




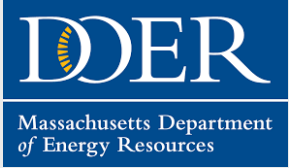


## Incentives and Financing Guide



The clean heating and cooling technologies offered through HeatSmart Nantucket are eligible for thousands of dollars in incentives, tax credits and financing from the Massachusetts Clean Energy Center, Mass Save, and the Massachusetts Dept. of Energy Resources.



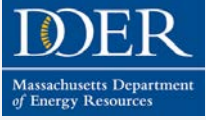

### Air Source Heat Pumps

Program Name	Description	Special Requirements
 <p>mass save Savings through energy efficiency</p>	<p><b>Ductless:</b> \$100 or \$300 per indoor unit, depending on the model installed</p> <p>You may be eligible to receive an additional \$300 per indoor unit if your home uses electric resistance heating as your primary heating source.</p> <p><b>Ducted:</b> \$500 per system</p>	<p><b>None!</b> Once your installer has completed your installation, all you have to do is submit your rebate application and paid invoice online through the Mass Save website or by mail.</p>
 <p>mass save Savings through energy efficiency</p> <p><b>0% Interest HEAT Loan</b></p>	<p><b>0% interest HEAT Loan</b> of up to \$25,000 over a 7-year term for qualifying homeowners</p>	<p>In addition to qualifying for the loan:</p> <p><b>If you live in a 1-4 unit building,</b> you will need to have completed a Mass Save home energy assessment or the enhanced HeatSmart Home Energy Assessment. <b>Sign up</b> for an energy assessment through <a href="http://www.ackenergy.org">www.ackenergy.org</a> to qualify.</p> <p><b>If you live in a 5 or more unit condo or apartment complex,</b> you will need to meet the following requirements:</p> <ol style="list-style-type: none"> <li>(1) Your unit must be individually metered for electricity and/or gas</li> <li>(2) 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.</li> </ol>
 <p>MASSACHUSETTS CLEAN ENERGY CENTER</p> <p>Clean Heating &amp; Cooling Program: Air Source Heat Pump Rebate</p>	<p>\$625 per indoor unit (for single-zone systems) or ton of heating capacity (for multi-zone) (up to \$2,500)</p> <p><i>(Note: Some central ducted systems may not be eligible)</i></p> <p>This rebate increases to \$800 (and potentially \$1,000) per unit if your home meets certain income-based criteria. You may also receive an additional \$300 or \$500 per unit if your installation is displacing electric resistance heating.</p>	<p><b>If you live in a 1-4 unit building,</b> you will need to have completed a <b>home energy assessment</b> within the past <b>4 years</b>. If you have not, you can complete a free home energy assessment <b>within 6 months</b> of your heat pump installation. <b>Sign up</b> for a Mass Save Assessment through <a href="http://www.ackenergy.org">www.ackenergy.org</a> to get this rebate.</p> <p><b>If you live in a 5 or more unit building,</b> you do not need to complete a home energy assessment.</p>

	See page 4 for more information.	Submit your rebate online at <a href="http://www.masscec.com/air-source-heat-pumps">http://www.masscec.com/air-source-heat-pumps</a> —or your installer may file the rebate on your behalf.
 <p>Alternative Energy Certificates</p>	<p>The Commonwealth's Alternative Portfolio Standard awards <b>Alternative Energy Certificates (AECs)</b> to owners of clean heating &amp; cooling technologies. These AECs can be worth around \$15-20 each, determined by the price paid by electric utilities at a public auction held every quarter.</p> <p><b>You will only be able to receive AECs if your heat pump system is the only source of heat.</b> The number of certificates you'll receive will be based on two criteria: <b>(1)</b> the square footage of your home; and <b>(2)</b> how efficient your home is.</p> <p>After registering your system, you will be awarded AECs equal to 10 years' worth of the heat your heat pump system is expected to provide. Depending on the number of certificates you receive, this incentive could be worth anywhere from <b>\$1,200 to \$4,500!</b></p> <p>Visit the HeatSmart Nantucket website for more information on this incentive and eligibility requirements.</p>	<p>We strongly encourage you to contract with an AEC aggregator, who can sell your AECs on your behalf for a small fee. A list of potential AEC aggregators can be provided by your installer or found on the HeatSmart website.</p> <p><b>If you wish to contract with an aggregator,</b> you will need to provide all information required by your aggregator. That's it! Once the auction occurs, the aggregator will send you a check based on the auction price.</p> <p><b>If you do not wish to contract with an aggregator,</b> you will need to register your system at <a href="http://rt.masscec.com">http://rt.masscec.com</a>. Note that utilities purchasing AECs tend to buy large quantities, and they may not purchase AECs for just your system.</p>

## Solar Hot Water

Program Name	Description	Special Requirements
 <p>0% Interest HEAT Loan</p>	<p><b>0% interest HEAT Loan</b> of up to <b>\$25,000 over a 7-year term</b> for qualifying homeowners</p>	<p>In addition to qualifying for the loan:</p> <p><b>If you live in a 1-4 unit building,</b> you will need to have completed a Mass Save home energy assessment. <b>Sign up</b> for a Mass Save home energy assessment through <a href="http://www.ackenergy.org">www.ackenergy.org</a> as soon as possible to make sure you'll be able to qualify.</p> <p><b>If you live in a 5 or more unit condo or apartment complex,</b> you will need to meet the following requirements:</p> <ol style="list-style-type: none"> <li><b>(1)</b> Your unit must be individually metered for electricity and/or gas</li> <li><b>(2)</b> 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.</li> </ol>
	<p><b>Up to \$3,500 for residences</b> depending on the number and performance rating of your solar hot water collectors</p>	<p><b>If you live in a 1-4 unit building,</b> you will need to have completed a <b>home energy assessment</b> within the past <b>4 years</b>. If you have not, you can complete a free home energy assessment <b>within 6 months</b> of your</p>

<p><b>Clean Heating &amp; Cooling Program:</b></p>	<p>This rebate increases to <b>up to \$4,500</b> (or more) if your home meets certain income-based criteria.</p> <p>See page 4 for more information.</p>	<p>heat pump installation. <b>Sign up</b> for a Mass Save home energy assessment through <a href="http://www.ackenergy.org">www.ackenergy.org</a> as soon as possible to make sure you'll be able to get this rebate.</p> <p><b>If you live in a 5 or more unit building</b>, you do not need to complete a home energy assessment.</p>
 <p><b>Alternative Energy Certificates</b></p>	<p>The Commonwealth's Alternative Portfolio Standard awards <b>Alternative Energy Certificates (AECs)</b> to owners of clean heating &amp; cooling technologies. These AECs can be worth around \$15-20 each, determined by the price paid by electric utilities at a public auction held every quarter.</p> <p>The number of certificates you'll receive will be based on three criteria: <b>(1)</b> the performance rating (OG-100 or OG-300) of your solar hot water collectors; <b>(2)</b> the number of collectors installed; and <b>(3)</b> the amount of sun those collectors receive.</p> <p>After registering your system, you will be awarded AECs equal to 10 years' worth of the heat your solar hot water system is expected to provide. Depending on the number of certificates you receive, this might be worth anywhere from <b>\$750 to \$2,000 or more!</b></p> <p>Visit the HeatSmart Nantucket website for more information on this incentive.</p>	<p>We strongly encourage you to contract with an AEC aggregator, who can sell your AECs on your behalf for a small fee. A list of potential AEC aggregators can be provided by your installer or found on the HeatSmart Nantucket website.</p> <p><b>If you wish to contract with an aggregator</b>, you will need to provide all information required by your aggregator. That's it! Once the auction occurs, the aggregator will send you a check based on the auction price.</p> <p><b>If you do not wish to contract with an aggregator</b>, you will need to register your system at <a href="http://rt.masscec.com">http://rt.masscec.com</a>. Note that utilities purchasing AECs tend to buy large quantities, and they may not purchase AECs for just your system.</p>
 <p><b>Federal Investment Tax Credit</b></p>	<p>The Internal Revenue Service (IRS) offers a <b>30% tax credit</b> based on total installation costs <b>with no maximum amount</b>.</p>	<p>Residents should complete <a href="#">Form 5695</a> and follow the IRS <a href="#">instructions</a>.</p> <p>Tax-exempt non-profit and public organizations are not eligible to receive the tax credit.</p> <p>If the entire credit is not used in one tax year, it can roll over to next.</p>
 <p><b>State Renewable Energy Tax Credit</b></p>	<p>The Massachusetts Department of Energy Resources administers a <b>15% state tax credit</b> for installation costs for solar hot water. This credit has a <b>maximum amount of \$1,000</b>.</p>	<p>Only residents are eligible for this tax credit. This credit may be rolled over to the next year if not used in one tax year.</p>
 <p><b>Property and Sales Tax Exemption</b></p>	<p>Solar hot water is 100% <b>exempt from the Massachusetts sales tax (6.25%)</b> under MGL 64H.6(dd).</p> <p>Solar hot water is 100% <b>exempt from the Massachusetts property tax</b> for 20 years under M.G.L. ch. 59 § 5 (45, 45A)</p>	<p><b>For the sales tax exemption</b>, fill out Form ST-12 (Exempt Use Certificate, Section 3) and provide it to your installer. The form can be found here: <a href="https://www.mass.gov/files/documents/2017/12/12/dor-sales-use-form-st-12.pdf">https://www.mass.gov/files/documents/2017/12/12/dor-sales-use-form-st-12.pdf</a></p> <p><b>To learn more about the property tax exemption</b>, please see the Massachusetts Department of Revenue's Information Sheet: <a href="http://www.mass.gov/dor/docs/dls/city-town/2012/ctmarch1-2012.pdf">http://www.mass.gov/dor/docs/dls/city-town/2012/ctmarch1-2012.pdf</a></p>

## Am I eligible for a larger rebate from the Massachusetts Clean Energy Center?

To make clean heating and cooling more affordable for Massachusetts residents, MassCEC offers larger rebates for households that earn less than 120% of the state median income (for your household size). This rebate increases if you earn less than 80% of the state median income.

Similarly, larger rebates are also available for non-profit and state/municipal entities, as well as for projects in affordable housing developments. Air source heat pumps are also eligible for a larger rebate from MassCEC (and Mass Save) if you are replacing electric resistance heating.

For more details on these larger rebates, visit the MassCEC or HeatSmart Nantucket websites for more information.

Technology Name	Base Rebate	<120% of State Median Income	<80% of State Median Income
Air source heat pumps	\$625 per indoor unit or ton of heating capacity (up to \$2,500)	\$800 per indoor unit or ton of heating capacity (up to \$3,200)	\$1,000 per indoor unit or ton of heating capacity (up to \$4,000)
Solar hot water	Up to \$3,500 depending on collector rating	Up to \$4,000 depending on collector rating	Up to \$4,500 depending on collector rating

## How do I know if I qualify for a larger income-based rebate?

If you meet the income thresholds for your household size (in the table to the right), you can verify your income prior to submitting your rebate application by going to <http://masscecoverify.com/>.

Alternatively, if you receive a special low-income electricity rate or heating fuel assistance, you can submit a copy of your electric bill or fuel assistance letter with your rebate application. Additionally, if you have already been approved through Mass Save for larger income-based incentives, you can submit a copy of your letter of approval.

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

**\*\*Note:** These levels are updated annually. Visit <http://www.masscec.com/income-based-rebate-adders> for the most up-to-date income eligibility thresholds