



SCEP

STATE & COMMUNITY ENERGY PROGRAMS

IRA Home Energy Rebates

Presentation for NEADA Spring Meeting

Adam Hasz, Implementation Advisor
U.S. Department of Energy

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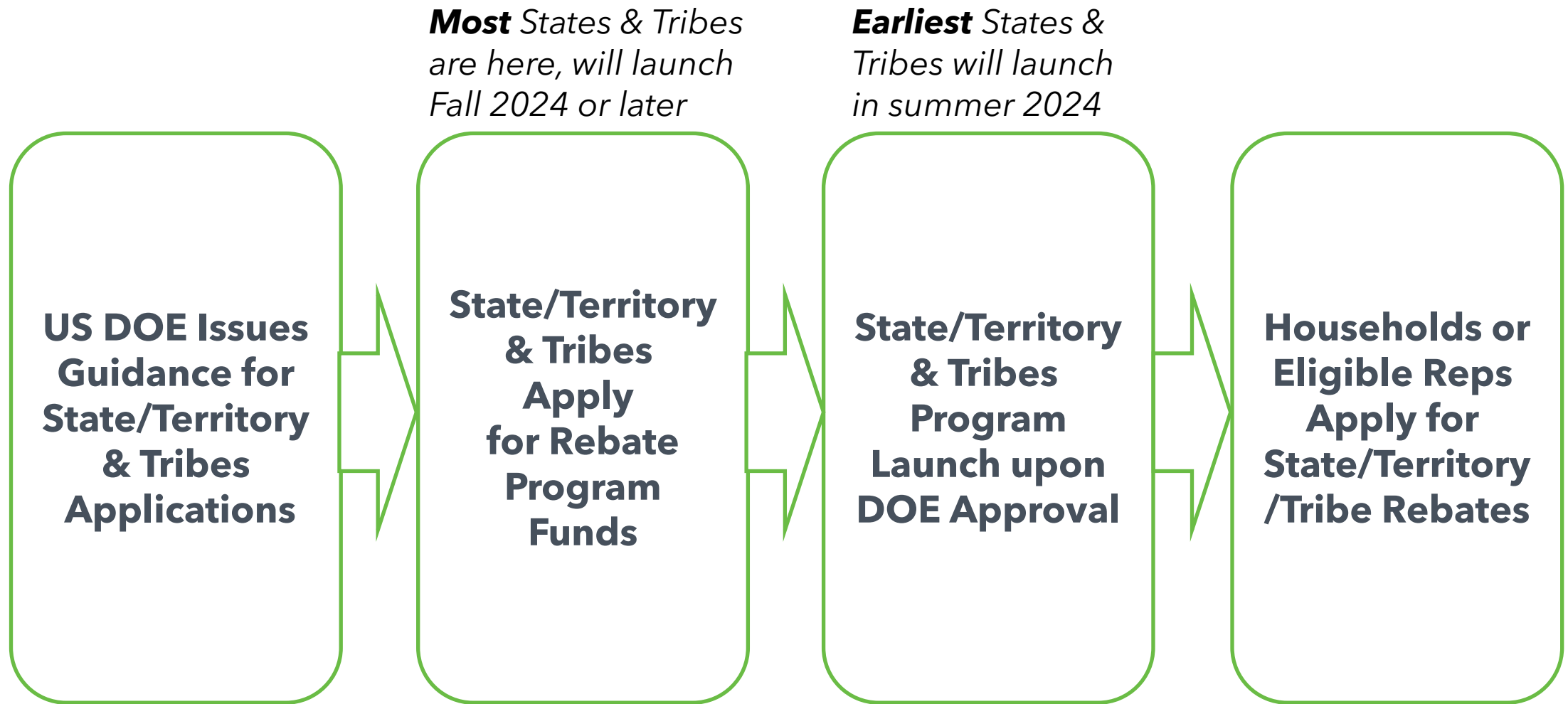
\$8.8b IRA Home Energy Rebates: Overall Goals

Accelerate the clean energy transition in the residential sector through outcomes that include:

- Improving energy efficiency
- Reducing indoor and outdoor air pollution
- Scaling access to and demand for energy efficiency upgrades
- Saving households money on energy
- Ensuring access to capital for low- and middle-income households



Process in a Nutshell: Per Inflation Reduction Act



Note: For States and Territories, the “State Energy Office” is the only entity that is eligible to receive rebates funding.

Eligibility By Home Energy Rebate Type

Home **Efficiency** Rebates (IRA Sec. 50121, aka HOMES)

- Rebate eligibility depends on **predicted energy savings** of home upgrade
 - ✓ Rebates are technology agnostic
 - ✓ Generally, projects will need to predict **at least 20%** energy savings to be rebate eligible
 - ✓ Projects estimated to save 35% of energy are eligible for higher levels of savings
- Household eligibility
 - ✓ Law does not limit eligibility based on household income
 - ✓ **Households at or below 80% AMI are eligible for more funds**
 - ✓ Rented, single-family, or multifamily homes
 - × New construction homes are **not** eligible

Home **Electrification & Appliance** Rebates (IRA Sec. 50122, aka HEEHRA)

- Rebate eligibility depends on **installation of eligible qualified electrification projects**
 1. Electric heat pump water heater
 2. Electric space heat pump
 3. Electric heat pump clothes dryer
 4. Electric cooktop, range, or oven
 5. Electric load service center
 6. Electric wiring
 7. Insulation, air sealing, ventilation
- Household eligibility
 - × **Households above 150% AMI are not eligible**
 - ✓ **Households at or below 80% AMI are eligible for more funds**
 - ✓ Rented, single-family, multifamily are eligible
 - ✓ New construction homes are eligible

Home Efficiency Rebates (HOMES)

- Heating, cooling, and water heating products must meet ENERGY STAR product criteria in effect on the date of installation
- Homeowners and aggregators carrying out whole-house retrofits
- Incentives for serving disadvantaged communities
- All income levels, though rebates increase sharply for LMI households

Required Savings Threshold by Quantification Approach	Maximum Rebate Amounts		
	Single-Family Household	Multifamily Building	LI Household (Single-family and Multifamily)
≥ 20 to ≤ 35% Modeled Energy System Savings	Lesser of \$2,000 or 50% of project costs	\$2,000 per dwelling unit, up to \$200,000 per building	Lesser of \$4,000 or 80% of project cost*
≥ 35% Modeled Energy System Savings	Lesser of \$4,000 or 50% of project costs	\$4,000 per dwelling unit, up to \$400,000 per building	Lesser of \$8,000 or 80% of project cost*
≥ 15% Measured Energy Savings (home or portfolio of homes)	Payment rate per kWh or kWh equivalent saved = \$2,000 for a 20% reduction of energy use for the avg. housing unit in the state, or 50% of the project cost		Payment rate per kWh or kWh equivalent saved = \$4,000 for a 20% reduction of energy use for the avg. housing unit in the state, or 80% of the project cost


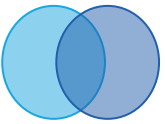

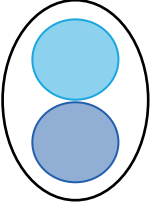
*States can request an increase of the maximum rebate amount for LMI homes

Home Electrification & Appliance Rebates (HEAR)

- ENERGY STAR certification required where applicable
- Appliance purchase carried out for single family home/multifamily building
 - As part of new construction
 - To replace a non-electric appliance
 - As a first-time purchase with respect to that appliance
- Total rebates for an eligible entity capped at \$14,000
- **Up to 100% of cost for < 80% AMI;**
- Not to exceed 50% of cost for 80 -150% AMI
- Contractor incentives also available (up to \$500 per household for installations)

Upgrade	Maximum Rebate Amount	ENERGY STAR Certification Required?
Heat Pump Water Heater	\$1,750	✓
Heat Pump for Space Heating/Cooling	\$8,000	✓
Electric Stove, Cooktop, Range, or Oven*	\$840	✓*
Electric Heat Pump Clothes Dryer	\$840	✓
Insulation, Air Sealing, and Ventilation	\$1,600	✓
Electric Load Service Center Upgrade	\$4,000	N/A
Electric Wiring	\$2,500	N/A
Maximum Combined Total	\$14,000	

Rules for Leveraging other Funding with Home Energy Rebates

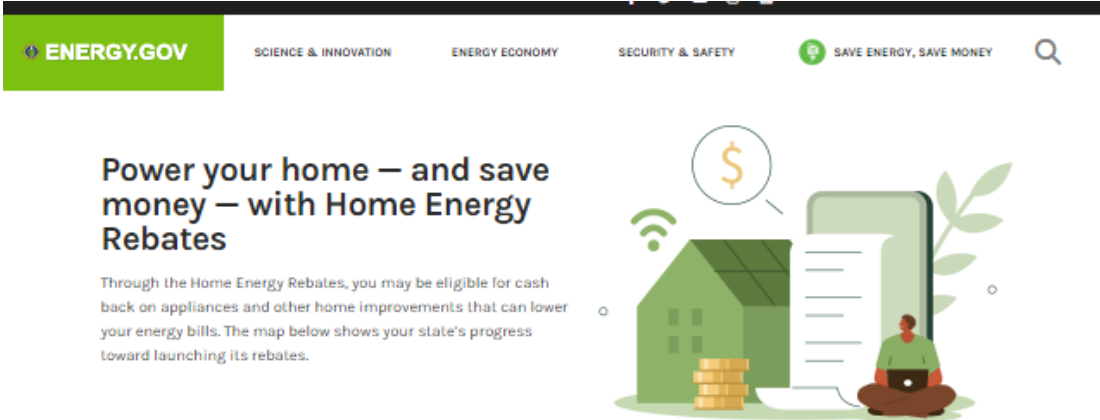
Sources of Funding	What is Allowed?	Requirements to Combine Funding Within Same Household Project	Examples
Other Federal Grants: WAP, LIHEAP, GRRP	Can Braid 	Must "braid" and use other grants to fund <u>distinct and separable measures</u> from "single upgrades" funded by rebate.	Wiring from DOE Tribal rebate (wiring upgrade, electrical panel), local electric generation from BIA Tribal Electrification Grant (solar PV)
Federal Loans: RLF, GGFRF, RESP	Can Co-Fund 	Can co-fund any remaining costs for the <u>same</u> "single upgrade" above the value of the Home Energy Rebate.	GGFRF loan covers remaining costs after rebate has been applied
Non-Federal Funding: EE Utility \$, State/Local \$	Can Co-Fund 	Can co-fund any remaining costs for the <u>same</u> "single upgrade" above the value of the Home Energy Rebate.	Utility incentive provides additional rebate toward remaining costs
Tax Credits: 25C, LIHTC, state/ local tax credits	Reduce Credit Basis 	Reduce basis amount of the expenditure on which tax credit is claimed by rebate, then claim a tax credit based on the remainder of the cost.	Tax credit claimed on remaining basis of HP after rebate

Program Status

- To date, 10 states have applied to DOE for their funding to issue consumer rebates:
 - Arizona
 - California
 - Georgia
 - Hawaii
 - Indiana
 - Minnesota
 - New Hampshire
 - New Mexico
 - New York
 - Washington
- Applications are starting to come in at faster clip, and DOE expects more states to apply in the coming weeks.

Program Status

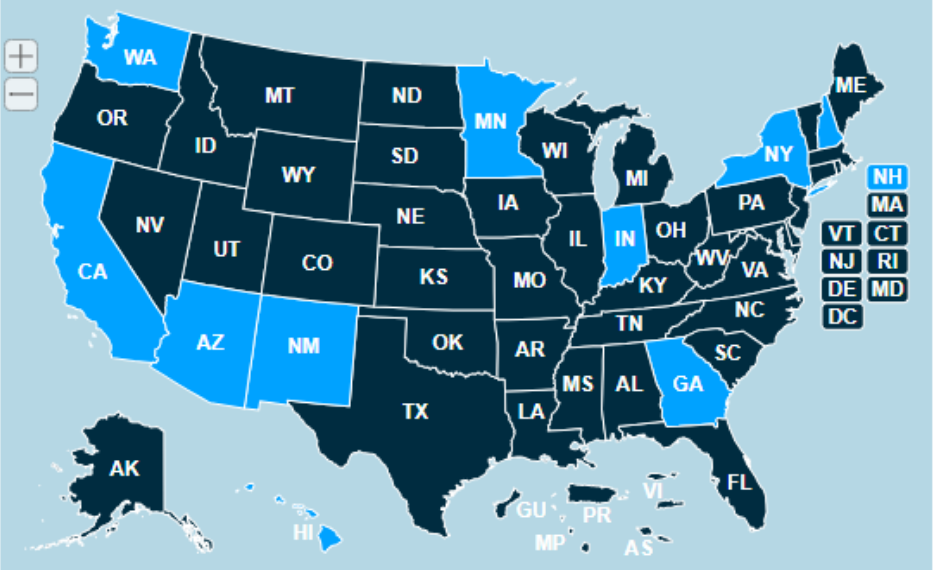

Go to energy.gov/save/rebates for status of state programs.



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Power your home – and save money – with Home Energy Rebates

Through the Home Energy Rebates, you may be eligible for cash back on appliances and other home improvements that can lower your energy bills. The map below shows your state's progress toward launching its rebates.



Last updated 03/25/2024

Anticipated Upcoming Milestones

Spring 2024: DOE reviews state funding applications, issues additional technical assistance documents, awards funding, assists with applications.

Summer 2024: Initial states begin offering rebates; DOE continues assisting states with applications and program launches.

Fall 2024: DOE continues assisting states with applications and program launches. More state programs come online for consumers.

Winter/Spring 2025: Remaining programs begin issuing rebates with continued support from DOE to get funds to consumers ASAP.

Opportunities to Collaborate with Home Energy Rebates

SCEP staff from the WAP and Rebates programs released this initial guidance:

<https://www.energy.gov/scep/articles/getting-started-integrating-weatherization-assistance-program-wap-home>

NEADA members, in partnership with their colleagues in WAP State Program, can collaborate with their State Energy Office to coordinate delivery of rebates to low-income homes that also receive WAP and LIHEAP funding for upgrades.

DOE intends to work with MN, VT, NM, and other early states applying for rebates to develop best practices for braiding Rebates and WAP/LIHEAP funds.

Thank You!

Ways to stay updated:

[Home Energy Rebates website](#)

[State Rebate Program Dashboard](#)

[State and Community Energy Programs website](#)

[Get our email updates](#) – check the “Home Energy Rebates” box

Contact us:

Adam Hasz, Implementation Advisor: adam.hasz@hq.doe.gov

[Webform for general questions](#)

Questions?



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