

Windham County Advanced Wood Heating System Income-eligible Incentive Terms, Conditions, and Requirements

The Vermont Windham County Advanced Wood Heating System Income-eligible Incentive is designed to provide funds to help cover the costs of installing new advanced wood heating systems (AWHS) in income eligible homes, in Windham County, Vermont. Funding is provided through the Vermont Clean Energy Development Fund (CEDF) at the Public Service Department. This incentive program is administered by the Renewable Energy Resource Center (RERC).

SECTION A: GENERAL RULES AND REQUIREMENTS

1. Incentives are available for advanced wood heating systems that meet the requirements set forth in this document. All program requirements must be strictly adhered to and documentation must be completed to receive an incentive payment.
2. Project incentives can only be received by a pre-approved AWHS Participating Installer. Company (henceforth known as the “Installer”). The Installer arranges the installation of the project and ensures that the installation is completed in a safe and reliable manner.
3. Incentives are available for AWHS that meet the requirements set forth in Section C: Advanced Wood Heating System Rules and Requirements as well as the other rules set forth herein.
4. The incentive amount for a specific project will be determined based on the structure described in Section C: Advanced Wood Heating System Rules and Requirements.
5. Once completed projects are given final approval, incentive payments are sent by the Public Service Department via check to the Installer on behalf of the customer.
6. For the State to send incentive payments to the Installer, the Installer must have a State Vendor number. If an Installer does not have a State assigned Vendor number, they can obtain one by sending the Public Service Department a completed W-9 form (signed within the last six months). Please submit via email to christopher.heine@vermont.gov. Hard copies can be mailed to:

CLEAN ENERGY DEVELOPMENT FUND c/o PSD
Christopher Heine
112 State Street, Third Floor
Montpelier, VT 05620
7. Incentives are for the benefit of the customer. Transfer of incentive benefit from the Installer to the customer must be clearly identified in customer contracts and invoices, as either a credit (preferred method) or a rebate. Select information, such as system type, system size, and location, about the systems installed with SSREIP support may be publicly posted. Additional information may be released upon official request.
8. Customers receiving an incentive are allowing the CEDF to access the customer’s pellet purchases from pellet vendors.
9. Customers receiving an incentive through the RERC cannot also receive a separate grant through the CEDF.
10. The incentive payments made to the Installer under this program will trigger the issuance of 1099s and thus may be treated as taxable income by the IRS and the State of Vermont. **It is the responsibility of the recipient of this incentive payment to consult with his/her tax advisor to determine the correct treatment of these payments for Federal and State tax purposes.**
11. If a customer receives an incentive but then removes the installation for which the incentive was approved, the customer must notify the RERC and the CEDF or the Public Service Department. The customer has a fiscal obligation to the CEDF equal to the incentive amount received from the State of Vermont through the SSREIP. Alternatively, the incentive amount/equipment purchased with the incentive may be considered property of the State and may be required to be returned to the State. In

addition, the customer will not be granted any further incentives, unless there are exceptional circumstances as determined by CEDF Manager.

12. Installed systems may be subject to a site visit to verify system installation. Customers shall be willing to allow and reasonably schedule such a site visit if requested.
13. The Clean Energy Development Fund and the Public Service Department reserve the right to modify or terminate this program. Program rules, requirements, terms and conditions, and incentive levels are subject to change or cancellation.
14. **Failure to adhere to the rules and requirements of this incentive may result in non-payment of reserved incentive and in being removed from the SSREI Program.**

SECTION B: RESERVING COMPANY RULES AND REQUIREMENTS

1. To access the Advanced Wood Heating System incentive, AWHs Installers must:
 - a. Be licensed in Vermont to do business;
 - b. Have demonstrated technical competence in the design and installation of small commercial advanced wood heating systems;
 - i. This can be demonstrated by proof of taking a manufacturer’s installation training course (required for Reserving Companies who wish to apply for the custom incentive – Reserving Companies must take a manufacturer’s installation training course for each)
 - c. Be insured to \$1,000,000 minimum general liability (aggregate);
 - d. Install systems with no less than a one-year warranty on initial installation and major components; and
 - e. Install systems with manufacturer’s warranties on system components.
 - f. Be members of the Efficiency Excellence Network at Efficiency Vermont under the Heating, Ventilation and Air Conditioning Trade Group with Modern Wood Heating certification submitted and approved. Please contact Efficiency Vermont at (855) 832-7283 or een@efficiencyvermont.com for more information or to sign up. This requirement does not pertain to reserving companies who solely work on wood chip systems.
2. The lead installer (either an employee of the Installer or a person under contract by the Installer) must have expertise in the design and installation of the relevant type of system and must provide on-site review of the installation and be on-site to complete the final inspection before commissioning (i.e., the time when the system is turned on and capable of supplying heat to the distribution system).
3. Self-installations are not eligible for an incentive. This applies to the Installing company’s owners who wish to install a system in their home or business. Employee discounts are acceptable; however, the incentive will be capped at 30% of the cost to the employee. Because the incentive payment is made to the Company, the Company should **clearly indicate how the transfer of the incentive benefit to the employee/customer will be made.**

SECTION C: ADVANCED WOOD HEATING SYSTEM RULES & REQUIREMENTS

1. All advanced wood heating systems must be installed in Windham County, Vermont.
2. The table below summarizes the incentive calculations:

RESIDENTIAL INCENTIVE	
LOW INCOME	\$15,000
MODERATE INCOME	\$12,000

Qualifying households must meet the income guidelines below. The income levels are based on the following Area Median Income (AMI) thresholds as set forth by the Department of Housing and Urban Development.

		Annual household income limit by household size							
		1	2	3	4	5	6	7	8
Windham County	Low Income	\$62,550	\$71,500	\$80,450	\$89,400	\$96,550	\$103,700	\$110,850	\$118,000
	Moderate Income	\$93,825	\$107,250	\$120,675	\$134,100	\$144,825	\$155,550	\$166,275	\$177,000

3. Customers are subject to a program lifetime cap of \$12,000 or \$15,000 of incentive funds dependent on their income level. This program is additive to any base advanced wood heating system incentives that may be received from Efficiency Vermont.
4. The incentive is only available for advanced wood heating systems utilizing pellets for fuel (no woodchips or cordwood) and for single-unit (pre-approved boiler or furnace) systems, up to 100 kW (341 kBtu/hr). Pre-approved units may be found on the Efficiency Vermont Qualified Product List at [efficiency-vermont-wood-pellet-qualified-products.pdf](#).
5. Advanced wood heating systems utilizing pellets for fuel must have a documented efficiency rating of 85% or greater. This system efficiency shall be measured on a HHV basis for peak rating (not seasonal average) by accredited third-party certification. These systems must also have a documented emissions for particulate matter below 0.08 lbs/MMBtu for PM2.5 and comply with all applicable Environmental Protection Agency and Vermont standards for particulate matter emissions.
6. Advanced wood heating systems utilizing woodchips for fuel must have a documented efficiency rating of 80% or greater. This system efficiency shall be measured on a HHV basis for peak rating (not seasonal average) as documented by accredited third-party testing agencies or third-party accredited field testing of comparable units. These systems must also have a documented emissions for particulate matter below 0.10 lbs/MMBtu for Total PM and comply with all applicable Environmental Protection Agency and Vermont standards for particulate matter emissions.
7. Incentives are for new, high-efficiency wood pellet boilers or furnaces utilized as primary central heating systems. System must include:
 - a. Fuel storage capacity such that the system may continuously operate for a period of at least 14 days under peak load conditions and hold no less than 1 ton.;
 - b. Automated fuel feed from a bulk storage container/area to the burn chamber in an integrated path;
 - c. Automated on/off fuel feed control based on a demand for heat; and
 - d. Bulk fuel storage container systems must be able to receive automated bulk delivery of pellets or chips.
8. All prospective applicants must use less than 75,000 Btu per square foot of heated building space per heating season. The SSREIP will not grant incentives to systems over-sized to compensate for inefficient homes/buildings.
9. Certain wood heating systems require thermal storage installation pursuant to EPA regulations. Please see the latest Eligible Equipment Inventory for further information.
10. If the project receives additional Clean Energy Development Fund or State of Vermont financial support, the combined funds (with the Small-Scale Renewable Energy Incentive Program) may not exceed 75% of total installed costs.
11. The installation needs to be purchased or garnered through an up-front lease payment structure (i.e., there must be up-front installation costs to the customer to validate the incentive).
12. Required permits must be properly obtained and posted.
13. All equipment must be properly installed according to manufacturer's requirements and all applicable local, state, and federal codes, ordinances and permits.
14. Incentives are available only for projects that use new equipment and that result in a functional, independent system. Systems with used components are not eligible for an incentive.
15. All systems must be listed on the Efficiency Vermont Qualified Product List at [efficiency-vermont-wood-pellet-qualified-products.pdf](#). To be included, systems must meet one of the following criteria:

- e. Included on the NYSERDA list of approved systems for the Renewable Heat New York small commercial wood pellet boiler incentive program; or
 - f. For systems not on the NYSERDA list, but you have evidence to demonstrate compliance with the 85% efficiency and 0.08 MMBtu for PM2.5 requirements, that evidence should be submitted to the SSREIP for evaluation and possible approval to be added to the SSREIP Flat-Rate Advanced Wood Heating System Eligible Equipment Inventory. Note that these units may not exceed 100 kW (341 kBtu/hr) output for the flat-rate incentive.
16. Systems that utilize multiple fuels (corn, coal, cordwood, dual fuel systems that can burn oil, etc.) are not eligible for new installations.
17. The system installed must have rated heat output capacity that is less than the existing heating system's rated output, if no heated space is being added to the building. In the case of new construction, Companies must calculate the estimated annual and peak heat load requirements of the building and to ascertain that the heating system to be installed is not oversized.

ADMINISTRATIVE INFORMATION

1. Please send all queries regarding incentive payments (including checks) to the RERC.
2. Important program information is distributed via email. Please be sure to submit current email addresses on your paperwork.
3. Each Incentive Reservation Form must be submitted individually. Multiple Incentive Reservation Forms on a single email will not be accepted.
4. If you are mailing original documents, please keep a copy for your records. The mailing address and contact information for the Renewable Energy Resource Center is:

**VERMONT WINDHAM COUNTY ADVANCED WOOD HEATING SYSTEM INCOME-ELIGIBLE
INCENTIVE**

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