

SWEPSCO Louisiana Residential 2026 Program Year

HVAC Overview

HVAC Program Overview

Residential HVAC Program: Offers incentives to participating contractors for the installation of high energy efficiency HVAC equipment in residences served by SWEPCO Louisiana.

Income Qualified (IQ) HVAC Program: Offers incentives to participating contractors for the installation of high energy efficiency HVAC equipment in low-income residences served by SWEPCO Louisiana. Incentives are higher in the IQ HVAC program to enable contractors to provide energy efficiency measures at a lower cost to the customer. Low-income customers are eligible through geographic location using:

- [LMISD Web Tool](#)
- [HUD QCT Tool](#)

SWEPCO enters contracts with contractors for the installation of qualifying energy efficiency measures that result in a reduction of peak demand (kW) and energy savings (kWh).

Incentive payments to contractors are based solely on the savings yielded through the installation of qualifying energy efficiency measures. Contractors use the incentive payment to offset the cost of a measure to end-use customer. Incentives are paid directly to the contractor.

How to Participate:

Enrollment for contractors is simple via the following steps:

1. Review applicable Program Manuals and Program Agreements on the [Contractor Center](#).
2. Register and enroll to participate in our program tracking database, [P3](#).
3. Provide a brief statement of capabilities and experience, a list of references, marketing materials*, copies of up-to-date training certificates or licenses**, and a certificate of insurance provided by your insurance agent. Please review Program Manual for insurance guidelines.
4. If applicable, list the name(s) of a subcontractor.
5. Submit application.
6. SWEPCO will fully review each enrollment application and notify contractor on the status of their application.

*Marketing materials must be approved by SWEPCO prior to use.

**Current licenses required for all HVAC installers.

Customer Eligibility Information:

Residential customers of SWEPCO are eligible to have qualifying equipment installed in their homes as part of the Program. Eligible customers shall be identified by their SWEPCO bill account number or by the meter number located on the premise.

Eligible Residential Properties:

Eligible residential properties include:

1. Single-Family properties – Residential dwellings consisting of two or less units (i.e., a duplex or less)
2. Mobile Home properties – Manufactured homes
3. Multi-Family properties – Residential buildings containing three or more dwelling units. These include individually metered multi-family properties and individually metered townhomes.

2026 Key Dates

January 19, 2026	Database opens for HVAC project submittals
November 27, 2026 or funds depleted	Program year ends

Equipment Eligibility and Reporting Requirements

The following types of residential equipment qualify for incentives when installed in existing homes served by SWEPCO.

1. **AC systems***: Minimum 15.2 SEER2/10.8 EER2, up to 5.4 tons
2. **Heat Pump systems***: Minimum 14.8 SEER2/10.8 EER2/7.8 HSPF2, up to 5.4 tons

All systems must be AHRI-matched, as evidenced by the appropriate AHRI rating sheet, to be submitted by the contractor. All installations and supporting documentation must be submitted by participating contractor within 45 days of installation.

***A new AC or Heat Pump system includes an entire packaged unit, or a split system consisting of an indoor unit with a matching remote condensing unit. Mini-Split air conditioners and heat pumps are now stand-alone measures and should be reported as such in P3. Incentives will match those of central air conditioner and heat pump measures.**

Required Forms and Documents (found in the [P3](#) database):

1. **Residential Participant Agreement Form**; *this SWEPCO Louisiana provided form is the primary agreement executed between the Customer and the Project Sponsor prior to measure installation. The RPAs contain customer protection provisions and disclosures.*
2. **All Bills Paid Affidavit**; *this form is provided to Customers by Project Sponsor after the completion of measure installations. It provides Customers protection against claims of subcontractors. (Provided to customer only when a subcontractor is used)*

Decision/Action Types for HVAC Installations

Replace-on-Burnout (ROB):

ROB defines a situation where an older, inoperable unit was replaced after failure, or the equipment is older than the estimated useful life (EUL). For this scenario, the measure baseline condition would be based on a codes/standard or “standard practice”, rather than the efficiency of the equipment that was previously installed.

Additional reporting requirements for an ROB scenario include:

- Photograph of new inside and outside nameplate

Early Retirement (ER):

An early retirement scenario occurs when existing, functional or actively used equipment is replaced with similar, higher efficiency equipment. Sizing of new unit must be less than or equal to that of the existing unit.

Additional reporting requirements for an ER scenario include:

- Age of replaced unit
- Retired unit model number, serial number and manufacturer
- Photograph of retired unit nameplate
- Photograph of new inside nameplate and outside nameplate
- Photo of gauges showing that the system is currently working and/or customer responses documenting the condition of the replaced unit(s) and their motivation for unit replacement (Customer response for an ER decision is located on the HVAC Residential Participant Agreement).

New Construction:

Equipment sizing must adhere to code requirements in your area. Additional

reporting requirements for a New Construction scenario include:

- Photograph of new inside and outside nameplate

Rightsizing:

Systems that are right sized per a heat load calculation are eligible. Additional reporting requirements for rightsizing include:

- Photograph of retired OUTSIDE unit nameplate
- Photograph of installed INSIDE unit nameplate
- Photograph of installed OUTSIDE unit nameplate
- If photograph of retired unit nameplate is unavailable or not legible, provide estimated square footage of conditioned area served by the retired unit

Incentives

Residential HVAC Program

HEAT PUMP INCENTIVES

SEER2	\$ / Ton
14.8 - 15.9	\$350
16.0 - 16.9	\$400
17.0 - 17.9	\$500
18.0 +	\$600

A/C INCENTIVES

SEER2	\$ / Ton
15.2 - 15.9	\$100
16.0 - 16.9	\$150
17.0 - 17.9	\$200
18.0 +	\$250

To qualify for a \$3,000 rebate, replace your old electric resistance furnace and outdoor air conditioning unit with a new heat pump system to include:

- A new heat pump (indoor and outdoor units)
- An electric furnace for backup heating

Systems must have a SEER2 rating above 14.8 to qualify.

Residential Income-Qualified HVAC Program

HEAT PUMP INCENTIVES A/C INCENTIVES

SEER2	\$ / Ton
14.8 - 15.9	\$450
16.0 - 16.9	\$500
17.0 - 17.9	\$600
18.0 +	\$700

SEER2	\$ / Ton
15.2 - 15.9	\$150
16.0 - 16.9	\$200
17.0 - 17.9	\$250
18.0 +	\$300

To qualify for a **\$3,500 rebate**, replace your old electric resistance furnace and outdoor air conditioning unit with a new heat pump system to include:

- A new heat pump (indoor and outdoor units)
- An electric furnace for backup heating

Systems must have a SEER2 rating above 14.8 to qualify.

Calculation example:

All reporting will be based on rated cooling capacity instead of nominal tonnage. Capacity ranges will use normal rounding convention (midpoint rounds up, anything below rounds down) and round to the nearest half-ton according as seen in the table below. Example: An installed 16 SEER heat pump with a rated cooling capacity of 25,000 Btuh would fall under the “2-ton” range and qualify for an \$800 (\$400 x 2-ton) incentive.

Cooling Capacity Btu/hour (Btuh)		Tonnage
0	14,999	1
15,000	20,999	1.5
21,000	26,999	2
27,000	32,999	2.5
33,000	38,999	3
39,000	44,999	3.5
45,000	53,999	4
54,000	65,000	5

Project Sponsor Limits and Funding

2026 RSOL Sponsor Limit	\$50,000
2026 IQ Sponsor Limit	\$15,000

- *The annual limit is not a guaranteed amount reserved for or paid to each Project Sponsor. It is the responsibility of the Project Sponsor to monitor the overall program budget and their company limit to determine if there are ample funds before implementing installations.*
- *Limit may be waived or adjusted if SWEPCO determines that such limits would prevent it from achieving its energy efficiency goal.*

2026 Residential HVAC Program Funding	\$550,000
2026 Income Qualified HVAC Program Funding	\$89,094

- *No approved Contractor has unconditional entitlement or preferential rights to any incentive funds.*
- *Funds will be taken out of the program budget upon the submission of a project. Please note that when funds reach zero in the program, there is no guarantee that SWEPCO will be able to pay incentives on non-submitted projects.*