



The same designs that reduce emissions and make us more resilient to climate impacts can also reduce costs while ensuring a safer indoor environment for occupants.



Development Resources

Incentives and Financing Opportunities



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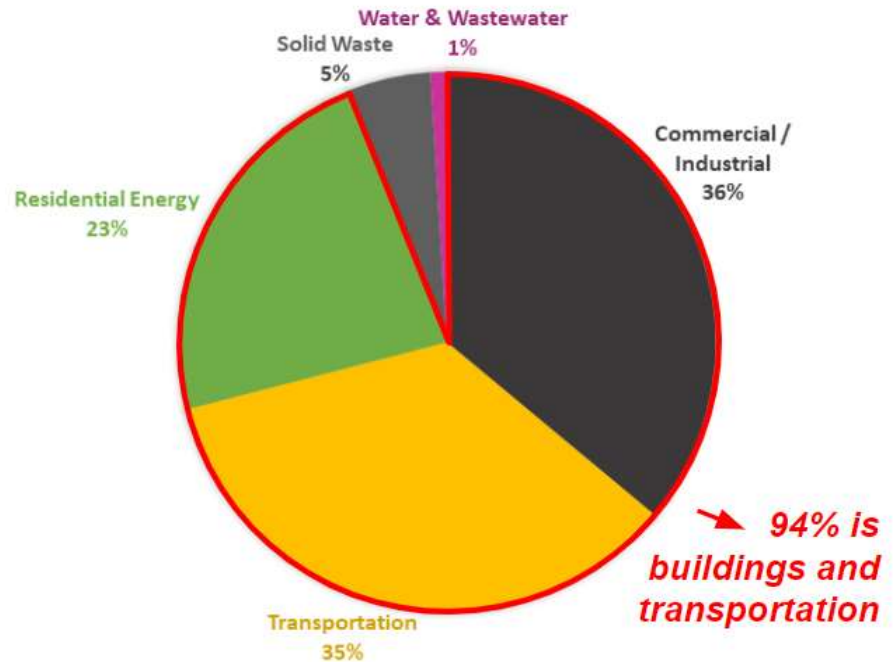
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Why Electrify with Renewable Energy?

Climate Action

We can dramatically reduce emissions from buildings through energy efficiency measures, electrification, and renewable energy development. Natural gas is primarily comprised of methane (> 85%), which traps more heat than carbon in the first 20 years after it's released. Outfitting buildings with electric vehicle charging infrastructure encourages electrification of transportation, reducing emissions from that sector as well. Reducing emissions from buildings and transportation is one of the primary ways we can align with global efforts to reduce emissions by 50% by 2030 to avoid the worst impacts of the climate crisis.

MISSOULA COMMUNITY GREENHOUSE GAS EMISSIONS BY SECTOR



Energy Cost Savings and Predictability

Constructing all-electric buildings is often less expensive than mixed-fuel buildings, saving hundreds to thousands of dollars. When paired with on-site renewable energy, the switch to highly efficient electric heating and cooling systems can also save on energy costs compared to natural gas alternatives and protect from natural gas price volatility as well as future increases in energy costs.

Health and Comfort

Energy efficient buildings maintain more consistent indoor temperatures while highly efficient electric heat pumps keep buildings warm in the winter and provide cooling in the summer. Electrification eliminates sources of indoor air pollution from natural gas burners and leaks. Recent studies have linked burning methane in our homes with serious health issues like asthma, leukemia and cognitive decline. Together, energy efficiency and electrification can create a safer and more comfortable indoor environment. Getting off methane-powered appliances and electrifying—while also investing in clean energy—is an essential climate and health solution. Luckily, there are several incentives available to offset costs. Read on for more!

Electrify What?



Electrification means the conversion of systems that are typically powered by methane gas, propane, diesel, or gasoline to those powered by (increasingly clean and renewable) electricity. For many buildings, proposed electrification strategies typically include:

- Replacing gas furnaces with air source heat pumps or ground source heat pumps to provide space heating and cooling;
- Replacing gas hot water heaters with heat pump water heaters;
- Replacing gas dryers with electric counterparts (conventional or heat pump);
- Replacing gas ranges with induction or conventional electric ranges; And,
- Adding electric vehicle charging capabilities to garages or parking spaces.

Energy savings and bill savings are highest when electrification is paired with energy efficiency (like better insulated buildings) and renewable energy (like rooftop solar).

How to Electrify

STEP 1: Understand your Energy Use

The first step is to look holistically at your building's processes, equipment, and infrastructure to understand how each element is powered.

STEP 2: Work with a Trusted Contractor or Consultant

Now that you have a better understanding of your overall energy use, it is time to reach out to a trusted contractor or consultant who actively supports clean energy projects.

STEP 3: Consider the Following Factors

Weatherization & Improving Efficiency - It's wise to think about making your building as energy efficient as possible before installing an electric system.

Initial vs. Operational Cost - High efficiency electric systems will typically have a higher initial cost than conventional fossil-fuel based heating/cooling systems, but the increased efficiency means lower operating costs over time.

Efficiency Rating - Make sure your system has an adequate SEER/HSPF rating and/or is on the qualified list of products to receive federal tax incentives.

STEP 4: Create a Working Plan

The system(s) you choose to install may depend on several factors, such as your budget, heating and cooling demand, health impacts, and environmental impacts. It's important to understand your priorities and potential tradeoffs before you decide how to proceed.

STEP 5: Determine your Budget and Financing

Build your plan into your upcoming budget. Between rebates, tax credits, and financial incentives, there are several ways to offset the initial cost of going electric.

This packet of development resources can support you in identifying the tax credits, rebates, and financing options that could apply to your building retrofit, renovation, or construction.



IRA Incentives: Businesses, Non-Profits, and Local Governments

Tax Credits: No Tax Liability Needed

The Inflation Reduction Act's new direct pay and transfer options allow more organizations to utilize clean energy tax credits for equipment placed in service on or after January 1, 2023 and through December 31, 2032:

- **Direct Pay:** Direct pay, also called ‘elective pay’, allows the value of certain tax credits to be distributed as a direct payment to non-taxable entities, such as tax-exempt organizations; states; political subdivisions such as cities, counties, or school districts; Indian Tribal governments; and rural electricity co-ops.
- **Transferability:** Transferability allows eligible taxpayers, that are not tax-exempt entities, to **transfer** all or a portion of certain tax credits to an unrelated party. This is particularly helpful for households and businesses that may not have adequate tax burden to otherwise benefit from the full value of the credit.

IRA Incentives Summary

Topic	Incentive Name	Incentive Amount	Direct Pay	Transferability	Stackability Rules
Renewable Energy	Clean Electricity Investment Tax Credit	Up to 70% off the cost of a renewable energy system	Yes	Yes	Credit reduced for tax-exempt bonds with similar rules as section 45(b)(3)
	OR Clean Electricity Production Tax Credit	Up to a credit of \$0.015/kwh in 1992 dollars, adjusted for inflation	Yes	Yes	Credit reduced for tax-exempt bonds with similar rules as section 45(b)(3)
Building Energy Efficiency	Energy Efficient Commercial Buildings Credit	Up to \$5.00/sqft for building energy efficiency improvements	No	No	No rules - Combine freely with other incentives
Clean Vehicles, Charging Infrastructure, Alternative Fuels	Commercial Clean Vehicles Credit	Up to \$7,500 for vehicles less than 14,000 lbs - Up to \$40,000 for all other clean vehicles	Yes	No	Cannot claim both Residential (30D) and Commercial (45W) clean vehicle credits
	Alternative Fuel Vehicle Refueling Property Credit	Up to 30% off the cost of alternative fuel vehicle refueling/charging property	Yes	Yes	No rules - Combine freely with other incentives

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.electrifymissoula.org)



Clean Electricity Production Tax Credit – Formerly the Production Tax Credit before 2025

Availability: Applies to facilities placed in service after December 31, 2024 and before December 31, 2032.

Description and Eligibility: Provides a tax credit for production of electricity for ten years from renewable sources, such as wind, biomass, geothermal, solar, small irrigation, landfill and trash, hydropower, and marine and hydrokinetic renewable energy.

Base Credit Amount: In 2024, the base credit was \$0.0059/kWh.¹ The base credit is \$0.003/kWh in 1992 dollars, adjusted annually for inflation.

Projects under 1MW are exempt from prevailing wage and registered apprenticeship requirements and receive the full credit amount. In 2024, this credit was \$0.0293/kWh. The full credit is \$0.015/kWh in 1992 dollars, adjusted annually for inflation.

Bonus Credits:

- Credit is increased by 5 times for projects over 1 MW meeting prevailing wage and registered apprenticeship requirements.
- Credit is increased by 10% if the project meets certain domestic content requirements for steel, iron, and manufactured products.
- Credit is increased by 10% if located in an energy community.

Ask your installer or tax professional for the latest guidance on requirements regarding prevailing wage, apprenticeship, domestic content, and energy communities.

Direct Pay: Yes

Transferability: Yes

Stackability: Credit reduced for tax-exempt bonds with similar rules as section 45(b)(3).

Tax Code: 26 U.S. Code § 45Y

¹ Credit amounts adjust annually for inflation. 2024 credit was found by multiplying 1992 amount by an inflation adjustment factor of 1.9499 [as determined by the IRS](#).

Explore how incentives and financing can stack together at ElectrifyMissoula.org



Clean Electricity Investment Tax Credit - Formerly the Investment Tax Credit before 2025

Availability: Applies to facilities placed in service after December 31, 2024 and before December 31, 2032.

Description and Eligibility: Provides a tax credit for fuel cell, solar electricity of heating technologies, geothermal, small wind, energy storage, biogas, microgrid controllers, and combined heat and power properties.

Base Credit Amount: 6% off the energy property investment for projects above 1 MW, unless they meet bonus credit provisions. Projects under 1MW are exempt from prevailing wage and registered apprenticeship requirements and receive the full 30% credit, plus any other applicable bonus credits.

Bonus Credit Amount:

- Credit is increased by 5 times (to 30%) for projects meeting prevailing wage and registered apprenticeship requirements.
- Credit is increased by up to 10 percentage points for projects meeting certain domestic content requirements for steel, iron, and manufactured products.
- Credit is increased by up to 10 percentage points if located in an energy community.
- **Projects can also apply for one of the following bonus credits:**
 - Credit is increased by 10 percentage points for facilities located in low-income communities **OR** on Tribal land. (For small scale solar and wind projects less than 5 MW)
 - Credit is increased by 20 percentage points for facilities that are part of certain federally subsidized housing programs **OR** that offer at least 50 percent of the financial benefits of the electricity produced to low-income households. (For small scale solar and wind projects less than 5 MW)

Ask your installer or tax professional for the latest guidance on requirements regarding prevailing wage, apprenticeship, domestic content, energy communities, low-income communities, Tribal land, and affordable housing.

Direct Pay: Yes

Transferability: Yes

Stackability: Credit reduced for tax-exempt bonds with similar rules as section 45(b)(3).

Tax Code: 26 U.S. Code § 48E

Explore how incentives and financing can stack together at ElectrifyMissoula.org



Energy Efficient Commercial Buildings Deduction

Availability: Permanent

Description and Eligibility: Provides a tax deduction for energy efficiency improvements to commercial buildings, such as improvements to interior lighting; heating, cooling, ventilation, and hot water; and building envelope. Eligible recipients include owners and long-term lessees of commercial buildings, as well as designers of energy efficient building property (architects, engineers).

Base Credit Amount:

- For property placed in service in 2023 and after, the savings per square foot are calculated as:
 - \$0.50 per square foot for a building with 25% energy savings
 - Plus \$0.02 per square foot for each percentage point of energy savings above 25%
 - Up to a maximum of \$1.00 per square foot for a building with 50% energy savings
- Alternatively, taxpayers can qualify for deductions through “qualified retrofit plans” that reduce a building’s energy use intensity by at least 25%.

Bonus Credit Amount: 5 times the base deduction amount (up to \$5.00/sqft) if the project meets prevailing wage and registered apprenticeship requirements.

Ask your contractor or tax professional for the latest guidance on prevailing wage and apprenticeship requirements.

Direct Pay: No, but if the system or building is installed on federal, state, or local government property, the tax deduction may be taken by the person primarily responsible for the system’s design. The tax deduction does not apply to other non-tax paying entities, including but not limited to NGOs or churches, unless there exists an energy-as-a-service agreement that is owned by a tax paying company.

Transferability: No

Stackability: No rules

Tax code: 26 U.S. Code § 179D

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



Commercial Clean Vehicles Credit

Availability: Vehicles placed in service after January 1, 2023 and acquired before January 1, 2033.

Description and Eligibility: Provides a tax credit for purchasers of qualified commercial clean vehicles. Eligible recipients include businesses that acquire motor vehicles or mobile machinery for use or lease and tax-exempt entities that acquire them for use.

Base Credit Amount: The amount of the credit is the lesser of:

- 15% of the vehicle's cost or 30% of the vehicle's cost for vehicles without internal combustion engines, OR
- The amount that the purchase price exceeds the price of a comparable internal combustion vehicle.

The credit is capped at \$7,500 for vehicles that weigh less than 14,000 lbs. and \$40,000 for all other clean vehicles.

Bonus Credit Amount: None

Direct Pay: Yes

Transferability: No

Stackability: Cannot claim both the Residential (30D) and Commercial (45W) clean vehicle credits.

Tax code: 26 U.S. Code § 45W

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



Alternative Fuel Vehicle Refueling Property Credit

Availability: January 1, 2023 through December 31, 2032

Description and Eligibility: Provides a tax credit for alternative fuel vehicle refueling and charging property in low-income and rural areas.² Alternative fuels include electricity, ethanol, natural gas, hydrogen, biodiesel, and others.

Base Credit Amount: 6% off the cost of the refueling/charging property, limited to a \$100,000 credit per item of property.

Bonus Credit Amount: Businesses can claim a 30% credit for projects meeting prevailing wage and registered apprenticeship requirements.

Ask your contractor or tax professional for the latest guidance on prevailing wage and apprenticeship requirements.

Direct Pay: Yes

Transferability: Yes, for property used in a trade or business.

Stackability: No rules

Tax code: 26 U.S. Code § 30C

² To determine if a property is eligible for this credit, [visit the IRS website](#) and see “eligible census tracts.” Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.electrifymissoula.org)





IRA Incentives: Homeowners, Renters, and Homebuilders

IRA Incentives Summary

Topic	Incentive Name	Incentive Amount	Transferability
Renewable Energy	Residential Clean Energy Credit	30% off renewable energy systems costs	No
Building Energy Efficiency	Energy Efficiency Home Improvement Credit	Up to \$3,200 for home energy efficiency upgrades per year	No
	New Energy Efficient Homes Credit	More than \$5,000 per unit for new homes that meet certain energy efficiency standards	No
	Home Energy Performance-Based, Whole-House Rebates (HOMES)	Up to \$8,000 for home energy performance improvements	N/A
	High-Efficiency Electric Home Rebate Program (HEEHRA)	Up to \$14,000 for highly efficient home appliances	N/A
Clean Vehicles, Charging Infrastructure, Alternative Fuels	Previously-Owned Clean Vehicles Credit	Up to \$4,000 for used clean vehicles	Yes
	New Clean Vehicle Credit	Up to \$7,500 for new clean vehicles	Yes
	Alternative Fuel Vehicle Refueling Property Credit	Up to \$1,000 for residential refueling/charging property	Yes

Explore how incentives and financing can stack together at ElectrifyMissoula.org



Residential Clean Energy Credit

Availability: January 1, 2023 through December 31, 2032, with phasedown over 2033-2034.

Description and Eligibility: Provides a tax credit to homeowners and renters for the purchase of residential clean energy equipment, including solar photovoltaic/electric, solar water heating, fuel cell, small wind energy, geothermal heat pump, and battery storage with capacity of at least 3 kWh.

Base Credit Amount: 30% off the project cost through 2032; 26% off in 2033; 22% off in 2034. If tax liability is less than full credit value, the remaining credit can be carried forward to apply to liability in future tax years.

Bonus Credit Amount: None

Transferability: No

Stackability: No rules – you can combine this incentive with other incentives.

Tax Code: 26 U.S. Code § 25D

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



Energy Efficiency Home Improvement Credit

Availability: January 1, 2023 through December 31, 2032.

Description and Eligibility: Consumer tax credit for energy improvements to home or residence. Eligible recipients include homeowners as well as renters for certain improvements.

Base Credit Amount: 30% off the equipment cost, with limits for each type of improvement and total limits per year:

- Credit capped at \$600 for energy property such as efficient heating and cooling equipment;
- \$600 for windows;
- \$250 per door, \$500 total for doors;
- \$2,000 for qualified heat pumps, biomass stoves, and boilers;
- \$1,200 for qualified energy efficiency improvements to the building envelope, including insulation and air sealing.
- \$150 credit for home energy audits.

Total annual credit capped at \$1,200, with a separate annual credit limit of \$2,000 for heat pumps, biomass stoves, and boilers.

Bonus Credit Amount: None

Transferability: No

Stackability: No rules – you can combine this incentive with other incentives.

Tax Code: 26 U.S. Code § 25C

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



New Energy Efficient Homes Credit

Availability: January 1, 2023 through December 31, 2032.

Description and Eligibility: Tax credit to homebuilders for homes built to specific energy efficiency standards.

Base Credit Amount:

- \$2,500 for new homes meeting Energy Star standards;
- \$5,000 for certified zero-energy ready homes.
- For multifamily, base amounts are \$500 per unit for Energy Star and \$1000 per unit for zero-energy ready.

Bonus Credit Amount: For multifamily homes, 5 times the base amount (\$2,500 per unit for Energy Star and \$5,000 per unit for zero-energy ready) if prevailing wage requirements are met.

Ask your contractor or tax professional for the latest guidance on prevailing wage and apprenticeship requirements.

Transferability: No

Stackability: No rules - Taxpayers claiming the Low-Income Housing Tax Credit do not have to reduce their tax basis when claiming the New Energy Efficient Homes Credit.

Tax Code: 26 U.S. Code § 45L



Home Energy Performance-Based, Whole-House Rebates (HOMES)

Availability: Program expected to launch in early 2024 and remain available through September 30, 2031.

Description and Eligibility: State administered rebate to homeowners for whole house energy savings retrofits. Rebate amounts are based on the income of the recipient compared to the area median income (AMI).

Energy Savings	REBATE AMOUNT BASED ON INCOME			
	Single Family Home	Single Family Home	Multifamily Homes	Multifamily Homes
	<i>Above 80% AMI</i>	<i>Below 80% AMI</i>	<i>50% of Occupants Above 80% AMI</i>	<i>50% of Occupants Below 80% AMI</i>
20% - 35%	MODELED SAVINGS METHOD			
	Lesser of \$2,000 or 50% of project costs	Lesser of \$4,000 or 80% of project costs	\$2,000 per dwelling unit, maximum \$200,000 per building	Lesser of \$4,000 per dwelling unit or 80% of project costs
35% or more	Lesser of \$4,000 or 50% of project costs	Lesser of \$8,000 or 80% of project costs	\$4,000 per dwelling unit, maximum \$400,000 per building	Lesser of \$8,000 per dwelling unit or 80% of project costs
	15% or more	MEASURED SAVINGS METHOD		
50% of project cost or \$100 per 1% reduction from average single family home energy use		80% of project cost or \$200 per 1% reduction from average single family home energy use	50% of project cost or \$100 per 1% reduction from average multi-family home energy use	80% of project cost or \$200 per 1% reduction from average multi-family home energy use

Contact the Department of Environmental Quality for current guidance on rebate program qualification.

Stackability: No rules – you can combine this incentive with other incentives.

Explore how incentives and financing can stack together at ElectrifyMissoula.org



High-Efficiency Electric Home Rebate Program (HEEHRA)

Availability: Program expected to launch in early 2024 and to remain available through December 2031.

Description and Eligibility: State administered rebate to homeowners for the purchase of high-efficiency electric home appliances.

Rebate Amounts:

Maximum rebate amounts for individual measures based on income qualification:

- Heat pump water heater: Up to \$1,750
- Heat pump for space heating and cooling: Up to \$8,000
- Electric stove, cooktop, range, or oven: Up to \$840
- Heat pump clothes dryer: Up to \$840
- Electrical load service center upgrade: Up to \$4,000
- Insulation, air sealing, and ventilation: Up to \$1,600
- Electric wiring: Up to \$2,500

Maximum rebate per building is \$14,000 with percentage caps varying by income and building type.

- Single family at 80-150% area median income: 50% of project costs or 50% of maximum
- Single family at less than 80% area median income: 100% of project costs or 100% of maximum
- Multifamily with 50% of occupants at 80-150% area median income: 50% of project costs or 50% of maximum
- Multifamily with 50% of occupants at less than 80% area median income: 100% of project costs or 100% of maximum

Contact the Department of Environmental Quality for current guidance on rebate program qualification.

Stackability: No rules – you can combine this incentive with other incentives.

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



Previously-Owned Clean Vehicles Credit

Availability: January 1, 2023 through December 31, 2032.

Description and Eligibility: To provide a tax credit for purchasers of pre-owned clean vehicles. Tax credit is not available for consumers who have adjusted gross incomes for the current or preceding year above \$150,000 (couples), \$112,500 (heads of household), or \$75,000 (singles).

Individuals can claim only once per three years. Vehicles must be sold by a dealer; the sale price must be \$25,000 or less; and it can only be claimed once per vehicle.

Base Credit Amount: The lesser of \$4,000 or 30% of sale price

Bonus Credit Amount: None

Transferability: Yes. Starting in 2024, transferable only to the dealer at point of sale.

Stackability: No rules – you can combine this incentive with other incentives.

Tax Code: 26 U.S. Code § 25E

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



New Clean Vehicle Credit

Availability: January 1, 2023 through December 31, 2032.

Description and Eligibility: Provides a tax credit for purchasers of clean vehicles. The tax credit is not available for consumers who have adjusted gross incomes for the current or preceding year above \$300,000 (couples), \$225,000 (heads of household), or \$150,000 (singles).

Credit amount for vehicles placed in service January 1 to April 17, 2023:

- \$2,500 base amount
- Plus \$417 for a vehicle with at least 7 kilowatt hours of battery capacity
- Plus \$417 for each kilowatt hour of battery capacity beyond 5 kilowatt hours
- Up to \$7,500 total

Credit amount for vehicles placed in service April 18, 2023 and after:

Vehicles will have to meet all of the same criteria listed above, plus meet new critical mineral and battery component requirements for a credit up to:

- \$3,750 if the vehicle meets the critical minerals requirement only
- \$3,750 if the vehicle meets the battery components requirement only
- \$7,500 if the vehicle meets both

A vehicle that doesn't meet either requirement will not be eligible for a credit.

Transferability: Yes. Starting in 2024, transferable only to the dealer at point of sale.

Stackability: Cannot claim both the Residential (30D) and Commercial (45W) clean vehicle credits.

Tax Code: 26 U.S. Code § 30D



Alternative Fuel Vehicle Refueling Property Credit (*residential*)

Availability: January 1, 2023 through December 31, 2032

Description and Eligibility: Provides a tax credit for consumers who purchase qualified residential alternative fuel vehicle refueling and charging property. Alternative fuels include electricity, ethanol, natural gas, hydrogen, biodiesel, and others.

Base Credit Amount: 30% off the cost of the refueling/charging property, limited to a \$1,000 credit per item of property.

Transferability: Not for residential, only for property used in a trade or business.

Stackability: No rules

Tax code: 26 U.S. Code § 30C

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.ElectrifyMissoula.org)



Local Rebates

Missoula City-County Energy Efficiency Rebate

The City of Missoula and Missoula County are partnering to offer a local \$500 rebate for heat pump water heaters projects completed in Missoula County. Fill out a satisfaction survey after your project is complete and receive an additional \$75. Plus, combine with federal tax credits to cover 30% of project costs.

Learn more and apply at [ElectrifyMissoula.org](https://www.electrifymissoula.org)

NorthWestern Energy Rebates

Northwestern Energy offers rebates to their commercial and residential customers, including for new construction, for several energy efficiency and electrification measures. There is also application assistance available for commercial customers.

Learn more at [NorthWesternEnergy.com](https://www.northwesternenergy.com)

Missoula Electric Cooperative

On behalf of Bonneville Power, MEC works with consultants that offer customized energy efficiency advice and rebates to qualifying commercial customers in MEC territory. The advising and recommendations are offered free of charge and are followed by rebates (\$/kWh energy savings) for customers who implement recommended upgrades.

To learn more, reach out to Dan Rogers, Manager of Member Service/Energy Efficiency Specialist at MEC: danr@meccoop.com

Explore how incentives and financing can stack together at [ElectrifyMissoula.org](https://www.electrifymissoula.org)



Commercial Property Assessed Capital Enhancements (CPACE)

Program Overview: C-PACE is a financing program that can cover up to 100% of the total up-front cost of renewable energy or energy efficiency projects. Property owners pay back costs through bi-annual assessments on their property taxes. The energy savings from projects often cover the bi-annual assessments. The financing is tied to the property which ensures that if the property is sold, the project investment, and its benefits, transfer ownership together.

Eligible Properties: Properties utilized for a general commercial purpose such as retail, industrial, office, non-profit, agricultural, hospitality uses, and multifamily residences with four or more units.

Eligible projects include, but are not limited to:

- High efficiency heating, ventilating, and air conditioning (HVAC) systems
- High efficiency chillers, boilers, and furnaces
- High efficiency water heating systems
- Energy management systems and controls
- Renewable energy systems (solar, geothermal heat pumps, microhydro, wind)
- High efficiency lighting system upgrades
- Building enclosure and envelope improvements
- Water conservation, wastewater recovery/reuse systems, and high efficiency irrigation systems
- Combustion and burner upgrades
- Heat recovery and steam traps
- Water management systems and controls (indoor and outdoor)

Application process for new development:

- The property owner must have a licensed engineer conduct an Energy Assessment of the proposed development. The Department of Environmental Quality has a list of Energy Analysts who can perform these assessments at <https://deq.mt.gov/energy/Programs/statebuilding>.
 - The Energy Assessment must show additional energy or water savings above the currently adopted IECC building code.
 - Proposed projects must be cost effective, meaning the Energy Assessment must show that the total cost of financing will be exceeded by the projected monetary savings.
- The property owner must submit a Full Application, including appropriate application fees per project, the Energy Assessment, a description of the property on which the projects will be developed, and the total amount of financing requested.
- The property owner may then receive preliminary approval for projects, subject to verification.
- Upon preliminary approval, the property owner may proceed through the C-PACE program:
 - Verify final project designs and expected costs and savings
 - Work with mortgage lender to secure financing
 - Close on C-PACE financing
 - File with local government to arrange the bi-annual assessments
 - **Complete projects!**

For more information, contact Montana Facility Finance Authority:
406 444 0259, LastBestPace.com

Financing Options

Power Purchase Agreements (PPAs)

The city's solar installation at the [Resource Recovery Facility](#) is an excellent local example of a PPA. The city selected a PPA with Ameresco, who owns the panels, is responsible for their upkeep, can receive federal tax credits for the array, and in return Ameresco receives regular payments from the city for the array's energy production. The city receives renewable energy from the array, made no upfront financial investment, and now pays Ameresco a lower rate for electricity than they would currently be paying the utility on their regular electricity bills. PPAs can be arranged for solar installations of various sizes and are a way to secure renewable energy without upfront investment or traditional financing.

Learn more at [DOE's Better Buildings Solutions Center](#).

Clearwater Credit Union

Clearwater Credit Union offers two loan products that support electrification and clean energy projects for homeowners. The home energy efficiency loans cover upgrading HVAC (including heat pumps for space heating), windows, doors, and insulation, and more. The home solar loan is an unsubsidized loan for solar panels that can be amortized after getting state or federal incentives to lower monthly payments. For businesses, loan packages can be developed on a project-by-project basis.

Learn more at [ClearwaterCreditUnion.org](#)

Alternative Energy Revolving Loan Program (AERLP)

The Montana Department of Environmental Quality's AERLP provides low-interest loans to individuals, small businesses, and nonprofit organizations. This loan program is primarily intended to finance renewable energy (like rooftop solar) but can also be used to finance energy efficiency & electrification projects that are completed in conjunction with or at about the same time as a renewable energy system. This includes insulation, high-efficiency windows, and energy-efficient appliances including heat pumps, water heaters, electric stoves, washers/dryers and more. This is a great option for combining solar and energy efficiency/electrification projects under a single low-interest loan.

Learn more at [DEQ.MT.gov](#)

Learn more at [ElectrifyMissoula.org](#)

