



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE IIJA-5 Revised
EFFECTIVE DATE: April 14, 2025

UPDATE: References to the Bipartisan Infrastructure Law (BIL) have been updated to Infrastructure Investment and Jobs Act (IIJA). References to updated WPNs/Memos provided in specific sections as needed.

EXECUTIVE SUMMARY: This document addresses an update to how Infrastructure Investment and Jobs Act (IIJA) Grantees should calculate the Average Cost Per Dwelling Unit (ACPU) in weatherized homes and allowable expenditures associated with using Department of Energy (DOE) Weatherization Assistance Program (WAP) funds.

- IIJA funded grants will follow a 5-year average of annual ACPU limits from Program Years (PY) 2022-2026.
- A home may be weatherized using WAP IIJA funds, braided in conjunction with Weatherization Readiness Funds (WRF), Sustainable Energy Resources for Consumers (SERC), and/or Enhancement and Innovation (E&I).
- A home weatherized with WAP IIJA funds shall not be braided in conjunction with WAP formula and CSPP funding.
- When DOE funds are braided, measures must be paid, in full, with a single DOE funding type and are not to be co-funded with multiple DOE-funding types.

SUBJECT: IIJA Average Cost Per Dwelling Unit and Allowable Use of Funds Update

APPLICABLE TO: IIJA Grants

INTENDED AUDIENCE: WAP IIJA Grantees and Subgrantees

PURPOSE: To provide updated information on calculating the ACPU and opportunities to braid funds from multiple DOE programs to enhance the impact of IIJA grants.

SUPERSEDES: WPN IIJA-5 supersedes sections 2.1 and 3.1 of WPN IIJA-1.

SCOPE: The provisions of this WPN apply to Grantees or other entities named in the Notification of Grant Award as the recipient(s) of financial assistance under the U.S. Department of Energy (DOE) WAP IIJA.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act (ECPA), as amended, authorizes the Department to administer the WAP (42 U.S.C. § 6861, et. seq.). All grant awards made under this Program shall comply with applicable law and regulations including, but not limited to, the WAP regulations contained in the Code of Federal Regulations (CFR) at [10 CFR 440](#), Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards at [2 CFR 200](#), and the Infrastructure Investment and Jobs Act (IIJA), [Public Law 117-58](#).

BACKGROUND: DOE awarded IIJA grants as “one-time” funding for a 5-year period as compared to annual formula-funded grants which are awarded annually with separate funding actions over a 3-year period. Therefore, IIJA Grantees will calculate the average ACPU for IIJA units over the lifetime of the grant. The expenditure of financial assistance provided for labor, materials, and related matters, shall not exceed the established ACPU per dwelling unit weatherized in the State (per [10 CFR 440.18](#), Allowable Expenditures).

Initially, DOE set the ACPU for IIJA grants to align with the ACPU for Program Year 2022 which was \$8,009 for the adjusted average expenditure limit and \$3,929 for renewable energy systems. Upon further review and in consultation with General Counsel, DOE determined that because IIJA is a one-time funding action, where non-IIJA funding are 3-year awards with annual funding action, DOE can allow an average of the annual ACPU over the period of grant award.

In addition to this flexibility, DOE has identified an opportunity to braid funds from multiple DOE weatherization programs to serve low-income households more comprehensively.

GUIDANCE:

Average Cost Per Unit (ACPU)

For expenditure limits and renewable energy measures, IIJA funded grants will follow a 5-year average of annual ACPU limits from Program Years (PY) 2022-2026. DOE will track expenditures, production, and the ACPU throughout the life of the grant, but the ACPU for the award will be evaluated based on the final average ACPU. How averages will be calculated is outlined below.

This policy may be reevaluated in the event of a no-cost time extension. In this case, DOE will issue a Memorandum to Grantees to provide further information. Grantees are not required to immediately amend approved IIJA awards. When plans are amended for funding modifications (e.g., 35% or 50% funding) annual file language must be updated in PAGE to reflect the language contained within this WPN.

Program Year	Total Allowable ACPU	Renewables ACPU <i>Part of the Total Allowable ACPU</i>
2022	\$8009	\$3929
2023	\$8250	\$4047
2024	\$8497	\$4169
2025	TBD	TBD
2026	TBD	TBD
IIJA Grant Average	= Average of PY 2022 through PY 2026	= Average of PY 2022 through PY 2026

Note: IIJA does not provide Weatherization Readiness Funds (WRF), therefore if Grantees allow WRF dollars to be spent on IIJA projects they are excluded from the ACPU.

UPDATE: See [WPN IIJA-7](#): IIJA Award Extension and Obligor Remaining 50% of Funding for most current directive.

ALLOWABLE USE OF FUNDS

With the addition of IIJA and Innovation grants (Enhancement and Innovation (E&I), Sustainable Energy Resources for Consumers (SERC), and Community Scale Pilot Project (CSPP)), Grantees now have multiple funding streams on different timelines to manage and ensure performance metrics are met. Grantees and Subgrantees must segregate the obligations and expenditures related to IIJA funding. If necessary, financial and accounting systems should be revised to segregate, track, and maintain these funds separately from other revenue streams.

Each DOE funding type must be used for its specific objective. A home may be weatherized using WAP IIJA funds, braided in conjunction with the following DOE WAP funding types: Weatherization Readiness Funds (WRF), SERC, and/or E&I. A home weatherized with WAP IIJA funds shall not be braided in conjunction with the following DOE WAP funding types: WAP formula and CSPP funding. When DOE funds are braided, measures must be paid, in full, with a single DOE funding type and are not to be co-funded with multiple DOE WAP-funding types. Co-funding measures with other fund sources (LIHEAP, utility funding, etc.) is allowed.

WAP IIJA Grant

Grantees can weatherize a home using WAP IIJA grant funds WITH the following grants generated from IIJA or Annual appropriations (if awarded):

SERC Grant

E&I Grant

WRF

WAP Annual Grants

Grantees can weatherize a home using annual DOE WAP grant funds WITH the following grants generated from IIJA or Annual appropriations (if awarded):

SERC Grant

E&I Grant

CSPP Grant

WRF

CONCLUSION: DOE WAP appreciates the effort Grantees and Subgrantees have exerted toward the successful implementation of grants of this size and scope. The creation of an adjusted 5-year ACPU and flexibility to braid funds is to ensure services provided at the end of the IIJA grant is comparable to the beginning while also enhancing the Program's ability to serve low-income clients.

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Office of State and Community Energy Programs