

## Maine's Draft Strategic Plan for Use of the Federal IRA Home Energy Rebate Programs

**Outline for Discussion and Stakeholder Comment** 

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## Outline

- 1. Introduction and overview
- 2. Relevant goals and priorities
- 3. Draft strategic plan for IRA Home Energy Rebates
  - Home Efficiency (aka "HER")
  - Home Electrification (aka "HEAR")
  - Shared program design considerations for HER & HEAR
  - Budget allocations

Appendix 1: Federal requirements for IRA Home Energy Rebates

Appendix 2: Existing programs





## 1. Introduction and Overview



## Purpose of this Draft Plan

These slides introduce a draft plan for Maine's deployment of federal funding under the Home Energy Rebate Programs of the Inflation Reduction Act of 2022 (IRA).

This proposal was developed with input from the Governor's Energy Office (GEO) and the Maine State Housing Authority (MaineHousing).

Public input on this draft plan will inform Maine's submission to the U.S. Department of Energy (DOE) explaining how the funds will be used. This is part of Maine's process for developing the plan and gathering stakeholder input.



## **Opportunity for Public Comment**

A public meeting will be held on January 23, 2024 at 9:00 AM at the offices of Efficiency Maine, 168 Capitol St., Suite 1, Augusta. Interested parties will have the opportunity to provide comment during this meeting.

Public comments will also be accepted in writing through **February 7**, **2024**.

<u>Click here</u> to learn more about providing comment.



### **Overview of IRA Home Energy Rebates**

The IRA Rebate Programs allocate funding to the U.S. DOE to deploy through the states. States must establish plans for program design and administration within the parameters of <u>two rebate program</u> structures defined in the IRA:

### Home <a>Efficiency</a> Rebates ("HER")

and

### Home Electrification Rebates ("HEAR")

Note: HER and HEAR Rebates may <u>not</u> be combined for the same, single upgrade



## **Overview of IRA Home Energy Rebates**

### **Rebate Program 1 – Home <u>Efficiency</u> Rebates ("HER"):**

The HER program allows states to offer rebates for home efficiency upgrades achieving minimum energy savings thresholds

- Budget: \$35.9 million for Maine (one-time funding)
- Technology-neutral
  - Any combination of improvements that achieve the minimum energy savings
  - May include insulation, air sealing, heat pumps, heat pump water heaters, etc.
- Existing buildings used as residential dwellings
  - Not "new construction"
  - Multifamily (MF) buildings are eligible
- Rebates available where savings are modeled at <u>20% or greater</u>; rebates enhanced where energy savings modeled at <u>35% or greater</u>
- Rebates enhanced for low-income households (income <80% of area median)



## **Overview of IRA Home Energy Rebates (2)**

**Rebate Program 2 – Home <u>Electrification</u> Rebates ("HEAR"):** Point-of-sale, prescriptive rebates for electrification measures for low- and moderate-income households

- Budget: \$35.7 million for Maine (one-time funding)
- Targeting electric heating systems and appliances, including electric panel & wiring upgrades
- For installation in either existing buildings OR new construction
- Multifamily buildings are eligible
- Rebate amounts TBD by states, not to exceed federally prescribed maximums





## 2. Goals & Priorities

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What are goals of the IRA and Maine policies that we are trying to advance through increased efficiency and electrification of Maine buildings?

How can IRA Home Energy Rebate funding support these goals?

## U.S. DOE Goals for the IRA Home Energy Rebate Programs

The overarching goal of the IRA Home Energy Rebate programs is to accelerate the transition to more affordable, efficient, resilient, and low carbon homes through the following long-term outcomes:

- Well-established exemplary and innovative efficiency and electrification programs.
- Lower energy burden for low-income households and disadvantaged communities.
- Proven value streams and roles for sustained investments to continue market transformation.
- Reduced pollution from buildings and support for the clean energy economy.

"States are encouraged to develop their own additional goals, outcomes, and objectives for their programs based on each State's priorities, climate zone, utility costs, etc."



## Maine's Climate and Energy Goals – A Selection

The 2020 Climate Action Plan of the Maine Climate Council (MCC):

- Weatherize at least 35,000 homes and businesses by 2030, including at least 17,500 by 2025
- **Electrify** the heating & cooling of Maine buildings using heat pumps so that by 2030:
  - 115,000 homes are using a whole-home heat-pump systems, and
  - 130,000 additional homes are using between 1-2 heat pumps
- Specific goals for **income-eligible homes** include:
  - Weatherize 1,000 homes per year through 2030
  - By 2025, 15,000 or more new heat pumps are installed in income-eligible households.

These goals were codified by the Maine Legislature in the Efficiency Maine Trust Act (35-A MRS Sec 10104)

Governor Mills' new goal (2023): add 175,000 new heat pumps by December 2026

• Follows the early achievement of the goal of 100,000 new heat pumps by 2025



## Implementation Priorities for IRA Rebate Program in Maine

- Help keep Maine on track to meet Climate Action Plan targets for:
  - # of homes weatherized
  - *#* of low-income homes weatherized
  - # of homes partially heated with heat pumps
  - # of homes using whole-home heat pumps
  - # of low-income homes heated with heat pumps
- Fill gaps in funding for home efficiency & electrification programs in Maine
  - Significant funding from other sources already planned for single family weatherization
- Minimize disruption to markets and programs for home weatherization & electrification where they are working well
- Accelerate market transformation for electrification of home heating
- Ensure at least 40% of program benefits flow to disadvantaged communities, consistent with <u>federal Justice40 requirements</u>
- <sup>12</sup> More information on existing weatherization and electrification programs is available <u>here</u>

## 3. DRAFT STRATEGIC PLAN for Home Energy Rebate Programs in Maine

## Program design considerations for Maine – Overview

DOE requires extensive, complex administrative process that departs from Maine's existing market-based weatherization and heat pump programs

- Full <u>energy audit</u> and <u>energy modeling</u> required prior to award of any HER rebate
- Extensive requirements for <u>data collection</u>, <u>energy savings analysis</u>, <u>& reporting</u> from every household receiving a rebate (HER & HEAR)





## HER Modeled Home Energy Efficiency Savings



## Home Efficiency (HER) – Proposed Program Design (1)

### **1.** Approach and Specific Priorities

- Focus on MCC Goals for whole-home heat pumps and for "low-income" households in market segments that face heightened barriers and offer strong carbon & financial savings opportunities: multifamily buildings and their renters
- Focus on building types where the benefits (cost savings) of the projects are likely to outweigh the costs and administrative burdens of extensive federal requirements associated with the program (e.g., energy audits, modeling savings, data collection)
  - Prioritize larger multifamily (apartment) buildings
- Focus on measure types where modeled savings are most likely to meet IRA's minimum thresholds for rebate eligibility and where cost savings will be significant
  - Prioritize electrification retrofits of heating systems
- Avoid/minimize disruption to Efficiency Maine's existing market-based weatherization program, which is on track to meet MCC goals

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## Home Efficiency (HER) – Proposed Program Design (2)

### 2. Eligible dwellings for HER Rebates in Maine

- Low-Income Multifamily Buildings priority segment
  - Target Approximately 2,250 dwellings
- Market-Rate Multifamily Buildings secondary priority; as funding allows
  - Target Approximately 2,250 dwellings
- Existing dwellings only

### 3. Ineligible dwellings for HER Rebates in Maine

- Single family homes
- New construction

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## Home Efficiency (HER) – Proposed Program Design (3)

### 3. Ineligible Dwellings (Cont'd)

Rationale for declining to use IRA HER rebates for single-family (SF) homes:

### <u>Any-Income SF</u>

- Efficiency Maine has significant existing State/regional revenue streams (e.g., RGGI, Electric Efficiency Procurement) to sustain funding of existing weatherization and heat pump incentives through the next several years, and beyond;
- Efficiency Maine's existing programs offer rebate amounts very similar to those allowed under the IRA HER program;
- Efficiency Maine seeks to avoid disrupting the simplicity and sustainability of its existing program design for home weatherization and heat pumps. Keeping the Any-Income SF market for weatherization and heat pumps separated from the IRA HER restrictions and requirements avoids introducing significant complexity and adding to project costs in ongoing programs.
- Low-Income SF
  - See bullets above;
  - Also, the Low-Income SF market currently enjoys significant revenues and budgets from Efficiency Maine's \$25M initiative under the Maine Jobs and Recovery Plan, plus MaineHousing's \$32M, 5year weatherization funds from Bipartisan Infrastructure Law, plus MaineHousing's ongoing Weatherization Assistance Program annually funded by US DOE and HUD.

## Home Efficiency (HER) – Proposed Program Design (4)

### 4. Rebate pathways for Maine's Plan

- Offer the "Modeled savings" pathway allowed under the IRA, which awards rebates to projects achieving energy savings of at least 20% based on predicted energy savings
  - Prioritize projects that achieve >35% predicted energy savings to secure the largest IRA rebates per dwelling
- Decline to offer the "Measured savings" pathway allowed under the IRA, which awards rebates based on 9-12 months of measured energy use for projects that have achieved at least 15% in energy savings

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## HEAR

# Home Heating Electrification for Low- and Moderate- Income Households

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## Home Electrification (HEAR) – Proposed Program Design (1)

## **1.** Approach and Specific Priorities:

- Drive significant savings of energy costs and carbon pollution for tenants, public housing authorities and/or MF property managers
- Fill gaps in funding for beneficial electrification programs in Maine
- Support market transformation to whole-home heat pump solutions, building momentum among contractors & vendors in Maine
- Demonstrate best practices in new construction of affordable housing
- Avoid disruption and added complexity to existing Efficiency Maine heat pump programs serving other segments
- Prioritize manufactured homes and multifamily buildings serving lowincome households

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### Home Electrification (HEAR) – Proposed Program Design (2)

### 2. Customer segments eligible for HEAR rebates in Maine

- Low-Income Single Family (<80% AMI)</li>
  - Prioritize manufactured homes
  - Target Approximately 890 homes
- Low-Income Multifamily (<80% AMI)</li>
  - Building owners: Public Housing Authorities, Supportive Housing, Private Affordable Housing
  - Building types: New construction
  - Target Approximately 1,700 units
- Moderate-Income Single Family (80-150% of AMI)
  - Secondary priority; as funding allows

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Home Electrification (HEAR) – Proposed Program Design (4)

**3. Eligible Measures ("Qualified Electrification Projects") for HEAR rebates in Maine** 

- Whole-home/building Heat Pumps (including VRFs where appropriate in multifamily units)
  - Must meet minimum efficiency standards and performance standards in cold-climates
- *Electric Panel Upgrade* and *Electric Wiring* associated with heat pump installations, where required

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### Home Electrification (HEAR) – Initial Concept for Maine's Plan (5)

### 4. Ineligible measures for HEAR rebates in Maine

- Insulation, air sealing, ventilation alternative funding streams are available to sustain existing programs
- Heat pump water heaters alternative funding streams are available to sustain existing programs
- Other appliances (electric stoves, ranges & ovens; heat pump clothes dryers) these appliances have less impact on home energy costs and carbon emissions; allocate funding to more cost-effective, priority measures instead

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## Shared Program Design Considerations (HER & HEAR)

## **Disadvantaged Community Definition**

At least 40% of the benefits of the IRA Home Energy Rebate programs must flow to disadvantaged communities, consistent with the goals of the federal <u>Justice40</u> <u>initiative</u>.

DOE also requires that states provide an additional incentive to installers completing projects in homes located in disadvantaged communities.

Consistent with DOE guidance, we propose to use the Council on Environmental Quality's <u>Climate & Economic Justice Screening Tool (CEJST)</u> to identify disadvantaged communities.

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## Alignment with Workforce Development Initiatives in Maine

We will consider areas where workforce development initiatives underway statewide can help support rollout of the IRA rebate programs, and in turn, where the programs can further support the expansion of Maine's clean energy workforce.

### **Current initiatives**

- GEO <u>Clean Energy Partnership</u>
- Efficiency Maine ongoing <u>Heat Pump Trainings</u> hosted at community colleges and other venues
- MaineHousing workforce training with funding made available under a Bipartisan Infrastructure Law (BIL) grant

### **Future opportunities**

 Trainings and other resources made available with funding from the IRA for Statebased Home Energy Efficiency Contractor Training Grants

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## **Education & Outreach**

- Leverage Efficiency Maine's established marketing resources and channels to create customer awareness of opportunities related to IRA rebates
  - Toll-free Call Center
  - Comprehensive <u>website</u> -- one-stop shop for consumers and contractors:
    - Info about weatherization and electrification equipment
    - Online tools (e.g., cost calculator, find a contractor)
    - Portal for verifying income eligibility
    - Case studies, testimonials
    - Guidelines for participating in programs
  - Channels for outreach
    - Participating contractors
    - Participating wholesale and retail stores
    - Paid advertising (online, radio, newspapers)
    - Earned media coverage
    - Webinars and workshops with key customer stakeholders
    - Relevant agencies, authorities, organizations

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## Education & Outreach (2)

- Leverage agencies, authorities and organizations that work with target audiences/customers, e.g.,
  - MaineHousing
  - GEO & GOPIF
  - Department of Economic and Community Development
  - Tribal authorities
  - Public Housing Authorities
  - Maine Affordable Housing Coalition
  - CAP agencies
  - MEREDA
  - Manufactured Housing Association of Maine
- <sup>29</sup> O USDA Rural Development Maine

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## Budget Allocations & Illustrative Project Counts

Admin & Delivery and Allocations by Measure Type

## Budgeting – Home Efficiency (HER)

Measure	Percent	Amount	Target project count
Program Administration	20%	\$7,187,384	
Rebate Delivery*	5%	\$1,796,846	
Low-Income Multifamily Retrofit	50%	\$17,968,460	2,250 dwelling units
Any-Income Multifamily Retrofit	Up to 25%	Up to \$8,984,230	2,250 dwelling units
TOTAL	100%	\$35,936,920	

\*Describes costs associated with the delivery of the rebate but not included in the rebate itself (e.g., costs of energy audits)

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## Budgeting – Home Electrification (HEAR)

			Target project
Measure	Percent	Amount	count
Program Administration	20%	\$7,145,610	
Rebate Delivery*	5%	\$1,786,403	
Whole Home Heat Pumps (including Wiring and Panel			
Upgrades)	75%	<b>\$26,796,038</b>	
Low-income MF New construction (Initial allocation)	30%	\$10,718,415	1,340 dwelling units
Low- and Moderate-income SF (Initial allocation)	30%	\$10,718,415	890 homes
Allocation to be determined based on measure performance	15%	\$5,359,208	TBD
TOTAL	100%	\$35,728,050	

\*Describes costs associated the delivery of the rebate but not included in the rebate itself (e.g., costs of home assessments)

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## Appendix 1 – Federal Requirements for Home Energy Rebate Programs

The IRA established general parameters of rebate program design in law. In guidance issued over the course of 2023, the U.S. DOE established additional requirements for program design and program administration.

DOE requires states to determine specifics of rebate program design and administration.

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## HER Home Efficiency

### Discussion draft Home Efficiency (HER) – Pathways allowed in IRA

### 1. Modeled Energy Savings

Energy Savings	Any Income	<80% of Area Median Income
20-34%	50% of project costs up to \$2,000 (\$200,000 cap for multifamily bldg.)	80% of project costs up to \$4,000
35% or more	50% of project costs up to \$4,000 (\$400,000 cap for multifamily bldg.)	80% of project costs up to \$8,000

### 2. Measured Energy Savings

Energy Savings	Any Income	<80% of Area Median Income
15% or more	\$100 per 1% reduction for avg. home/multifamily unit energy use; up to 50% of project costs	\$200 per 1% reduction for avg. home/multifamily unit energy use; up to 80% of project costs

### General notes

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- For a multifamily building to qualify for enhanced rebates, at least 50% of units must be occupied by low-income households (income <80% of AMI)</li>
- For projects located in disadvantaged communities, contractors may receive an additional \$200 incentive

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## Home Efficiency (HER): DOE Program Requirements

- All homes receiving rebates must first complete an energy <u>audit</u>
  - Compliant with ANSI/BPI 1100-T-2023 and ANSI/BPI 1200-S-2017 (no blower door or cost benefit assessment required)
  - States to create distinct audit process for multifamily buildings
- Following the audit, the project's expected savings must be modeled
  - Must use BPI 2400-compliant, DOE-approved modeling software
  - Savings estimated based on data from each individual home audit
  - Must show modeled savings >20% compared to baseline for first tier rebate, or >35% for second tier rebate
    - Note: Evaluations in Maine and other New England states show home insulation/air sealing programs typically achieve savings of around 13% (+/- 3%) per building.
  - Certain flexibility provided for MF homes and for homes using delivered fuels
- Following project completion, the home must receive a <u>post-installation certificate</u> that has been certified by qualified third party

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### Discussion draft Home Efficiency (HER): DOE Requirements for Data Collection

The following data <u>must</u> be collected for <u>every</u> **Home Efficiency** rebate (not comprehensive)

Unique project identifier & address	Year built	Components to be upgraded	Proof of quality installation (geotagged photo)
Method to establish income qualification	Conditioned Floor Area (sq ft)	Modeling software used	Amount of rebate & amount deducted upon installation
# people in household	Utility company & Utility Account #	All modeled energy savings (Electric, NG, Delivered fuel)	Project Costs (incl equipment & materials, installation)
Income bracket	12 mo. Utility usage prior to upgrade	Model inputs and outputs	Invoices
In "Disadvantaged Community"?	All home audit data	Contractor name, phone, email	Signature of Owner

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![](_page_37_Picture_0.jpeg)

# HEAR

## Home Electrification

(Low- and moderate-income only)

## Home Electrification (HEAR) – Measures Allowed in IRA

Customer category	% of Project Costs Covered
Low income (<80% of Area Median Income)	up to 100%
Moderate income (between 80 and 150% of AMI)	up to 50%
<b>Overall maximum rebate amounts per household</b> (states may determine included measures and rebate amounts, which <b>may</b> include:)	up to \$14,000
Heat pump	up to \$8,000
Electric panel upgrade	up to \$4,000
Electric wiring	up to \$2,500
Heat pump water heater	up to \$1,750
Electric stove, cooktop range, oven, heat pump clothes dryer	up to \$840
Insulation, air sealing, ventilation	up to \$1,600
Additional incentive for installer	up to \$500 with measure-specific caps

![](_page_38_Picture_3.jpeg)

## Home Electrification (HEAR): DOE Program Requirements

- States must set rebate levels (not to exceed statutory maximum amounts) and choose which measures to offer
- Federal requirements allow three pathways for heat pump installations:
  - o In new construction;
  - As a **replacement** for a non-electric heating unit;
  - For a heat pump added to households with electric heating systems, the heat pump must be installed to provide the primary heating and cooling for the household (based on Manual J calculations, open-source software, or equivalent).
    - Heat pump may <u>not</u> be a supplemental-only unit to another electric system
    - Existing electric system <u>may</u> be used to provide back-up and/or secondary heating/cooling

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## Home Electrification (HEAR) Program Requirements (2)

### A **home assessment is required before heat pump installation** and must include:

- 1. Recommendation for proper sizing from qualified contractor for HVAC
- 2. Onsite visual inspection of existing condition of duct sealing and HVAC (state may allow remote option, subject to DOE approval)
- 3. Estimate of utility bill impacts (if a fuel switch or a project deemed likely to increase utility bills) and written acknowledgement from customer
- 4. Written acknowledgement from consumer of the amount owed for project not covered by rebate
- 5. Estimated total project cost
- 6. Existing system information: Fuel type, Distribution, Air conditioning
- 7. New system information: System type (e.g., mini-split without backup), Energy Star certified?, % of heating load covered, heating capacity (BTU/hr), cooling capacity (BTU/hr)

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### Home Electrification (HEAR): DOE Requirements for Data Collection

The following data <u>must</u> be collected for <u>every</u> **Home Electrification** rebate (not comprehensive)

Unique project identifier & address	Year built	Components to be upgraded	Proof of quality installation (geotagged photo)
Method to establish income qualification	Conditioned Floor Area (sq ft)	Prior rebated amounts	Amount of rebate & amount deducted upon installation
# people in household	Utility company & Utility Account #	Permission from customer to share energy data with State and DOE	Project Costs (incl equipment & materials, installation)
Income bracket	Estimated household energy costs post- installation	List of upgrades for which a rebate was applied	Invoices
In "Disadvantaged Community"?	All "home assessment" data	Contractor name, phone, email	Signature of Owner

![](_page_41_Picture_4.jpeg)

## Program Requirements Applied to Both HER & HEAR

## HER & HEAR: Additional DOE Requirements for Data Collection

These data collection requirements are specific to the upgrade(s) completed

Wall insulation – old (type, R value)	Ceiling insulation – old (type, R value)	Air sealing (where, blower door pre+post)	Elec panel amps (pre+post)	Space Heating - old (type, fuel)
Wall insulation – new (type, R value)	Ceiling insulation – new (type, R value)	Duct sealing (pre+post)	Water Heater type & capacity (pre+p ost)	Heat pump – new (type, % load covered, capacity)

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## HER & HEAR: Additional DOE Requirements for Data Collection (2)

- Data for all applicable building types (SF and small MF) must be consistent with the HPXML Data Dictionary v3
- Home energy assessment data for large MF buildings must be consistent with BuildingSync
- Data collection and sharing must be secure; security and privacy controls must be reviewed by a 3rd party
- DOE may request copies of risk assessments and documentation at any time

![](_page_44_Picture_6.jpeg)

### HER & HEAR: Required Protections for Low-income MF Dwelling Units Occupied by Renters

For at least **two years** following the receipt of the rebates:

- The owner agrees to rent the dwelling unit to a low-income tenant. This is a minimum requirement and affordability requirements should be commensurate with total rebate amount awarded.
- The owner agrees not to evict a tenant to obtain higher rent tenants based upon the improvements.
- The owner agrees not to increase the rent of any tenant of the building as a result of the energy improvements with exception of increases to recover actual increases in property taxes and/or specified operating expenses and maintenance costs.
- The owner agrees that if the property is sold within two years of receipt of the rebates, the aforementioned conditions apply to the new owner and must be part of the purchase agreement.
- In the event the owner does not comply, the owner must refund the rebate.
- A specific and verifiable mechanism (e.g., addendum to the lease) is in place for providing tenants with written notice of their rights and their building owner's obligations.
- Enforcement and penalties are clear and sufficient to act as a deterrent for owner violations and provide for damages and attorney's fees recoverable by tenants.

## HER & HEAR: DOE requirements for the allocation of funding

DOE rules set (a) max allocation for administrative costs and (b) minimum allocations for low-income households:

- Home Efficiency (HER): \$35.9 million total for Maine (one-time)
  - **Program Administration: up to 20% of total grant** (~\$7.2 million)
  - Minimum allocation for **Low-income households: 40% of rebate funding** (~\$11.6 million)
  - Minimum allocation **Low-income multifamily: 10% of rebate funding** (~\$2.9 million)
  - **Remainder**: **~40% of total grant** (~\$14.3 million)
- Home Electrification (HEAR): \$35.7 million total for Maine (one-time)
  - **Program Administration: up to 20% of total grant** (~\$7.1 million)
  - Minimum allocation for **Low-income households: 40% of rebate funding** (~\$11.5 million)
  - Minimum allocation **Low-income multifamily: 10% of rebate funding** (~\$2.9 million)
  - **Remainder**: **~40% of total grant** (~\$14.2 million)

## Appendix 2 – Existing Programs

This proposal for the deployment of Inflation Reduction Act funding accounts for the incentives that Efficiency Maine and MaineHousing already administer to support home energy efficiency and electrification upgrades.

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### Efficiency Maine's Existing Home Energy Programs – HESP and Low Income

Efficiency Maine's Home Energy Savings Program (HESP) and Low-Income Initiatives offer a prescriptive menu of rebates. Learn more at <u>www.efficiencymaine.com/at-home/</u>

#### 1. Insulation and Air Sealing

- Federal tax credit (30% of project cost up to \$1,200/year)
- Efficiency Maine rebates

Low Income	Moderate Income	Any Income
80% of project cost up to a \$8,000 rebate	60% of project cost up to a \$6,000 rebate	40% of project cost up to a \$4,000 rebate

#### 2. Heat pumps

- Federal tax credit (30% of project cost up to \$2,000/year + up to \$600 for panel upgrade)
- Efficiency Maine rebates

Low Income	Moderate Income	Any Income	
80% of project cost up to	60% of project cost up to	40% of project cost up to	
\$8,000 lifetime rebate limit	\$6,000 lifetime rebate limit	\$4,000 lifetime rebate limit	

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### Efficiency Maine's Existing Home Energy Programs – HESP and Low Income (2)

HESP and Low Income Initiatives (continued)

### 3. Heat pump water heaters

- HESP Incentives for heat pump water heaters
  - After instant discount:
    - \$349 at Lowe's
    - \$429 at Granite Group
    - \$449 at Home Depot
  - \$850 mail-in rebate for units purchased without instant discount
  - 30% up to \$2,000 federal tax credit
- Low income heat pump water heater program
  - Efficiency Maine offers free heat pump water heaters (including installation) to income-eligible Mainers

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### Discussion draft **Efficiency Maine's Existing Multifamily Initiative**

Multifamily buildings with 3 or more dwelling units\*

- 1. Attic and basement insulation & air sealing
  - 50% of project cost, up to \$5,000
- 2. **HVAC** systems
  - Heat Pumps: 1 to 3 zones •
    - New Construction \$3.25/sq.ft. 0
    - Retrofit \$7.00/sq.ft. 0
  - Variable Refrigerant Flow (VRF) Systems ٠
    - New Construction up to \$7.00/sq.ft. 0
    - Retrofit up to \$15.00/sq.ft. 0
  - Heat Pump Rooftop Units (RTUs) •
    - New Construction up to \$30/MBH 0
    - Retrofit up to \$130/MBH 0

3. Heat pump water heating

- 80 Gallon Storage: \$1,800/units •
- 120 Gallon Storage: \$3,000/units •
- Split-system min. 80 gallon: \$3,000/units

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## **Financing Opportunities**

### Efficiency Maine Green Bank

- <u>www.efficiencymaine.com/green-bank</u>
- Budgeting minimum \$30 million to capitalize long-term loans, bridge loans, lease agreements
- Coupling financing with all major Efficiency Maine rebate programs
- Including weatherization and heat pump projects in multifamily buildings

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## MaineHousing Existing Programs

### Weatherization

- Weatherization Assistance Program (WAP) (Annual) \$5,000,000
- Bipartisan Infrastructure Law WAP funding (One-time) \$32,000,000 total grant; approximately \$17,000,000 for weatherization
- WAP for Multifamily Weatherization \$2,000,000

### Heat Pump Program

• DOE Sustainable Energy Resources for Consumers (SERC) Grant (One-time) – \$5,000,000

### Low Income Heating Assistance Program (LIHEAP)

- 10% of the LIHEAP Grant is split between leveraged funding for Weatherization and the Central Heating and Improvement Program (CHIP)
- \$4,000,000 was allocated from LIHEAP for Program Year 2024

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## For more information on opportunities for public comment, visit www.maine.gov/energy/initiatives/infrastructure/homeenergy-rebates

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