



2023 Financial Incentives. All homes must achieve a minimum of five percent (5%) kWh savings over the Texas Baseline Reference Home (TBRH) established by the Public Utility Commission of Texas (PUCT) in the *Texas Technical Reference Manual (TRM) Version 5.0 for Program Year 2022, Volume 4: Measurement & Verification Protocols*. This eligibility threshold is designed to limit free-ridership and ensure project level cost-effectiveness. These incentives will be made available only for homes with a meter set date on or after October 1, 2022.

Tier 1, a home must meet the mandatory measures: 15.2 SEER2 AC systems (* or 16 SEER HP) and Grade 1 wall and R-38 ceiling insulation installation and must meet 3 out of 6 of the additional elective options.

Tier 2, homes must include 15.2 SEER2 AC systems (* or 16 SEER HP) and have the same mandatory Grade 1 wall and R-42 ceiling insulation installation requirements and features a 4 out of 6 additional elective requirements.

Tier 3, homes must include 15.2 SEER2 – 7.8 HSPF HP AC systems and have the same mandatory Grade 1 wall and R-42 ceiling insulation installation requirements and features a 4 out of 6 additional elective requirements.

An **optional** method to comply with Tier 1, 2 & 3 is also proposed by installing “**Foam Encapsulation**” Attic. Effectively, by virtue of the properties of foam encapsulation, most elective measures from Tiers 1, 2 & 3 are met with exceedingly high performance: duct leakage is virtually eliminated, infiltration rates far exceed traditional buildings.

Table 1: 2023 Incentive Schedule

Mandatory Program Requirements	Tier 1	Tier 2	Tier 3
Climate Zone	CZ2	CZ2	CZ2
Minimum Cooling SEER2 Value (*or 16 SEER HP)	15.2	15.2	15.2
Grade 1 Wall Insulation	Yes	Yes	Yes
Grade 1 Ceiling insulation	≥R-38	≥R-42	≥R-42
Electric Water Heat Efficiency	-	-	0.95
Heat Pump HSPF	-	-	7.8
Elective Requirements	Must meet 3 of 6 (Tier 1)	Must meet 4 out of 6 (Tier 2)	Must meet 4 out of 6 (Tier 3)
Duct Leakage CFM/100 sq. ft.	≤ 4	≤ 3.5	≤ 3.5
Infiltration ACH50	≤ 4.5	≤ 4	≤ 4
Average Window SHGC	≤ .24	≤ .22	≤ .22
Average Rated Wall + Sheathing R Value	≥ R-15	≥ R-15	≥ R-15
High Efficiency Lighting %	≥ 90%	≥ 95%	≥ 95%
Radiant Barrier	Yes	Yes	Yes
Incentive Amount	\$250.00	\$350.00	\$550.00
Additional Bonus Incentives			
Heat Pump Water Heater (per home)	\$300	\$300	\$300
EV Charger - Level 2 (per home)	\$100	\$100	\$100
Heat Pump Installation Bonus (7.2 HSPF min) (per home)	\$200	\$200	\$200
ENERGY STAR Smart Thermostat (per home)	\$25	\$25	\$25
Foam Encapsulated Attic (≥R-21)	\$50	\$50	\$50
Affordable/Low Income Housing (per home)	\$100	\$100	\$100
Right-Sized HVAC (per system)	\$25	\$25	\$25



Additional details on Program incentives are listed below.

- A. Incentive Payments are subject to the submission of required documentation, and cooperation with random QA/QC (Quality Assurance/Quality Control) verification inspections. Required documentation includes: (a) Completed database forms for each home/unit address; (b) Uploaded address specific Ekotrope file for each home/unit.
- B. Any home with a documented minimum of five percent (5%) savings over the 2022 Texas Baseline Reference Home, completes Section 3 (Fully Aligned Air Barriers) and Section 5 of the most current revision of the Thermal Enclosure System Rater Checklist, AND performs both Blower Door and Duct Blaster Testing (including leakage to outside) shall be eligible for incentives. All homes must meet the minimum energy code applicable to where home is constructed in addition to the above requirements.
- C. Successful completion of the most current revision of the Thermal Enclosure Checklists (TBC) including: (a) Rater Design Review Checklist and Rater Field Checklist; (b) HVAC Design Report; and (c) HVAC Commissioning Checklist. Upon request, a copy of the completed and signed inspection forms and checklists shall be made available to Program staff within 3 business days.
- D. **Bonus incentives** will be paid for **15.2 SEER2 7.2 HSPF Heat Pumps**. The program will only be incentivizing builders who switch from electric resistance furnaces to heat pumps or who increase the SEER2 level of their existing heat pumps; these incentives will be allocated to each builder during the application process.
- E. All evaporators and condensing units shall be properly matched as demonstrated by an **AHRI certificate**.
- F. **Right-sizing incentives** are also available for homes under the whole house path that have submitted an ACCA approved Manual J. Systems installed will be required to be sized according to *ANSI/ACCA 3 Manual S – 2014* sizing standards noted in *Table N2-1, Sizing Limits for Cooling Equipment Only*. All submittals must be reviewed and approved to have met all requirements before incentives are awarded.
- G. To qualify for the [ENERGY STAR Certified Smart Thermostat bonus incentive](#), applicant must submit systems model number and serial number to the database. To verify system eligibility, visit the ENERGY STAR [website](#).
- H. Multi-family incentives are paid at fifty percent (50%) of single-family incentive structure. Attached residential units, with greater than two units per building and three stories or less. All units must be individually metered. Customized incentive packages may be required dependent on project size and other factors.



4. **Performance Milestone Date Requirements.** To qualify for Incentive Payments, Homebuilder must meet the following Performance Milestone Date Requirements:

Table 2: Performance Milestones

Date	Performance Milestone Date Requirements
April 7, 2023	At least 20% of total committed homes must be entered on the Program's online system; Homebuilder must have selected at least one preferred HERS Rater on the online system.
July 7, 2023	At least 60% of total committed homes must be entered on the Program's online system and the required documentation for the invoiced homes must be uploaded on the online system.
October 6, 2023	At least 80% of total committed homes must be invoiced on the Program's online system and the required documentation for the invoiced homes must be uploaded on the online system.
November 24, 2023	100% of total committed homes must be invoiced on the Program's online system and the required documentation for the invoiced homes must be uploaded on the online system.

If Homebuilder fails to meet the performance date requirements, ICF may withdraw some or all of the Incentive Payments for homes for which Documentation has not yet been submitted. If ICF withdraws potential Incentive Payments it may, in its sole discretion, allow Homebuilder to reclaim a portion of any withdrawn Incentive Payments if Homebuilder exceeds future Performance Milestone Date Requirements.