



## City of Piedmont Electrification Rebate Program



### Program Overview

The City of Piedmont is offering electrification rebates for certain electric home appliances. Electrification refers to the process of replacing everything that burns fossil fuels with efficient electric alternatives. By removing your natural gas appliances, you reduce greenhouse gas emissions and improve indoor air quality. Rebates are available for single family and multi-family residences. Eligible low-income residential applicants may qualify for additional funding. Funding is limited and applications will be accepted until funding is exhausted.



## Program Requirements

- New electric equipment must replace existing gas equipment.
- Applicant must be a City of Piedmont property owner and provide proof of ownership.
- Rebates will only be issued for existing buildings; new construction is not eligible for this program.
- Rebates can be applied to equipment and installation labor for projects included in a Building Permit submitted on or after January 3, 2023.
- Each applicant is eligible for one rebate per appliance type per address.
- Equipment must be installed by a licensed contractor who holds a City of Piedmont business license.
- Equipment must be permanently installed and fixed to the property.
- Applicant must submit a Building Permit with the City's Planning & Building Department on or after January 3, 2023. Rebates will not be distributed until after the Building Permit has passed a final inspection. Please note that Planning Design Review Applications may be required for exterior units that do not meet the Design Review Exemptions.

## Additional Rebates

Additional funding for electric appliances may be found through [The Switch Is On](#). Examples of other rebate providers include [BayREN](#), [California Energy Smart Homes](#), [East Bay Community Energy \(EBCE\)](#), and [PG&E](#). Applying for additional rebate programs is strongly encouraged for maximum savings.



## Rebate Application Steps

Step 1: Work with your contractor to submit a [Building Permit](#) (and [Design Review Permit](#), if required).

- Projects involving a heat pump HVAC installation must complete a Mechanical Permit application.
- Projects involving a heat pump water heater installation must complete a Water Heater Permit application.
- Projects involving an electrical panel upgrade must complete an Electrical Permit application.
- Note that if the submittal does not meet the Design Review Exemptions a Design Review Permit is also required.

Step 2: Review the electrification program requirements and details to confirm eligibility. Complete your online rebate application [here](#). A paper copy is available upon request.

- You will be notified via email from the Sustainability Division ([sustainability@piedmont.ca.gov](mailto:sustainability@piedmont.ca.gov)) if your application is approved and your rebate funding has been reserved.
- Rebate checks will only be issued to the property owner or a tenant with expressed approval from the property owner. You will need to submit a [W-9](#) for the property owner or designated payee and W-9 information must match IRS records.
- Rebate checks cannot be issued to contractors.
- Income-qualified applicants must verify eligibility by uploading one of the following:
  - A copy of your utility bill showing participation in the [CARE or FERA discounted rate programs](#); or
  - Verification that the unit is deed restricted affordable housing; or
  - A copy of your tax returns.

Step 3: Once Building and Planning Permits have been issued and after the appliance has been installed, your contractor must schedule an inspection with the City's Building Division.



Step 4: After your project has passed final inspection, submit the following documentation via email to receive the rebate check. Email [sustainability@piedmont.ca.gov](mailto:sustainability@piedmont.ca.gov) with the subject line: *Electrification Rebate - Final Docs, Last Name*

- Permit number and proof of final inspection from the Building Division
- Proof of payment for the installation and equipment (paid invoice)
- Photos of installed equipment (include one photo of equipment installed and one photo of the make/model label)
- Completed [W-9](#) form if the rebate amount given is more than \$600.
  - Please enter the following in the “Requester’s name and address (optional)” section of the form:

City of Piedmont  
120 Vista Avenue  
Piedmont, CA 94611

Step 5: Receive your rebate check!

- The City will issue the rebate check to your designated payee.
- Please allow 2-6 weeks for your rebate check to be issued.
- Payee will receive a [Form 1099-MISC](#) if the rebate amount given is more than \$600.



## Rebate Requirement and Amounts

### Heat Pump Water Heater (HPWH)

- Requirements:
  - Must replace existing gas water heater (includes tankless or demand-type)
  - Must be ENERGY STAR qualified
  - Must meet [NEEA Tier 3 Advanced Water Heater Specification or higher](#)
  - Must have a Uniform Energy Factor (UEF) or 3.0 or higher

Equipment	Standard Rebate	Income Qualified Rebate
Heat Pump Water Heater	\$800	\$1600





## Central Air Source Heat Pump (ducted)

- Requirements:
  - Must replace existing gas furnace
  - Must be certified by the Air Conditioning, Heating and Refrigeration Institute (AHRI)
  - Must have SEER of 16.0 or greater and HSPF of 8.5 or greater
  - Both the condenser unit and the air handler are new and installed simultaneously
  - May be added to buildings without air conditioning systems

Equipment	Standard Rebate	Income Qualified Rebate
Central Air Source Heat Pump	\$1500	\$3000





## Mini-Split Heat Pump (ductless)

- Requirements:
  - Must replace existing gas furnace
  - Must be certified by the Air Conditioning, Heating and Refrigeration Institute (AHRI) and the matched assembly is a model combination that is listed in the AHRI Directory of Certified Equipment
  - All units must meet or exceed SEER of 16.0 and HSPF of 8.5
  - May be added to buildings without air conditioning systems

Equipment	Standard Rebate	Income Qualified Rebate
Mini-Split Heat Pump	\$750	\$1500





## Service Panel Upgrades

- Requirements:
  - Only eligible when installing another rebate-eligible appliance
  - Electrical service equipment shall be installed in accordance with the manufacturer's installation instructions, the current California Electrical Code, Article 230, and PG&E rules and regulations
  - Must replace the home's main electrical service panel
  - Must include capacity in the panel to accommodate future electrification of the residence including all appliances and an EV charger

Equipment	Standard Rebate	Income Qualified Rebate
Service Panel Upgrades	\$500	\$1000







## Contractor Signing Bonus

Contractors who register with the Bay Area Regional Energy Network (BayREN) after January 1, 2023 will be eligible for a \$500 signing bonus. Contractors must have an active Piedmont business license and are not already a BayREN participating contractor. Learn more [here](#).



## Rebate Program Terms & Conditions

Property owners must meet and agree to the following terms and conditions to be eligible to receive a rebate:

- Rebates are distributed on a first come, first serve basis until all funds are expended.
- Rebates are only available for heat pump water heaters, high-efficiency heat pumps, and electrical panel upgrades for new equipment.
- Property owners can apply for rebates for multiple appliances (i.e., heat pump water heater and ductless heat pump).
- Income qualified applicants participating in the Electrification Rebate Program are eligible for double the incentive costs.
- To be eligible for the rebate, applicant must be a City of Piedmont property owner. Applicant must provide proof of property ownership, equipment receipts(s) or paid invoice(s), installation receipt(s) or paid contractor's invoice(s) with contractor's license number, photo(s) of installed equipment, and documentation of approved final inspection. Product(s) must be new, and installation must be issued a Building Permit by the City of Piedmont.
- Limit of one rebate application per residential unit.
- Rebates are issued as checks.

## Questions

For more information or questions, please email [sustainability@piedmont.ca.gov](mailto:sustainability@piedmont.ca.gov)



## Frequently Asked Questions (FAQs)

*Why is the City of Piedmont offering this program?*

- The City is offering this rebate program to incentivize homeowners to electrify their homes. Building electrification has the potential to reduce greenhouse gas emissions in Piedmont and help meet the City's goal of reducing greenhouse gas emissions 40% by 2030, as set by the [Piedmont Climate Action Plan 2.0](#).

*What are other ways to move toward an all-electric home?*

- Additional ways to move towards an all-electric home include:
  - Choosing [EBCE's 100% renewable electric service plan](#) to power your home with 100% renewable electricity
  - Electrify your washer/dryer
  - Electrify your kitchen with an induction range or cooktop
  - Replace your combustion engine vehicle with an EV
  - Add rooftop solar to your home

*What happens if there is a power outage?*

- If there is an outage, you will not be able to use your electric appliances. But, since all modern gas appliances use an electric ignition for fire safety, they won't be able to ignite during an outage either. For this reason, some homeowners choose to have a backup battery, generator, or electric vehicle to use in the event of a power outage.

*Is there enough electricity for everyone to have all-electric homes?*

- Yes. California built its grid for the hottest days of the year when all air conditioners will be on full blast. Electric homes can help support the grid during peak summer times because electric appliances such as heat pumps are extremely efficient electricity users. Home electrification may add load during the winter, but our current grid will be able to absorb the additional electricity demand from an all-electric building sector.



*How can I tell if I have gas or electric appliances?*

- Every appliance is different, but here are some clues:
  - Space Heater: Check the front of your heating unit. If you have a gas unit, you should be able to see a small blue flame through the small window on the front of the heater. Gas heating units use burners to produce heat. You can usually also hear the gas burner. Electric units do not have windows or make this noise.
  - Water Heater: If your water heater is powered by gas, you will likely see a gas pipe of some sort entering a gas control valve near the bottom of the tank. The pipe is typically black or galvanized steel, although it may also be painted. Typically, there is a flexible connector hose that is yellow or metal color from the pipe to the unit. Gas pipes enter the bottom of the unit to the combustion chamber and carry fuel into the system that is used to warm the water. Another clue to the type of energy behind your water heater is to see if there is a vent at the top of the water heater. Gas fired appliances will have an exhaust flue that is either metal or made from PVC for high efficiency appliances. This vent allows combustion fumes to exhaust from the gas-fired appliance to escape the system and be directed outside.

*Will installing electric appliances increase my monthly utility bills?*

- The exact costs and savings will vary greatly depending on your individual situation, as they depend on several factors (e.g., cost of gas, cost of electricity, efficiency of appliances). Switching from a gas to electric-powered appliance may increase your electricity bill, while decrease your gas bill. Nonetheless, using an efficient heat pump can lower your heating bills dramatically, especially in Piedmont where winters do not get too cold. Over the long term, it is very likely that [gas prices will continue to rise](#) and electricity becomes cheaper as the price of renewable energy continues to drop.

*Is it expensive to electrify my home?*

- Costs will vary significantly depending on your home's individual needs. And installation costs may vary based on your contractor's familiarity with the technology, so it is important to find contractors experienced in electrification. Electrification can be expensive but there are many rebates available to lower the cost. Additional funding for electric appliances may be found through [The Switch Is On](#).



- Examples of other rebate providers include [BayREN](#), [California Energy Smart Homes](#), [East Bay Community Energy \(EBCE\)](#), and [PG&E](#). Applying for additional rebate programs is strongly encouraged for maximum savings.

*Are there any additional or hidden costs to electrification?*

- Besides the labor and appliance cost there may be costs to upgrade your home's electrical system, depending on its age and condition. Fortunately, California has introduced a number of rebates and incentives that make electrifying your home more affordable than ever. Check out [The Switch Is On incentives page](#) to learn more.

*If I can only afford to make one change, which appliance would be best for me to swap out first?*

- As many things, it depends on your home and your energy use. Traditionally, heating, ventilation and air conditioning systems (HVAC) are often the biggest energy consumers, followed by water heating systems. It also may be best to swap out the oldest appliance that is most in need of being replaced. Speak to one of BayREN's Home Energy Advisors to find out more. Advisors offer free, unbiased advice. Learn more [here](#).

*How can I find an installer?*

- These lists are provided for convenience only and have been developed by utility partners: [The Switch Is On](#) and [BayREN](#).

*What happens to my old gas appliances when I make the switch to electric?*

- Consider donation or resale before recycling. Appliances may be recycled with Republic Services. Call Republic Services at 800-320-8077 to schedule a special bulky item pickup. In order to be hauled away, all doors must be sealed with duct tape and appliances must be empty. Appliances may also be recycled through the retailer. Confirmation will have to be documented on the receipt as recycled.

*How does a heat pump (HVAC) work? Will it work as well as my central gas furnace?*

- Yes, heat pumps are significantly more effective than gas heating systems. Heat pumps work by redistributing heat from the air or ground and use a refrigerant that circulates between the indoor fan coil (air handler) unit and the outdoor compressor to transfer the heat. In cooling mode, a heat pump absorbs heat inside your home and releases it outdoors. In heating mode, the heat pump absorbs heat



from the ground or outside air (even cold air) and releases it indoors. Learn more [here](#).

*What are the benefits of switching from a gas furnace to an electric heat pump?*

- Heat pumps are significantly more efficient than gas furnaces. For the average house, installing electric heat pumps in place of a gas furnace and gas water heater will reduce heating emissions [by more than 45% over the next ten years](#). Depending on your heating and cooling habits, you may see a decrease in your heating and cooling bill. This is likely to be true if you have solar. Additionally, electric heat pumps can even improve the indoor air quality in your home. As heat pumps do not burn anything to create heat, they do not produce any smoke or add fumes to the air.

*What is the difference between a ducted and ductless heat pump?*

- Ducted heat pumps are usually a single outdoor unit that pushes air throughout your home using a system of ducts. Ductless heat pumps are made up of an outdoor unit and multiple indoor handlers, also known as a mini-split. If your home doesn't have existing ducts in good condition, a ductless system is usually the more economical option. These systems also allow each room to be set to different temperatures. Learn more [here](#).

*Where can a heat pump be installed?*

- The outdoor component of the heat pump is generally located outside, in a dry, well-ventilated area. This unit can be mounted on one of the exterior walls of your property, near the ground. The indoor air handler should be mounted in a central location on an exterior wall. A ductless system will have units in individual rooms.

*Will I need an electrical panel upgrade for my heat pump?*

- If installing a heat pump will draw more energy than the capacity of your existing panel, you will need an upgrade. The City's rebate program can help to cover the costs of an electrical panel upgrade.

*Does a heat pump work if the outside air is too cold?*

- Yes, air source heat pumps work below 20 degrees Fahrenheit—in fact, newer models can perform well below -10 degrees Fahrenheit!



*Should I be concerned about emissions from refrigerants in heat pump equipment?*

- While it's true that refrigerants have climate impacts when they leak into the air, refrigerant emissions remain marginal compared to carbon dioxide (CO<sub>2</sub>) and methane emissions. The CO<sub>2</sub> emissions from gas combustion, and of methane emissions from gas wells and pipeline leaks, vastly outweigh average refrigerant emissions. Further, it is not typical for refrigerants in a heat pump to leak.

*What are the City of Piedmont's heat pump regulations?*

- All heat pumps must meet the Piedmont Building Code requirement of a sound level of 50 db or less at the nearest property line. Along with the Building Permit application, you must submit a 2010 ANSI/AHRI Standard 275 calculation. If more than 40 feet of new ductwork is being installed, a duct leakage test will be required. The HERS duct test is submitted at the final inspection.

*Will I need a building permit to replace my gas furnace with a heat pump?*

- Yes, your installation contractor will need to pull a permit with the City's Planning & Building Department. For more information, call 510-420-3050 or visit Piedmont's Building Division at City Hall (120 Vista Avenue, Piedmont, CA). If the heat pump is going to be installed less than five feet from the property line or in the front yard it will need approval from the Planning Division. Also, if the heat pump is installed on the roof or there is more than one heat pump, it will need approval from the Planning Division. Contact the Planning Division for more information on the Director's Design Review Process. Once the heat pump location has planning approval, submit a Building Permit application. If the heat pump just needs a Building Permit, submit an application to [buildingpermits@piedmont.ca.gov](mailto:buildingpermits@piedmont.ca.gov).

*How does a heat pump water heater work?*

- Heat pump water heaters move heat rather than make heat. It's like a reverse refrigerator. While a refrigerator pulls heat from inside a box and dumps it into the surrounding room, a heat pump water heater pulls heat from the surrounding air and transfers it at a higher temperature into the tank to heat your water.



*How is a heat pump water heater different than a tankless water heater?*

- Heat pump water heaters are much more efficient than tankless heaters and last an average of five years longer. But they also typically need more space. On the other hand, tankless water heaters use much more energy, but give an instant supply of hot water.

*What are the benefits of switching from a gas water heater to an electric heat pump water heater?*

- Lower Energy Bills - While an Energy Star®-certified heat pump water heater costs slightly more upfront, the energy cost savings will pay for its additional costs in about three years for a typical home. Source: [Energy Star](#)
- Healthier and More Comfortable Living Spaces - Burning natural gas creates emissions of unhealthy gasses such as nitrogen dioxide, carbon monoxide, and formaldehyde. Eliminating these emissions in your water heater or stovetop will improve indoor air quality while cooling the surrounding areas.
- SMART Home - Most heat pump water heaters can be connected to Wi-Fi and to your smartphone for setting schedules and important alerts like water leak detection.
- More Energy-Efficient and Climate-Smart - Heat pump water heaters can be two to three times more energy-efficient than conventional electric resistance and natural gas water heaters, reducing your greenhouse gas emissions.

*What are the benefits of a heat pump when used with solar electricity?*

- During the day when the sun is shining, rooftop solar panels harvest solar energy and convert it for use in your home as electricity. Because heat pump water heaters are powered by electricity, pairing the heat pump with rooftop solar could effectively reduce the cost to run it compared with running it without solar.

*Where can a heat pump water heater be installed?*

- Heat pump water heaters generally require installation in a room with 1,000 cubic feet of space (approximately the space of a 12'x12' room) so that enough ambient air is available for the water heater to operate efficiently. In our climate, heat pump water heaters can work best in a garage.



*Will I need an electrical panel upgrade for my heat pump water heater?*

- Most heat pump water heaters require a 30-amp breaker. In some cases, you may need to have an electrician make some modifications before you can install the heat pump water heater. The City's rebate program can also help to cover the costs of an electrical panel upgrade.

*Does a heat pump water heater work if the outside air is too cold?*

- Yes. While this is unlikely in Piedmont's climate, if it gets too cold, an electric heat pump water heater will switch to backup coils and run just like an electric resistance water heater.

*Will I need a building permit to replace my gas water heater?*

- Yes, your installation contractor will need to pull a permit with the City's Planning & Building Department. For more information, call 510-420-3050 or visit Piedmont's Building Division at City Hall (120 Vista Avenue, Piedmont, CA).