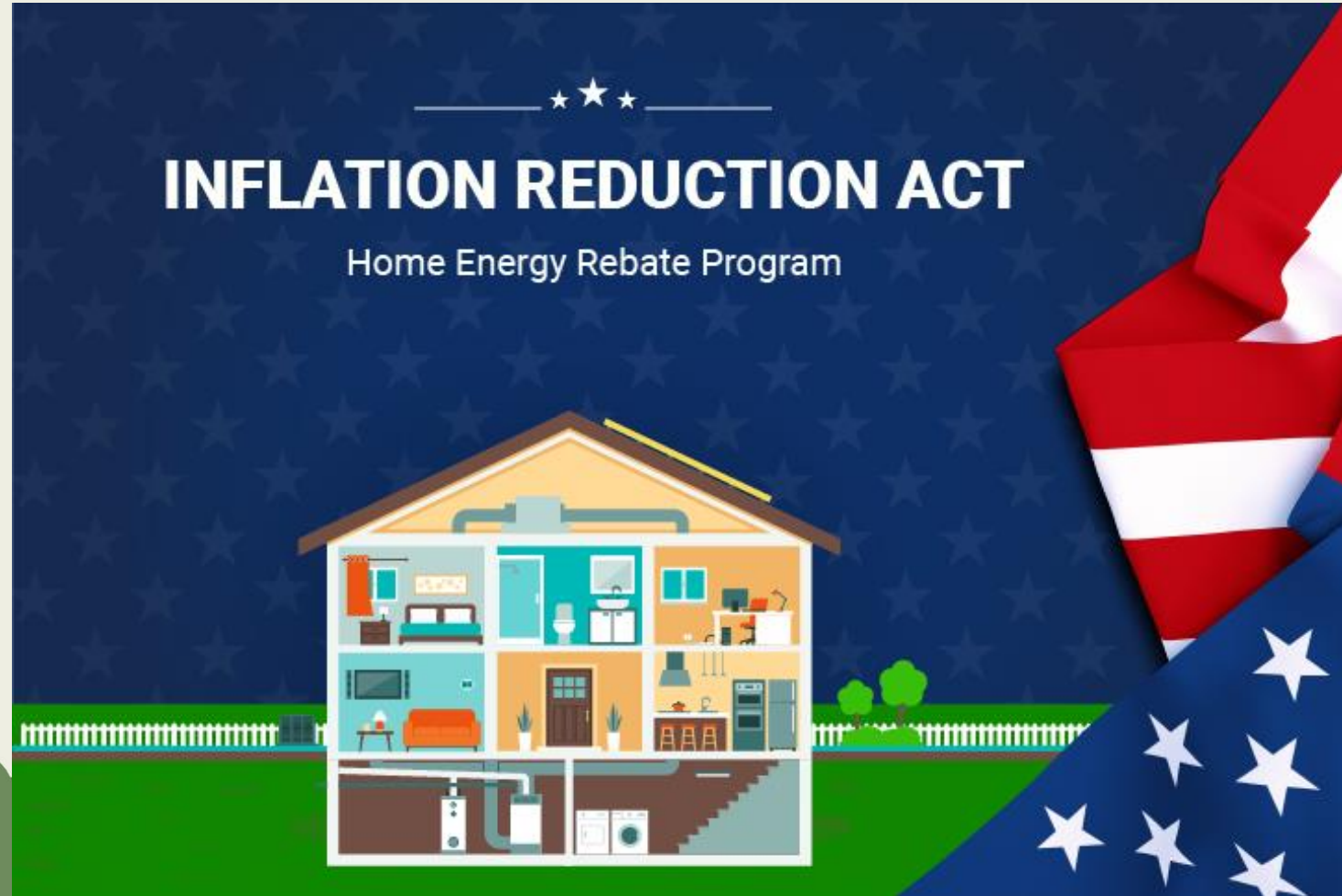


Vermont's Home Energy Rebate Program



Agenda for Today's Meeting

- Welcome, Introductions, and Opening Remarks
 - Melissa Bailey, Director, State Energy Office
 - Edward Delhagen, Facilitator, State Energy Office
- Agenda Review, Meeting Logistics, and Etiquette
- Brief Presentation on the IRA Home Energy Rebates program and PSD proposed approaches
- Public Input
 - Process for Providing Input to PSD
 - Public Comments
- Information on More Opportunities for Comment
- Adjourn

Objectives

- Review the funding opportunity for Vermonters via the Rebates program
- Identify PSD proposed approach to deploying the funding
- Solicit and obtain comments and suggestions from the public
- Describe next steps in the process

On-line Public Meeting Logistics

- Please remain muted with video off unless sharing comments.
- The Public Meeting is being recorded and will be posted on the PSD website after the event.
- Participants are welcome to share their comments:
 - To make a comment, please use the “raise your hand” function during discussion period.
 - Please use the “Chat” to ask questions but refrain from side conversations.
 - Participants are requested to keep their comments brief to provide opportunity for everyone who wants to speak. If there isn't enough time for everyone to speak in the time allotted, participants are welcomed to send written comments.

On-line Public Meetings - Etiquette

To facilitate fair and respectful public meetings, the Department of Public Service asks participants to accept and abide by the following:

- If speaking, raise hand then when called upon, introduce yourself (and your organization, if appropriate).
- Be concise.
- Be respectful.
- Respect time limitations so that everyone has a chance to speak. Spoken remarks can be supplemented by written comments.
- If there is time at the end of the meeting, there will be opportunities for follow up comments.

The Opportunity

- Inflation Reduction Act allocated \$8.8 billion to the Department of Energy for *Home Energy Rebates*
- Vermont expects to receive \$58 million:
 - Home Efficiency Rebates (**HOMES**)
 - \$29,303,666
 - Home Electrification and Appliance Rebates (**HEAR**)
 - \$29,192,160

Department of Energy Program Goals

- Establishing exemplary and innovative efficiency and electrification programs.
- Enabling widespread access and uptake for disadvantaged communities.
- Demonstrating the value of sustained investments to continue market transformation.
- Growing the clean energy economy to reduce pollution from buildings.

Vermont Energy Policy Goals

Meet our Energy Needs in a manner that:

- Is adequate, reliable, secure, and sustainable
- Assures affordability
- Encourages economic vitality, efficient use of resources, and cost-effective demand-side management
- Is environmentally sound

Fulfill Global Warming Solutions Act Requirements

- Meet legal requirements for GHG emissions in 2025, 2030, and 2050
- Be consistent with Vermont's Climate Action Plan

For the full text, see 30 V.S.A. § 202a

Global Warming Solutions Act

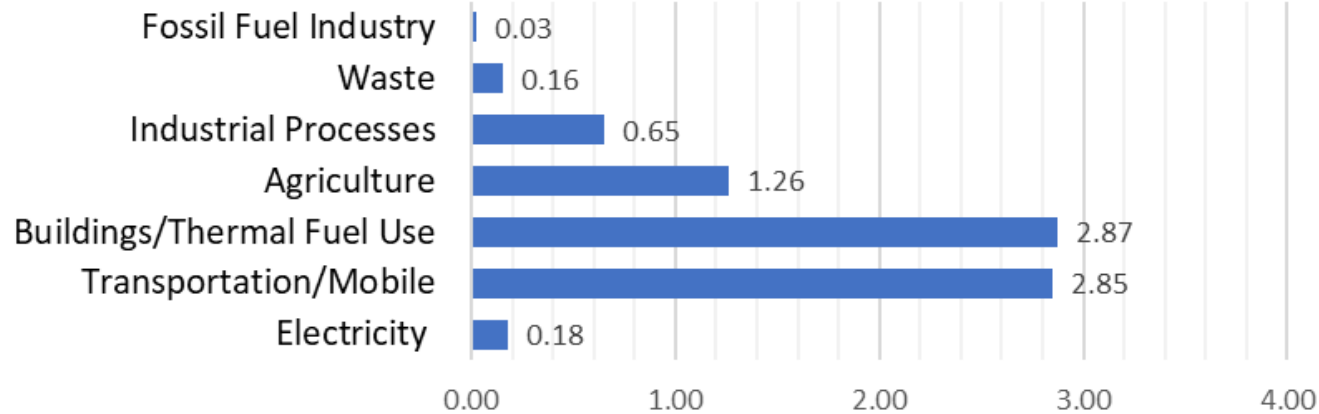
In 2020, the Legislature adopted legally-binding mandates to reduce greenhouse gas emissions.

26%
Below
2005
by 2025

40%
Below
1990
by 2030

80%
Below
1990
by 2050

Vermont GHG Emissions (2020) by Sector (MMT CO_2e)



The Climate Action Plan outlines pathways to reduce emissions and adapt Vermont's infrastructure for extreme weather. Find it at climatechange.vermont.gov

Environmental Justice Law – Act 154

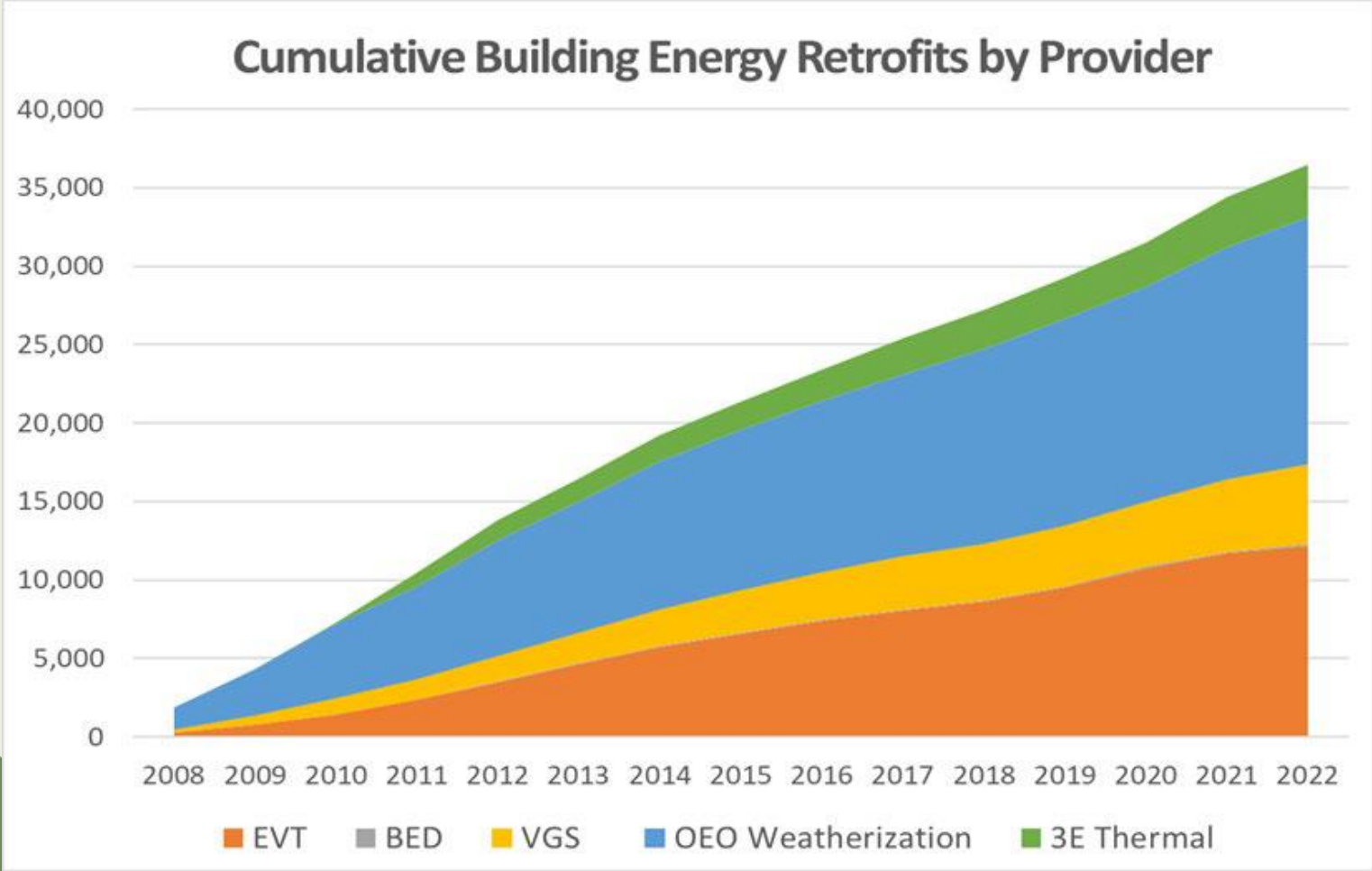
- It is the policy of the State of Vermont that no segment of the population of the state should, because of its racial, cultural, or economic makeup, bear a disproportionate share of environmental burdens or be denied an **equitable share of environmental benefits**.
- It is the State of Vermont's responsibility to pursue environmental justice for its residents and to ensure that its **agencies do not contribute to unfair distribution of environmental benefits** to or environmental burdens on low-income, limited-English proficient, and BIPOC communities.

Public Service Department's Approach

- Fulfill DOE Program Requirements
- Advance Vermont Energy Goals
- Promote Equity and Environmental Justice
- Fill Gaps in Program Landscape

§ 581. Building efficiency goals

- To improve substantially the energy fitness of at least 120,000 housing units....by 2031



Weatherization in Vermont



Home Efficiency Rebates (HOMES)

- Funding ~ \$29 million IRA Funding
- Tiered Incentives based on **income level** and **energy savings**
 - up to \$8,000* for low-income households (states may ask for more)
 - Requires 20% energy savings with higher incentives for >35% savings
 - Allows 100% incentives for household incomes below 80% area median income (AMI)
- Qualifying Measures
 - Weatherization, air-sealing, insulation, ventilation, heat pumps

Vermont HOMES Proposal

~\$29 million to OEO to support Weatherization Assistance Program (WAP)

- The WAP offers no-cost weatherization services to low-income Vermonters
- HOMES and HEAR funding can help sustain OEO's modest ramp up of project output through 2031.
- HOMES will cover weatherization and \$10 million from HEAR will cover electrification upgrades (CCHP and HPWH) in qualifying low-income homes (<80% AMI)
- Up to \$16,000 or \$20,000 per low-income household depending on energy savings achieved
- Community Action Agencies are well positioned to implement HOMES and HEAR
 - Established program serving target population (<80% AMI)
 - Experienced with relevant efficiency and electrification measures
 - Established income verification process
 - Experienced with deploying federal funding

Home Electrification and Appliance Rebates (HEAR)

- ❖ \$29 Million to Vermont for point-of-sale rebates for households earning <150% of Area Median Income
 - Up to 100% of cost for HH earning <80% AMI
 - Up to 50% of cost for HH earning 80-150% AMI
- ❖ Per household maximum of \$14,000 for the installation of electrification and supporting technology including:
 - heat pumps and heat pump water heaters
 - electric stoves and ovens
 - heat pump clothes dryers
 - electric load service upgrades and wiring
- ❖ Available for retrofits and new construction

Home Electrification and Appliance Rebates (HEAR)

Product Rebates		
Upgrade Type	Qualified Product	Rebate Amount Not to Exceed
Appliance	Heat Pump Water Heater	\$1,750
	Heat Pump for Space Heating or Cooling	\$8,000
	Electric Stove, Cooktop, Range, Oven, or Heat Pump Clothes Dryer	\$840
Building Materials	Electric Load Service Center	\$4,000
	Insulation, Air Sealing, and Ventilation	\$1,600
	Electric Wiring	\$2,500
Maximum Rebate		\$14,000

Vermont HEAR Proposal for Discussion

\$10,000,000 Low-Income Electrification

- Through the existing Weatherization Assistance Program (WAP)
- Heat pumps, heat pump water heaters, panels, and wiring

\$10,000,000 for Affordable Multifamily Housing New Construction Program

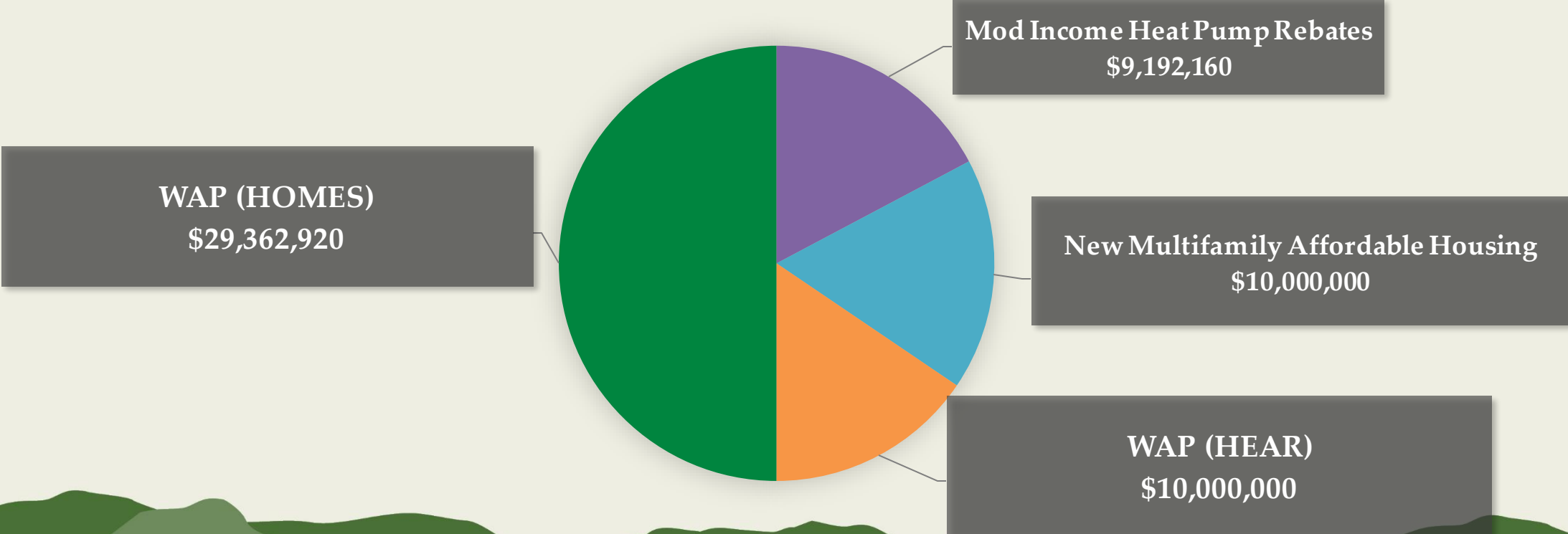
- In partnership with efficiency utilities and statewide affordable housing developers
- Funding to support **heating electrification** in affordable MF new construction

\$9,192,160 for Moderate Income Heat Pump Rebates

- Heat pump rebates to moderate income households (80-120% AMI)
- **Significant hurdles** to implementation: income verification and *primary heating* requirement

Proposed Distribution of Home Energy Rebate Funds

**VT Home Energy Rebate Formula Allocation:
\$58,555,020**



Next Steps: Anticipated Timeline

June 11, 2024

- Deadline for written comments on PSD's **HOMES** proposal

June 18, 2024

- Deadline for written comments on PSD's **HEAR** proposal

June – August 2024

- PSD Submits applications and prepares *Implementation Blueprints*

Fall 2024

- Receive funding award and pursue state authorization to spend

January 2025

- Expected Program Launch

Public Comment Period

Please share your thoughts, suggestions, and ideas for Vermont's Home Energy Rebate programs.



- Is the Department's proposal consistent with your goals?
- What else should be considered in our program design?
- Should the HEAR program focus on fewer (or more) market segments?

Questions, Feedback, Next Steps

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Submit additional written questions or comments to PSD at:

PSD.HomeEnergyRebates@vermont.gov

Thank You!