

# Clean Heat Program Briefing

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# OSE's Core Services

## Climate & Environmental Justice



- Environmental Justice Fund
- Climate Workforce
- Resilience Hubs
- Duwamish Valley Program
- Green New Deal Oversight Board

## GHG Emissions Reductions



- Transportation Electrification
- Low Pollution Neighborhoods
- BEPS
- **Clean Heat Program**
- Municipal Energy Emissions Program

## Food Policy & Programs



- Healthy School Food
- Sustainable Procurement
- Fresh Bucks
- Food Action Plan
- Sweetened Beverage Tax CAB

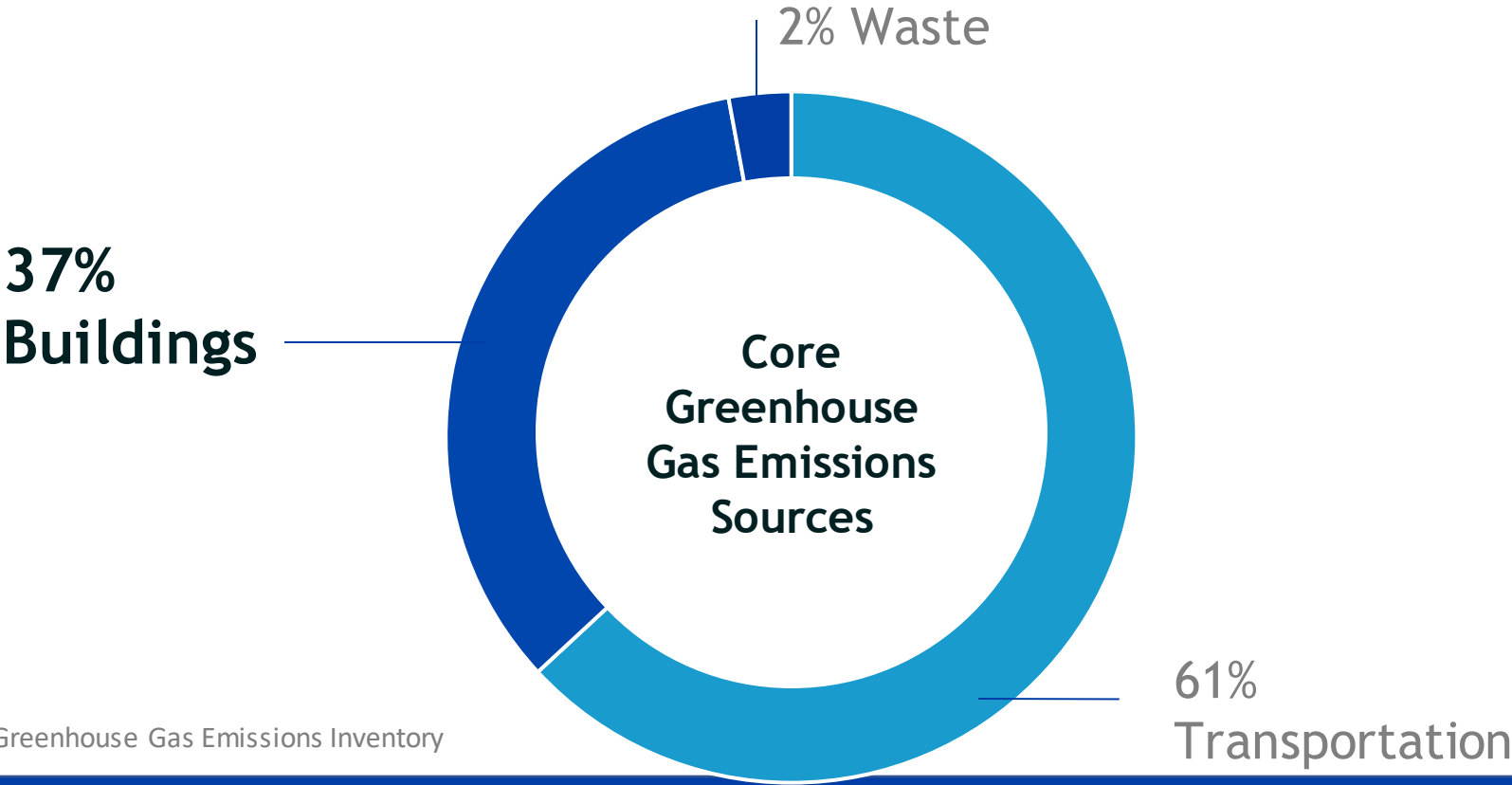
## Seattle's Trees & Forests



- Canopy Equity Plan
- Tree Canopy Cover Assessment
- \$12M USFS Grant
- Urban Forestry Commission
- Trees for Seattle



# Buildings are one of the largest sources of Seattle's climate pollution



Source: 2020 Seattle Greenhouse Gas Emissions Inventory

# Background

Clean Heat delivers on City priorities and commitments outlined in Climate Action Plan, EO's and strategies.

- Seattle's Climate Action Plan: 32% GHG emission reduction target in residential by 2030



Phase out oil heating by 2030

- Emissions reductions: ~ 9% total buildings sector and ~18% in the residential sector



Create a program that supports all households making the switch: prioritize low-income households

- In 2017 there were approx. 18,000 oil heated homes (1,000 on UDP)



One of most impactful programs

- City investments key to leveraging private, state and federal match to scale to an equitable transition away from fossil fuels



# Why Focus on Heating Oil?

- Most carbon intensive heating fuel
- Switching to electric heat pumps reduces energy use and heating costs by 50% or more (\$800-\$1,000/year)
- Underground storage tanks leak over time the longer they stay in the ground.
- Heat pumps also provide air-conditioning - longer/hotter summers and wildfire smoke

## OIL HEAT vs CLEAN HEAT

**Oil furnaces** burn heating oil that is similar to diesel fuel to heat the home.

Burning heating oil **pollutes our air**.

Heating oil costs are **expensive**, and all costs are usually **billed entirely at once** when the tank is filled.

**\$1,700 per year**

**500 gallons**

Leaking oil tanks **pollute our soil and ground water**, and can cause expensive clean-up costs.

**Heat pumps** transfer heat from the air into or out of the house.

An electric heat pump is more than twice as efficient as an oil furnace and saves about **\$850 every year**.

Heat pumps also include **air-conditioning** and **air-filtration** providing year-round comfort.

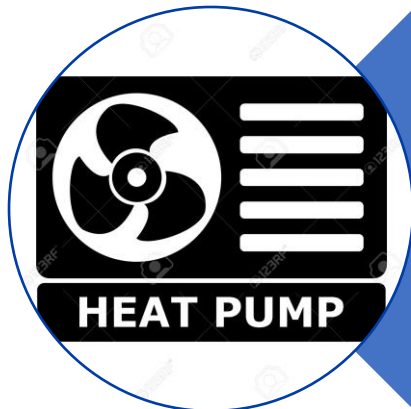
Heat pumps run on **carbon neutral electricity** from Seattle City Light.

# Goals



## No more oil heating by 2030

- Reducing climate pollution
- Preventing underground oil leaks



## Advance the equitable adoption of electric heat pumps

- Reduces energy use and heating bills, improves year –round comfort
- Provide a pathway for households with lower incomes to be eligible for Office of Housing weatherization services

# Clean Heat Program - Advancing Adoption of Heat Pumps



- Instant rebates to moderate income households
  - Implemented by the Office of Sustainability and Environment
  - Partner with Gensco – largest HVAC distributor in region and heat pump manufacturer Mitsubishi
  - **Partnering with more than 50 local contractors**
  - **Converted more than 1,500 homes since August 2017**
  - **400 rebates in 2023; goal to convert 400+ homes in 2024**
- No-cost oil conversion for income-qualified households (80% of AMI or lower)
  - Implemented by the Office of Housing
  - **Converted approx. 400 homes at no cost to low-income households since 2019**
  - **Converted 84 homes in 2023; goal to convert 80+ homes in 2024**

# Rebates

- **Instant rebates to households (typically moderate income):** \$2,000 to the customer (\$1,500 City of Seattle, matched by \$500 from Gensco/Mitsubishi)
- Homeowners use a **participating contractor for installation** listed on [www.NoMoreOilHeat.com](http://www.NoMoreOilHeat.com) and contractors issue rebate directly to homeowner.
- **Marketing and Outreach:**
  - Direct mail letters and postcards
  - Online advertising, keyword search, social media
  - Contractor trainings; contractor advertising
  - Community meetings/events
  - Regional campaign: “Switch Is On” education campaign to promote electrification and available rebates/tax credits. [www.SwitchIsOn.com](http://www.SwitchIsOn.com).

**Seattle**

## DITCH DIRTY OIL

AND GET UP TO **\$4,000** IN SAVINGS

**\$2,000 CLEAN HEAT INSTANT REBATE + \$2,000 FEDERAL TAX CREDIT\***

Visit [www.NoMoreOilHeat.com](http://www.NoMoreOilHeat.com) today for a list of participating contractors

**City of Seattle**

Dear [homeowner name],

Congratulations! You may be eligible for up to \$2,000 in rebates when you switch from heating your home with oil to heating with an energy-efficient Mitsubishi Electric Heat Pump. And, with summer right around the corner, heat pumps include air-conditioning making them a great energy efficient solution for year-round comfort.

The Seattle Oil to Heat Pump Conversion Program makes it easier for you to receive financing and instant rebates to make your home more comfortable and energy efficient, including:

- \$2,000 for converting from oil heat to a Hyper Heat Mitsubishi Electric Heat Pump, or
- \$1,000 for converting from oil heat to a high-efficiency Mitsubishi Electric Heat Pump with electric resistance backup
- Affordable loan rates from PSCCU and Craft3 with hassle-free loan repayments on your Seattle City Light utility bill (see insert for more details)
- Once you have converted to an electric heat pump, you can access Seattle City Light rebates for insulation and windows

Visit [NoMoreOilHeat.com](http://NoMoreOilHeat.com) or see the enclosed insert for a list of participating Mitsubishi-certified contractors who provide high-quality installations backed by Mitsubishi's 12-year warranty.

**Why make the switch?**

- An efficient electric heat pump can lower your heating bill by 50% - 65%
- Heat pumps provide consistent heating and cooling throughout the year. Both ducted and ductless options available
- Reduce your carbon footprint by switching to clean electricity
- Access Seattle City Light insulation and window rebates after you switch

By switching to an energy-efficient heat pump that uses clean electricity, you reduce your heating costs, and improve comfort and health, all while helping the environment by decreasing the use of fossil fuels. With generous combined incentives from the City of Seattle and Mitsubishi, there's never been a better time to make the switch!

This is a limited-time rebate available only while funding lasts. To be eligible you must be a homeowner in Seattle with a working oil furnace. Visit [NoMoreOilHeat.com](http://NoMoreOilHeat.com) for more information and to contact a participating contractor today!

Sincerely,  
Jessica Finn Coven, Director  
Seattle Office of Sustainability and Environment

**Mitsubishi Electric Northwest**  
Sponsored

Trade-out your oil furnace for a clean, energy-efficient heat pump and save on heating and cooling costs. Make the switch today and save up to \$1,500.

### Still Heating With Oil?

Save \$1,500\* on a Mitsubishi Electric Heat Pump

DUCTLESSHOMECOMFORT.COM  
Seattle Residents: Save up to \$1,500! Switch to an energy-efficient heat pu... [Learn More](#)

**Switch Is On**

Cleaner Safer Smarter Mode Heating Cooling

Just one unit for heating & cooling

Heat pumps do both. THE SWITCH IS ON

Switch to Electric →



# No-Cost Conversions for Income-Qualified Households

**The Office of Housing (OH) program is free to income-qualified residents (80% of AMI or less). Services include:**

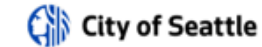
- Replacing oil furnace with high-efficiency heat pump
- Oil tank decommissioning
- Home energy audit and other weatherization measures

**Customers who qualify for the Utility Discount Program save even more by converting to a heat pump since their electricity rate is discounted by 60%.**



# Reaching Income-Qualified Households

- Collaborated with SCL and OSE with a letter campaign to Utility Discount Program customers.
- Social media campaigns, direct mail, and online advertising.
- Ongoing in-person engagement at community events, senior centers, and neighborhood council meetings.
- Working with Affordable Seattle to develop an online application.
- Developing Language Access strategies to increase applications from non-English speaking residents.



Dear Homeowner,

You may be eligible for the City of Seattle's Clean Heat program, which helps income-qualified households switch from expensive and inefficient oil heating to clean and energy-efficient heat pumps. This program is offered by the City's Office of Housing at no cost to you!

By participating in the Clean Heat program, you can save more than 50% on your annual heating costs by switching to an energy-efficient heat pump while helping reduce your home's impact on the environment. Heat pumps also provide air-conditioning, making them a great energy-efficient solution for year-round comfort. With heating oil costs at an all-time high, there's no better time to make the switch! To see if you qualify, please refer to the chart on the reverse side of this letter.

The Clean Heat program provides the following home-improvement services, based on customer needs and qualifications:

- Replacing your oil furnace with an energy-efficient electric heat pump system.
- Decommissioning the oil tank.
- Performing general health and safety inspections.
- Making weatherization-type improvements, including a free energy audit, added insulation, and air-sealing.

To apply, please download an application at [seattle.gov/cleanheat](https://seattle.gov/cleanheat) or request an application by calling City of Seattle's Office of Housing at (206) 884-6244.

The City of Seattle is committed to reducing Seattle's carbon heating oil to an energy-efficient electric heat pump, you reduce health and the comfort of your home, all while helping the e

This program is made possible through funding/partnership Sustainability & Environment, the Seattle Office of Housing, securing federal funding through the U.S. Department of Ho

Sincerely,

Bobby Lindsay  
City of Seattle, Office of Housing  
Weatherization & Home Repair Program Manager

Thinking of switching from an oil furnace to an electric heating system?

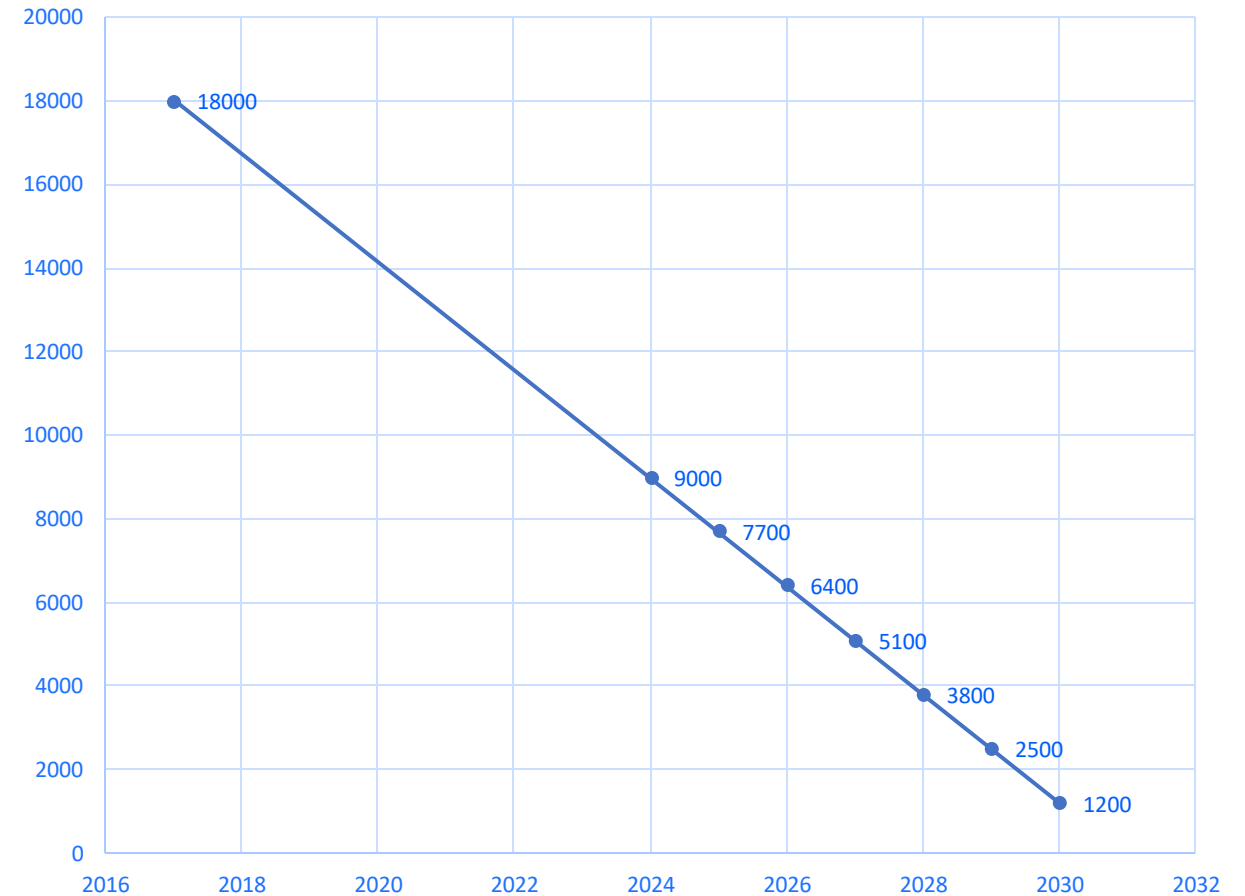
Scroll to see some of the benefits:



# How It's Going

- On-track to eliminate heating oil by 2030
- 50% reduction in oil heated homes since 2017 – (2,000 City supported)
- Estimated 11,250,000 gallons of avoided oil consumption (over life of heat pump)
- More than 100,000 MTCO<sub>2</sub>e avoided
- Expanded participating HVAC contractors from 17 to 50 - primarily small businesses
- Seattle's program model serves as a statewide model with other jurisdictions piggybacking on process, partners and resources (King County, Bellevue, Shoreline)

Estimated Oil Heated Homes



# 2024/2025 Priorities

- **Continue to deliver impact**
  - OSE: 400 rebates/year
  - OH: 80 no-cost conversions/year
- **Expand and evolve with grant funding to meet affordability needs**
  - Deploy \$3.2 million awarded from WA State Department of Commerce
  - OSE will increase rebate amount for moderate income households (81-150% AMI) from \$2,000 to \$6,000 providing higher level of affordability. Note: State funding contingent on OSE's baseline incentive investment.
  - OH will expand Clean Heat program to convert approx. 40 gas furnaces for income-qualified households
- **Prepare for widescale expansion with state's IRA-funded Home Electrification Program to launch Q2 2025 to move homes away from oil and gas**



**Thank you!**

SEATTLE  
CITY HALL

