



Geothermal Heat Pump Grant Program Application

Instructions: Please complete this application along with appropriate supporting documentation (i.e. invoices and equipment specifications) and email to grants@delaware.coop

You may also mail applications to:

Delaware Electric Cooperative
ATTN: Lucas Zlock, Manager of Energy Services
14198 Sussex Highway
Greenwood, DE 19950

Please contact us at grants@delaware.coop or 855-332-9090 for any questions.

GENERAL INFORMATION

Delaware Electric Cooperative is offering grant funding for the installation or replacement of geothermal heat pump systems.

1. Subject to availability of funds, grants for geothermal heat pump systems, installed by qualified contractors and member-owners, are at the following rates:
 - a. Newly Installed Systems
 - i. \$1,500 per ton for new systems, not to exceed \$7,500 per dwelling/facility installed with an Energy Efficiency Ratio (EER) of 18.0 and Coefficient of Performance (COP) of 3.6.
 - b. Replacement Systems
 - i. \$500 per ton for replacement systems, not to exceed \$1,500 per dwelling/facility installed with an Energy Efficiency Ratio (EER) of 18.0 and Coefficient of Performance (COP) of 3.6 or greater.

“Geothermal Heat Pump” means either an open or closed loop system or direct expansion system that uses the thermal energy of the ground or groundwater as the heat source and heat sink for heating and/or cooling. It may provide both space heating and cooling, cooling only or heating only functions. A closed loop system consists of a ground heat exchanger in which the heat transfer fluid is permanently contained in a closed system. An open loop system consists of a ground heat exchanger in which the heat transfer fluid is part of a larger environment. A direct expansion system consists of a geothermal heat pump system in which the refrigerant is circulated in pipes buried in the ground, rather than using a heat transfer fluid, such as water or antifreeze solution in a separate closed loop, and fluid to refrigerant heat exchanger.

Funding is limited: For calendar year 2026, grants will be made first to existing systems that meet the conditions for grants and any monies left over will be used for systems yet to be installed. Grants will be paid on a rolling basis throughout the year in the order that completed applications are received. Under no circumstances will grants be issued for land acquisition in association with any project proposed in the Renewable Resource Program.

Once DEC has awarded grants equal to the total estimated 2026 fund allocation no further grants will be awarded for calendar year 2026. Applications not awarded a grant for 2026 will not be held until the next year. Grant funding and amounts may change from year to year and are not guaranteed.

The Geothermal Grant Program is available to member-owners of the Cooperative receiving distribution delivery and energy supply service from the Cooperative. All eligible equipment and products must be installed in Delaware on an active Cooperative electric account and used solely for the energy requirements of Cooperative member-owners. Grants will not be provided for energy requirements in excess of a member-owners average annual consumption. In determining the average annual consumption, the Cooperative will average the prior two years of consumption for the account applicant. Should the account applicant be a new service or have had service for less than two years a comparable account may be used as a substitute for quantifying the average annual consumption.

All qualifying systems receiving a Geothermal Grant must have a full 5-year warranty against component failure, malfunction and premature output degradation. The warranty must cover all components for which the program incentive is granted and cover the full cost of repair and replacement of all components of the system. For professionally installed systems the warranty must cover the labor to remove and replace defective components and systems.

Grant submissions for geothermal systems that are replacing an existing air-source or ground-source system must include supplemental calculations for estimated annual energy savings in kWh. The formulas and values below may be used:

$$\text{Annual Savings (kWh)} = (\text{CLH} \times \text{Cooling Load} \times \Delta_{EER}) + (\text{HLH} \times \text{Heating Load} \times \Delta_{COP})$$

$$\Delta_{EER} = \left(\frac{1}{EER_{old} \times 1000} - \frac{1}{EER_{new} \times 1000} \right)$$

$$\Delta_{COP} = \left(\frac{1}{COP_{old} \times 3412} - \frac{1}{COP_{new} \times 3412} \right)$$

Assume for Delaware that Cooling Load Hours (CLH) = 1000 and Heating Load Hours (HLH) = 2300

Member-owners and contractors applying for a geothermal heat pump grant must provide the following information to the Cooperative. Electronic submissions must contain all required documentation in a single PDF in the correct order.

1. Completed Grant Application Form signed by both member-owner and contractor
2. The type of qualifying system
3. Copy of final sales invoice must include: final paid costs, itemized list of installed major system components and costs, labor cost, permits and fees costs, system size (kW for wind, square feet and gallons for solar hot water, tons for geothermal), and state the five (5) year parts and labor warranty (invoice must include actual price paid, itemized list of components, labor, permit fees, method of payment).

Upon receipt of the Grant Approval Request and supporting documents, the Cooperative will review and approve, as funding allows, the project described in the Grant Approval Request. The Cooperative will issue an approval letter to the applicant via mail or email. If all documents are not provided, the grant request may be delayed or denied. Grant requests that do not meet program requirements and those submitted in excess of available funds will be returned to the applicant with a denial letter via mail or email.

In the event grants cannot be paid immediately, each completed grant package will be placed in queue for payment by the Cooperative. As new funds are collected, the next approved package will be paid out. The

contractor and member-owner are fully responsible for insuring that all forms and documentation have been supplied and the system meets all program requirements. The Cooperative may inspect the system(s) prior to final grant approval.

The Cooperative will ordinarily process the payment to the applicant, however; if the applicant so requests in writing and documentation reflects the installation cost to the applicant was reduced directly from the purchase price, the Cooperative will process the payment to the retailer, or installing contractor.

To receive grant funding, projects must be installed by a Delaware DNREC Division of Climate, Coastal and Energy approved contractor. A list of approved contractors can be found here:

<https://dnrec.alpha.delaware.gov/climate-coastal-energy/renewable/participating-contractors/>

The Program funds are limited. The Participating Contractor shall follow program guidelines to insure approval of funds. The contractor will also inform their existing customers of any and all changes to the Renewable Resource Fund program within seven (7) days of programmatic changes. If it is found that contractors are using unethical tactics to sell renewable energy systems, based on false or misleading information or claims about renewable energy systems or the Renewable Resource Program, the Cooperative may impose sanctions, up to and including suspension, as a participating contractor. If grant funds are not available for payment at the time of completion, completed projects will be placed in a queue.

Grant funds may be awarded to applicants that choose to act as the general contractor (self installation) for the installation of their renewable energy system. Member-owners who install their own systems or act as the general contractor shall adhere to any and all requirements as established by the Cooperative to be eligible for grants. Applicants must submit a signed warranty statement by the applicant stating that the workmanship is self-warranted for 5 years. The applicant must also submit the product warranties showing coverage for at least 5 years on the major components.

All qualifying systems must be installed in accordance with the standards and specifications of the manufacturers of the components in the system, in compliance with all applicable local electric and building codes, local ordinances and these guidelines. Where discrepancies, if any, exist with these guidelines and local codes, local codes shall govern.

Qualifying geothermal heat pump systems must be sized in accordance with good heating, ventilation and air conditioning design practices for the occupancy, location and structure. Contractor shall provide a Manual J calculation, or other equivalent calculation, to determine proper size of equipment. Contractor shall provide an AHRI certificate for the system.

All qualifying systems must have a warranty for protection of the integrity and performance of the system for at least five years. All units installed under this program must have a minimum EER of 18.0 and COP of 3.6.

Qualifying systems must meet the following:

1. Closed loop systems shall qualify under rating conditions in accordance with ISO 13256-1.
2. Open loop systems shall qualify under rating conditions in accordance with ISO 13256-1.
3. DX systems shall qualify under rating conditions in accordance with ARI 870.

MEMBER INFORMATION

MEMBER NAME: _____

MEMBER ACCOUNT NUMBER: _____

MEMBER PHONE: _____ MEMBER EMAIL: _____

INSTALLATION ADDRESS: _____

CITY, STATE AND ZIP: _____

MAILING ADDRESS (If Different): _____

CITY, STATE AND ZIP: _____

CONTRACTOR/INSTALLER

CONTRACTOR NAME: _____

LICENSE NUMBER: _____

PHONE: _____ EMAIL: _____

MAILING ADDRESS: _____

CITY, STATE AND ZIP: _____

PREVIOUS SYSTEM CHARACTERISTICS – Complete this section if an existing geothermal system is being replaced

SYSTEM TYPE, CHECK ONE:

Open Loop _____ Closed Loop/Vertical _____ Closed Loop/Horizontal _____ Direct Exchange _____

MAKE:

Manufacturer: _____ Model: _____ Serial No. _____

SYSTEM PERFORMANCE

EER _____ COP _____ BTU per Hour Output: _____ Capacity: _____ tons

NEW SYSTEM CHARACTERISTICS

INSTALLATION TYPE, CHECK ONE:

New system, new construction _____ New system, existing home/business _____ Replacement _____

SYSTEM TYPE, CHECK ONE:

Open Loop _____ Closed Loop/Vertical _____ Closed Loop/Horizontal _____ Direct Exchange _____

MAKE:

Manufacturer: _____ Model: _____ Serial No. _____

SYSTEM DESIGN ATTACHMENTS, CHECK:

Manual J Calculation (or equivalent) Attached _____ System Diagram and Site Plan Attached _____

AHRI Certificate Number: _____ – Please attach copy of AHRI Certificate

SYSTEM PERFORMANCE (Minimum Required: EER 18.0 COP 3.6):

EER _____ COP _____ BTU per Hour Output: _____ Capacity: _____ tons

Annual Estimated Savings: _____ kWh – Please provide supporting calculations for the estimated energy savings

SYSTEM COSTS

MATERIALS: \$ _____

LABOR: \$ _____

PERMITS/FEES: \$ _____

ENGINEERING/DESIGN: \$ _____

OTHER: \$ _____

TOTAL COST: \$ _____

Attach Copy of Project Estimate, Purchase Order or Letter of Intent**GRANT CALCULATION**

1. TOTAL SYSTEM COSTS.....\$ _____

2. INELIGIBLE COSTS.....(\$ _____)

3. OTHER INCENTIVES (source: _____)(\$ _____)

4. SUM OF REDUCTIONS (add line 2 and 3).....\$ _____

5. TOTAL COSTS (line 1 minus line 4).....\$ _____

6. MULTIPLIER: **New Systems Only**..... tons x \$1,500 = \$ _____MULTIPLIER: **Replacement Systems Only**..... tons x \$500 = \$ _____

7. LESS PRIOR GRANTS AWARDED/RECEIVED.....\$ _____

8. AMOUNT OF GRANT REQUESTED.....\$ _____

MAXIMUM GRANT: New System = \$7,500, Replacement System = \$1,500

Declaration

I understand and agree that: 1) the information provided in this form is true and correct to the best of my knowledge, 2) the site of installation is interconnected to the DEC electric system, 3) DEC and its agents provide no warranty for system components, installation, performance, or operation, 4) all warranties are provided by manufacturer's and installing contractor, and 5) the purchaser has received a copy of this form.

Member-Owner**Installation Contractor****Signature:** _____**Signature:** _____**Date:** _____**Date:** _____**Payment Process**

All grants and rebates will be dispersed as a check made out to the name of the DEC member(s). Checks will be mailed to the mailing address specified in the application.