



Building Up

A Message from ...

Furnaces are running overtime this winter, starting with a persistent cold snap that caught many household budgets off guard. Now is a good time for homeowners to consider cutting their spring and fall heating costs by installing an energy-efficient air source heat pump (ASHP).

The energy-saving potential of ASHPs in our cold-climate region is very exciting. Minnesota Power recently changed its program requirements to make more customers eligible for rebates when they install an ENERGY STAR® qualified furnace integrated (or split-system) ASHP. That is good news for participating HVAC contractors and their customers.

This issue of *Building Up* examines the benefits of ASHPs and the expanded rebates. You will hear more at the 24th annual Energy Design Conference & Expo, February 25-26, 2014, at the Duluth Entertainment Convention Center. Mark your calendar, register and start building your business on energy efficiency.

... the  **power of one**
Energy Conservation Team

Minnesota Power Extends Rebates

Minnesota Power Extends ENERGY STAR® Qualified Split-System ASHP and Mini-Split Ductless Rebates

Fielding questions about air source heat pumps (ASHPs) is just part of a day's work for Joe Randall of Randall Brothers Heating and Air Conditioning in Cloquet, Minn. Many homeowners who want to save energy and lower their heating and cooling costs are very interested in this energy-efficient alternative to conventional furnaces and air conditioners. They often turn to HVAC contractors, like Randall, for advice.



Joe Randall, Randall Brothers Heating and Air Conditioning in Cloquet

"We have seen an uptick in interest because ASHP technology is getting better, with higher efficiencies at lower temperatures," Randall said. "Plus new Minnesota Power rebates and federal tax incentives make these units more affordable, bringing the cost closer to that of an air conditioner."

ASHPs provide both energy-efficient heating and cooling. In the summer, they pull heat from inside the home and move it outside to provide air conditioning. During the spring and fall, the refrigerant flow is reversed to extract low temperature heat from outdoors and deliver concentrated high temperature heat to the home. ASHP systems typically work well until outdoor temperatures dip below 30°F. At that point, an additional heating source is recommended.

"I know we will sell more ASHPs as a result of these rebates."

Joe Randall, HVAC Contractor

"Newer units can run efficiently at outdoor temperatures as low as 0°F and still provide usable heat, but the discharge air at that point is not as comfortable as most people want," Randall said. "In our area, we see ASHPs working until early December and then starting again in March."

cont.



WHAT PEOPLE ARE SAYING:

"Besides picking up knowledge from presenters and vendors, people get together and talk. Ideas are really shared at this conference and people are willing to pass on what they have learned."

Bob Pheiffer, WECC


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“The Energy Design Conference & Expo continually evolves to engage attendees in meaningful ways and give them relevant, affordable tools and information they can use in the field.”

Amanda Oja, Minnesota Power

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cont. There are two basic types of ASHPs—furnace integrated (also called split-system) and mini-split ductless. Furnace integrated ASHPs are installed in homes with traditional forced air furnaces and existing ductwork. Mini-split ductless systems are recommended for homes with electric baseboard, slab or hot water heating.



A split-system ASHP unit pays for itself over time with energy savings.

While ENERGY STAR® qualified split-system ASHP units pay for themselves over time with energy savings, they cost more upfront than standard air conditioners. This has been a barrier for cost-conscious consumers. Minnesota Power is hoping to encourage more ENERGY STAR® qualified split systems by rebating ENERGY STAR® qualified ASHP installations. Customers now can receive a \$300 rebate on a furnace integrated ASHP system regardless of their primary heat source—as long as the units are ENERGY STAR® qualified and installed by program-participating contractors. Electric heat is still a requirement for mini-split ductless ASHP rebates.

“The rebate expansion is great news,” Randall said. “This past year, I could have closed a half-dozen more (split-system) jobs if the ENERGY STAR® rebate was available. I know we will sell more ASHPs as a result of these rebates.”

Randall is part of Minnesota Power’s growing network of high performance HVAC contractors who are program trained and have a track record of providing quality ASHP installations that are the best fit for customers and their homes.

“Minnesota Power is out there promoting energy conservation, proper installations and the right equipment for the job,” Randall said. “It builds respect and gives customers a higher confidence level that they can trust their contractors to do good work. Their high standards and incentives benefit our entire industry.” 🏠

24th annual Energy Design Conference & Expo General Conference: February 25-26, 2014 Duluth Entertainment Convention Center

Learn about the latest building technologies, renewable energy, best practices and responsible design with some of the best educators in the business. This year’s Energy Design Conference & Expo will feature a new lighting hall in the exhibit area. Continuing education units (CEUs) for plumbers are also now available, pending approval from the Minnesota Department of Labor and Industry.

Register online at www.duluthenergydesign.com.

Last day to register: February 17, 2014

Featured Incentives

Educate your customers about Minnesota Power’s conservation incentives and build your business on energy efficiency.

ASHP Rebates for ENERGY STAR® Qualified Standard Split Systems:

- \$300 rebate on furnace integrated ASHP with proper installation
- \$500 ECM/ASHP combo rebate on properly installed ASHP with new ECM fan motor for existing forced air furnaces
- \$600 ECM/ASHP combo rebate on properly installed ASHP with ECM fan motor for new forced air furnaces

ASHP Rebates for Qualified Mini-Split Ductless Systems:

\$500 rebate on new mini-split ductless ASHP for homes with electricity as the primary heating source

Other ASHP Rebates: \$50 rebate for proper installation of non-ENERGY STAR® furnace integrated models or ductless systems

Water Heater Rebate: \$50 rebate for an electric water heater with an Energy Factor (EF) of .95 or greater (*Heat pumps and tankless water heaters are not eligible. Customer must have an electric water heater in existing home or be installing it in new construction.*)

Contact Information



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