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Inc, est 2000

There is another program that may apply to your new heat pump equipment: Energy Credits - info attached. We don't know a lot about it, or do anything with filing, ourselves. Passing the info along to you to look into. We do know that the amounts can be substantial, based on what customers have told us.

Sincerely,

Kevin Saunders - Seaside Gas Service

HCG Energy Credit Aggregation

The community-minded choice to maximize your air source heat pump investment



BIOMASS



SOLAR PV PANELS



AIR SOURCE HEAT PUMP



SOLAR HOT WATER



GEOTHERMAL



HCG
SUSTAINABILITY

HCG makes renewable energy incentives simple

- We offer free application support and submission for your alternative heating system and earn you Alternative Energy Credits (AECs)
- Your investment is maximized from our expertise in the Energy Credit marketplace and a low brokerage fee
- Contact us to see if your system qualifies



(413) 584-1300 X150



energycredits@hcg-ma.org



hcg-ma.org/energy-credits

Every year, we secure \$33 million
for our own community

\$33,000,000

Alternative Energy Credits for Air Source Heat Pumps

Available for Commercial, Residential and Municipal Buildings!

What are Alternative Energy Credits (AECs)? Massachusetts is investing in highly efficient, alternative heating systems as a way to move away from fossil-fuels through a new Alternative Portfolio Standard program. In this program, the Department of Energy Resources will grant the owners of qualifying air source heat pump systems a certain number of AECs. These credits are sold to electricity supply companies as a way to ensure their investment in these renewable heating systems.

HCG Aggregation: HCG, the only non-profit energy credit aggregator in Massachusetts, helps system owners across the state apply for AECs and sell their energy credits.

What to expect? The price per energy credit varies based on the market at the time, but is anticipated to hover around \$19 per credit. For systems under 134,000 btu/hr, payment can typically be expected within 6-9 months. Consult this chart for examples of how much a typical qualifying system can expect. Contact HCG for a more specific estimate.

Square Footage of Heated Space	When Air Source Heat Pump(s) are the ONLY heating system	When a SECONDARY heating system is maintained
Up to 1500 sq.ft.	\$1,600	\$1,060
Approx. 2000 sq.ft.	\$2,100	\$1,400
Approx. 3000 sq.ft.	\$3,200	\$2,100

Eligibility Requirements: The air source heat pump system must be the primary source of heat in the building, and must be a highly efficient model approved by the Department of Energy Resources. Please reach out to HCG for more information on additional eligibility requirements.

Is your building certified Zero Energy, Passive House certified, or have a HERS rating of 50 or less?

Great! You can earn at least 66% more AECs!

VISIT: [HCG-MA.ORG/ENERGY-CREDITS](https://www.hcg-ma.org/energy-credits)



HCG

99 MAIN STREET | NORTHAMPTON, MA 01060

Energy Credit Aggregation is a program of HCG

Community is our bottom line

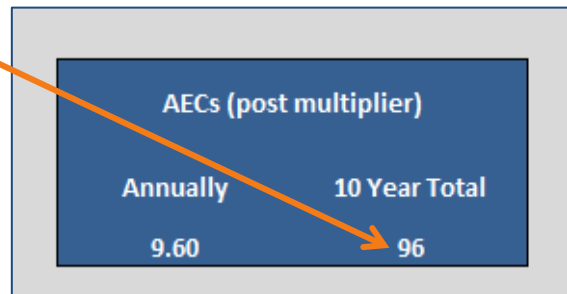
Estimating How Much Money a System Owner Receives for the Sale of their Alternative Energy Credits (AECs)

1. Please [click here](#) to open the Dept. of Energy Resources AEC Calculator for small systems.
 - This calculator can only be used for systems under 134,000 btu/hr
2. Open the spreadsheet and click 'enable editing' if asked, and also click 'enable content'.
3. Click the tab at the bottom of the spreadsheet that says 'air source heat pumps'.

Conditioned Area (Square Feet)	1,600
Does your system supply 100% of your heat load?	Yes
Was the previous, non-renewable heating system (oil, natural gas, etc.) removed?	Yes
Is the building certified as Zero Energy, Passive, or have a HERS rating of less than 50?	No

4. Use the drop-downs to enter information about the system into the following cells:

5. **10 Year Total:** This is the estimated number of Alternative Energy Credits a system owner can expect.
 - It's called the 10 year total because small systems receive a finite number of energy credits based off of ten years' worth of anticipated energy production.



6. **10 Year Value:** The 10-year value is a **rough estimate** of how much money the AECs will sell for in total, and **assumes** the credits are selling for \$20 each (the default calculator setting has the AEC Value (\$/AEC) set at \$20).



To get a rough estimate of how much money a system owner can expect, multiply the 10 Year Value x .93 to account for HCG's broker fee. Once you know these numbers, you can tell the system owner the following:

Your system will be eligible to receive appx. *<insert '10 year total'>* Alternative Energy Credits (AECs). The approximate value of this incentive will be \$ *<insert '10 year value' x .93>*. AECs are anticipated to sell for appx. \$20 each, but the price is ultimately **market-driven**. It is recommended to work with an aggregator who can sell your credits and help you get the most money back for your credits. HCG is a non-profit energy credit aggregator in Northampton, MA and can be reached at energycredits@hcg-ma.org if you have any questions or would like additional information about this incentive. The Dept. of Energy Resources recommends system owners work with an aggregator such as HCG who can help simplify the process, and get you a good price for your energy credits.

Air Source Heat Pump System Alternative Energy Credit (AEC) Eligibility Requirements for Small Systems:

Notes: The air source heat pump (ashp) system needs to be the **primary source of heat** in the space (ex. single family house, apartment, hotel room, etc.) The air source heat pump ‘system’ is considered all of the heat pump units heating the same building or heating a completely independent conditioned space that has **no cross-conditioning** or shared ashp components with other spaces. The following requirements apply to air source heat pump systems that have a rated capacity at 47 degrees Fahrenheit that is under 134,000 btu/hr. One application is submitted per independent ashp system.

- Ashp system must be in Massachusetts and installed on or after Jan 1, 2015
- All model numbers for the ashp system must be on the **APS list** of eligible small air source heat pumps. Please [click here](#) for this list.

Additionally:

- **If Retrofit/Replacing Existing Heating System and retaining a backup system (oil, propane, natural gas, electric resistance, etc), the air source heat pump system must:**
 - Provide at least 90% of the building’s total annual heating load.
 - Be able to distribute the heat from the air source heat pump(s) to all space-conditioned areas of the building.
 - The air source heat pump system needs to have a max capacity at 5 degrees Fahrenheit that is at least half (50%) of the name-plate output capacity of the remaining heating system.
 - This requirement is voided when the remaining heating system is electric baseboards or wood heating.
- **If Retrofit/Replacing Existing Heating System with no backup system, the ashp system must:**
 - Provide 100% of the building’s total annual heating load.
- **If New Construction:**
 - all small ASHPs must supply 100% of a building’s total annual heat load; non-renewable supplemental heat sources are prohibited.

Please see notes about these requirements on the next page.
Contact Sophie Theroux at HCG if you have any questions about these requirements: stheroux@hcg-ma.org or (413)584-1300 ext. 150



- If each office/apartment/system/etc. is individual and shares no common components (i.e. you could theoretically pick that system up and move it somewhere else and it would still operate) then it needs its own application as long as there is **no cross-conditioning** occurring between the spaces. So if you had 5 offices, all with individual units, that would be 5 applications, as long as there is **no cross-conditioning** occurring between the offices. Please contact HCG if you are ever unsure whether a particular space can be considered to have no-cross conditioning with other spaces.
- Generally different zones in a single-family house are **not considered** different conditioned spaces because cross-conditioning can occur between the spaces. An in-law apartment or office space in a house, or a detached garage, **might** be considered its own separate conditioned space as long as there is **no cross-conditioning** between the spaces.
- For the purposes of this program, **fireplaces** are not considered heating systems.
- Typically, if a single-family house has three outdoor units and two of the units are on the list of eligible models, and the third is not, the whole system would not qualify.
- **Eligible models:** The list of eligible models is a sub-set of the NEEP list and is a different list than the MassSave rebate list of eligible models. The list of eligible models is not necessarily an exhaustive list, but will contain the vast majority of qualifying models. You can easily search the list of eligible models by pressing “Ctrl+F” on your keyboard to open a search window.
 - To be considered eligible, all small air source heat pumps must meet all of the following requirements:
 - be ENERGY STAR™ certified
 - meet the Cold Climate Air Source Heat Pump Specification Version 2.0 published by Northeast Energy Efficiency Partnerships effective January 1, 2017 or any version thereafter
 - have a variable speed compressor
 - be part of an Air-Conditioning, Heating, & Refrigeration Institute matched system
 - have a coefficient of performance greater than or equal to 1.9 at max capacity 5 degrees Fahrenheit and a coefficient of performance greater than or equal to 2.5 at rated capacity 17 degree Fahrenheit

Please [click here](#) for the DOER’s official regulations (page 19).

