

EESI Panel: Implementing the Consumer Rebate Provisions of the Inflation Reduction Act
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LOWE'S

Pickup



Rebates

Tax Credits

Name	Description	Eligible Products ¹	Funding
High-Efficiency Electric Home Rebate Program	POS rebates for eligible consumers (<150% of local median income) or multifamily owners when purchasing specific energy efficient products or services	<ul style="list-style-type: none"> Heat Pump HVAC, Water Heater, Dryer Electric Appliances Upgraded Electrical Panel, Wiring, Insulation 	\$4.5B
Home Energy Performance-Based Whole House Rebates (HOMES)	Rebates to homeowners and aggregators (including multifamily) for whole-house energy saving retrofits (modeled or observed)	<ul style="list-style-type: none"> Total project costs if modeled or observed energy savings are above threshold 	\$4.3B
Energy Efficient Home Improvement Credit	Credit for purchasing and installing certain energy efficient products or services	<ul style="list-style-type: none"> HVAC, Heat Pump HVAC, Heat Pump Water Heater Windows/Doors Home Energy Audits 	10 years
Residential Clean Energy Credit	Credit for installation of wind, geothermal, or solar electricity production & storage systems	<ul style="list-style-type: none"> S/W/GT Systems Battery storage 3KWh+ 	10 years
New Energy-Efficient Home Credit	Pro-specific credit for new home (single or multifamily) construction meeting specific energy certifications	<ul style="list-style-type: none"> Total project costs if energy certifications are met 	10 years
Alternative Fuel Refueling Property Credit	Offsets costs of purchase/installation of EV charging equipment (30% of total cost, max of \$100K benefit)	<ul style="list-style-type: none"> Electric vehicle chargers 	10 years
Clean Vehicle Credits (New, Previously Owned, Commercial)	Credit for purchase of new or used electric vehicles or plug in hybrids, removes previous manufacturer caps, and imposes new vehicle price and consumer income eligibility restrictions	<ul style="list-style-type: none"> New or used electric vehicles & plug in hybrids Commercial electric vehicles 	10 years

High-Efficiency Electric Home Rebate Program

Description

Point of sale rebates for eligible consumers (<150% of local median income) when purchasing specific energy efficient products or services

Note that there is a \$14K max lifetime benefit

Eligibility

Lower Income Households (*earn up to 80% of local average median income*)

Up to 100% upfront discount, capped at \$14K lifetime benefit across all products/services

Moderate Income Households (*earn less than 150% of local average median income*)

Upfront discount of 50%, capped at \$14K lifetime benefit across all products/services

Multifamily owners are also eligible, provided that not less than 50 percent of the residents of which are low- or moderate-income households

Products and associated rebate or tax credit

Product	Maximum Rebate Amount
Heat Pump HVAC	\$8,000
Heat Pump Water Heater	\$1,750
Biomass Stove Or Boiler	\$840
Electric Stove, Cooktop, Range or Oven	\$840
Heat Pump Dryer	\$840
Upgrade Electrical Panel	\$4,000
Upgrade Electric Wiring	\$2,500
Insulation, Air Sealing, Ventilation	\$1,600

Timing

Mid to late 2023 (will differ by state)

Funding

\$4.5B for products shown (not specific by product).

Funding allocated to states (process and amounts still TBD)

Home Energy Performance-Based, Whole-House Rebates (HOMES)

Description

Rebates to homeowners and aggregators (including multifamily) for whole-house energy saving retrofits (modeled or observed)

Eligibility

All consumers are eligible (LMI consumers could get enhanced benefits).

Products and associated rebate or tax credit

Energy Savings	Single-Family	Multi-Family ²
20 – 35 percent (Modeled)	\$2,000 or 50 percent of the project cost (whichever is less) For low- and moderate-income (LMI) individuals, \$4,000 or 80 percent of the project cost (whichever is less)	\$2,000 per dwelling unit, with a maximum of \$200,000 per multifamily building
Over 35 percent (Modeled)	\$4,000 or 50 percent of the project cost (whichever is less) For LMI individuals, \$8,000 or 80 percent of the project cost (whichever is less)	\$4,000 per dwelling unit, with a maximum of \$400,000 per multifamily building
Over 15 Percent (Measured)	\$2,000 payment rate per kilowatt hour saved equal to a 20 percent reduction, or 50 percent of project cost For LMI individuals, \$4,000 payment rate per kilowatt hour saved equal to an average 20 percent reduction per dwelling unit, or 80 percent of project cost	\$2,000 payment rate per kilowatt hour saved equal to an average 20 percent reduction per dwelling unit, or 50 percent of project cost

Timing

Exact timing TBD and could differ by state

Funding

Funding allocated to states (process and amounts still TBD)

There is also a \$200 rebate for contractors / aggregators that perform energy retrofits in “disadvantaged communities”¹

Note: IRA prohibits HOMES rebates to be combined with any other Federal grant or rebate – including the High-Efficiency Electric Home Rebate Program.

1: Determination of disadvantaged community qualifying criteria still ongoing | 2: Multifamily operators with >50% LMI occupants are eligible for larger rebates depending on mix of low- and medium-income households

Retail Considerations

1. **Verification** – income and project verification should take place prior to customer purchases in store or online.
2. **Point of Sale Rebate Execution** – whether a coupon or QR code, rebates must work with retailers existing rebate systems.
3. **Consumer Education** – DIY and PRO Customers
4. **Post purchase rebates** – emergency repairs

Consumer Insights – Early Analysis



Sustainability - bigger picture of protecting the **planet** for yourself and future generations



Energy Efficiency - specific to energy and is **not just doing less**, but **also gaining more** (lasts longer, more output) and is more personal to **their own home**.

*"With **prices going up** we may **ALL end up caring about energy efficiency and cutting costs.**"* DIY

*"Five years ago, I never had a customer ask me if I'm using **sustainable products.**"* Remodeler

*"I can **get higher rent and resale** with **excited tenants** knowing it's **energy efficient.**"* Property Manager

Consumer Insights- Early Analysis

Homeowners have a strong aversion to replacing items prior to failure. However, new builds, remodels or refreshes can trigger proactive replacement.

Regardless of trigger, Homeowners and PROs expect a curated experience of product and service to increase adoption.



*"I don't like spending money. I **don't see myself replacing appliances just because it's energy efficient**, especially if it's still working." DIY*



*"Fully explain how it works; **show me savings** (energy, rebate/credit) and **how it impacts me financially.**" DIY*



*"When **house goes on market... the whole house energy efficient** would be a **key selling point.**" Remodeler*



*"On website, **click on products that apply.** Put it out in **plain English.** And, let me know which group of customers **this is best for.**" Electrician*