Heat pump HVAC rebates

Considering replacing your old, inefficient heating and cooling system? Converting to a new, more efficient multi-stage electric heat pump HVAC system will help keep your bills low and your home comfortable year round.

SMUD rebates are available to make purchasing an energy efficient system more affordable.

<table>
<thead>
<tr>
<th>Replace this</th>
<th>With this</th>
<th>Rebate</th>
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</thead>
<tbody>
<tr>
<td>AC and gas furnace HVAC system</td>
<td>Multi-stage electric heat pump HVAC</td>
<td>$3,000</td>
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<tr>
<td>Existing heat pump HVAC System</td>
<td>Multi-stage electric heat pump HVAC</td>
<td>$750</td>
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What is a heat pump HVAC system?
A heat pump HVAC system is simply an air conditioner that can run in reverse to heat or cool your home.

Heat pumps have changed
Today’s multi-stage heat pumps aren’t like older heat pumps that increased your energy costs and left your home uncomfortable. The difference is in the compressor, which is the heart of the HVAC system and responsible for about 80% of the energy consumption. SMUD recommends new two-stage or variable-stage heat pumps. Here’s how they stack up:

- **Basic:** Single-stage systems operate at one compressor speed—100%—or not at all. Even if you adjust your thermostat setting to heat or cool your home by one degree, the equipment runs at full speed. Because these systems turn on and off frequently, the compressor uses more energy, which increases your energy costs.

- **Better:** Two-stage systems can operate at a lower compressor speed (Stage 1 - typically about 50%) or on high (Stage 2). This uses half the power of a single-stage system, which reduces your heating and cooling costs. By running longer at a low speed, these systems deliver increased comfort and a longer system life.

- **Best:** Variable-stage systems use even less power because they can run at lower compressor speeds than two-stage systems. They also offer the most energy and bill savings, superior comfort and an even longer system life.
Added benefits of multi-stage systems

More comfort. Two-stage and variable-stage systems circulate more air throughout your home, which helps to eliminate hot or cold spots and keep your home at a consistent temperature. Plus, a variable-stage system operates so quietly that you may not even realize it’s on!

Balanced humidity. Systems that have longer runtimes are better at maintaining the ideal levels of humidity in your home by season. Humidity levels are what help you feel cooler or warmer. You’ll notice less humidity in the summer (which helps you feel cooler) and slightly more humidity during the colder months (which helps you feel warmer).

Better indoor air quality. Because the multi-stage systems run longer, the air filter traps more airborne particulates, lowering the dust and pollen levels inside your home.

Facts and myths about heat pumps

Myth: Heat pumps don’t work well in Sacramento.
Fact: New multi-stage heat pumps heat and cool extremely well in Sacramento’s climate.

Myth: Heat pumps cost too much to use.
Fact: While this may have been true for the old single-stage systems, new multi-stage heat pumps can keep your home comfortable for about half the cost of the old systems.

Myth: Heat pumps produce cold air during the winter.
Fact: It may feel cooler when the heat pump first turns on but the system quickly adjusts to warm your home.

Tax credits

The Federal government offers a $300 tax credit for homeowners who install an energy efficient HVAC system in 2021. Learn more at smud.org/HVAC.

Ready to upgrade your system?

SMUD has a network of qualified contractors who can help you design the right heat pump system for your home and qualify for a rebate. To find your contractor, visit SMUDContractorNetwork.org.

We’re here to help

To learn more about heat pumps and why they might be the right choice for your home, visit smud.org/HVAC or contact one of our Energy Advisors at 916-732-5732 or AdvancedHomeSolutions@smud.org.