Tribal Home Energy Rebates Programs
IRA Section 50122

March 2023
✓ Introduction to the DOE Office of State and Community Energy Programs (SCEP)

✓ Overview of DOE Home Energy Rebate Programs available to Indian Tribes

✓ Timeline for Tribal Consultation process

✓ Key Questions from DOE for the Tribal Home Energy Rebate Programs
Office of State and Community Energy Programs (SCEP)

Created to implement nearly **$16 billion in programs** from the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA)

- Deploy clean energy technologies
- Center equity and deliver on J40 priorities
- Catalyze local economic development
- Create jobs
- Avoid pollution through place-based strategies
- Reduce energy costs
Programs Coming Out of SCEP

- $260M for Building Efficiency Workforce Training
- $750M for State Energy Program & Revolving Loan Fund
- $500M for Energy Efficiency & Renewable Energy in Public Schools
- $550M for Energy Efficiency & Conservation Block Grants Program
- $100M for Energy Future Grants
- $50M for Energy Efficiency for Non-Profits
- $1B for Energy Codes Technical Assistance
- $3.5B for Weatherization Assistance Program
- $8.8B for Home Energy Rebates
The Inflation Reduction Act

CLEAN ENERGY FOR ALL

PRESIDENT BIDEN'S INFLATION REDUCTION ACT IS THE MOST AGGRESSIVE CLIMATE ACTION IN U.S. HISTORY
The Landmark Inflation Reduction Act (IRA) of 2022

IRA is the largest climate investment in US history at $391 billion

**Save Households Money.** Reduce household energy bills through rebates and incentives for clean energy deployment.

**Grow American Manufacturing & Clean Energy Jobs.** Provide 10+ years of financial support for clean energy manufacturers & installers. Incentivize prevailing wages and apprenticeships for good jobs.

**Fight Climate Injustice.** Deliver benefits to low-income households and energy-burdened communities. Reduce greenhouse gas pollution to 40% below 2005 levels by 2030.
Clean Energy Investments Through IRA

- **Home Energy Rebates**: $8.8B
  - U.S. DOE

- **Energy Code Assistance**: $1B
  - U.S. DOE

- **Clean Energy Business Loans**: $14B
  - U.S. DOE

- **Energy Grid & Industry**: $9B
  - U.S. DOE

- **Affordable Housing**: $1B
  - U.S. HUD

- **Clean Transportation**: $7B
  - U.S. EPA

- **Energy Tax Credits**: ~$277B*
  - U.S. Treasury

- **Greenhouse Gas Reduction Fund**: $27B
  - U.S. EPA

- **Enviro. Justice Block Grants**: $3B
  - U.S. EPA

- **Rural Energy Assistance**: $12B
  - USDA

- **Coastal Climate Resilience**: $2.6B
  - NOAA

- **+ Other Programs**: ~$7B
  - Various Agencies

*Congressional Budget Office (CBO), Estimated Budgetary Effects
Overview of the DOE Home Energy Rebate Programs

Home Energy Rebates
Sec. 50121 & 50122 of Inflation Reduction Act

Amount: $8.8B, including up to $225M for Indian Tribes
Through: September 30, 2031
Recipient: State Energy Offices & Indian Tribes

Goal: Develop, implement, and subsidize residential energy efficiency and electrification projects in US households.

States & Indian Tribes may use funds to:
✓ Provide rebates to households, building owners, and contractors
✓ Determine eligibility of households for rebates based on income
✓ Work with trusted contractors & retailers to streamline rebate processing
✓ Verify quality installation and document home upgrades
✓ Help households bundle funds & financing to further reduce upfront costs

DOE is consulting with States, Tribes, and other key stakeholders to develop program guidance for this funding.
DOE 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 by decreasing the cost through instant “point of sale” rebates

✓ **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
Where Will the Tribal Home Energy Rebates Funds Go?

$8.8 Billion in Home Energy Rebate Funds

- ~$4.17 billion to States and Territories for home efficiency rebates
- ~$4.37 billion to States, Territories, and Tribes for home electrification & appliance rebates
- ~$4.15 billion to States and Territories
- Up to $225 million to Indian Tribes
- Up to $264 million for DOE admin & TA*

20% for Admin | 80% for Rebates for Households

Up to $1.66B for rebates

At least $6.65B for rebates

Up to $45M for rebates

Up to $180M for rebates

*The law authorizes up to 3% of total funds for DOE program administration & technical assistance as well as up to 20% of State & Indian Tribe funds for program administration. The amounts shown in the funds for Indian Tribes have not removed the potential 3% for DOE-provided technical assistance.
Home Energy Rebates Section 50122 Tribal Details

• **Up to $225 million* is available through 2031** to “award grants to Indian Tribes to develop and implement a high-efficiency electric home rebate program.”

• Funding for Indian Tribes shall be reserved “in a manner determined appropriate by the Secretary.” **DOE has not yet determined the funding allocation for each Indian Tribe.**

• “Indian Tribes” is defined by the section to mean “any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians”

• Funds will be distributed to Tribal Governments and Alaska Native entities after they submit an application that is approved by DOE. **DOE has not yet determined the application structure or the exact approval process that will be required for Tribes and Alaska Native entities to receive funding.**

*The law authorizes up to 3% of this funding to be used by DOE for program administration & technical assistance.*
Rebates must be used for “Qualified Electrification Projects”*

Rebate funding is to be used to offset the costs of equipment, materials, and installation of “qualified electrification projects” via a point-of-sale rebate; an immediate discount on the cost of equipment or installation of an upgrade.

While subject to the caps noted in the chart, rebates can cover -

- up to 100% of home electrification project costs for low-income households (less than 80% AMI)
- up to 50% of home electrification project costs for moderate-income households (80 – 150% AMI)

*Section 50122 also requires that projects must use equipment that is Energy Star certified.

---

**Maximum Rebate Per Improvement**

<table>
<thead>
<tr>
<th>Improvement</th>
<th>Maximum Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric heat pump HVAC system</td>
<td>up to $8,000</td>
</tr>
<tr>
<td>Electric heat pump hot water system</td>
<td>up to $1,750</td>
</tr>
<tr>
<td>Electric stove, cooktop, range, or oven</td>
<td>up to $840</td>
</tr>
<tr>
<td>Electric heat pump clothes dryer</td>
<td>up to $840</td>
</tr>
<tr>
<td>Electric circuit panel upgrade</td>
<td>up to $4,000</td>
</tr>
<tr>
<td>Insulation &amp; air sealing</td>
<td>up to $1,600</td>
</tr>
<tr>
<td>Electric wiring upgrades</td>
<td>up to $2,500</td>
</tr>
</tbody>
</table>

**Total electrification rebates cannot exceed $14,000 per household**
APPLICATION – A State energy office or Indian Tribe seeking a grant under the program shall submit to the Secretary an application that includes a plan to implement a high-efficiency electric home rebate program, including—

(1) a plan to verify the income eligibility of eligible entities seeking a rebate for a qualified electrification project;

(2) a plan to allow rebates for qualified electrification projects at the point of sale in a manner that ensures that the income eligibility of an eligible entity seeking a rebate may be verified at the point of sale;

(3) a plan to ensure that an eligible entity does not receive a rebate for the same qualified electrification project through both a high-efficiency electric home rebate program and any other Federal grant or rebate program,* ; and

(4) any additional information that the Secretary may require.

*Section 50122 of the Inflation Reduction Act prohibits using other federal funding sources for a project that receives a Tribal Home Energy Rebate. For full details, see section 50122 starting on page 220: https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf
Timeline for Tribal Consultation on Home Energy Rebates

**Tribal Consultation + Tribal Program Guidance**

- **March 1:** “Dear Tribal Leader” Letter invitation for DOE Tribal Consultation
- **March 29:** Virtual Tribal Consultation Session
- **April 28:** Tribal Consultation Written Responses Due
- **~Late Spring:** DOE issues allocations, guidance for Tribes to apply for program admin funds
- **Summer 2023:** DOE guidance issued for Tribes to apply for rebate funds

**State Program Guidance**

- **Jan 18:** Request for Information issued for overall programs
- **March 3:** RFI Written Responses due to DOE
- **March - May:** DOE creates State program guidance based on RFI responses
- **Spring 2023:** DOE guidance issued for States to apply for program admin funds
- **Summer 2023:** DOE guidance issued for States to apply for rebate funds
Email address for the DOE Home Energy Rebates Team: irahomerebates@hq.doe.gov

DOE Home Energy Rebates Website: https://www.energy.gov/scep/slsc/home-energy-rebate-programs