

Minnesota Propane Association 2010-11 Water Heater Installation Safety Rebate Program

\$250 for replacing propane to propane water heater

\$350 for new construction propane water heater

\$350 for conversion from electric to propane water heater

Goals:

- Help consumers upgrade older inefficient propane water heaters
- Help consumers replace electric water heater with new High Efficiency propane model
- Perform gas system safety inspection on all qualifying installations

Requirements:

- Only purchases and installations after June 1, 2010 are eligible
- Participating company personnel must have successfully completed MPA Gas Safety Review training
- Only one rebate per customer
- Forms must be filed within 30 days of safety inspection completion
- Customer signature required
- Reviewing company representative signature required
- Copy of sales receipt must accompany the paperwork
- Safety material distribution required
- Payment may go to the consumer or propane marketer with consumer authorization

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Appliance and Safety Rebate Program

I. PURPOSE

The purpose of the program is to promote the safe installation and use of propane as a year-round energy source.

II. AVAILABILITY OF FUNDS

The program is funded through a refund of assessments paid by propane dealers to the National Propane Education and Research Council. The program will be funded on a year by year basis based on available funding and participation levels. Unanticipated demand may cause the program to be discontinued or suspended at any time. Participating dealers should check with the MPA to determine adequacy of funding prior to implementing a widespread customer outreach program.

III. ELIGIBILITY

A. Dealers: Only Minnesota propane dealers who have completed a Participation Form and have been accepted into the program are eligible to participate. The program is designed only for propane dealers and is not available to the public except through dealers. The dealer is responsible for documenting that an eligible installation has been performed, that all appliances (installed and/or replaced) have been correctly identified, and that a safety inspection has been completed. Dealers must submit the completed Participation form to MPA for consideration.

An eligible dealer is one who:

1. operates or manages a retail business, including any branch, outlet or outlets, delivering odorized propane to consumers;
2. has completed and submitted a form prescribed by the MPA for participation;
3. is a regular supplier or potential regular supplier of propane to an applicant.
4. who's self and participating employees have completed the 2011 Gas System Safety Review training conducted by MPA.

B. Consumers: Consumers may only receive a rebate through a participating dealer. The customer must agree to the regulations and conditions stated on the application form, including allowing an inspection of the installation and agreeing not to modify or move the installation for the prescribed period. The appliance installation address must be in Minnesota.

C. Eligible installations: The current programs may authorize rebates for the following appliances:

Water Heaters: Installed after June 1, 2010 as part of the Water Heater Installation Safety Rebate Program

- A \$350 rebate for authorized propane water heater installations which occur in new construction; or to replace an existing electric, fuel oil or natural gas water heater with a new propane unit.
- A \$250 rebate for authorized propane water heater installations to replace an existing propane water heater with a new propane unit.

Furnaces and Boilers: Installed after May 1, 2011 as part of the Furnace Installation Safety Rebate Program

- A \$400 rebate for authorized propane furnace or boiler installations which occur in new construction; or to replace an existing electric, fuel oil or natural gas furnace with a new propane furnace.
- A \$200 rebate for authorized propane furnace or boiler installations to replace an existing propane furnace or boiler with a new propane furnace or boiler.

Regulators: Installed after May 1, 2011 as part of the 2011 Regulator Safety Rebate Program

- A \$30 rebate for exchange of a regulator that is at least 15 years old at the time of inspection or \$60 per pair of regulators is authorized. There is a limit of two regulators for each home, farm or business.

Installations performed on motor vehicles, travel trailers, mobile homes or manufactured homes that are not in permanent residential or commercial use in this state are not eligible for rebates under this program. The installation must take place on real property owned by the applicant and located in this state and occur within the effective dates of this program.

Eligible water heaters are defined as: a propane-fueled water heater, either a storage-type rated at not less than 30 gallons water capacity or an instantaneous-type rated at not less than 50,000 Btu/hour input; in compliance with the Energy Policy and Conservation Act; approved and listed by

the American Gas Association's GAMA Consumer Directory of Certified Efficiency Ratings for Residential Heating and Water Heating Equipment. Storage units that are installed in conjunction with boilers designed to heat domestic the domestic water supply are eligible.

Eligible furnace or boilers are defined as: the primary heating source for the residence, is rated at least 40,000 btu input, and has an efficiency rating of at least 90% AFUE for furnaces or **85%AFUE for boilers** or higher by the manufacturer.

Eligible Regulators: Regulators that are at least 15 years old at the time of inspection (Inspection date must be after May 1, 2009) may be eligible for a rebate. Only 2 regulators per home, residence or business will qualify. Only first stage, second stage or intermediate stage regulators qualify. Regulator rebates must be recorded on the proper inspection forms provided.

All technicians performing the regulator inspections and installations and the inspections of furnace and water heater installations must have attended MPA training classes. (Gas System Safety Review)

D. Limits: No more than one furnace/boiler or water heater rebate shall be paid for each eligible installation. MPA may limit the total number of rebates that may be paid to an applicant. **All furnaces/boilers and water heaters must be vented to be eligible for a rebate. All vent free products are ineligible. Furnace installations that incorporate a electric plenum heater or electric heat pump are ineligible for rebates.**

E. Compliance: MPA approves each application individually. Missing data or factual errors may delay or disqualify the application.

Here are criteria for rejecting applications:

1. Postmarked more that 30 days after inspection. MPA will reject applications submitted later than 30 days after inspection; you will have to re-inspect the installation. MPA will spot-check to ensure that inspections (or re-inspections) are performed as stated.
2. Incomplete application (signatures missing, copies not attached, etc.) Forms will be returned to the submitting dealer for correction. The 30 day inspection requirement will still apply and the dealer may need to re-inspect the installation prior to submitting the corrected application in order to stay in compliance.
3. False or misleading information. An applicant or propane dealer may be suspended from or declared ineligible to participate in the rebate program if the MPA Board judges that the applicant or dealer has submitted false information or otherwise violated program rules. Within 30 days after the MPA suspends or declares a participant ineligible, the applicant or propane dealer may appeal the action by submitting the appeal in writing to the MPA. Actions taken by the MPA with respect to such appeals will be final.
4. Missing Supervisor Signature. All Gas System Safety Review Forms must be reviewed and signed by the company or branch supervisor.

F. Application: Rebates must be submitted on forms prescribed and provided by the MPA for this purpose. Copies of forms will not be accepted. Applications will be considered on a first-come, first-served basis according to receipt dates of complete and correct applications. Applications may be mailed or hand-delivered to MPA for submission; **no electronic or facsimile applications will be accepted.**

G. Payment: MPA may approve rebate payments to an applicant subject to availability of funds. Applicants have no legal right or other entitlement to receive rebates under this program, and receipt of a complete and correct application does not bind MPA to approve payment of a rebate to any applicant. MPA will process rebate applications promptly and send rebate checks to corresponding dealers or applicants at the end of each month.

MPA may authorize payment of an appliance rebate to a propane dealer only by assignment from a consumer. Rebate amounts assigned will be those in effect at the time an application is approved. A propane dealer or applicant who submits false information pertinent to the assignment of a rebate is subject to criminal and civil penalties.

All Regulator Rebate payments will be made directly to the propane marketer performing the inspection and installation. Homeowners are not eligible for the program.

H. Verification: A safety inspection, conducted by or on behalf of the participating dealer, must be conducted prior to submission of any appliance rebate application. **An appropriate safety inspection consists of an on-site inspection, including any necessary pressure tests or leak checks, and the existence of proper sediment traps and shut offs in the entire propane system.** This inspection will be conducted by a propane dealer or a propane dealer's designated agent, for the purpose of verifying that the NEW and EXISTING propane appliance was installed in compliance with Minnesota State Mechanical, Fuel Gas and Plumbing code. The MPA provided **Gas System Inspection Form** must be used.

I. Complaints: Any person may file a complaint about an installation, an applicant, a propane dealer or another person regarding alleged violations of rebate program rules. Complaints must be submitted in writing to: MPA, PO Box 220, Princeton, MN 55371.