

Incentives and Financing

Frequently Asked Questions

What financing options are available to me?

New! In response to COVID-19, once PAUSE is lifted, NYSERDA will offer 0% interest loans for energy efficiency and heat pumps. NYSERDA offers two loan products with a range of terms. The [Smart Energy Loan](#), a more traditional loan, or the [On-Bill Recovery Loan](#). The On-Bill Recovery Loan allows you to finance energy efficiency improvements to your home through a charge on your utility bill. Your repayment amount will be based on projected savings on your energy bills. Plus, the HeatSmart participating installers offer additional financing solutions separate from the NYSERDA options. Ask them about what other opportunities may be available to you.

How much could I potentially save by installing clean heating and cooling?

Everyone's heating (and cooling) bill is different, so the amount you could save on energy will vary depending on a number of factors, including what fuel you currently use to heat your home, how well insulated it is, what size and shape your home is, what temperature you keep your thermostat at, how many heat pump units you install, and more.

For heat pumps, the most important factor on how much you'll save is what fuel you currently use to heat your home and how old and inefficient your heating system is. If you heat with electric resistance, or propane, you'll probably see the most energy savings—anywhere from \$500 a year to over a

thousand or more, depending on how much you currently pay and how much of your heating bill you offset.

One way to compare these different CH&C technologies to fossil fuel-based equipment is to look at how much it costs to provide a unit of heat. It is hard to predict fossil fuel prices from year to year, but based on fuel prices today, heat pumps will heat your home at approximately half the cost of propane, 40% of the cost of electric resistance, and 70-80% of the cost of oil.

How much can I expect to pay for a clean heating and cooling system?

The cost of a heat pump will vary depending on the type of system installed (geothermal, air source, ductless or ducted), how many zones you want to heat/cool, the size of your home, how well insulated it is and more. In general, a ductless heat pump will cost roughly \$4,500 - \$6,000 or more for every zone of your home you want to heat. It is important to note that all of the HeatSmart installers are offering a special campaign discount combined with the available rebates.

If you are considering a heat pump you may want to compare proposals from more than one HeatSmart installer.

Do the rebates go to the customer or the installer? Who will be applying for the rebates?

The HeatSmart installers will help you fill out rebate and loan applications. Some rebates may be deducted from the cost of the system, and others mailed to you directly.