

June 30, 2026

Grants Available for Advanced Wood Heating Systems





The Vermont Department of Forests, Parks and Recreation is now accepting applications for the **Advanced Wood Heating Assistance program**. Funded by a \$300,000 USDA Forest Service Wood Innovations grant, the program provides partial funding for municipalities to install or upgrade advanced wood heating systems. Vermont municipal buildings, including town office buildings, town garages, schools, and grange halls, are eligible to apply for funding.

Advanced wood heating systems can replace oil and gas furnaces in existing or new installations, using locally sourced wood, wood residues, and wood waste (including cordwood, chips, and pellets) as fuel. They meet all air quality regulations, can be fully automated depending on fuel and storage type, and can reduce and/or stabilize energy costs. According to a [2016 study](#), 80 cents of every dollar spent on wood heat stays in Vermont, compared to just 22 cents for oil or propane. What's more, by supporting the forest economy, advanced wood heat systems help keep forests as forests, which bolsters Vermont's resilience to climate change.

Advanced wood heating grant funds will be awarded on a first-come, first-served basis, and can reimburse up to 50% of project costs. Up to \$25,000 is available for upgrades to existing systems and up to \$50,000 is available for installations of new systems. A pre-application call and a site visit are required prior to submitting an



application.

To apply, visit the [Forest Economy Financial Assistance and Grants website](#) and complete the [2025 Advanced Wood Heating Assistance for Schools & Municipalities application](#). Applications are accepted on a rolling basis. Please contact Molly Willard at molly.willard@vermont.gov or 802-261-1681 with any questions.

