New Hampshire Department of Energy

Energy Efficiency Funding Available for Landlords

JOSH ELLIOTT

DIRECTOR, DIVISION OF POLICY AND PROGRAMS

NH DOE Programs Overview

- Assistance Available Today for Tenants:
 - Weatherization Assistance Program
 - Fuel Assistance Program
 - Electric Assistance Program
 - State Emergency Assistance Programs
- •Assistance Available in the Near Future:
 - Home Energy Performance-Based, Whole House Rebates (HOMES)
 - High Efficiency Electric Home Rebate Program (HEEHR)

Available Today: WAP

- Weatherization Assistance Program (WAP)
 - Who Qualifies? 60% of State Median Income, or less
 - Family of 4: \$74,941
 - How do you apply? Local Community Action Agency (aka CAP)
 - County based system
 - Can renters/landlords qualify? YES!
 - Buildings of 4 units or less
 - Majority of the units must be occupied by tenants making 60% of AMI or less
 - Funding <u>can not</u> be used to replace heating systems
 - · Agreement to not raise rent for 1 year
- This Program is separate and distinct from the NHSaves programs

Available Today: FAP

- Fuel Assistance Program (FAP or LIHEAP)
 - Who Qualifies? 60% of State Median Income, or less
 - Family of 4: \$74,941
 - How do you apply? Local Community Action Agency (aka CAP)
 - County based system
 - Can renters qualify? YES!
 - All fuel types eligible
 - If heat is paid directly by the tenant: no involvement from landlord needed
 - What if heat is included in the rent? Possible
 - If heat is paid by the landlord and cost is included as part of rent it is possible under certain circumstances
 - Tenant and landlord need to sign an agreement
 - Tenant is given a voucher for a portion of what ever they would have qualified for as a benefit
 - Voucher is given to the landlord, which is then credited against the rent due

Available Today: EAP

- Electric Assistance Program (EAP)
 - Who Qualifies? 60% of State Median Income, or less
 - Family of 4: \$74,941
 - How do you apply? Local Community Action Agency (aka CAP)
 - County based system
 - Can renters qualify? YES!
 - If bill is paid directly by the tenant and they have an electric account in their name; no involvement from landlord needed
 - Only available to those who get electric service from:
 - Eversource, Unitil, Liberty, or NH Electric Co-op
 - What if electricity is included in the rent? No.
 - Tenant must have an electric account in their own name to participate

Available Today: State Emergency Programs

Emergency Assistance Programs

- What is it? One time fuel benefit of \$450 and electric benefit of \$200
- Who Qualifies? 60% up to 75% of State Median Income
 - Family of 4: \$93,676
- How do you apply? Local Community Action Agency (aka CAP)
- Can renters qualify? YES!
 - Fuel:
 - If heat is paid directly by the tenant: no involvement from landlord needed
 - Electric:
 - If bill is paid directly by the tenant and they have an electric account in their name: no involvement from landlord needed. Available to ALL electric customers.
- If cost is included in rent? Depends
 - If electricity is paid by the landlord and cost is included as part of rent: **No**. Tenant must have an electric account in their own name.
 - If fuel is paid by the landlord and cost is included as part of rent: **Possible.** Same voucher process as FAP.

Available in the Near Future: IRA

- Inflation Reduction Act: Signed into law August 16, 2022
- Numerous energy provisions
- •Tax provisions:
 - Major tax provisions for investments in energy efficiency projects and renewable projects
 - NH DOE staff <u>ARE NOT</u> tax professionals and we do not give tax advice
 - Check with your accountant or tax attorney for further details or advice on how to take advantage of these
- •Two major programs:
 - Home Energy Performance-Based, Whole House Rebates (HOMES)
 - High Efficiency Electric Home Rebate Program (HEEHR)
- Rumor: NH DOE is not going after these funds
- FACT: NH DOE is applying for these funds

•What is it?

Program provides rebates for residential energy efficiency projects

•What we know:

- The letter of the law outlining the program in the Inflation Reduction Act
- The funding amounts that New Hampshire will receive for this program: \$34,952,780
- The time to spend it down: September 30, 2031
- General provisions of the program
 - Funding amounts for each activity
 - Choice of modeled vs realized savings
 - Use of BPI 2400 for modeling
 - Use of open-source software for measurements and verification
 - Required quality monitoring
 - Funding can not be combined with the HEEHR program
 - Some definitions
 - Low-Moderate Income: 80% of 'median income of the area'

•Single Family:

- 20-35% Modeled Energy savings: \$2,000, or 50% of project costs, whichever is less
- 35%+ Modeled Energy savings: \$4,000, or 50% of project costs, whichever is less
- 15% minimum measured energy savings: payment rate per kwh saved, equal to \$2,000 for a 20% cost reduction for the state's average home, or 50% of the project total

Single Family occupied by LMI household:

- 20-35% Modeled Energy savings: \$4,000 or 80% of project costs, whichever is less
- 35%+ Modeled Energy savings: \$8,000 or 80% of project costs, whichever is less
- 15% minimum measured energy savings: payment rate per kwh saved, equal to \$4,000 for a 20% cost reduction for the state's average home, or 80% of the project total

•Multi Family:

- 20-35% Modeled Energy savings: \$2,000 per unit, \$200,000 per building maximum
- 35%+ Modeled Energy savings: \$4,000 per unit, \$400,000 per building maximum
- 15% minimum measured energy savings: payment rate per kwh saved, equal to \$2,000 for a 20% cost reduction for the state's average home, or 50% of the project total

Multi Family with 50% occupied by LMI households:

- 20-35% Modeled Energy savings: \$4,000 per unit or 80% of project costs, whichever is less
- 35%+ Modeled Energy savings: \$8,000 per unit or 80% of project costs, whichever is less
- 15% minimum measured energy savings: payment rate per kwh saved, equal to \$4,000 for a 20% cost reduction for the state's average home, or 80% of the project total

•What we do not know:

- Is there a per building maximum for those LMI multi-family units?
- Will rebates be available retroactively? And if so, how far back?
- Are there only certain types of energy efficiency projects that would qualify?
- How strict is the prohibition on mixing rebates?
 - Is it a total ban, or can two funding sources not take 'credit' for the same improvement?
- How does the payment rate per kwh saved work?

•What is it?

Program provides rebates for residential electrification projects

•What we know:

- The letter of the law outlining the program in the Inflation Reduction Act
- The funding amounts that New Hampshire will receive for this program: \$34,749,580
- The time to spend it down: September 30, 2031
- General provisions of the program
 - Rebates for appliance purchases and non-appliance upgrades
 - Means tested program- up to 150% of area median income
 - Increased incentives for up to 80% of area median income
 - Required option for point of sale

•General Provisions:

- Appliances (maximum benefit amount)
 - Heat Pump Hot Water Heater: \$1,750
 - Heat Pump for space heating and cooling: \$8,000
 - Electric stove, cooktop, range, or oven, or heat pump clothes dryer: \$840
- Non-appliances (maximum benefit amount)
 - Electric Load Service Upgrade: \$4,000
 - Insulation, air sealing, and ventilation: \$1,600
 - Electrical wiring: \$2,500

•Limitations, Single Family:

- Maximum combined rebate of \$14,000
- Benefit Amounts Multipliers:
 - Less than 80% of area median income: 100%
 - 80% 150% of area median income: 50%

•Limitations, Multi-Family:

- Benefit Amounts Multipliers:
 - 50% or more of the households in the building make less than 80% of area median income: 100%
 - 50% or more of the households in the building make 80% - 150% of area median income: 50%

•What we do not know:

- Will rebates be available retroactively? And if so, how far back?
- How strict is the prohibition on mixing rebates?
 - Is it a total ban, or can two funding sources not take 'credit' for the same improvement?
- Does the \$14,000 cap apply in cases of multifamily housing?
- If it does, is it a per unit cap?
- What happens if you have a multifamily housing unit with an even number of units, and 50% are 80%-150% AMI and 50% are below 80% AMI?
- How can we do income verification AND point of sale that works at all retailers?

Next Steps:

•RFI:

US DOE has a Request for Information (RFI) that is open until March 3, 2023

•ALRD Released:

- US DOE will then digest feedback provided and issue Administrative and Legal Requirements Documents (ALRD) for the two programs
- This will spell out what is needed in an application and basic program parameters

Application Prepared:

NH DOE then prepares applications in accordance with the terms of the ALRDs

•Application Filed:

- Due date will be determined by US DOE
- Typically, due dates are around 3 months from the release date of the ALRD depending on the complexity of the application process

Next Steps:

•Application Reviewed:

 Once an application is filed, US DOE will need to take time to review them before awarding any funds. ALRD will sometimes indicate a review timeframe.

•Funding Awarded:

 Once awarded the funds, NHDOE will have to go through the state processes to accept the funds, create positions, and if necessary, draft contracts for the funds

•Available to the public?

Best case scenario: early 2024 before funds are available to customers

How do I get the funds:

- The ALRD is critical to NH DOE in determining program design
- Without guidance, NH DOE can not do substantive program design
- Some options:
 - Work with NHSaves Program on both HOMES and HEERA
 - Pro: leverage existing systems
 - Con: does not cover all of those eligible
 - Run everything in house at NH DOE
 - Pro: maximum control and availability to consumers
 - Con: massive undertaking to build team and expertise
 - Contract out everything from NH DOE
 - Pro: minimal staffing and administrative burden
 - Con: no existing companies have this capability today, loss of direct control

Thank you!

Josh Elliott

Director, Division of Policy and Programs

New Hampshire Department of Energy

603-271-6003

Joshua.w.Elliott@energy.nh.gov