

HOME ENERGY REBATES

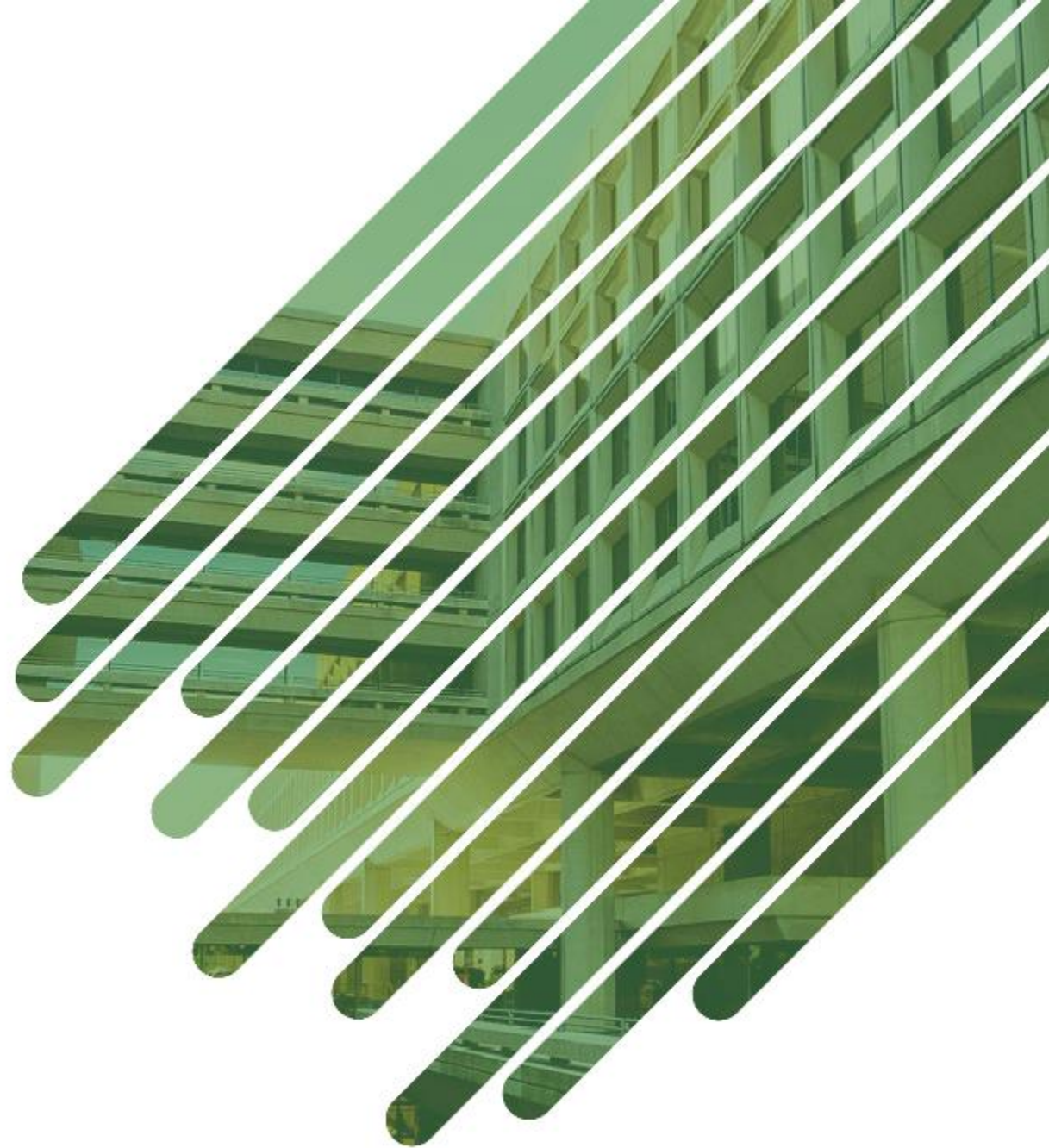
Provisions Authorized through the Inflation Reduction Act

May 18, 2023



SCEP

STATE & COMMUNITY ENERGY PROGRAMS



About The Home Energy Rebates Program



Home Energy Rebates

SEC. 50121 & 50122

Mission: DEVELOP PROGRAMS TO MAKE RESIDENTIAL ELECTRIFICATION & ENERGY EFFICIENCY PROJECTS AFFORDABLE IN U.S HOUSEHOLDS.

Amount: \$8,800,000,000.00

Status: EARLY ADMIN FUNDS AVAILABLE; NO REBATES YET

Recipients: STATE ENERGY OFFICES & INDIAN TRIBES



IRA Home Energy Rebate Program Objectives

- ✓ **Help households** across the US enjoy lower energy bills and more comfortable homes
- ✓ **Make it easier** to access and implement residential energy improvements
- ✓ **Attract and retain qualified workforce** to serve both single and multifamily markets
- ✓ **Spur durable market demand** for residential efficiency and electrification by demonstrating value of energy upgrades and efficient homes to homeowners, tenants, and investors



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 HEERP)

- Rebate eligibility depends on **installation of eligible qualified electrification projects**
 1. ENERGY STAR electric heat pump water heater
 2. ENERGY STAR electric space heat pump
 3. ENERGY STAR electric heat pump clothes dryer
 4. ENERGY STAR 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

Potentially Eligible Equipment & Housing Types



Electric Heat
Pump Clothes
Dryer



Electric Heat
Pump for Heat
& A/C



Electric Heat
Pump Water
Heaters



Whole Home
Air Sealing



Duct Sealing
& Insulation



& Potentially Other Energy-
Saving Technology!



Attic, Wall, or
Foundation
Insulation



Ventilation
Systems



Smart, Energy-
Saving
Technology



Electric Panel
& Wiring
Upgrades



Electric Stove,
Cooktop,
Range, Oven



Single-Family Homes &
Multifamily Buildings



New Construction &
Existing Housing Units



Owner-Occupied &
Rental Properties

How Much Money is Potentially Available Per Project?

Type of Home Energy Project	Households Below 80% Area Median Income (AMI) ¹	Households Between 80% and 150% AMI	Households Above 150% AMI
Home Efficiency Project with at least 20% predicted energy savings ²	80% of project costs up to \$4,000	50% of project costs up to \$2,000 (maximum of \$200k for a multifamily building)	
Home Efficiency Project with at least 35% predicted energy savings ²	80% of project costs up to \$8,000	50% of project costs up to \$4,000 (maximum of \$400k for a multifamily building)	
Home Electrification Project Qualified Technologies (only households with an income below 150% AMI are eligible)	100% of project costs up to \$14,000	50% of project costs up to \$14,000 (households with incomes above 150% AMI are not eligible)	Not applicable
	ENERGY STAR electric heat pump water heater	up to \$1,750	
	ENERGY STAR electric heat pump for space heating & cooling	up to \$8,000	
	ENERGY STAR electric heat pump clothes dryer	up to \$840	
	ENERGY STAR electric stove, cooktop, range, or oven	up to \$840	
	Electric load service center	up to \$4,000	
	Electric wiring	up to \$2,500	
	Insulation, air sealing, and ventilation	up to \$1,600	

¹See Area Median Income (AMI) for your area: https://www.huduser.gov/portal/datasets/il/il2022/select_Geography.odn

²Other rebate amounts (roughly within these ranges) may be available if efficiency rebate rates are determined through measured performance.

Live Now! States May Apply for Early Administrative Funds

Program Guidance Page: www.energy.gov/scep/home-energy-rebate-programs-guidance

- [ALRD for Early Administrative Funds](#)

These funds may be used for:

1. Building State Capacity to Administer Programs
2. Strategic Planning on Home Energy Rebate Programs
3. Workforce Assessment & Planning
4. Coordinated & Integrated Program Delivery
5. Consumer Outreach and Education

States are allowed to request up to 2.5%, not to exceed \$2.5 million, of the total funding from each formula allocation of Sections 50121 and 50122 under this ALRD.



ADMINISTRATIVE AND LEGAL REQUIREMENTS DOCUMENT (ALRD)

U.S. Department of Energy
State and Community Energy Program
Golden Field Office

State and Community Energy Programs (SCEP)
Inflation Reduction Act of 2022 Home Energy Rebate Programs
Early Administrative Funds ALRD

CFDA Number: 81.041

PURPOSE

The purpose of this ALRD is to:

- (1) provide initial guidance for the planning, administration or technical assistance portion of the \$8.8 billion Congress appropriated for the Home Energy Rebate Programs formula awards in the Inflation Reduction Act (IRA), Pub. L. 117-169 (August 16, 2022), and
- (2) alert states that all future distributions of formula awards through the Home Energy Rebate Programs will require the submission to DOE of Home Energy Rebate Program Plans that meet the requirements set out in a future Home Energy Rebate Programs funding ALRD.

DOE has determined that a state may access a portion of the planning, administration, and technical assistance funds from its IRA Sections 50121 and 50122 allocations ("early administrative funds") to allow the state to begin to hire and conduct a minimum set of planning and administration activities to prepare for submitting Home Energy Rebate Program Plans. To access this limited amount of early administrative funds, states must submit a separate application for each section detailing how these funds will be used to help prepare the state to apply for the Home Energy Rebate Programs funding and begin the early stages of setting up the state programs. This ALRD details the specific elements that each application must meet and sets out the parameters by which states may request a portion of their funds to prepare Home Energy Rebate Program Plans. DOE will issue a subsequent ALRD detailing programmatic requirements, at which point states can apply for additional funds available in their allocations. DOE anticipates providing this additional guidance in summer 2023.

Issue Date: 3/23/2023

Applications will be reviewed on a rolling basis and remain open until the Home Energy Rebate Programs funding ALRD is made available.

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energy.gov/scep



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Sign up to receive emails about news, events, and more from the Home Energy Rebate Website.

Home Energy Rebate Programs Website:
www.energy.gov/scep/home-energy-rebate-program

Contact us at IRAHomeRebates@hq.doe.gov.

Office of State and Community Energy Programs » Home Energy Rebate Program



About the Home Energy Rebate Programs

On Aug. 16, 2022, President Joseph R. Biden signed the landmark **Inflation Reduction Act** (IRA) into law. The law includes \$391 billion to support clean energy and address climate change, including **\$8.8 billion in rebates** for home energy efficiency and electrification projects.

These home energy rebate programs will help American households save money on energy bills, upgrade to clean energy equipment and improve energy efficiency, and reduce indoor and outdoor air pollution. The U.S. Department of Energy (DOE) estimates that the historic home energy efficiency and electrification consumer rebates authorized will save households up to \$1 billion annually.

The **Office of State and Community Energy Programs** (SCEP) is working to distribute these funds so that households across the country can soon access these benefits.

Program Highlights

- ✓ Saves households money on energy.
- ✓ Dedicates a portion of funds for low- and moderate-income households.
- ✓ Improves homes for better comfort.
- ✓ Reduces indoor and outdoor air pollution.
- ✓ Reduces reliance on fossil fuels.

Thank You!

Questions or Comments?
IRAHomeRebates@hq.doe.gov



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