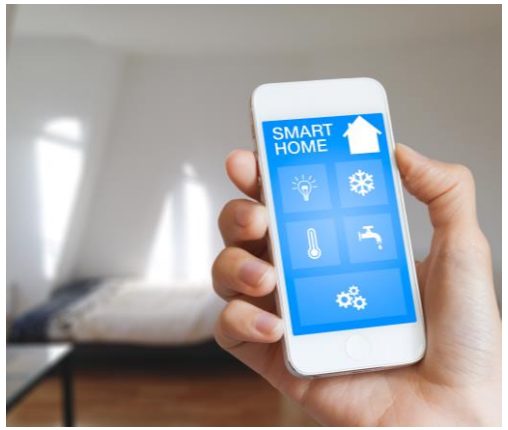
LOW-INCOME ENERGY POLICY BOARD

"Reducing the number of households with unsustainable energy burdens"



Anne Armstrong &
Andrew McNeally

Co-leaders

August 28, 2023

MPSC
MICHIGAN PUBLIC SERVICE COMMISSION

Pre-meeting Tip of the Month

- Turn off fans when you leave the room.
  - Remember that fans cool people, not rooms, by creating a wind chill effect.

Welcome and Agenda

Roll Call

Purpose, Values, Pillars, Process, and Progress

Discussion Recap

Next Steps & Announcements

Meeting Reminders

THIS MEETING IS BEING RECORDED

PLEASE MUTE YOURSELF WHEN NOT SPEAKING

BOARD MEMBERS, YOU MAY RAISE YOUR HAND TO SPEAK OR COMMENT IN THE CHAT

PLACE ANNOUNCEMENTS IN THE CHAT

Roll Call of Members with Lived Experience & Stakeholder Members

- Marie Touré– Board Member with Lived Experience
- Synia Gant-Jordan – Board Member with Lived Experience
- Rick Bunch - 5 Lakes Energy; Michigan Municipal Association for Utility Issues (MI-MAUI)
- Alexis Blizman - Ecology Center
- Briana DuBose- EcoWorks Detroit
- Hassan Hammoud – Michigan Assoc. of United Ways and 2-1-1
- Martin Kushler – ACEEE (American Council for an Energy Efficient Economy)
- Patrick Leahy - SEMCO Energy Gas Company
- Kasey M. Grieco - Superior Watershed Partnership (SWP)
- Briana Parker – Elevate Energy
- Wende Randall - Kent County Essential Needs Task Force (ENTF)

Roll Call of Policy and Staff Experts

- Cory Connolly – Dept. of Environment, Great Lakes, & Energy (EGLE)
- Nicole Denson-Sogbaka – Dept. of Health & Human Services (DHHS)
- Rachael A. Eubanks – Dept. of Treasury
- Jeff Guilfoyle – Dept. of Treasury
- Kelly Rose – Michigan State Housing Development Authority (MSHDA)
- Ninah Sasy – Dept. of Health & Human Services - Social Determinants of Health Strategy (DHHS)
- Kris Schoenow – Dept. of Health & Human Services – Bureau of Community Action and Economic Opportunity (DHHS-BCAEO)
- Derrell Slaughter – National Resource Defense Council; Governor's Council on Climate Solutions (NRDC)
- Brad Banks – Analyst, Energy Waste Reduction
- Elaina Braunschweig - Analyst, Regulated Energy Division
- Jamie Curtis - Grant Administrator, Michigan Energy Assistance Program
- Christina Forist – Manager, Compliance & Investigation Section
- Karen Gould – Manager, Energy Waste Reduction
- Reka Holley - Voelker – Manager, Communications Section
- Shatina Jones – MPSC Diversity, Equity, and Inclusion Officer
- Amy Rittenhouse - Communications Coordinator
- Jake Thelen - Departmental Specialist, Compliance & Investigation Section
- Mary Wilkins - Departmental Specialist, Customer Assistance Division

Low-Income Energy Policy Board Purpose

- Purpose
  - To guide the process of assessing energy affordability and accessibility holistically, especially through linking energy waste reduction services and energy assistance programs.
- Overarching Goal
  - Reduce the number of households with unsustainable energy burdens
- Policy Pillars
  - Customer Centered Engagement & Coordination
  - Affordability & Customer Protections
  - Low-Income Energy Waste Reduction

Board Values

We value affordability and inclusion in policy actions that create measurable impact.

We achieve positive outcomes that impact home energy security, health, housing, and a healthy climate.

We build solutions through collaboration and diversity of representation, input, experience, and knowledge.

We act with respect, transparency, and integrity.

Progress Meter

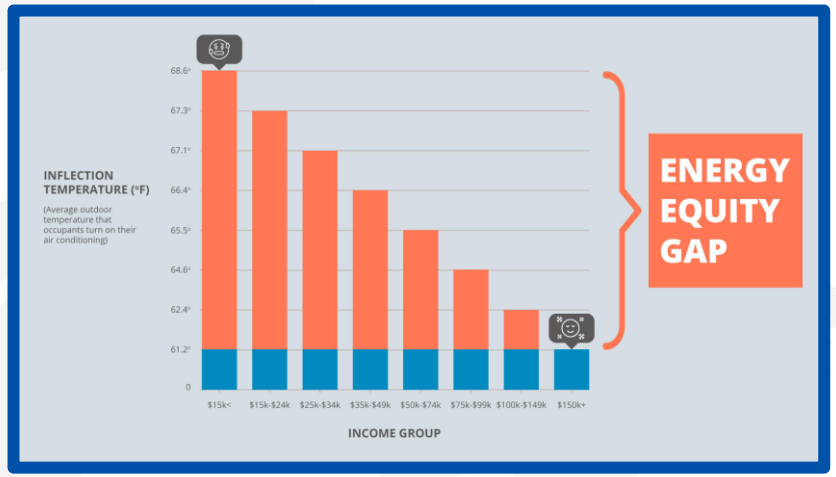
Planning Process Leading to Action

1. Organize	Organize Focus Areas / Targets
2. Assess	Assess Values and Guiding Principles
3. Determine	Determine Priorities - July, August, September
4. Articulate	Articulate Goals - September
5. Determine	Customer Engagement & Coordination – October
6. Create	Create Strategies – November 3
7. Share	Virtual Summit
8. Learn	System-wide Presentations
9. Refine & Implement	Moving Forward in Workgroups and Subcommittees Connecting and Integrating Knowledge

Last Month - Energy Equity Gap Presentation

Dr. Destenie Nock

Assistant Professor of Engineering & Public Policy and Civil & Environmental Engineering
Carnegie Mellon University



Shuchen Cong, Ph.D.

Chief Technology Officer
Peoples Energy Analytics

Reflection

How does new information about the energy equity gap change the way we think about energy burden?

What did you take away from the presentation?

How should we approach solutions?

Moving Forward

Upcoming Events

- Upcoming EWR- Low-Income Workgroup meeting
  - September 14th @ 9:00 AM

- Upcoming Subcommittee Meetings
  - Health & Safety – September 5th @ 10:00 AM
  - Workforce Development – September 8th @ 9:00 AM
  - Affordability, Alignment, & Assistance -September 5th @ 1:00 PM
  - Definitions – September 20th @ 1:30 PM

Next Steps

1

September 25

- Board Meeting
- 10:00 – 11:30 AM
- Discussion of:
  - Energy equity,
  - Reliability,
  - Equity gaps,
  - Housing
  - Weatherization

2

October 23

- Board Retreat
- 9:00AM – 3:00 PM
  - 7109 W. Saginaw Hwy
  - Lansing, MI 48917

3

December 4

- Board Meeting
- 10:00 – 11:30 AM
  - Re-cap of 2023
  - Retreat Report-out
  - Looking forward

Public Comments

Presentation

Microsoft Teams meeting
Join on your computer, mobile app or room device

Click here to join the meeting

Meeting ID: 251 858 031 34

Passcode: RKtKVz

Download Teams | Join on the web

Or call in (audio only)

+1 248-509-0316

225663552#

Phone Conference ID: 225 663 552#

Intersectionality of Housing and Weatherization / Energy Waste Reduction

Panel Discussion

August 28, 2023

MPSC
MICHIGAN PUBLIC SERVICE COMMISSION

Housing and Weatherization/EWR Highlight

Meet the Panel

Moderated by: Martin Kushler, Ph.D., Senior Fellow with American Council for an Energy-Efficient Economy

Tim Skrotzki, Associate Director, Partnerships at Elevate

Kelly Rose, Chief Housing Solutions Officer at Michigan State Housing Development Authority

Kris Schoenow, Executive Director - Michigan Bureau of Community Action and Economic Opportunity

Karen Gould – Michigan Public Service Commission, Energy Waste Reduction Section Manager

Jake Wilkinson, Michigan Department of Environment, Great Lakes, and Energy, Energy Services Manager

Martin Kushler, Ph.D., Senior Fellow with American Council for an Energy-Efficient Economy

TWO INITIAL KEY POINTS

1) For the purposes of today's meeting, **"weatherization" will include all types of efforts to improve the energy efficiency of low-income homes**.

In particular, this includes the federal Weatherization Program and utility EWR programs, but also any other government or non-profit or private sector efforts.

2) There is literally no other government policy that provides so many different benefits in support of public policy objectives.

Specifically, "weatherization" advances all of the following:

- Makes **household energy costs more affordable** for low-income households
- **Reduces the costs** that all customers/citizens bear **for "energy assistance" payments**
- Improves the **health and safety conditions** in low-income households
- **Reduces the overall energy supply costs** for Michigan utilities
- **Reduces air pollution** (on-site as well as for electricity generation)
- **Helps achieve "climate" objectives** by directly reducing CO2 emissions
- **Helps the Michigan economy** by **reducing the dollar drain for importing fossil fuels** (Michigan imports almost all of the fossil fuels we consume from other states and countries)
- **Increases local employment** to deliver the weatherization services
- Will be absolutely **essential for making electrification of heating affordable** for low-income households

And in the current context, if done properly,

- **Can help bring tens of millions of additional federal dollars into Michigan** for energy efficiency upgrades

➢ Bottom line: **"weatherization" of low-income homes should be a top priority for Michigan!**

ELEVATE

Tim Skrotzki, LEED AP
Tim.Skrotzki@ElevateNP.org
517.420.4389

Intersectionality of Housing, Weatherization & EWR Policy

Low Income Equity Policy Board
Monday, August 28, 2023
10:30a.m. to 12:00p.m.

Elevate Mission

ELEVATE
Equity through climate action

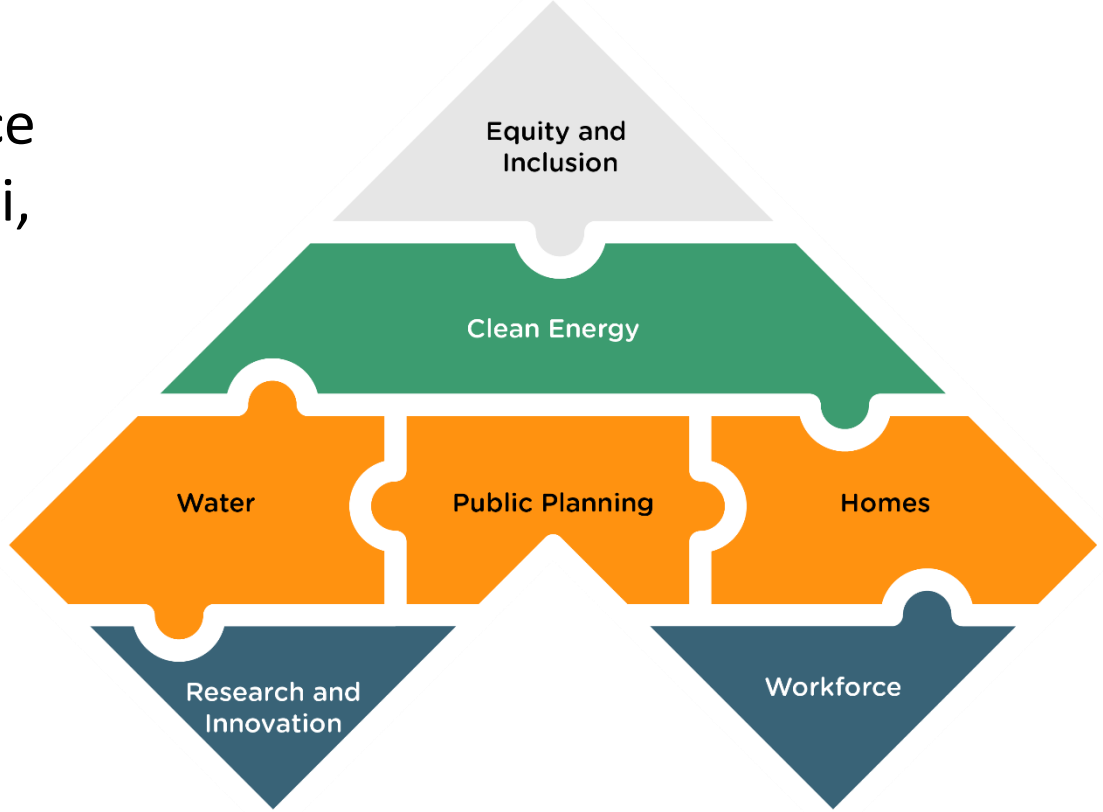
Elevate seeks to create a just and equitable world in which everyone has **clean and affordable heat, power, and water in their homes** and communities, no matter who they are or where they live. Making the benefits and services of the clean energy economy accessible to everyone is how we fight climate change while supporting equity.

Elevate: Equity Through Climate Action

Our programs span energy and health retrofits, solar+battery storage, EV, green infrastructure, workforce development, and community engagement. We're centering equity in the climate conversation.

National nonprofit, headquartered in Chicago since 2000 with offices in Michigan, Wisconsin, Missouri, Oregon, and Washington. Serving Michigan for 9 years.

- 831,382 people helped
- $102,322,362 saved by families
- 221,035 tons of CO2 emissions reduced
- 132,098 units of housing improved
- 1,251 clean energy jobs created



Grand Rapids Equitable, Healthy & Zero Carbon Buildings

City of Grand Rapids, U.S. Green Building Council of West Michigan and Urban Core Collective have launched the Grand Rapids Building Policies and Programs for Equitable, Healthy & Zero Carbon Buildings (E.H.Zero). Transforming the way buildings and homes are designed, built, and operated is one of the most important ways a city can support affordable housing.

Elevate is supporting a **full wrap around residential retrofit pilot** (home repair, weatherization, electrification) braiding funding together for five diverse residential spaces and measuring the outcomes generated.

A^2 Zero Home Energy Advisor

Elevate in partnership with EcoWorks are running the A^2ZERO Home Energy Advisor program a cost-free, one-stop shop to help residents make home improvements for health, comfort, energy savings, decarbonization, electrification, renewable energy and to lower utility bills.

Elevate counsels residential renters, homeowners, and landlords to meet the specific needs of each participant, customizing a map of solutions through braiding funding sources and helping them transition into a cleaner energy future.

A2ZERO

EQUITABLE • SUSTAINABLE • TRANSFORMATIVE

A²Zero HEA Pilot – Participant Journey

Participant completes Interest Form → Home Energy Advisor holds initial consultation → Home Energy Advisor or Energy Manager completes virtual or onsite assessment → Home Energy Advisor delivers Home Assessment Report and Path to Zero → Home Energy Advisor provides additional guidance as requested

INDIVIDUALIZED ADDITIONAL GUIDANCE MAY INCLUDE:

Holding a follow up call with participants to answer any question about received resources
Providing reviews of contractor bids
Providing information on available incentives and financing options for projects
Connecting the household with other available assistance programs, based on eligibility
Scheduling additional consultations with experts on specific decarbonization and resilience technologies and practices

ELEVATE
eco WORKS
A²ZERO
EQUITABLE - SUSTAINABLE - TRANSFORMATIVE

Braiding Funding Sources

- Michigan Housing Opportunities Promoting Energy-Efficiency Program (MI-HOPE)
- Inflation Reduction Act High-Efficiency Electric Home Rebate Act (HEEHRA)
- Department of Energy Weatherization Assistance Program (WAP)

Funding Source	Per Household*
MI-HOPE	$25,000
HEEHRA	$14,000
WAP	$8,000
Total	**$47,000**

* Approximate funding available to a qualified low-income household

How can utility EWR programs integrate?

Contact information

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Kelly Rose
Chief Housing Solutions Officer
Michigan State Housing Development Authority

Statewide Housing Plan/Partnership

- The vision: Michigan's successful housing ecosystem provides safe, healthy, affordable, accessible, and attainable housing for all in a community of their choice.
- A collaborative approach is required to address Michigan's housing challenges and create economic opportunities within the state.
- Nearly 7,000 people contributed to the creation of Michigan's first Statewide Housing Plan.
- Implementation will involve leveraging resources, growing the labor force, recognizing strengths of organizations across the state, and utilizing best practices to achieve shared goals while combating long standing inequities in housing.

— MICHIGAN STATEWIDE —
HOUSING PLAN

Statewide Housing Targets

The targets below are the very minimum that will be achieved statewide as a result of Statewide Housing Plan activities. Industry partners will add to these targets to ensure help reaches even more Michigan households.

- **75,000+** new or rehabilitated housing units to include:
  - **39,000+** affordable rental units
  - **21,500+** market-rate units (homeowner and rental)
  - **13,500+** homeownership opportunities for low- and moderate-income households
  - **1,000+** units of workforce housing
- **100,000+** households' housing is stabilized
- Significantly **reduce the equity gaps** in homelessness and homeownership
- Strive to **make homelessness rare**, brief, and one time
- **15,000+** households increase home energy efficiency and make weatherization improvements

MI-HOPE results to date

Households Assisted	Total Occupants Assisted	Average Assistance
198	436	$ 17,321

Total Funding by Assistance Type

Roof	Door	Window
$ 1,448,990	$ 139,546	$ 495,708

Insulation	Modernization	Security Lighting
$ 385,710	$ 698,788	$ 2,100

Appliance	Electrical
$ 172,822	$ 85,890

Leveraging Weatherization/EWR/IRA

- Working with Michigan Housing Council to discuss how Weatherization/EWR programs can be integrated into their development scope of work before submitting application to MSHDA for LIHTC
- Working with EGLE on application for Solar for All to so that it can be integrated into MSHDA financed multifamily projects

Weatherization Assistance Program

Kris Schoenow
Executive Director
Bureau of Community Action and Economic Opportunity

MDHHS
Michigan Department of Health & Human Services

Mission

Michigan Department of Health and Human Services (MDHHS) provides opportunities, services, and programs that promote a healthy, safe and stable environment for residents to be self-sufficient.

MDHHS
Michigan Department of Health & Human Services

Weatherization Assistance Program Mission

The U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP) reduces energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring their health and safety.

MDHHS
Michigan Department of Health & Human Services

Michigan Weatherization Assistance Program

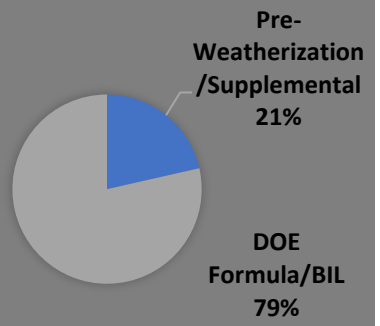
MDHHS
Michigan Department of Health & Human Services

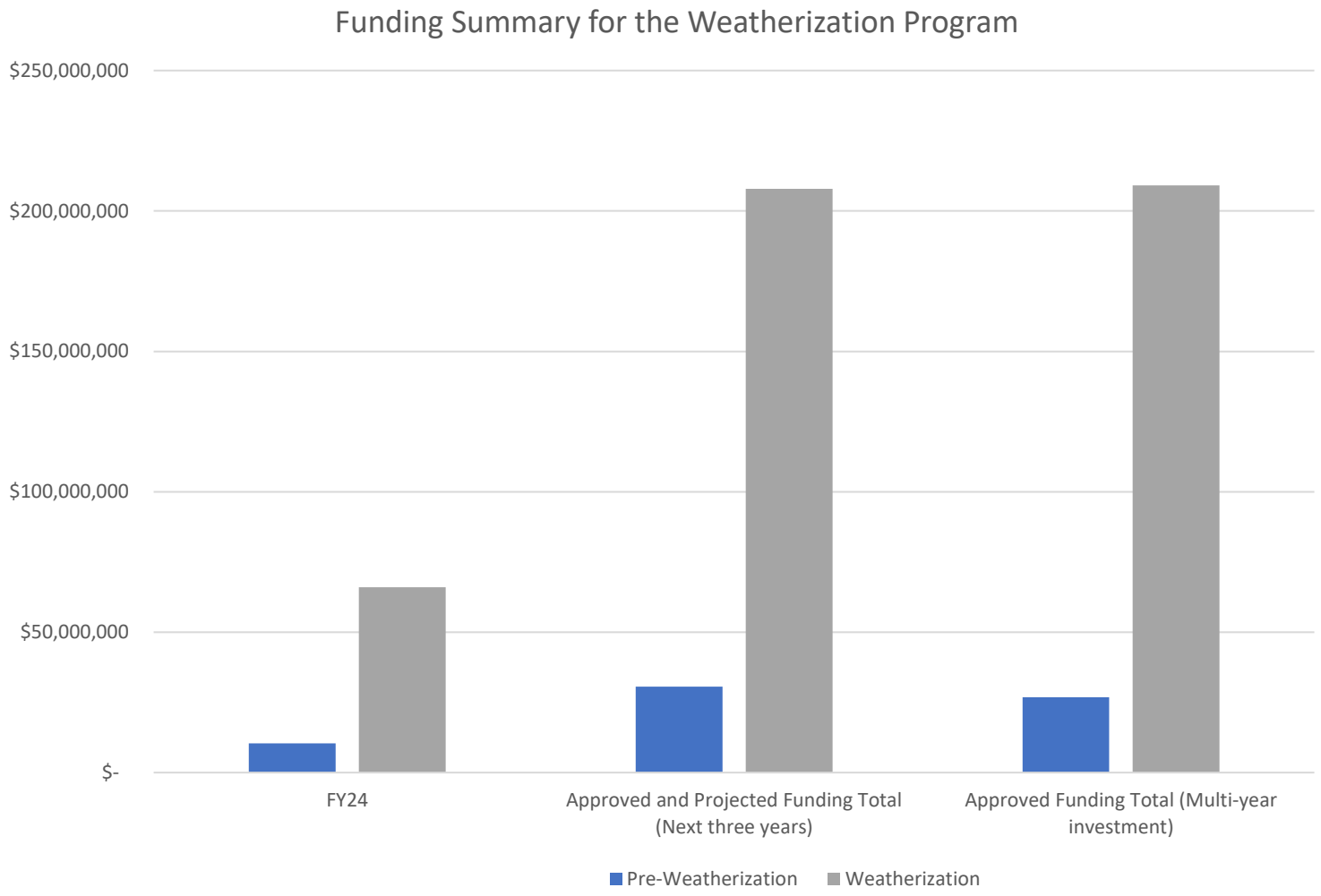
- MDHHS-BCAEO staff are responsible for:
  - Vision and direction for statewide program
  - Compliance with DOE rules
  - Rule changes and policy within State discretion
  - Oversight and monitoring
  - Training and technical assistance
  - MiTEC Training Center

- Administered through MDHHS-BCAEO and Community Action Agencies
  - 25 agencies and 1 statewide multifamily weatherization agency covering all 83 counties in Michigan

- Weatherization Assistance Program Funding
  - U.S. Department of Energy (DOE) Formula Funds
  - U.S. Department of Energy Bipartisan Infrastructure Law (BIL)
  - U.S. Department of Health and Human Services, Low-Income Energy Assistance Program (LIHEAP)
  - American Rescue Plan Act (ARP) Pre-Weatherization

Weatherization Funding Summary





Funding Categories	FY24 (Current Year)	Approved and Projected* Funding Total (Next three years)	Approved Funding Total (Multi-year investment)
Pre-Weatherization	$ 10,380,634	$ 30,641,902	$ 26,880,634
Weatherization	$ 65,979,684	$ 207,939,052*	$ 209,164,589
Total	$ 76,360,318	$ 238,580,954	$ 236,045,223

Funding Impact

700 Homes per year

Goal to Reduce Deferrals & Weatherize more homes

Address the conditions preventing weatherization work. Weatherization funding cannot be used to correct these conditions, however pre-weatherization, supplemental, and weatherization readiness funds can be used.

Weatherization Job Deferral

There are **conditions or situations** when an eligible dwelling unit **should not** be immediately weatherized. This is called a deferral.

A deferral determination may become evident during the **eligibility process**, during the audit or after work has begun.

Deferrals do not mean that weatherization assistance will never be available, but that work should be postponed until the problems can be resolved and/or alternative resources are found.

Housing condition in a state of disrepair, but Weatherization funds cannot be used to address the repair for some of the reasons below:

- Mold/moisture
- Asbestos
- Knob and Tube/Electrical
- Structural/Roof

Pre-Weatherization Funding

- Increased from last year's pilot to $25 million
- Supported over the next three years

- Supported with ARP funding
- Can only impact a small amount of weatherization jobs (.16 cents for every $1 in DOE funds)

DOE Weatherization Readiness Funding

- New to the DOE formula grant (2nd Year)
- Flexible for States to use ($1.8 million)

- Small amount in relation to the needed conditions
- Can only impact a small amount of weatherization jobs (.03 cents for every $1 in DOE funds)

Weatherization Funding Impact

DOE Formula Funding

- Consistent funding
- Weatherization Readiness funds added

Challenging DOE Regulations

- Average cost per unit is $8,250
- Savings to Investment Ratio (SIR) Saving in energy bills must equal investment made. SIR of 1 or higher means savings earned over the lifetime of measure is greater than cost of installing.
- Due to inflation, higher costs, & higher fuel prices,
  - Measures typical in weatherization are not being called (SIR under 1)
  - Average cost per unit is not sufficient to achieve (in many cases) energy efficiency.

BIL Funding

- Strong support and consistent funding until spent (5 + years)

Challenging DOE Regulations

- Average cost per unit is $8,009 for the entire program term
- DOE and BIL funding on jobs cannot be braided
- Same program challenges

Additional DOE Requirements

- Multifamily jobs must apply Davis Bacon Act for prevailing wages

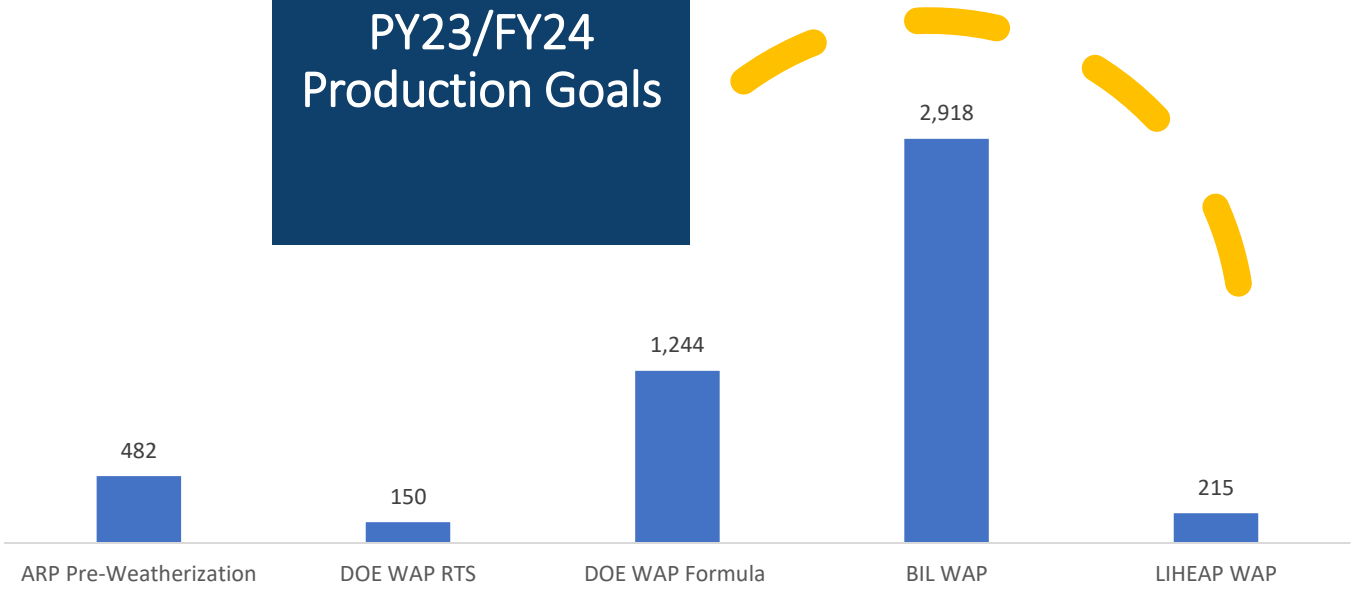
LIHEAP Funding for WAP

- Consistent funding ($6 m)
- Supported each year with long standing program
- LIHEAP State Plan shows planned increases for Weatherization
- LIHEAP State Plan for Weatherization can be modified to align with DOE WAP
  - Not subject to DOE's average cost per unit or DOE's Savings to Investment Ratio
- Small amount of LIHEAP to DOE funding which will limit the statewide impact of the program (.10 cents for every $1 with DOE funds)

MDHHS-BCAEO Priorities

- Meeting Production Goals
- Weatherization Expansion
- Multifamily Jobs
- Justice40
- Workforce Development
- Training and Technical Assistance
- Innovation and Best Practice
- Braiding Funds to meet goals

Weatherization PY23/FY24 Production Goals



DOE's Priorities

New Funding:

- Bipartisan Infrastructure Law
- Weatherization Readiness

Whole-of-Government Priorities:

- Diversity, Equity and Inclusion (DEI) and Justice40

DOE Priorities:

- Workforce Development and Decarbonization
- Additional internal guidance and DOE realignment

Annual Congressional Reporting Requirements (42 U.S.C. 6871)
Data from Grantees:

- Average cost per unit
- Average size of dwellings
- Number of multifamily buildings weatherized
- Average income of households receiving assistance

DOE will conduct periodic assessments through BIL on the following:

- Workforce Development
- Fuel Switching and new technologies
- Best practices in leveraging and braiding funds
- Best practices in use of Weatherization Readiness funds and treating deferrals

Thank you

Karen M. Gould

Michigan Public Service Division
Energy Resources Division, Energy Waste Reduction Manager

LIEP Board Panel Discussion

Intersectionality of Housing, and Weatherization/EWR Policy

August 28, 2023

MPSC
MICHIGAN PUBLIC SERVICE COMMISSION

How Far We've Come

2009

- Utility Spend **$44,628,981**
- Electric Savings = **375,643 MWh**
- Natural Gas Savings = **647,463 Mcf**
- Low Income Spend **$17,737,295**
- Savings Achieved: **1.16% for electric** (legislative target 1%) and **1.05% for NG** (legislative target 0.75%)

Today

- Utility Spend **$517,367,218**
- Electric Savings = **1.606 Million MWh**
- Natural Gas Savings = **6.34 million Mcf**
- Low Income Spend **$83,117,462**
- Savings Achieved: **1.98% for electric** (legislative target 1%) and **1.0% for NG** (legislative target 0.75%)

Since 2009, the Energy Waste Reduction Programs administered by Michigan's utility providers have, on average, saved the need for construction of power plants.

Is it Working?

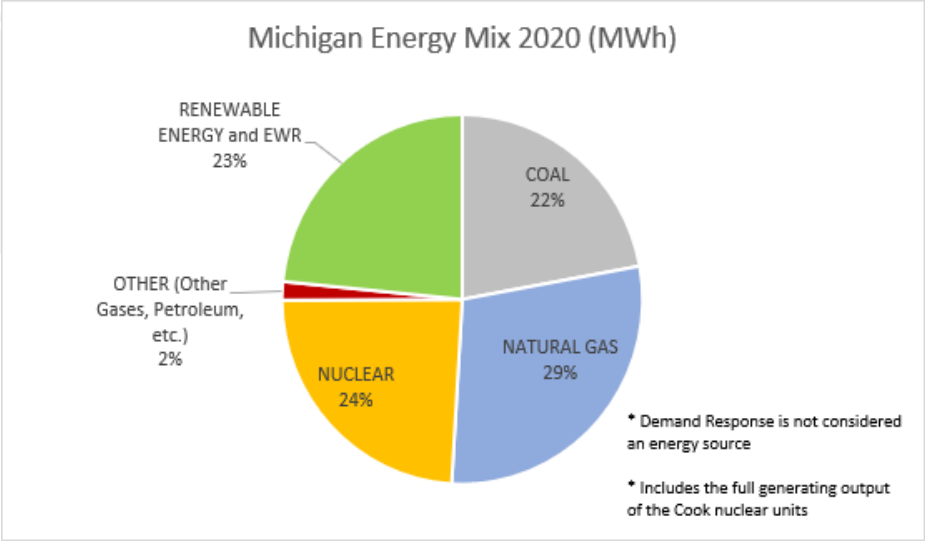
The overall goal of an energy waste reduction plan shall be to help the provider's customers reduce energy waste and to reduce the future costs of provider service to customers. In particular, **an electric provider's energy waste reduction plan shall be designed to delay the need for constructing new electric generating facilities** and thereby protect consumers from incurring the costs of such construction.

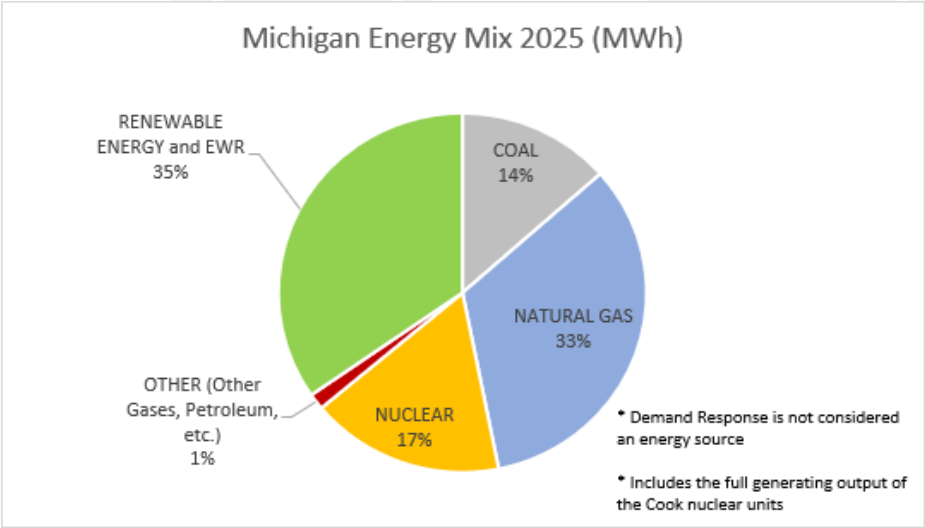
Utilizing MW savings from utility annual reports, and utilizing the average measure life of most savings, Energy Waste Reduction could be responsible for saving the need for generation of **over 2,000 MW annually**. Or, simply put elimination of the need to construct multiple electric generating facilities.

Michigan's Energy Mix – Where We're Headed

In 2009, **73.18%** of Michigan's electric was generated by **coal**. Today, that number is **less than 25%**. By 2025, we should see **less than 15%** of Michigan's electricity being generated by coal. This aligns Michigan to reach carbon neutrality by 2050 as laid out by Governor Whitmer and through the **MI Healthy Climate Plan**. Energy Waste Reduction can play a part in at least 3 pillars of this plan, including:

- **Commit to Environmental Justice and Pursue a Just Transition**
- **Repair and Decarbonize Homes and Businesses**
- **Drive Clean Innovation in Industry**





INTERSECTIONALITY

Are we coordinating service?

How does EWR work with other programs?

Then: U-15800, Att. E

- Allow for the coordination of energy optimization programs and services with those of other utilities, agencies and the Commission-administered program.
- The Commission would also encourage, to the greatest extent possible, the coordination of energy optimization program services with other energy-related assistance programs such as home repair and weatherization efforts.

In 2018, established the **Low Income EWR Workgroup**

- Utility Providers
- Stakeholders
- State Agencies
- Weatherization Service Providers

How Do Michigan Utility Programs Rank?

According to the recently released ACEEE Annual Utility Energy Efficiency Scorecard, Michigan's largest utilities ranked in the top 10 across the nation!

Rank	State	Utility	Program performance (54 pts.)	Program offerings (20 pts.)	Enabling mechanisms (26 pts.)	Total (100 pts.)
1	MA	Eversource MA	45.5	18.5	21	85
2	CA	Pacific Gas & Electric	40	19	21.5	80.5
3	MA	National Grid MA	46	12	19.5	77.5
4	IL	Commonwealth Edison	41.5	14.5	19.5	75.5
5	MI	DTE	35	18	20.5	73.5
6	MI	Consumers	32.5	18	17.5	68
7	CA	San Diego Gas & Electric	37	13.5	11.5	62
8	CT	Eversource CT	23	19	19	61
9	CO	Xcel Colorado	29	15	14.5	58.5
10	CA	Los Angeles Department of Water & Power	19	19.5	17	55.5

2023 UTILITY ENERGY EFFICIENCY SCORECARD, RELEASE AUG. 2023

What's next?

- Updated Legislation
  - → More Coordination
  - → Door opening for fuel switching options?
  - → Continued collaboration within the Low Income EWR Workgroup
    - Workforce Development
    - Continued Health and Safety

Thank you

Karen Gould
MPSC, Energy Resources Division
Energy Waste Reduction Section
gouldk1@michigan.gov

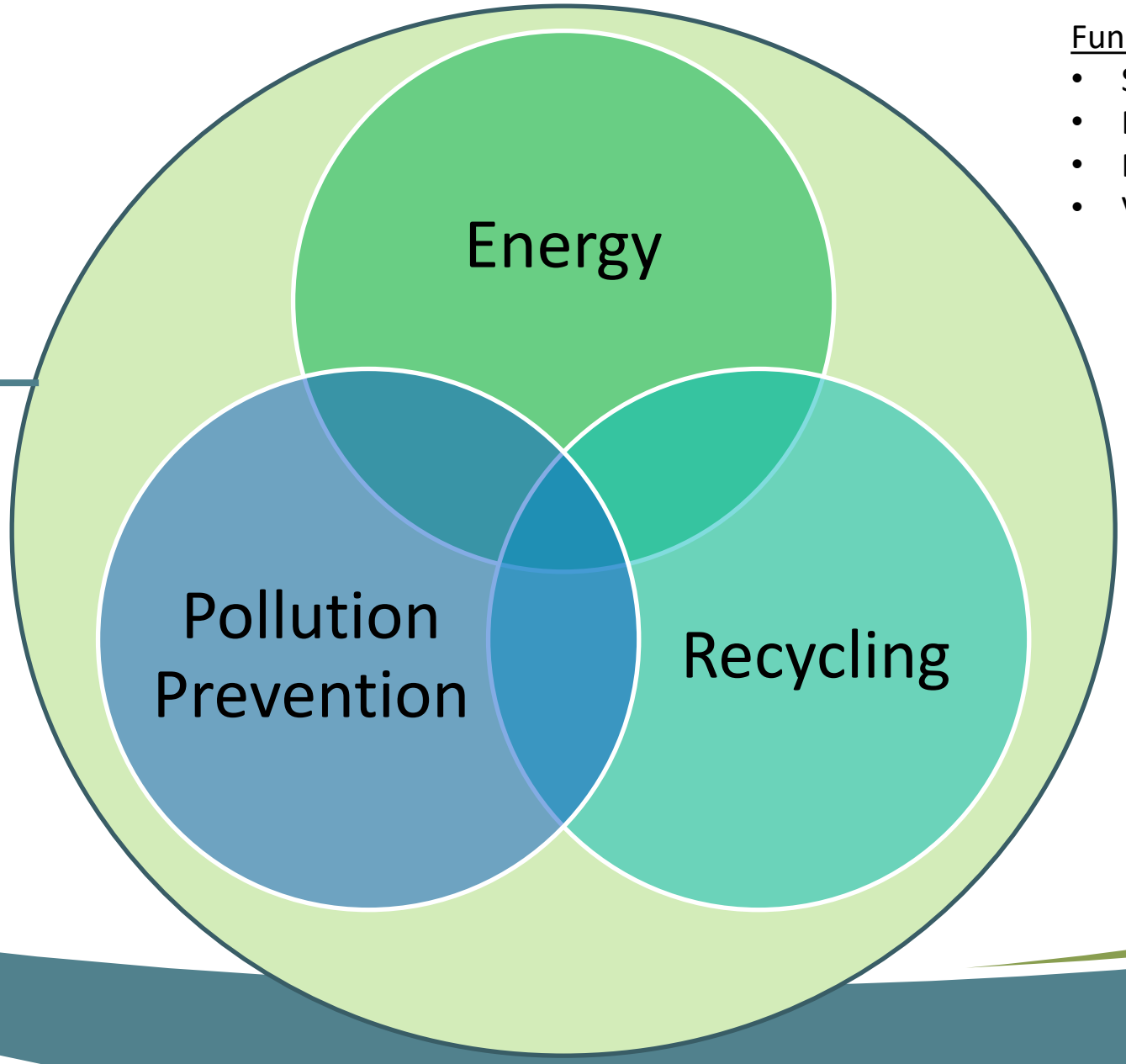
MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

Low-Income Energy Policy Board
Housing and Energy Efficiency Panel
EGLE HER Program Implementation

Jake Wilkinson, Energy Unit Manager
Materials Management Division

EGLE Sustainability Section

MI Healthy Climate Plan



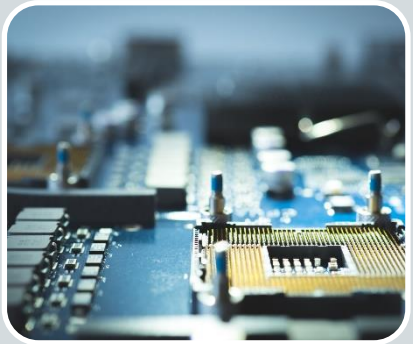
Funding Sources:

- State Funding
- Department of Energy
- Environmental Protection Agency
- Volkswagen Settlement

EGLE

PRIORITIES

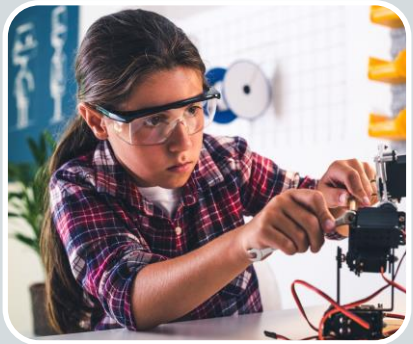
Communities & Schools



Agriculture, Businesses & Industry

Equitable Access to Renewable Energy & Recycling

Clean Transportation



Workforce Development

EGLE

EGLE Energy Services

- Energy Planning & Policy, Technical Assistance (zoning)
- Catalyst Leadership Circle - Fellows
- Roadmaps – Clean Energy Workforce Development
- Codes Compliance
- Clean Tech, Climatech, Circular Economy (C3)
- Charge Up Michigan
- Community Energy Management
- Agriculture & Rural Businesses
- Small Manufacturer Retooling
- Clean Energy for Low-Income Communities
- Houses of Worship Energy Efficiency Pilot
- MiNextCities Pilot
- RESTART

www.Michigan.gov/energy

EGLE

EGLE Pollution Prevention

- Food Waste Roadmap
- EPA Pollution Prevention Grants
- Diesel Emissions Reduction Act (DERA) Grants
- Integrated Assessments
- Fuel Transformation Program

www.Michigan.gov/P2

EGLE

EGLE MMD IIJA & IRA Stimulus Funding

Infrastructure Investment & Jobs Act (IIJA)

- State Energy Program
- Energy Efficiency Revolving Loan Fund
- Energy Efficiency & Conservation Block Grant
- Grid Resiliency 40101d
- Energy Auditor Training
- P2 Environmental Justice in Communities
- Solid Waste Infrastructure for Recycling
- National Electric Vehicle Infrastructure

Inflation Reduction Act (IRA)

- Climate Pollution Reduction
- Greenhouse Gas Reduction Fund
- High Efficiency Electric Home Rebates
- Home Energy Performance and Whole House Rebates
- Rebate Contractor Training
- Technical Assistance for the Adoption of Building Energy Codes
- Clean Heavy-Duty Vehicle Program

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IRA Home Energy Rebate (HER) Programs

HOMES - Section 50121

Home energy performance based whole house rebates

- Homeowners for whole-house energy saving retrofits
- Modeled or Measured Energy Savings Pathway

LOW-INCOME HOUSING*	• Projects with energy savings between 20% and 35%: ✓ **80%** of costs up to **$4,000** per home or housing unit • Projects with energy savings greater than 35%: ✓ **80%** of costs up to **$8,000** per home or housing unit
MARKET RATE HOUSING	• Projects with energy savings between 20% and 35%: ✓ **50%** of costs up to **$2,000** per home or housing unit ✓ **$200,000** cap for multifamily building • Projects with energy savings greater than 35%: ✓ **50%** of costs up to **$4,000** per home or housing unit ✓ **$400,000** cap for multifamily building

HEERA – Section 50122

High-efficiency electric rebate program

- Low to moderate income households
  - <80% area median income = 100% covered
  - 80-150% area median income = 50% covered
- Max Consumer Rebate - $14,000
- Max Contractor Rebate - $500
- Rebates for qualified Electrification projects:
  - Heat pump HVAC - $8,000
  - Heat pump water heater - $1,750
  - Electric stove/cooktop - $840
  - Heat pump clothes dryer - $840
  - Breaker box - $4,000
  - Electric wiring - $2,500
  - Weatherization - $1,600
- Cannot be combined with any other federal grant or rebate for same qualified electrification project

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What we know so far - Program Considerations:

Home Efficiency Rebate Program (Section 50121) Applications Must Include Plans to –

States and Territories

- ✓ Determine modeled and/or measured energy savings from retrofit projects
- ✓ Use open-source measurement & verification software to measure the program impacts
- ✓ Value savings based on time, location, or greenhouse gas emissions
- ✓ Assure every home with a rebate is provided a third-party certificate documenting the upgrade and predicted savings
- ✓ Provide contractors/aggregators with $200 rebate for each home retrofitted in a "disadvantaged community"
- ✓ Prevent multiple rebates for the same upgrade

Home Electrification Rebate Program (Section 50122) Applications Must Include Plans to –

States, Territories, and Tribes

- ✓ Verify income eligibility of households
- ✓ Enable access to rebates at point of sale
- ✓ Prevent multiple rebates for the same electrification project
- ✓ Meet any other requirements determined by DOE

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HER Timeframe

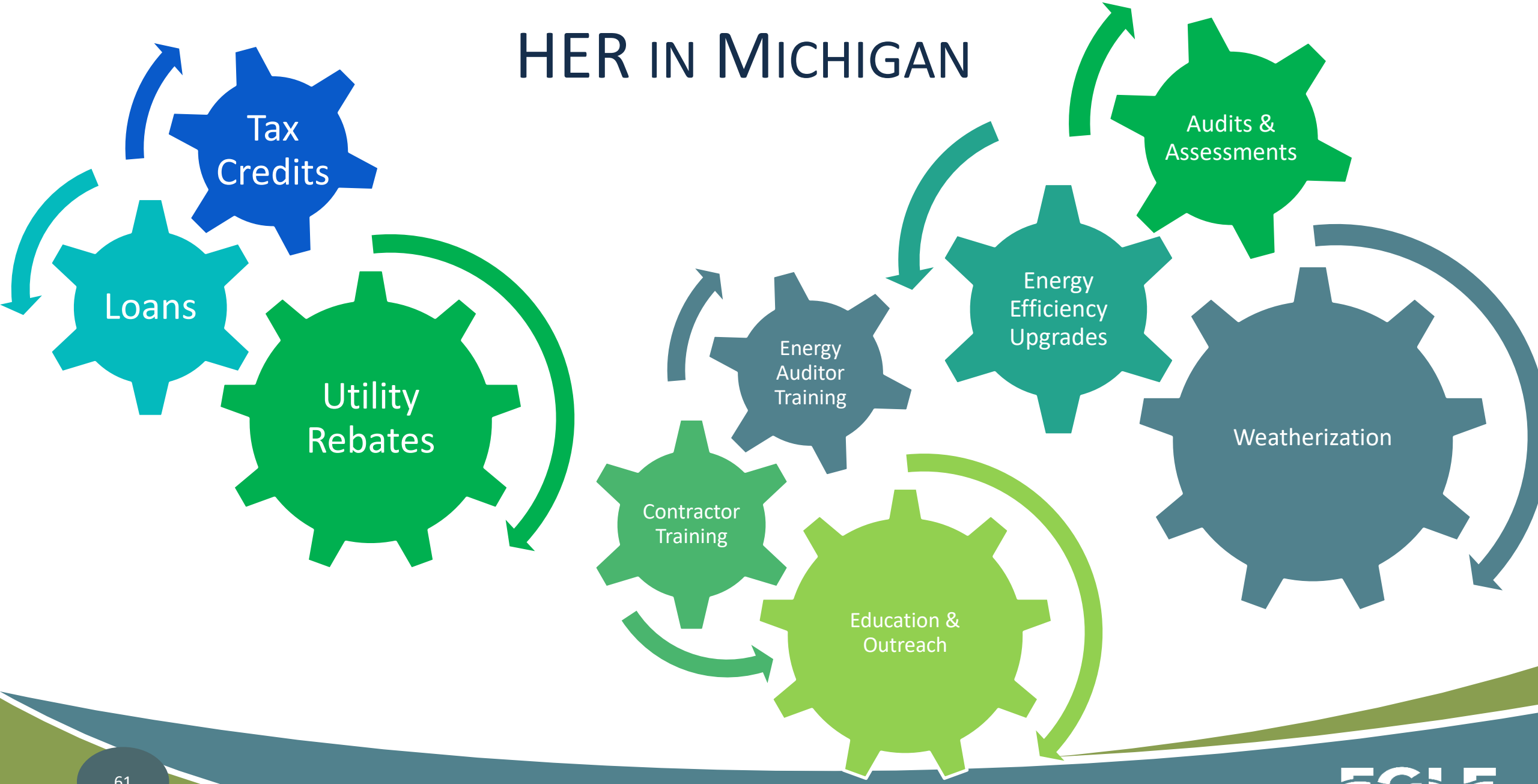
Planning ALRD & Application

- Planning ALRD released 3/23/23
- Rolling application deadline until full program funding is available.
- 2.5% of total allocated funding from each rebate program for:
  - Planning, administration, or technical assistance to help prepare the state to apply for future funding and begin early stages of setting up the state programs.
  - Not recommended: procuring data systems, software developers, developing tools or systems, nor entering long-term contracts with program implementers.

Program ALRD & Application

- ALRD released 7/27/23
- Applications due by 1/31/2025 but will be reviewed/approved as received. EGLE goal to apply mid-late 2024

HER in Michigan



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Key Program Goals

- Streamlined & easy for residents to navigate
- Integrated with existing programs
- Training, communication, and partnerships
- Focus on highest need first

Michigan Department of

Environment, Great Lakes, and Energy

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Discussion Questions from the Moderator

Questions from the Audience

Wrap Up