States, Market Transformation, and $9 Billion for Residential Efficiency and Electrification Rebates: Issues, Guidance, and Implementation

NASEO Annual Meeting
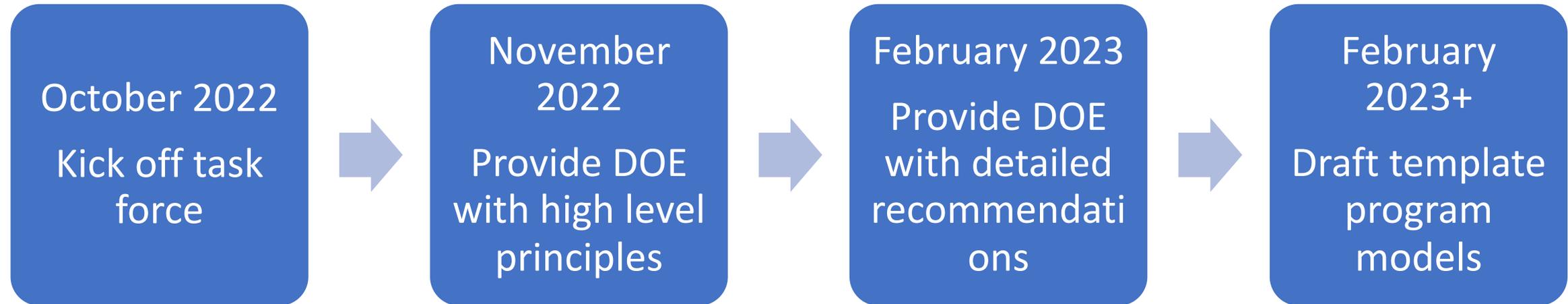
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Inflation Reduction Act Residential Efficiency and Electrification Rebates

Home Energy Performance-Based, Whole House Rebates (Hope for Homes)	Rebates based on whole-home energy reduction	$4.3 billion
High-Efficiency Electric Home Rebate Program	Rebates for electric appliances	$4.275 billion
State-Based Home Energy Efficiency Contractor Training Grants	Contractor training	$200 million

Preliminary Timeline

October 2022

Kick off task force

November 2022

Provide DOE with high level principles

February 2023

Provide DOE with detailed recommendations

February 2023+

Draft template program models

High-Efficiency Electric Home Rebate Program (Electrification Rebates)

- $4.275 billion will be distributed to State Energy Offices via the SEP formula

- Exclusively for low- and moderate-income households (less than 150% of area median income).

High-Efficiency Electric Home Rebate Program (Electrification Rebates)

- Heat pump water heater: Up to $1,750

- Heat pump for space heating and cooling: Up to $8,000

- Heat pump clothes dryer: Up to $840

- Electric stove, cooktop, range, or oven: Up to $840

- Electrical load service center upgrade: Up to $4,000

- Electric wiring: Up to $2,000

- Insulation, air sealing, and ventilation: Up to $1,600

- Installation: Up to $500

High-Efficiency Electric Home Rebate Program (Electrification Rebates)

- 80-150% area median income: 50% of project cost maximum

- Less than 80% area median income: 100% of project cost maximum

- $14,000 total rebate maximum

State-Based Home Energy Efficiency Contractor Training Grants

- $200 million available to State Energy Offices

Potential Working Groups

- Income verification: best practices and preferences

- Quality monitoring: Quality assurance and third-party verification of installs

- Measured energy savings: Recommend open-source advanced measurement and verification software for measure performance rebates and associated implementation guidelines

- Modeled energy savings: Identifying software needs and preferences