2026 Propane Water Heater Replacement Program with HVAC Incentive

To participate in the program, Illinois propane dealers need to sign and return the Dealer Participation Agreement Form (DPA) every year; Checks cannot be processed until the DPA is on file in the IPGA office.

THIS PROGRAM RUNS ON A CALENDAR YEAR
January 1, 2026 – December 31, 2026

Overview

This program establishes an incentive program for new energy-efficient propane appliances that are safely installed. Eligible new propane appliances: will replace an existing electric, fuel oil, natural gas or propane tankless, power vent or standard water heater with a new propane tankless, power vent or standard water heater, or are installed in new home construction; or are installed in new manufactured homes. The program will reimburse the applicant for safe installation of approved energy-efficient propane appliances in the amounts listed below:

- Standard Water Heater $ 300.00 (This Program Starts 1/1/2026)
- Power Vent/TTW/Tankless Water Heater $ 400.00 (This Program Starts 1/1/2026)

A maximum of $400.00 per residence may be claimed per year

Homeowners, builders, and sales agents of manufactured home dealers can participate in the program. The person applying to the program is called the *applicant*. Reimbursements for safe installations are paid by the IPGA to the applicant.

ALL APPLICATIONS MUST BE RECEIVED WITHIN 30 DAYS OF THE SAFETY INSPECTION

1. All eligible installations must be located within normal residential living spaces, outbuildings, shops, barns or other attached or unattached buildings.

2. Eligible appliances must include a receipt or invoice showing proof of purchase including the make & model number of the appliance with **the purchase date occurring no more than six (6) months prior to the safety inspection date.**

3. In the case of **"New Construction";** eligible appliances must include a receipt or invoice showing proof of purchase including the make & model number of the appliance with **the purchase date occurring no more than twelve (12) months prior to the safety inspection date.**

4. Safety Inspection (Definition):

A. Pressure Test, if applicable
B. Leak Test
C. Flow & Lock up test on regulator / regulators

Propane Marketer agrees to comply with all laws, rules, regulations & Manufacture's installation instructions.

5. There will be a maximum of **90 days** to process completed applications and issue a reimbursement. Reimbursements cannot be assigned to the dealer.

To qualify for this program, an application must be made on the ILPGA website at ILSaveswithPropane.com and submitted by the propane marketer. All requested information must be provided along with the necessary documentation. The installation must use propane gas provided by an authorized Illinois propane dealer. An authorized Illinois propane dealer is a person or company, located in Illinois, that delivers propane in bulk to residential and commercial customers, and must be participating in this program. If an Illinois propane dealer is not a member of the IPGA, they must provide proof that they paid the IL PERC and PERC assessments.

The propane dealer's main involvement in the process is to verify the new appliance for the proposed installation and perform a safety inspection when the installation of the new propane appliance is complete.

NOTE: There is NO PLUMBER'S INCENTIVE for 2026

APPLICATIONS & REQUIRED DOCUMENTATION MUST BE SUBMITTED ON: ilsaveswithpropane.com