

Federal Energy Efficiency Tax Credits

In order to be eligible for the tax credit, heating and cooling equipment must meet specific measures of energy efficiency.

Individuals can search for qualifying heating and cooling products on the Consortium for Energy Efficiency's Web site (www.cee1.org).

Product	Placed in Service between Jan. 1, 2009 and Feb. 17, 2009	Placed in Service between Feb. 18, 2009 and Dec. 31, 2010	Notes
Exterior Windows (includes skylights and storm windows) and doors	Must meet the requirements for your region of the 2001 or 2004 International Energy Conservation Code, a model energy code for buildings. All ENERGY STAR windows qualify.	Must meet the requirements for your region of the 2001 or 2004 International Energy Conservation Code, a model energy code for buildings. Must be equal to or below a U factor of .30 and SHGC of .30.	Only some Energy Star windows will qualify.
Insulation and Roofs	Insulation must meet the 2001 or 2004 International Energy Conservation Code. Roofs must be metal roofs with pigmented coatings or asphalt roofs with cooling granules that meet ENERGY STAR requirements.	Insulation must meet the 2009 International Energy Conservation Code. Roofs must be metal roofs with pigmented coatings or asphalt roofs with cooling granules that meet ENERGY STAR requirements.	Required insulation levels will vary by region and will include insulation that is already installed in your home.
Central AC and Heat Pumps	Central AC must meet the highest efficiency tier set by the Consortium for Energy Efficiency for 2006- seasonal energy efficiency ratio (SEER) of at least 15 and an energy efficiency ratio (EER) of at least 12.5 for most air conditioners. Electric heat pumps must be SEER of at least 15 and an EER of at least 13 and must have a heating seasonal performance factor (HSPF) of at least 9.	Central AC must meet the highest efficiency tier set by the Consortium for Energy Efficiency for 2009- SEER of at least 16 and an EER of at least 13 for most air conditioners. Electric heat pumps must meet the highest efficiency tier set by the Consortium for Energy Efficiency for 2009- SEER of at least 15, an EER of at least 12.5, and an HSPF of at least 8.5.	This is about 15-25 percent more efficient than the federal standard that went into effect in January 2006.
Furnaces and Boilers	Natural gas, propane, or oil furnaces and boilers must have at least a 95 percent annual fuel utilization efficiency (AFUE).	Natural gas or propane furnaces must have at least a 95 percent AFUE . Oil furnaces must have at least a 90 percent AFUE Natural gas, propane, or oil boilers must have at least a 90 percent AFUE	
Water heaters	Electric heat pump water heaters must have an Energy Factor (EF) of 2.0. Natural gas, propane, or oil water heaters must have an EF of at least .80 or a thermal efficiency rating of at least 90%.	Electric heat pump water heaters must have an EF of 2.0. Natural gas, propane, or oil water heaters must have an EF of at least .82 or a thermal efficiency rating of at least 90%.	This is more than twice as efficient as the current federal standard. There is no credit for other kinds of electric water heaters. Only some tankless water heaters and "condensing" or other advanced water heaters currently reach this efficiency level.
Biomass (e.g. corn) stoves	Biomass stoves for space or water heating can run on crops, wood, plants, etc., but must have a thermal efficiency rating of at least 75%.	Biomass stoves for space or water heating can run on crops, wood, plants, etc., but must have a thermal efficiency rating using a lower heating value of at least 75%.	
Geothermal heat pumps	Criteria for Energy Star geothermal heat pumps are: for a closed-loop system, 14.1 EER and a coefficient of performance (COP) of at least 3.3. For an open-loop system, 16.2 EER and 3.6 COP. For a direct expansion system, 15 EER and 3.5 COP.		In addition, the geothermal heat pumps must include a desuperheater, which helps heat water, or an integrated water heating system.