

TVA Increases Rebate for ENERGY STAR Manufactured Homes

Incentives a *game changer* for ENERGY STAR manufactured home sales

Nashville, TN—The Tennessee Valley Authority announced today that, effective immediately, it is increasing the rebates offered to build ENERGY STAR manufactured homes in their seven-state service area to nearly **\$2,000 per home**. Under the program, home manufacturing plants will receive \$1,450 for each ENERGY STAR manufactured home sited with an all-electric heat pump in TVA's service area. In addition, HVAC suppliers (contract with TVA required) will receive \$500 to reduce the customer cost of purchasing a heat pump, required of all electrically-heated ENERGY STAR homes.

Previously, the rebates were set at \$400 to retailers and \$300 to HVAC suppliers. The ENERGY STAR program was slow to catch on, as many felt the incentives were not sufficient given the added cost of building an ENERGY STAR qualified home.

With manufacturers also qualifying for an additional \$1,000 federal tax credit, each ENERGY STAR home sale generates nearly \$3,000 in pre-tax benefits. While the incentives go to the manufactured home builders and HVAC suppliers, the real beneficiary is the customer, who will reap the energy savings for the life of the home. Compared to a conventional manufactured home without a heat pump, ENERGY STAR homes will **lower home electric bills by about \$50 per month**, providing tens of thousands of dollars in savings over the life of the home. ENERGY STAR manufactured homes also are more comfortable, quieter, require less maintenance and will likely have higher resale values.

The program is set to run through 2011. ENERGY STAR manufactured homes must be sited in the TVA power service area before the rebates are paid. Depending on how quickly the industry embraces the program change, TVA may consider extending the program into 2012. Nearly all home manufacturing plants serving the TVA area have signed on to move their product lines to ENERGY STAR (see list on the program website: http://www.research-alliance.org/pages/es_TVA.htm).

The rebate to the HVAC supplier is designed to cover the difference in price between a straight air conditioning system and a heat pump that is far more efficient during the heating season. The HVAC rebate is administered by TVA under the **energyright Volume Heat Pump Program for Manufactured Homes** in TVA's service area and is available for all heat pump installations in qualified manufactured homes that are no more than six years old. Eleven HVAC suppliers currently participate in this program (visit program website).

For more information about these programs, contact:

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