



Home Energy Rebates (IRA Sections 50121 and 50122): Required Elements of a Community Benefits Plan

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Background and Objectives

A Community Benefits Plan (CBP) is a required component of a DOE's Home Energy Rebates Program.¹ Each state and territory² must submit and receive DOE approval for a CBP for each rebate program award under the Home Efficiency Rebates (IRA Section 50121) and the Home Electrification and Appliance Rebates (IRA Section 50122) prior to program launch, which is generally understood as the first date which rebates are available to households from a state's program.

All CBPs submitted for a Home Energy Rebates Program must describe how the program will incorporate the following four objectives:

- 1) Supporting meaningful community and labor engagement
- 2) Engaging and supporting a skilled and qualified workforce
- 3) Advancing diversity, equity, inclusion, and accessibility (DEIA)
- 4) Contributing to the Justice40 Initiative with the goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities³

A state must complete the following for its CBPs:

- Include at least one SMART ("Specific, Measurable, Achievable, Relevant, and Time-Bound") milestone per calendar year to measure progress on the proposed actions.
- Make the plan, milestones, and progress toward them accessible on a public website.
- Implement the CBPs when carrying out its Home Energy Rebates Programs. DOE will track a state's progress in implementing CBPs as part of regular quarterly reporting.

¹ Indian Tribes are not required to submit a Community Benefits Plan in their application for funding for a Tribal Home Electrification and Appliance Rebates program.

² In this document, "State" refers to the 56 States, Territories, and the District of Columbia.

³ The Justice40 initiative, established by E.O. 14008, Tackling the Climate Crisis at Home and Abroad, sets a goal that 40% of the overall benefits of certain Federal investments flow to disadvantaged communities. The Justice40 Interim Guidance provides a broad definition of disadvantaged communities (page 2):

<https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>.

The source material for the content of this document is Sections 3.1.4 and 4.1.4 of the Home Energy Rebates Program Requirements & Application Instructions.⁴ For more details regarding the required elements for a CBP, please consult those sections within the Program Requirements & Application Instructions.

Engage Community and Labor

The CBP must describe the state's actions to date and plans to engage with community partners, such as local and/or Tribal governments, labor unions, and community-based organizations that support or work with underserved communities, including disadvantaged communities. To meet the requirements of this section, a state must:

- Hold at least one (1) public input session to solicit community input on its proposed deployment plans.
- Use the input from these engagement sessions to inform the design of its rebate program, and describe how this input was used in its program design.
- Explain how it will solicit and respond to community feedback throughout the duration of its rebate program.
- Describe what community engagement and outreach strategies it will utilize to reach contractor and workforce organizations, disadvantaged communities, low-income households, and other marginalized groups.

If a state is using an existing program to facilitate rebate delivery, it may use an existing stakeholder engagement/public comment process to meet the above requirements to “[h]ost at least one public input session to solicit community input on its proposed deployment plans” and “[u]se the input from these engagement sessions to inform the design of its rebate program.”

Engage and Support a Skilled and Qualified Workforce

The CBP must describe how the state will support a well-qualified, skilled, trained, and stable workforce and enable high-quality jobs within the home energy upgrade industry. To meet the requirements of this section, a state must:

- Describe its approach to working with responsible contractors who invest in ongoing workforce education and training and ensuring jobs are of sufficient quality to attract and retain skilled workers in the home energy upgrade industry.
- If a state is not also applying for a grant from DOE's IRA Section 50123 Contractor Training Grants ALRD, describe how it is supporting the education and training of both new and incumbent workers to meet the needs of the Home Energy Rebates Program.

⁴ The Requirements and Application Instructions can be accessed at <https://www.energy.gov/scep/articles/home-energy-rebate-programs-requirements-and-application-instructions>.

Incorporate Diversity, Equity, Inclusion and Accessibility (DEIA)

The CBP must include a section describing how DEIA objectives will be incorporated into the overall program. The section should detail how the state will partner with underrepresented businesses and training organizations that serve workers who face barriers to accessing quality jobs and/or other project partners to help address DEIA.

Address the Justice40 Initiative

A state must provide an overview of benefits to disadvantaged communities that the Home Energy Rebates can deliver, supported by measurable milestones. The Justice40 Initiative section of the CBP must include:

- A state's definition of disadvantaged communities.
- A state's method of encouraging the delivery of Home Efficiency or Electrification and Appliance Rebates to disadvantaged communities.
- A description of how a state will ensure that applicable benefits flow to disadvantaged communities.

A state must also include its planned system(s) to track the engagement of a contractor (for the Home Efficiency Rebates) or eligible entity representative⁵ (for the Home Electrification and Appliance Rebates) that delivers a project or provides rebate program assistance to households in disadvantaged communities. A state must use its disadvantaged community definition to apply any incentive available for work performed in a disadvantaged community.

Finally, a state must specifically identify how its Home Energy Rebates Program will deliver direct benefits for low-income households in disadvantaged communities, such as how upgrades will reduce utility bills and improve indoor air quality. At a minimum, the Justice40 section of the plan must describe actions a state will take to ensure that disadvantaged communities receive the following benefits of the rebate programs:

- Direct benefits, including the energy upgrade projects completed via rebate investments and the associated energy savings, cost savings, pollution reduction, and other health and safety benefits.
- Economic benefits, including the jobs and quality of jobs supported by rebate investments and the contracts and economic activity enabled by rebates.

Summary Table of Commitments

To easily communicate its CBP to the public, a state must provide the following information to reflect the commitments and relevant SMART time-based milestones covered in each section of its plan. The following table is available for use but is not a requirement. A state may add

⁵ An eligible entity representative is a governmental, commercial, or nonprofit entity carrying out a qualified electrification project on behalf of an eligible entity for Home Electrification and Appliance Rebates (50122).

or delete rows and columns as needed so that the table best summarizes commitments and timelines from the sections above.

Table 1. Summary of Commitments

Category and Commitment	Year 1 milestones	Year 2 milestones	Year 3 milestones	Year 4 milestones	Year 5 milestones
Community and Labor Engagement					
Commitment 1					
Commitment 2					
Investing in Job Quality and a Skilled Workforce					
Commitment 1					
Commitment 2					
Diversity, Equity, Inclusion, and Accessibility					
Commitment 1					
Commitment 2					
Justice40 Initiative					
Commitment 1					
Commitment 2					