

# IRA Rebates or I Hear The Train A Comin'... (pre-decisional)



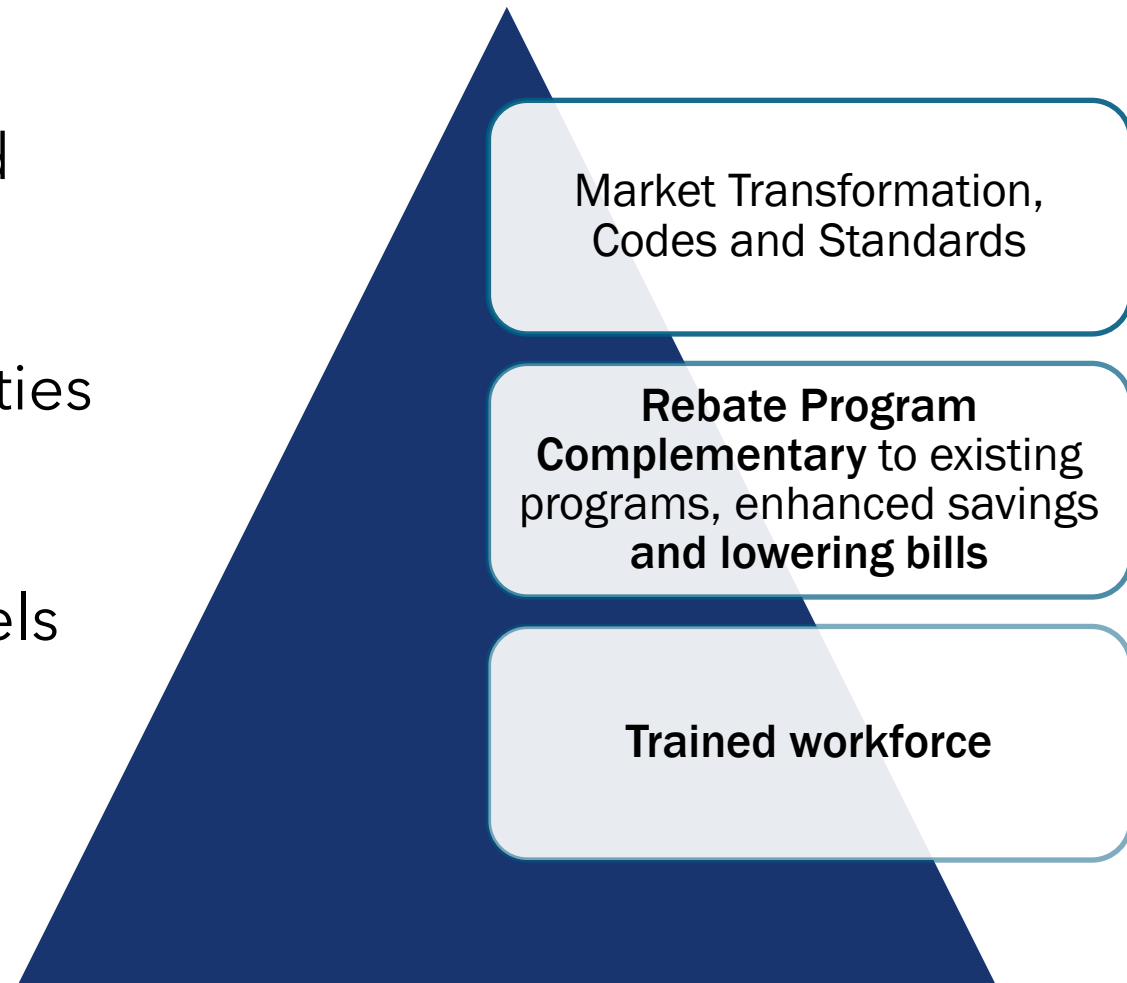
# SCEP

STATE & COMMUNITY ENERGY PROGRAMS



# High Impact Goals

- Reduce home energy bills
- Home energy market transformation and activate the private market
- Successful collaboration with States, utilities and existing programs
- Successful transition to more efficient fuels and technologies
- Economic opportunities for workers and business



# Quick Recap: Residential Efficiency Rebates (HOMES)

- Rebates vary with the energy savings from the household improvements.
- A wide range of energy-saving upgrades can be included.
- Low-income\* households can access up to \$8,000, while other households can access up to \$4,000.

## LOW-INCOME HOUSING\*

- Projects with energy savings between 20% and 35%:
  - ✓ **80%** of costs up to **\$4,000** per home or housing unit
- Projects with energy savings greater than 35%:
  - ✓ **80%** of costs up to **\$8,000** per home or housing unit

## MARKET RATE HOUSING

- Projects with energy savings between 20% and 35%:
  - ✓ **50%** of costs up to **\$2,000** per home or housing unit
  - ✓ **\$200,000** cap for multifamily building
- Projects with energy savings greater than 35%:
  - ✓ **50%** of costs up to **\$4,000** per home or housing unit
  - ✓ **\$400,000** cap for multifamily building

\* Low income is defined as single family households with incomes less than 80% area median income, as well as multifamily housing with more than 50% of households having incomes less than 80% area median income.

# Quick Recap: Residential Electrification Rebates (HEERHA)

Rebates provide low- and moderate-income families ONLY up to \$14,000 total for products like electric heat pumps, electric stoves, and more.

- ✓ More than 70 percent of U.S. households are eligible for these rebates.
- ✓ Rebates cover up to 100% of costs for low-income households\*
- ✓ Rebates cover up to 50% of costs for moderate-income households\*
- ✓ Rebates cannot exceed the caps listed in the table.

Rebate Type	Equipment/Service	Maximum Rebate \$ Amount
Appliance Upgrades	Heat Pump Water Heater	\$1,750
	Heat Pump for Space Heating or Cooling	\$8,000
	Electric Stove, Cooktop, Range, Oven, or	\$840
	Electric Heat Pump Clothes Dryer	\$840
Non-appliance Upgrades	Electric Load Service Center Upgrade	\$4,000
	Insulation, Air Sealing, and Ventilation	\$1,600
	Electric Wiring	\$2,500
<b>Maximum total across all upgrades per home or unit</b>		<b>\$14,000</b>

\*Low-income household defined as below 80% of area median income; moderate-income defined as between 80% and 150% of area median income.

# Recap: Funding Allocations to States and Territories

Alabama	\$146 M	Iowa	\$121 M	New Mexico	\$88 M	Virginia	\$189 M
Alaska	\$75 M	Kansas	\$106 M	New York	\$318 M	Washington	\$166 M
Arizona	\$153 M	Kentucky	\$134 M	North Carolina	\$209 M	West Virginia	\$88 M
Arkansas	\$105 M	Louisiana	\$213 M	North Dakota	\$74 M	Wisconsin	\$149 M
American Samoa	\$50 M	Maine	\$72 M	Ohio	\$249 M	Wyoming	\$69 M
California	\$582 M	Maryland	\$137 M	Oklahoma	\$129 M		
Colorado	\$140 M	Massachusetts	\$146 M	Oregon	\$114 M		
Connecticut	\$99 M	Michigan	\$211 M	Pennsylvania	\$259 M		
District of Columbia	\$59 M	Minnesota	\$148 M	Puerto Rico	\$85 M		
Delaware	\$66 M	Mississippi	\$105 M	Rhode Island	\$64 M		
Florida	\$346 M	Missouri	\$151 M	South Carolina	\$137 M		
Georgia	\$219 M	Montana	\$71 M	South Dakota	\$69 M		
Guam	\$51 M	Northern Marianas	\$50 M	Tennessee	\$167 M		
Hawaii	\$68 M	Nebraska	\$91 M	Texas	\$690 M		
Idaho	\$81 M	Nevada	\$96 M	Utah	\$101 M		
Illinois	\$264 M	New Hampshire	\$70 M	Vermont	\$59 M		
Indiana	\$182 M	New Jersey	\$183 M	U.S. Virgin Islands	\$51 M		

Allocation of \$225M designated for Indian Tribes has not yet been determined.

Up to 20% of these funds may be used for program administration.

**Allocations split roughly 50/50 between home energy and electrification rebates**

NOTE: These figures are rounded. Exact amounts can be found here: <https://www.energy.gov/articles/biden-harris-administration-announces-state-and-tribe-allocations-home-energy-rebate>



# Recap: Awardees must apply to DOE before receiving Funding

## Home **Efficiency** Rebate Program (Section 50121) Applications Must Include Plans to -

- ✓ Determine modeled and/or measured energy savings from retrofit projects
- ✓ Use open-source measurement & verification software to measure the program impacts
- ✓ Value savings based on time, location, or greenhouse gas emissions
- ✓ Assure every home with a rebate is provided a third-party certificate documenting the upgrade and predicted savings
- ✓ Provide contractors/aggregators with \$200 rebate for each home retrofitted in a “disadvantaged community”
- ✓ Prevent multiple rebates for the same upgrade

**States and Territories**

## Home **Electrification** Rebate Program (Section 50122) Applications Must Include Plans to -

- ✓ Verify income eligibility of households
- ✓ Enable access to rebates at point of sale
- ✓ Prevent multiple rebates for the same electrification project
- ✓ Meet any other requirements determined by DOE

**States, Territories, and Tribes**

# Program Timeline (TENTATIVE)

Currently reviewing options to **accelerate deployment** through **existing state/local channels** – **NEED YOUR HELP!!**

- Need to determine risk, net impact, ability to implement, impact on overall timeline / program design
- Working with Stakeholders (NASEO, States, Contractors, Mfg) to determine desire / demand

With no acceleration.....

Development of model programs & tools (i.e., for income verification)

MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | JAN24 | FEB24 | MAR24

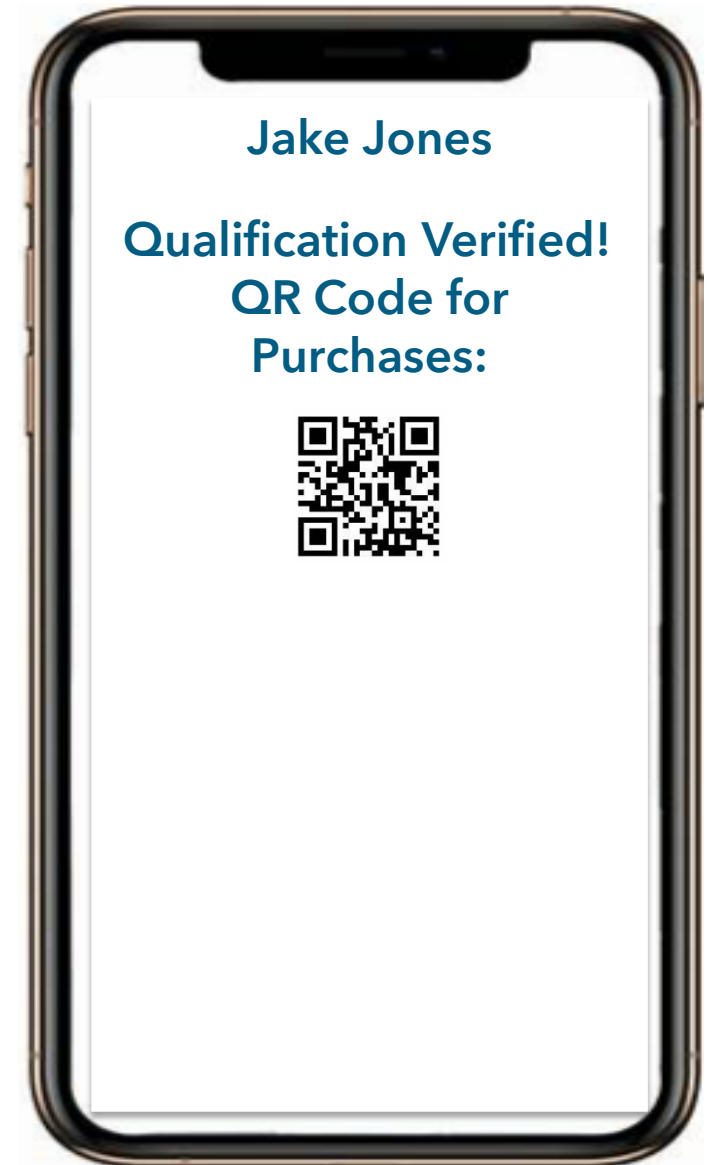
## OPTION A: OPTIMIZED FOR MANY STATES TO DEPLOY TOGETHER IN 2023

Review RFI	ALRD 1 Posted April 1	States Submit Admin Apps	States Receive Admin Funds	ALRD 2 Posted July 1	First States Submit Full Apps	First States Receive Full Funds	Continue Funding States	First State Rebate Programs	Second Wave of States Launch Rebate Programs	Second Wave of States Launch Rebate Programs	Later States Launch Rebate Programs	Later States Launch Rebate Programs
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*Later States continue to grow program offerings though 2024 →*

# TOOLS: Can Make Rebates Easy for Consumers

- Consumer Tools for States
- There is significant stakeholder interest in DOE developing national tool(s) to improve accessibility and simplify rebate process
- **Functionality could include:**
  - Instant/pre-qualified income verification
  - QR code for point-of-sale purchases
  - Rebate tracking per household
  - Links to other programs for rebate stacking and additional opportunities/education
- **Working with Labs to determine feasibility**





# Key Elements / Issues

	Education/ Access/ Design for Savings	Recipient Eligibility	Allowable Uses/Costs	Job Creation and Quality	Consumer Protections	Fraud, Waste and Abuse	Tracking, Eval and Continual Improvement
HEERHA	<ul style="list-style-type: none"> <li>LMI outreach</li> <li>Easy consumer access tools</li> <li>Primed LMI delivery channels</li> </ul>	<ul style="list-style-type: none"> <li>Income verification tools – low AND moderate income</li> </ul>	<ul style="list-style-type: none"> <li>Home efficiency vs electric rebate</li> <li>Fed funded rebates vs tax credits</li> <li>Existing/other state/local programs/ codes</li> <li>Related equipment not in statute</li> </ul>	<ul style="list-style-type: none"> <li>Contractor and laborer certifications</li> <li>Sync'd training programs</li> <li>QA requirements</li> </ul>	<ul style="list-style-type: none"> <li><b>Bill Certainty</b></li> <li>Certified contractors and/or programs</li> <li>QC rqmts for job quality and home safety and health</li> </ul>	<ul style="list-style-type: none"> <li>Double-dipping for same upgrade</li> <li>Households get excess funds</li> <li>Rebated products resold or otherwise ineligible</li> </ul>	<ul style="list-style-type: none"> <li>Rebate tracking</li> <li>Project tracking</li> </ul>
HOMES	<ul style="list-style-type: none"> <li>Rebate stages/bundles to assure savings</li> <li>Consumer marketing materials</li> </ul>	<ul style="list-style-type: none"> <li>Reciprocal eligibility decisions and tools</li> </ul>	<ul style="list-style-type: none"> <li>Relative to jurisdiction</li> <li>Fed subsidized housing</li> <li>New construction</li> </ul>	<ul style="list-style-type: none"> <li>Prompt payment systems</li> </ul>	<ul style="list-style-type: none"> <li>Effective tools for modeling and measuring energy savings</li> </ul>	<ul style="list-style-type: none"> <li>Contractors/installers wrongly combine rebates</li> <li>Claims for work not done</li> <li>Improper installations</li> <li>Falsified income eligibility</li> </ul>	<ul style="list-style-type: none"> <li>Data collection and sharing</li> </ul>

# Stay Connected!

Stay up to date by visiting our Home Energy Rebate Website:  
<https://www.energy.gov/scep/home-energy-rebate-program>.

Home Rebate RFI: [Home Rebate RFI](#)

General Public:

Contact us at [IRAHomeRebates@hq.doe.gov](mailto:IRAHomeRebates@hq.doe.gov)  
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**Shape the Future of Residential Efficiency and Electrification**

DOE seeks your input on the development of the **\$8.8 billion** Home Energy Rebate programs

 **SCEP**  
STATE & COMMUNITY ENERGY PROGRAMS