

Frequently Asked Questions

1. What is Central Saanich's Heat Pump Financing Program?

A program that provides zero interest financing, up to \$12,000, to qualifying homeowners who are interested in upgrading from a fossil fuel (i.e., oil, natural gas or propane) primary home heating system to an efficient electric air-source heat pump. After installing the heat pump, the municipality will pay your program-approved contractor directly for the costs and you will pay the municipality back in uniform payments over 10 years (e.g., maximum \$1,200/annually) on your property tax bill. A larger payment will be allowed in the first year for homeowners to use rebate funds received from the provincial or federal government to pay down the total financing owed.

2. Who can participate in the program?

Any homeowner of an [eligible home type](#) in the District of Central Saanich that is primarily heated by oil or propane or by a natural gas furnace or boiler heating system can participate. The District may accept an application for a home that resides in Central Saanich but is not a primary residence, however these homes may not be eligible for provincial grants.

3. Why is the District of Central Saanich piloting this program?

The program supports a key action pathway outlined in the District's Climate Leadership Plan of converting 100% of oil home heating to electric air source heat pumps by 2030. Despite there being only an estimated 300 oil-heated homes within the community, those oil heating systems produce 16% of residential building emissions and 2% of total community emissions. As of February 2023, the program has also been expanded to propane and natural gas furnaces and boilers, which also produce significant emissions.

4. How does the program work?

Homeowners must register and be approved for the program before any upgrade work is started. After verifying eligibility, the homeowner will enter into an agreement with the municipality to have the upgrade completed by a program approved contractor. The municipality would pay the contractor for completed work, and the financed amount would be paid back to the municipality by the homeowner over a ten year period on their property tax bill. The homeowner is also able to access rebates, such as CleanBC rebates and Canada Greener Homes Grants, to reduce the cost of the upgrade. A pre-retrofit [EnerGuide home evaluation](#) will be required.

5. Will the District help to simplify the retrofit and financing process for the homeowner?

Yes! The District can walk you through the steps in the process and answer your specific questions along the way. For comprehensive step-by-step assistance for your upgrade project planning and execution, capital region residents can access the [Home Energy Navigator](#)



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[Program](#). For help identifying and accessing available rebates, the CleanBC Better Homes program offers a free one-on-one [Energy Coaching Service](#) that can assist with all steps of the rebate process.

6. Are commercial properties eligible to participate?

No. Future versions of the program might include commercial properties.

7. What type of heat pumps are eligible for financing and rebates?

Heat pump type eligibility matches the [eligibility criteria for the CleanBC heat pump rebates](#), including central, ductless mini-split, and hydronic systems. The heat pump must become the primary heating system of the home and the back-up, if any, must not use fossil fuels.

8. How do I apply for the program?

Please visit the District's Heat Pump Financing Program's [website](#). Homeowners must read the program's Terms and Conditions in the "How to Get Started" section and apply by completing an on-line Registration Form that is submitted on a secure upload portal, during the current intake period.

9. Is there a deadline for the program?

This program is offered as a pilot for a limited time and for a limited number of participants on a first come first served basis. Those interested should fill out our Registration form on our website during the current intake period.

10. What costs will the financing cover?

The financing amount can be used to cover:

- Heat pump equipment costs
- Heat pump installation costs
- Oil or Propane tank removal costs
- Natural gas furnace or boiler removal costs
- Electrical upgrade costs (e.g., electrical panel upgrades and associated wiring) required as part of heat pump installation
- Ducting modification and/or cleaning costs required as part of heat pump installation
- Additional air filtration systems added to heat pump systems

11. If I already had an EnerGuide home evaluation, do I need another?

If you have completed an EnerGuide home evaluation on or after May 27th, 2021, you may use the same report for the purposes of the financing program.

12. What if I decide to withdraw from the program part way through?



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If you decide to withdraw from the program after some services have already been completed, you will be responsible for any contractor service fees incurred (including deposit to the District, if paid by the District to the contractor).

13. Who is responsible if I am not satisfied with the work completed?

Homeowners are responsible for selecting a contractor from the [contractor list](#) to complete the recommended upgrades, and that contractor is solely and entirely responsible for the quality of the work completed. The District of Central Saanich accepts no responsibility for defects in the workmanship of participating private businesses.

14. What happens if I sell my home if there is an outstanding balance on the financing?

During the process of sale, the homeowner must provide a copy of the Financing Agreement to the new owners. When the property is transferred to a new owner, the responsibility of financing payments is transferred to the new owner along with the property. Alternatively, the homeowner can choose to pay off the balance of the financing in full at the time of sale.

15. Can I make a larger payment to reduce the yearly amount added to my property tax?

Participants will be allowed to make a larger partial payment **in the first year of their financing only**. This will allow participants to use the money from their rebates to reduce their yearly payments.

16. Can I participate in the program if I defer my taxes?

You would be eligible to participate but costs related to your heat pump installation couldn't be deferred. You would need to pay the financed costs back (over the 10 years) through your tax bill.

An Example:

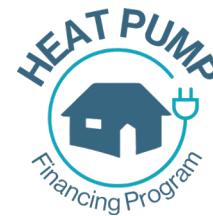
Mrs. Jones wants to upgrade her oil furnace to an electric heat pump. The total cost to make this heat pump upgrade is **\$17,000** which includes:

- \$15,000 to install the new system,
- \$1,500 for electrical upgrades and electrical panel,
- \$500 to remove the old oil heating system

The District's Heat Pump Financing Program can help cover all of the above costs. After the District paid the contractor the maximum financing amount of \$12,000, Mrs. Jones only owed \$5,000 to the contractor out of pocket.

Mrs. Jones' upgrade was also eligible for the following [provincial](#) and [federal](#) rebates:

- \$6,000 CleanBC & BC Hydro Heat Pump Rebate
- \$500 CleanBC Electric Service Upgrade Rebate



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- \$350 Central Saanich (municipal) top-up rebate
- Up to \$5,000 Canada Greener Homes Heat Pump Grant
- \$600 Canada Greener Homes EnerGuide evaluation rebates

For a total of \$12,450 in rebates!

To repay her financing (for the loan of \$12,000) Mrs. Jones owes an extra \$1,200 on her property taxes each year for 10 years. However, if interested, she may make a larger payment in the first year to reduce the property tax payments in remaining years.

Who can I contact for questions?

For more information, contact the program administrator at Email: climate@csaanich.ca
support@csheatpumpfinancing.ca Or by phone: 250.652.4444 (ext. 2224)