

Energy Waste Reduction Low Income Workgroup



August 1, 2024



Agenda

Welcome	Brad Banks, Energy Waste Reduction Section, MPSC
School Training Program	Kristen Cetin, Associate Professor, Michigan State University Nicole Millsap, Director of CTE, Lansing School District
Rewiring America Utility Rebate Calculator	Jenna Warmuth, Senior Manager – Midwest Regional Policy, Rewiring America
Weatherization Assistance Program Update	Maddy Kamalay, Weatherization Program Manager, MDHHS
Michigan Energy Efficiency and Electrification Needs Assessment Survey	Ben Duweke, Walker-Miller Energy Services Jonathan Clark, Walker-Miller Energy Services
Close & Adjourn	Brad Banks,

Weatherization Assistance Program – Program Update

August 1, 2024

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.



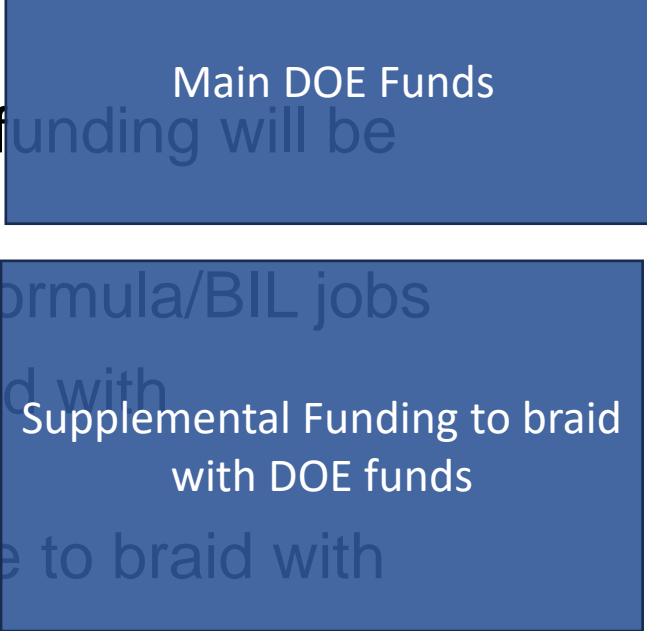
Expanding Program

- A lot has been changing quickly in the Weatherization Assistance Program. Today we will discuss
 - Diversified funding
 - Expansion so far
 - Contractor and client recruitment efforts
 - Upcoming subgrantee RFP
 - Working and coordinating with other programs
 - Defining our space in the home energy efficiency sector



WAP Fund Sources
through MDHHS-BCAEO

Planned FY25 Wx Fund Sources

- DOE Formula – Meet/exceed planned production
 - DOE BIL – Additional production beyond formula – More funding will be made available to agencies that show capacity to expand
 - LIHEAP – Supplemental funding available to braid with Formula/BIL jobs
 - WxDEF (Year 2) – Supplemental funding available to braid with Formula/BIL jobs
 - Wx Supplemental (new) – Supplemental funding available to braid with Formula/BIL jobs
- 
- Main DOE Funds
- Supplemental Funding to braid with DOE funds

FY25 Various WAP Funds



Grant	Estimated FY25 amount	Notes on fund source
DOE Formula	\$22,356,263	Highly regulated federal funds, includes limits on ACPU, SIR and other various restrictions.
DOE BIL	\$30,000,000 (estimated year 3 amount)	Funding that may not braid with DOE Formula, follows all regulations and includes Davis-Bacon on multifamily homes
LIHEAP	\$6,000,000	More flexible funds that may braid with DOE funds
WxDEF (Year 2)	\$25,000,000 (3 year) [Average of \$8,333,333 per year]	Very flexible funds that may braid with DOE and LIHEAP funds
Wx Supplemental (new)	\$5,000,000 (5 year) [Average of \$1,000,000 per year]	Very flexible funds that may braid with DOE and LIHEAP funds

How Leveraged Funding Supports the WAP

- Allows an increased ACPU
- Allows for measures that do not meet SIR minimum requirements to be installed
- Allows for increased contractor pay
- Allows for increased Health & Safety installations
- Allows for more home repair/deferral reduction work to be performed

- Weatherization agencies are now doing a significant amount of home repair and deferral reduction compared to previous years
- ACPU and cost restrictions aren't anticipated to be nearly as much of an issue as in past years because of supplemental funding

BIL WAP Update

BIL Production and Expenditures



Time: 24 / 60 months completed or 40%



Production: 896 / 12,837 or 6.98%



Expenditures: \$14,016,079 / \$ 139,401,083 or 10.05%

41M out of 139M Allocated to Network

Expansion – Contractors and Workforce

- We anticipate contractors may expand their service territories and begin to work with multiple agencies and programs
- Many agencies have added contractors
- We are asking agencies to have an idea of the ideal number of workers in each role when they are fully expanded
- MiTEC is actively working to be more accessible and accommodate more students to meet agencies' increased demand for training

Expansion – Applications and Outreach

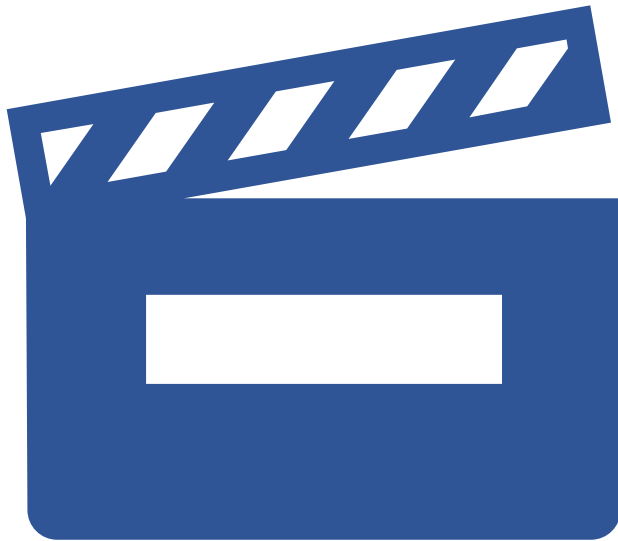
- We have heard from some agencies that they are experiencing a lull in applications

A few outreach approaches:

- WRF/Home repair – Ensuring that local communities are aware of these funds as a part of the local WAP. Publicizing agencies are doing certain home repairs, such as roofs, may help spread the word of the program. Ensure people understand that home repair is tied to completed Weatherization.
- LRMF PL Jobs – Identifying low rise multifamily priority list projects can be a straightforward way to increase production count in a rapid way. We know that the opportunities for these projects are still plentiful in many parts of the state.

Weatherization Marketing Videos

BCAEO is developing a series of YouTube videos for Weatherization outreach and awareness.



- General Public and Potential Contractors as targeted audiences in first two videos
- Upcoming videos will target:
 - Potential Weatherization Clients
 - Energy Efficiency Workforce
 - Students in Energy Efficiency-related Fields of Study
- Can be used by local Weatherization programs
- Can be used by stakeholders to spread the word about the WAP

Weatherization Marketing Videos

Please use these videos in your agency marketing!

Weatherization Assistance Program

Length 1:57 <https://youtu.be/xMmF50YXif4>



Weatherization Assistance Program – Contractor Version

Length 2:55 <https://youtu.be/hNFEO-MXASM>



Weatherization Marketing Videos

Weatherization
Videos
fun facts:

2

Number of YouTube Videos completed of the 5 we have planned for Weatherization outreach and marketing.

3

Number of Community Action Agencies we worked with across the state to schedule dates and times for interviews and recordings.

11

Number of clients, contractors, and staff we interviewed for the videos.

16

Number of months of hard work creating the concept, coordinating with CAAs, doing interviews, making recordings, putting the videos together, recording narration, and getting final approval!



Weatherization as Part
of a Stack of Residential
Energy Programs

WAP as a Part of the Larger Home Energy Efficiency Environment



Many energy efficiency programs are on the horizon, through the MI Healthy Climate Plan, the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA). These opportunities include other highly funded federal programs that will be implemented in 2025 and after. Depending on how each are designed, these programs may coordinate with the WAP or duplicate the WAP efforts. To the extent possible, coordination of programs should be encouraged, and duplication of programs should be discouraged. They will also be operated by other state departments or implementers, which may cause administrative challenges to enhance the WAP.

WAP as a Part of the Larger Home Energy Efficiency Environment

Stack of possible services to maximize benefit to clients

1. Deferral Reduction or Weatherization Readiness – home repair activities that stabilize the home and make it safe for Weatherization measures to be installed.
2. Weatherization – the installation of energy efficiency measures in a home to decrease usage of electricity and heating fuel. Weatherization projects reduce heat loss and energy costs immediately.
3. Electrification – the act of converting energy-consuming devices and systems from electric sources of energy to electricity. Shifting whole homes to electric reduces emissions, lowers costs (especially when done in coordination with Weatherization) and increases flexibility.
4. Solar conversion – households that rely on solar power have reduced or no electricity costs.

Currently a standard part of WAP

Possible in WAP and part of HEAR Rebates

Coming at scale through GGFR Solar For All

Upcoming programs on the horizon that will tie to the WAP



- The Home Efficiency Rebates (HER/50121)
 - Michigan funding: \$105.9 million
 - Federal funder: US Department of Energy
 - State office: EGLE – Materials Management Division; seeking statewide implementer for both rebate programs
 - This program poses the most potential duplication of the WAP and a lack of coordination could cause difficulties in implementation for both programs. The program focuses on the installation of energy efficiency measures for clients of various income levels, including low-income clients. By design, the program is difficult to pair with the WAP as each program must independently model or measure the energy savings that its attributes, and only its attributes, lead to.
- The Home Electrification and Appliance Rebates (HEAR/50122)
 - Michigan funding: \$105.3 million
 - Federal funder: US Department of Energy (DOE)
 - State office: EGLE – Materials Management Division; seeking statewide implementer for both rebate programs
 - This program would naturally supplement the WAP well. This program focuses on electrification of client homes at various income levels, including low-income households, through the installation of electric appliances and associated upgrades. The US DOE has [released guidance encouraging the designers of this program to plan to pair it with the WAP](#). Only after expert energy efficiency has been installed on a home does it make sense to electrify the home, especially en masse.
- The Greenhouse Gas Reduction Fund – Solar for All Program
 - Michigan funding: \$156.1 million+
 - Federal funder: US Environmental Protection Agency
 - State office: EGLE – Office of Climate and Energy (smaller grants also going to some Michigan municipalities and tribes)
 - This program seeks to drastically increase the level of solar infrastructure to produce electricity for low-income households. The program may opt to include conversion of brownfields and landfills, community solar, and/or individual rooftop solar.

Home Energy Rebates

- The programs will be implemented by a single implementer as one program
- The integration of the WAP and the HERs is still being considered/designed
- BCAEO staff have been involved in many state level conversations and continue to be a part of the development of these programs
- We will continue to collaborate with EGLE and the implementer to ensure that a coordinated approach is considered for income qualified housing
- DOE TREC funds also anticipated to provide training to the contractors for these programs

GGRF – Solar For All

- This program anticipates a lot of coordination with the WAP beginning within the next year
- BCAEO staff will continue to be available to EGLE and others to help with this program's development
- WAP program participation is a categorical eligibility for this program

What is Weatherization's Role?

With the current State and Federal climate, the energy efficiency and nearby sectors will be seeing rapid growth over the next handful of years. Knowing this, the WAP has defined its role in this space, focusing on the following areas.

- a. Innovation** – The WAP will continue to work with all stakeholders to determine the most innovative approaches to maximizing benefits in the energy efficiency sector to low-income residents. We seek to define and implement a portfolio of programs augmenting the WAP, including readiness, Weatherization, electrification and solar. We seek to reduce the duplication of the WAP in other programs.
- b. Workforce Development and Training** – No matter where other programs land, it is clear that there are not enough workers in the home energy efficiency sector. While we have made gains in this area in recent years, we seek to broaden capacity in all roles in the WAP. MiTEC, Michigan's Weatherization training center, and BCAEO, the state WAP office are critical in supporting these efforts.
- c. Energy Efficiency Building Scientists** – While there are many various energy efficiency programs on the horizon, the WAP is the tried and true home energy efficiency program. With nearly 50 years of experience, our program has refined the approach to obtain comprehensive whole home energy efficiency. Our professionals are trained expert building scientists. As we build capacity, we will ensure these expert building scientists are working throughout the State.



Questions and Open Discussion

Thank you for participating!

Please reach out with any questions, concerns, or needs!

- MDHHS-BCAEO@Michigan.gov

Close & Adjourn

Thank You!