

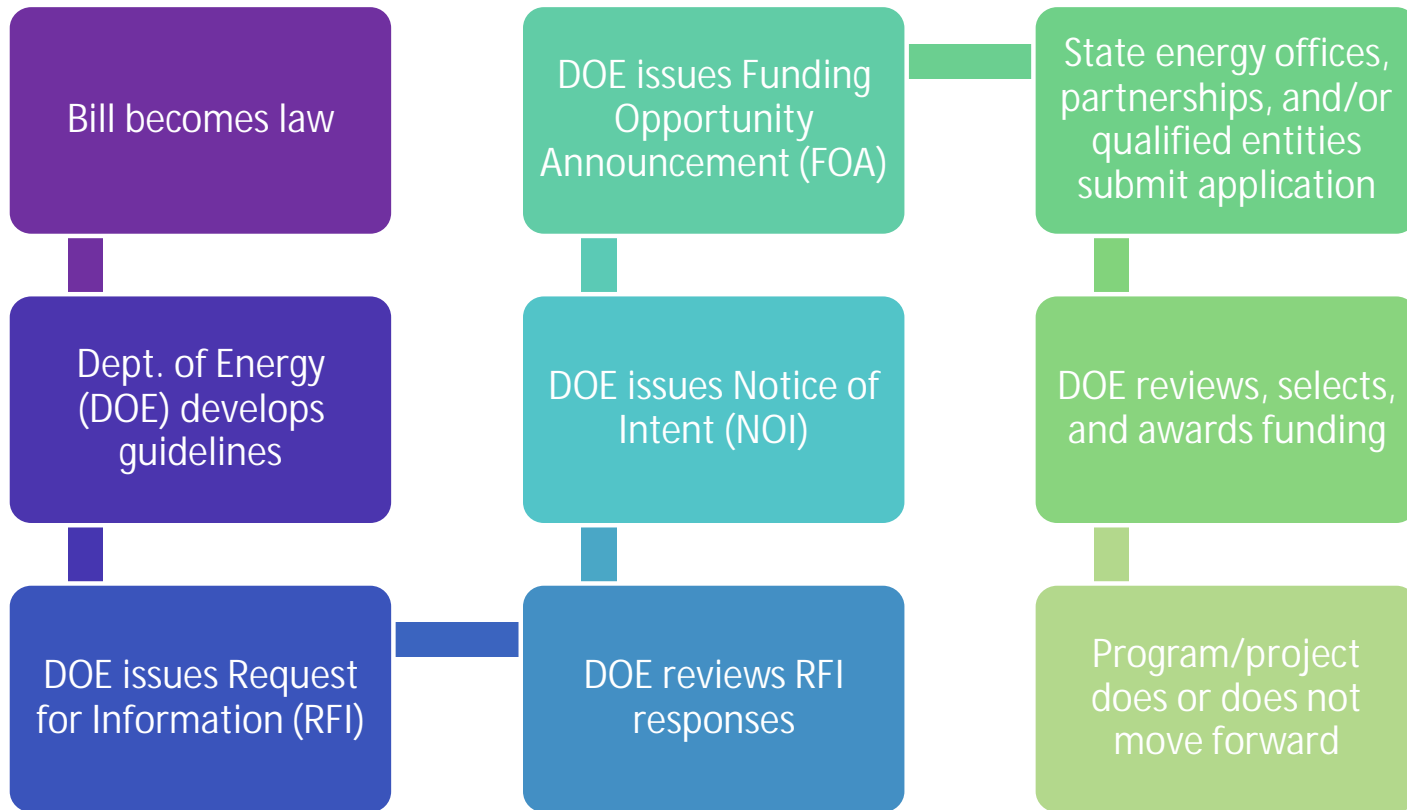


Energy Efficiency Provisions in the Infrastructure Investment and Jobs Act (IIJA) and Inflation Reduction Act (IRA)

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IIJA – Mostly Competitive Funding





IJA – Competitive Energy Efficiency Opportunities

- Codes Implementation for Efficiency and Resilience
- Building, training and assessment centers
- Career skills training
- Energy auditor grant program
- Weatherization Assistance Program (Formula)
- EE revolving loan fund capitalization grant program (Formula)
- Energy efficiency conservation block grant program (Formula/Competitive)
- Energy efficiency materials pilot program
- Grants for energy efficiency improvements at public school facilities
- Assisting federal facilities with energy conservation technologies
- Critical material innovation, efficiency, and alternatives

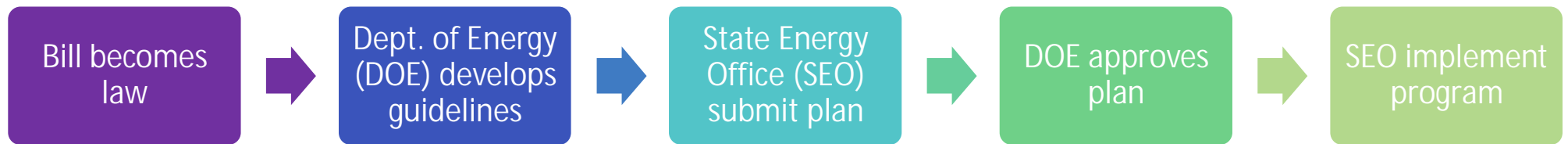


Building Codes

- IIJA
 - \$225M over 5 years
 - Competitive Grants
 - State or regional partnership
 - Training, implementation, compliance, adoption
 - RFP is now open
- IRA – section 50131
 - \$1B
 - \$670M Net zero energy building codes
 - \$330M IECC 2021 or +, ASHRAE 2019 or better
 - Training and enforcement of codes, measurement, compliance
 - Through state offices
 - Needs clarification: formula, competitive, or combination



IRA – Mostly Formula Funding





Commercial Tax Incentives – IRA

- Section 13303 – 179D
- Tax deduction permanent
- Whole building analysis
- Reduce total annual energy and power costs by 25% or more compared to 90.1 reference building (modeling)
- Retrofits demonstrating 25% decrease in EUI
- Depending on labor parameters, deductions:
 - \$0.50-\$1 / sq ft or
 - \$2.50-\$5 / sq ft





Residential Tax Incentives - IRA

- Section 13301 - 25C
 - 30% tax credit, not to exceed \$1,200:
 - Windows, doors, building envelope (insulation and air ceiling)
 - Very high efficiency heating and air conditioning
 - Very high efficiency water heating
 - Electric panel in conjunction with qualified appliance
 - Cold Climate Heat pumps, not to exceed \$2,000
 - High efficiency heat pump water heaters
 - Home energy audits (guidance not released)
 - Up to \$150

Available through 2032





HOMES Rebate – IRA Section 50121

- Funding based on SEO SEP formula (1/1/2022)
 - MN: \$74.5M
- SEO will have 2 years to submit plans to DOE
- Two pathways: modeled and measured
- Rebate cannot be combined with other federal grants/rebates
- Work must be certified by 3rd party
- Contractors: \$200 for homes retrofitted in disadvantaged community
- Available through 2031

Single home	Rebate	LMI Rebate
20%-34% reduction	Lesser of \$2000 or 50% cost	Lesser of \$4000 or 80% cost
35%+ reduction	Lesser of \$4000 or 50% cost	Lesser of \$8000 or 80% cost
Single or group of homes (measured)		
15% reduction	Lesser of \$100 per 1% of kwh saved or 50% cost	Lesser of \$200 per 1% of kwh saved or 80% cost

Multifamily	Rebate	LMI Rebate (50% occ.)
20%-34% reduction	\$2000/unit, cap of \$200K	Lesser of \$4000 or 80% cost
35%+ reduction	\$4000/unit, cap of \$400K	Lesser of \$8000 or 80% cost
Single or group of multifamily (measured)		
15% reduction	Lesser of \$100 per 1% of kwh saved or 50% cost	Lesser of \$200 per 1% of kwh saved or 80% cost



High Efficiency Electric Homes Rebate – Section 50122

- Funding based on SEO SEP formula (1/1/2022)
 - MN: \$74 Million
- SEO will have 2 years to submit plans to DOE
- SEO plan: track and verify income eligible, create point of sale rebate, while not doubling rebates from HOMES
- Rebate cannot be combined with other federal grants/rebates*
- Available through 2031

Heat pump water heater	\$1750
ASHP	\$8000
Stove, cooktop, range, oven, dryer	\$840
Electric panel upgrade	\$4000
Insulation, air sealing, and ventilation	\$1600
Electric wiring	\$2500
AMI 80% - 150%	50% of project cost, max \$14,000
AMI <80%	100% of project cost, max \$14,000



Greenhouse Gas Reduction Fund – IRA Section 60103

- \$7B competitive grants
 - ‘States, municipalities, tribal government, and eligible recipients’ for grants, loans, financial and technical assistance to enable low-income and disadvantaged communities for zero emission tech and other GHG reduction activities
- \$12B competitive grants
 - Financial and technical assistance
- \$8B competitive grants
 - Financial and technical assistance for low income and disadvantaged communities
- Funding is through EPA, not DOE
- 180 days of enactment
- Available through 2024





Other Energy Efficiency IRA Opportunities

- Home Efficiency Contractor Training Grants.
- New Home Tax Credit
 - Energy STAR Home: \$2,500
 - Zero-energy Ready: \$5,000
 - Multi-family: \$500/\$1,000 per unit





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**THANK
YOU!**