

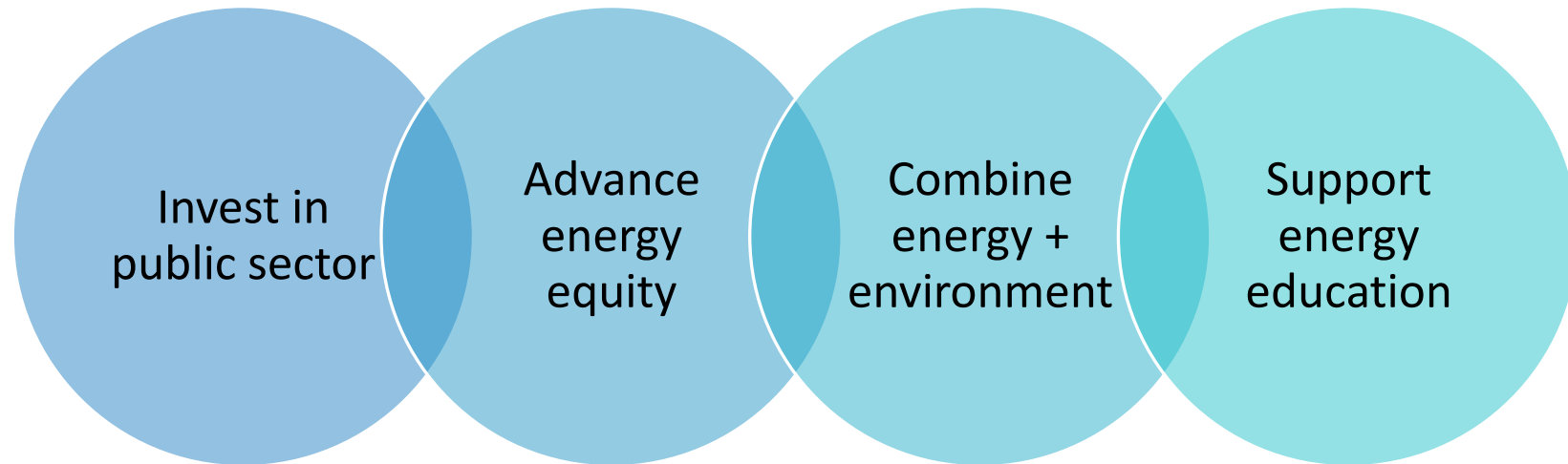
# Inflation Reduction Act (IRA) Home Energy Rebate Programs

ILLINOIS EPA – OFFICE OF ENERGY



Illinois EPA  
Office of Energy

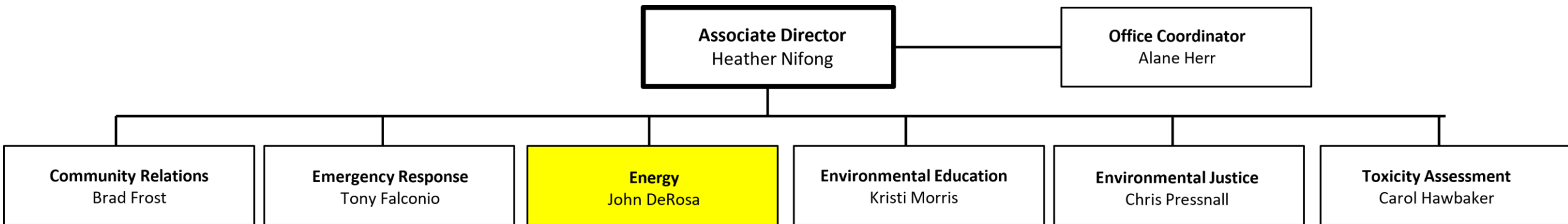
The Illinois EPA Office of Energy supports energy efficiency, resiliency, and clean energy through public partnerships and inter-agency collaborations to reduce the energy burden and improve energy equity in Illinois.



# Illinois EPA

## Associate Director's Organizational Chart

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Illinois EPA  
Office of Energy

## Federal

- State Energy Program (SEP)
- *New Infrastructure Investment & Jobs Act (IIJA)*
- *New Inflation Reduction Act (IRA)*

## State

- Energy Efficiency Trust Fund
- Renewable Energy Trust Fund



### **Home Energy Efficiency Rebate Program (Section 50121)**

**\$131,952,374** formula allocation for whole-home efficiency improvements based on modeled or measured pathways

Income –based rebate amounts with requirements for allocating funds to low-income and multi-family low-income housing



### **Home Electrification & Appliance Rebate Program (Section 50122)**

**\$131,452,470** formula allocation for residential electric upgrades

Income-based rebate amounts with requirements for allocating funds to low-income and multi-family low-income housing

# IRA Home Energy Rebate Programs

## **HOME ENERGY EFFICIENCY (Section 50121)**

- Building envelope insulation
- Window replacement
- Space heating and cooling equipment retrofit
- Heating and cooling distribution system retrofit
- Domestic hot water equipment
- Lighting upgrades (indoor and/or outdoor)
- High-Efficiency appliance replacement
- Programmable thermostats
- Energy metering changes

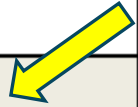
## **HOME ELECTRIFICATION & APPLIANCE (Section 50122)**

- Heat Pump HVAC
- Heat Pump Water Heater
- Electric Stove/Cooktop OR Heat Pump Clothes Dryer
- Breaker Box
- Electric Wiring
- Weatherization

Examples under each Rebate Program

# Area Median Income (AMI)

Income Limits <sup>1</sup>								
AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	\$23,200	\$26,500	\$29,800	\$33,100	\$35,750	\$38,400	\$41,050	\$43,700
50%	\$38,650	\$44,150	\$49,650	\$55,150	\$59,600	\$64,000	\$68,400	\$72,800
60%	\$46,380	\$52,980	\$59,580	\$66,180	\$71,520	\$76,800	\$82,080	\$87,360
80%	\$61,800	\$70,600	\$79,450	\$88,250	\$95,350	\$102,400	\$109,450	\$116,500
100%	\$77,300	\$88,300	\$99,300	\$110,300	\$119,200	\$128,000	\$136,800	\$145,600
120%	\$92,760	\$105,960	\$119,160	\$132,360	\$143,040	\$153,600	\$164,160	\$174,720



1. Income limits for 30%, 50%, and 80% AMI as published by HUD.

# Money Available for Households Seeking Rebates

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PER-HOUSEHOLD  
REBATE LIMITS  
ESTABLISHED BY THE  
LAW AND PROGRAM  
ADMINISTRATORS



WHICH TECHNOLOGY OR  
TECHNOLOGIES ARE  
BEING INSTALLED IN THE  
HOME



WHETHER THE PROJECT  
HAS ESTIMATED ENERGY  
SAVINGS, AND HOW  
THOSE ENERGY SAVINGS  
ARE CALCULATED



THE HOUSEHOLD'S  
INCOME



THE TOTAL PROJECT COST



# Home Efficiency Rebate Program (Section 50121)

Single-Family		
Modeled Energy Savings	Income Level	Rebate Amount
20%-34%	Less than 80% AMI*	Lesser of \$4,000 or 80% of project cost
	80% AMI and greater	Lesser of \$2,000 or 50% of project cost
35% or greater	Less than 80% AMI*	Lesser of \$8,000 or 80% of project cost
	80% AMI and greater	Lesser of \$4,000 or 50% of project cost

\*States may increase the maximum amount available for low-income households upon approval from U.S. DOE.

# Home Efficiency Rebate Program (Section 50121)

Multifamily		
Modeled Energy Savings	Income Level	Rebate Amount
20%-34%	A building with at least 50% of households with incomes less than 80% AMI*	Lesser of \$4,000 per dwelling unit or 80% of project cost
	A building with at least 50% of households with incomes 80% AMI and greater	\$2,000 per dwelling unit up to \$200,000 per building
35% or greater	A building with at least 50% of households with incomes less than 80% AMI *	Lesser of \$8,000 per dwelling unit or 80% of project cost
	A building with at least 50% of households with incomes 80% AMI and greater	\$4,000 per dwelling unit up to \$400,000 per building

\*States may increase the maximum amount available for low-income households upon approval from U.S. DOE.

# Home Electrification & Appliance Rebate Program (Section 50122)

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

# Home Electrification & Appliance Rebate Program (Section 50122)

Rebate Limitations		
Eligible Rebate Recipient	Income Level	Rebate Amount Not to Exceed
LMI Household or Eligible entity representative representing LMI household	Less than 80% AMI	100% of qualified project cost
	80%-150% AMI	50% of qualified project cost
Owner of multifamily building or Eligible entity representative representing owner of multifamily building	At least 50% of residents with income less than 80% AMI	100% of qualified project cost
	At least 50% of residents with income of 81%-150% AMI	50% of qualified project cost

# Funding Allocation for Home Efficiency Rebates

## Section 50121

State/ Territory	Home Efficiency Rebate Allocations	Max 20% Ceiling for Program Administration for Efficiency Rebates	% of Low-Income Households (<80% AMI) in the State <sup>80</sup>	Min Allocations for Low-Income HHs	Min 10% Low-Income Multifamily Allocation	Max Open Efficiency Rebate Allocation
Alabama	\$72,888,465	\$14,577,693	41.0%	\$23,884,372	\$5,831,077	\$28,595,323
Alaska	\$37,293,071	\$7,458,614	39.1%	\$11,670,535	\$2,983,446	\$15,180,476
American Samoa	\$25,019,120	\$5,003,824	40.1%	\$8,033,496	\$2,001,530	\$9,980,271
Arizona	\$76,717,153	\$15,343,431	39.7%	\$24,357,838	\$6,137,372	\$30,878,512
Arkansas	\$52,633,292	\$10,526,658	40.5%	\$17,056,212	\$4,210,663	\$20,839,759
California	\$291,366,906	\$58,273,381	40.7%	\$94,774,030	\$23,309,352	\$115,010,143
Colorado	\$70,256,845	\$14,051,369	39.6%	\$22,261,257	\$5,620,548	\$28,323,671
Connecticut	\$49,732,517	\$9,946,503	40.8%	\$16,251,445	\$3,978,601	\$19,555,968
Delaware	\$32,964,663	\$6,592,933	39.8%	\$10,485,402	\$2,637,173	\$13,249,156
District of Columbia	\$29,748,696	\$5,949,739	41.4%	\$9,857,706	\$2,379,896	\$11,561,355
Florida	\$173,318,260	\$34,663,652	40.2%	\$55,737,378	\$13,865,461	\$69,051,770
Georgia	\$109,600,726	\$21,920,145	40.5%	\$35,518,267	\$8,768,058	\$43,394,256
Guam	\$25,763,325	\$5,152,665	39.8%	\$8,198,331	\$2,061,066	\$10,351,263
Hawaii	\$34,224,953	\$6,844,991	39.8%	\$10,908,834	\$2,737,996	\$13,733,132
Idaho	\$40,522,381	\$8,104,476	39.1%	\$12,666,488	\$3,241,790	\$16,509,627
Illinois	\$131,952,374	\$26,390,475	40.4%	\$42,698,586	\$10,556,190	\$52,307,124

# Funding Allocation for Home Electrification and Appliance Rebates

Section 50122

State/ Territory	Home Electrification and Appliance Rebate Allocations	Max 20% Ceiling for Program Administration for Electrification Rebates	% of Low-Income Households (<80% AMI) in the State <sup>81</sup>	Min Allocations for Low-Income HHs	Min 10% Low-Income Multifamily Allocation	Max Open Electrification Rebate Allocation
Alabama	\$72,607,220	\$14,521,444	41.0%	\$23,792,213	\$5,808,578	\$28,484,986
Alaska	\$37,150,940	\$7,430,188	39.1%	\$11,626,056	\$2,972,075	\$15,122,621
Arizona	\$76,421,080	\$15,284,216	39.7%	\$24,263,834	\$6,113,686	\$30,759,343
Arkansas	\$52,433,010	\$10,486,602	40.5%	\$16,991,309	\$4,194,641	\$20,760,459
California	\$290,252,580	\$58,050,516	40.7%	\$94,411,568	\$23,220,206	\$114,570,289
Colorado	\$69,985,890	\$13,997,178	39.6%	\$22,175,403	\$5,598,871	\$28,214,437
Connecticut	\$49,541,390	\$9,908,278	40.8%	\$16,188,989	\$3,963,311	\$19,480,812
Delaware	\$32,837,400	\$6,567,480	39.8%	\$10,444,922	\$2,626,992	\$13,198,006
District of Columbia	\$29,635,400	\$5,927,080	41.4%	\$9,820,164	\$2,370,832	\$11,517,324
Florida	\$172,657,670	\$34,531,534	40.2%	\$55,524,939	\$13,812,614	\$68,788,584
Georgia	\$109,178,020	\$21,835,604	40.5%	\$35,381,281	\$8,734,242	\$43,226,894
Hawaii	\$34,093,900	\$6,818,780	39.8%	\$10,867,062	\$2,727,512	\$13,680,546
Idaho	\$40,367,910	\$8,073,582	39.1%	\$12,618,203	\$3,229,433	\$16,446,692
Illinois	\$131,452,470	\$26,290,494	40.4%	\$42,536,821	\$10,516,198	\$52,108,957

# State Implementation Blueprint

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1. Community Benefits Plan
2. Education and Outreach Strategy
3. Consumer Protection Plan
4. Utility Data Access Plan
5. Privacy and Security Risk Assessment for State Systems
6. Market Transformation Plan (1 year after award date)



# Ongoing Discussions

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- Utilities, Electrical Cooperatives and Municipal Utilities.
  - How IRA rebate programs will integrate with existing EE programs
  - Make sure rebates are available for entire state
- Illinois Department of Commerce and Economic Opportunity
  - How can we integrate with existing EE/weatherization programs?
  - IRA Home Energy Efficiency Contractor Training Program
  - Energy Auditor Training Application
- Illinois Finance Authority
  - Create access to capital for small businesses
  - What are best ways for states to use funds...energy efficiency -> electrify home -> solar?
- Climate Pollution Reduction Grant
  - Making sure we are filling gaps and not overlapping with IRA programs.



# Timelines

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## FEDERAL

- July 2023:** U.S. DOE guidance released
- October 2023:** U.S. DOE released updated guidance
- August 2024:** State to notify U.S. DOE of Intent
- January 2025:** State applications due

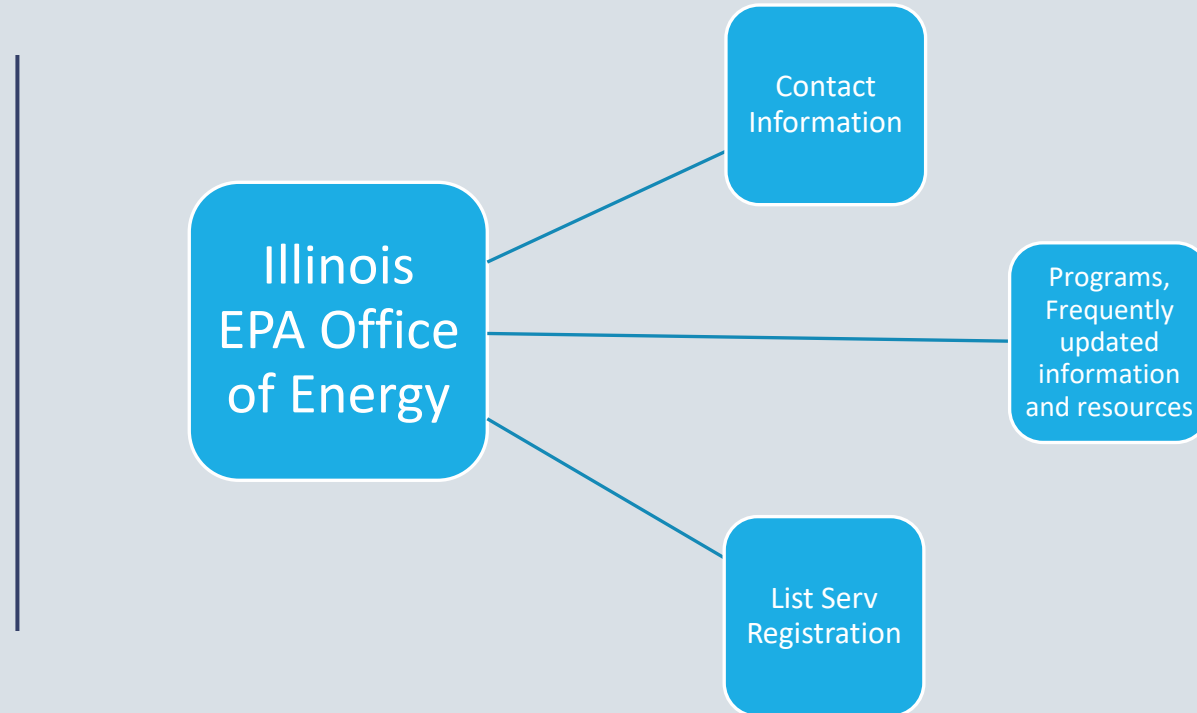
## ILLINOIS

- July 2023:** Appropriations received
- May 2024:** State submitted early admin
- July/Aug 2024:** Applications submitted
- Oct-Dec 2024:** Conduct public input session
- First Half 2025** Implementation blueprint completed & rebates available

*\*SUBJECT TO CHANGE*

<https://epa.illinois.gov/topics/energy.html>

To Learn More



IEPA Office of Energy Funding Opportunities: <https://epa.illinois.gov/topics/energy/funding-opportunities.html>

# Questions

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