

High-Efficiency Heat Pump Program

Draft Program Design - Response to Public Comments

September 20, 2022

High-Efficiency Heat Pump Program (HHPP) will support the Rhode Island heat pump market through financial incentives, workforce development, and consumer and installer education.

The public comment period for HHPP's initial draft program design was open for the duration of August 2022.

The Rhode Island Office of Energy Resources (OER) thanks the public for all feedback provided. We received a total of 57 comments on a variety of topics. The majority of these comments came from individuals, while 12 comments were provided from various stakeholder groups. Although all feedback submitted was insightful, OER would like to specifically address the top three comment themes from individual commenters:

- 1. Eligibility Requirements**
- 2. Timing of Program Launch**
- 3. Retroactive Incentives**

Note: the 12 stakeholder groups to comment each provided multi-page attachments with detailed comments and considerations pertaining to HHPP. Due to the volume and breadth of this feedback OER is unable to respond to each of the points raised. OER wants to thank those stakeholder groups who submitted comments for their thoughtful and thorough consideration of the HHPP draft. The feedback and suggestions we received are extremely valuable and will be considered very seriously throughout the remainder of the program design process.

1. Eligibility Requirements

Of 57 total comments received, the majority of commenters recommended alterations to expand the eligibility of applicants for Residential and Enhanced Incentives. Many of these comments were from homeowners, senior citizens, and low-income residents requesting further incentives to be able to participate in the program to help Rhode Island meet their energy goals as well as prioritize people's energy needs. Both weatherization and installation cost were mentioned as being cost-intensive or unaffordable due to the rise of interest-rates and prices of homes. Additionally, costs that are complimentary to a heat pump installation such as weatherization, and maintenance were areas where additional funding was requested. A few comments asked why electric heating customers are excluded from HHPP excluding electric homes looking to be more efficient.

Responses:

Enhanced Incentive Eligibility- OER has not finalized the eligibility criteria for this program, and thanks the commentors for their insight. Eligibility criteria will be determined in conjunction with the soon-to-be-hired Program Administrator for HHPP. Additionally, since the release of the HHPP draft, the federal Inflation Reduction Act was passed, which will provide a suite of additional incentives for heat pumps. HHPP will be adjusted to compliment upcoming federal incentives, which may allow for broader eligibility for enhanced incentives.

Weatherization Incentives- While HHPP cannot provide weatherization incentives directly, OER will continue to support weatherization through other avenues and will make information on how to

access weatherization incentives available to HHPP participants. Education is a key component of HHPP and that includes providing clear, concise, and accessible information to the public regarding the program itself.

Electric Heat Customers- Again, education on HHPP and complimentary programs, services, and incentives will be a core aim of the program. HHPP will not incentivize heat pumps for electric heating customers, because the utility company already provides incentives equivalent to HHPP amounts for electric heating customers. HHPP will aim to provide information to Rhode Islanders on all applicable incentive programs and ensure that customers in all RI utility districts, regardless of existing heating type, have access to equivalent incentives.

2. Timing of Program Launch

Several commentors expressed a need for urgency in releasing HHPP and asked for more clarity on the timing of its release.

Response:

OER thanks the commentors for their feedback. OER is moving as swiftly as possible to comply with rigorous federal and state reporting requirements that need to be addressed before the program launches. Given the need to consult with numerous agencies at both the state and federal levels, OER cannot announce a specific launch date for HHPP at this time, but will continue to provide updates as they become available. To stay informed, please consider joining our [thermal sector mailing list](#).

3. Retroactive Incentives

Many commentors asked OER to offer retroactive incentives, to be applied to installations that have taken, or will, take place before the program's launch.

Response:

Although OER understands the desire for immediate access to the broader heat pump incentives HHPP will provide, we do not foresee adjusting the program design to allow for retroactive incentives.

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