of a few of the more common ones throughout this guide:

- ⦿ **Indoor unit:** Heat pump systems have indoor unit and outdoor units (see images below). The size of rebates described in this guide may be based on the number of indoor units installed in your home or business.



(An outdoor unit)



(An indoor unit)

- ⦿ **Single-zone vs. multi-zone:** Heat pump systems can be **single-zone**, with one outdoor unit and one indoor unit, or **multi-zone**, with multiple indoor units for each outdoor unit. Whether your system is single-zone or multi-zone will matter for calculating your rebate.