



Federal Home Energy Rebates Programs FAQ

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What are the Home Energy Rebates Programs?

In 2022, the U.S. Congress passed the 2022 Inflation Reduction Act (IRA), a large federal funding package that includes grants, tax incentives, and rebates to help consumers lower their energy usage and save on energy bills. The IRA provided the U.S. Department of Energy (U.S. DOE) with \$8.8 billion that will be distributed to states, Tribes, and territories to create and administer two Home Energy Rebates Programs that will help residents make their homes more energy efficient by offering rebates to install energy efficient appliances and perform other home energy upgrades. These programs are known as the Home Efficiency Rebates (HOMES) Program and the Home Electrification and Appliance Rebates (HEAR or HEEHR) Program.

How much money will Oregon receive for the Home Energy Rebates Programs?

U.S. DOE has allocated nearly \$57 million for each program and approximately \$113.6 million in total to Oregon.

How much of that funding will go directly to rebates?

After accounting for administrative costs, the programs will distribute approximately \$91.4 million in customer rebates and other financial incentives.

What is the Home Efficiency Rebates (HOMES) Program?

Generally referred to as HOMES, the Home Efficiency Rebates Program provides performance-based rebates for energy efficiency retrofits for individual households and multifamily buildings. This is a whole-home energy retrofit program that will make rebates available for projects that can demonstrate energy savings of at least 20%, with larger incentives available to projects with demonstrated savings of 35% or more.

What is the Home Electrification and Appliance Rebates (HEAR) Program?

Generally referred to as HEAR and previously known as HEEHR, the Home Electrification and Appliance Rebates Program will provide rebates for the installation of high-efficiency electric appliances and associated electric upgrades, along with insulation and air sealing measures. HEAR rebates will be available for point-of-sale discounts at participating retailers. This program is only available to low-income (80% of Area Median Income and below) and moderate-income (between 80% and 150% of Area Median Income) households.

What retailers will accept a HEAR rebate coupon for a point-of-sale purchase?

ODOE is still developing these details and will release guidance about point-of-sale rebates as we get closer to launch.

What is an energy retrofit or upgrade?

Energy efficiency retrofits and upgrades are projects that can reduce a home's energy use. This includes, but is not limited to, installing more efficient equipment such as a heat pump or on-demand water heater; weatherization measures like insulation and air sealing; energy management practices or devices such as temperature setbacks, occupancy sensors, and smart thermostats; and many others.

What kinds of energy retrofits or upgrades will be eligible?

HOMES does not specify the types of upgrades that qualify; however, any approved upgrades must be able to demonstrate a minimum of 20% expected energy savings. HEAR, on the other hand, provides a list of qualifying products and measures, up to a specified maximum; for a list of approved upgrades, please refer to the table below, in [How much money will be available to HEAR projects?](#)

Both programs require the installation of upgrades that are ENERGY STAR certified, where such certification exists.

How much money will be available to HOMES projects?

HOMES rebates will be available for single-family homes and multifamily buildings, according to the following table:

Modeled Savings	Income Level	Single-Family Homes	Multifamily Buildings (per unit)
20%-34%	Low-Income	Lesser of \$8,000 or 100% of project cost	Lesser of \$8,000 or 100% of project cost
	Moderate- and Higher-Income	Lesser of \$2,000 or 50% of project cost	Lesser of \$2,000 per unit up to \$200,000 per building
35% or greater	Low-Income	Lesser of \$10,000 or 100% of project cost	Lesser of \$10,000 or 100% of project cost
	Moderate- and Higher-Income	Lesser of \$4,000 or 50% of project cost	Lesser of \$4,000 per unit up to \$400,000 per building

How will HOMES projects estimate the savings potential?

All HOMES projects will be required to complete an energy assessment and an energy model that will produce an estimate of how much savings can be expected from the proposed upgrades. The entity conducting the model (either the installation contractor or another entity working on behalf of a HOMES project customer) will collect the most recent 12 months of energy consumption data and produce a savings estimate using software approved by U.S. DOE. Qualifying low-income households may be able to receive financial assistance in covering the cost of the required assessment for the HOMES program. In preparation for the program’s launch, Oregon will be working closely with contractors and releasing detailed guidance on the home assessment, modeling, and other program requirements.

How much money will be available to HEAR projects?

HEAR rebates will be available according to the following limits:

Upgrade Type	Qualified Product/Measure	Limit
Appliances	Heat Pump Water Heater	\$1,750
	Heat Pump for Space Heating and Cooling	\$8,000
	Electric Heat Pump Clothes Dryer	\$840
	Electric Stove, Cooktop, Range, or Oven	\$840
Building Materials	Electric Load Service Center	\$4,000
	Insulation, Air Sealing, and Ventilation	\$1,600
	Electric Wiring	\$2,500
Maximum Rebate		\$14,000

Low-income households may receive up to 100% of project costs, and moderate-income households may receive up to 50% of project costs. All projects are limited to a maximum of \$14,000.

In addition, because HEAR is an electrification program, most upgrades must be completed in new construction or as a first-time purchase, or to replace non-electric equipment. Additional details can be

found in section 4.2.2 of the U.S. DOE's program guidance, and ODOE will start releasing summary guidance on all program requirements as we prepare for launch.

Do HEAR projects have to estimate savings too?

No, HEAR projects do not need to model the project's potential energy savings. However, HEAR projects that include a heat pump for space heating and cooling will need to conduct a limited home assessment. Before the program launches, Oregon will release guidance for completing these home assessments.

Can a project receive a rebate from both programs?

Projects may receive a rebate from both programs; however, project may not receive rebates from both programs for the same upgrade.

Can the rebate program be utilized in conjunction with federal tax credits?

The program can potentially be used alongside tax credits, but we cannot provide specific tax advice. It is incumbent upon the taxpayer to follow IRS rules regarding the applicability of tax credits, especially if any subsidy, rebate, or incentive was received for the upgrade. Specific guidance on tax credits should be sought from the IRS or a tax advisor. IRS resources have comprehensive information on tax credit eligibility and utilization.

What kinds of households can qualify? Can rental properties qualify?

HOMES and HEAR are open to single-family and multi-family homes, including owner-occupied and rental properties. HOMES rebates are not available to new construction; however, HEAR rebates are available to both new and existing construction. More detailed information regarding specific program eligibility will be forthcoming, but, overall, these programs will prioritize low-income households and Justice40 communities.

How will the programs prioritize low-income households? Are there income restrictions?

The Inflation Reduction Act sets minimum household eligibility guidelines for both rebate programs, with varying levels of incentives based on household income and the technology being installed. For both programs, households making less than 80% of Area Median Income (AMI) are considered low income, and households making between 80% and 150% of AMI are considered moderate income. AMI is established according to county and household size by the U.S. Department of Housing and Urban Development. A table containing the 2024 income limits for Oregon is available [here](#) (downloads an excel file).

While the HOMES program is open to all income levels, at least 40% of rebate funding must be reserved for low-income households and an additional 10% for low-income multifamily households.

The HEAR program is limited to low- and moderate-income households only; therefore, households above 150% AMI are ineligible for a HEAR rebate. ODOE will also reserve 60% of rebate funding for low-income single-family households and 20% for low-income multifamily households, respectively.

Both programs are also required to adhere to the Justice 40 Initiative, which requires that 40% of benefits flow to disadvantaged communities.

ODOE has been and will continue engaging with external partners to understand the specific needs of households across the state and will use these conversations to make an appropriate determination about what communities might benefit most from these types of programs. We encourage you to participate in our public process. You can [sign up for our email list](#) to be notified when public meetings are scheduled.

What are Justice40 communities? What are disadvantaged communities? What is the Justice 40 Initiative?

On January 27, 2021, President Biden signed [Executive Order 14008](#), which set forth prioritizing actions to tackle the climate crisis. Included was the Justice40 Initiative, which directs that 40% of the benefits of certain federal investments flow to communities that are marginalized, underserved, and overburdened in the following categories: fossil dependence, energy burden, environmental and climate hazards, and socio-economic vulnerabilities. The Home Energy Rebates are covered under the Justice40 Initiative, which means that at least 40% of rebate funding from both programs to households located in a disadvantaged community.

Disadvantaged communities have been defined by the Council on Environmental Quality using a number of datasets to identify communities that are most overburdened and underserved. These communities are displayed in a map called the Climate and Economic Justice Screening Tool, which you can explore [here](#).

Community engagement is also a critical component of the Justice40 Initiative. Formal program guidance directs the HOMES and HEAR programs to conduct meaningful engagement with stakeholders to ensure community members have an opportunity to provide input on program decisions, including in the identification of specific program benefits. If you would like to stay informed of future opportunities to provide input, please [sign up for email updates](#).

What if I do not live in a Justice 40 community and I am not low-income?

Given the limited reach of these programs, we encourage households who are not low-income and who are not part of a disadvantaged community to speak with a qualified tax professional to understand if the federal [Home Energy Tax Credits](#) may be a good fit. ODOE anticipates that many more Oregonians can benefit from these federal tax credits than from the upcoming Home Energy Rebates Programs.

ODOE encourages the following groups to consider leveraging the federal tax credit instead of waiting for a Home Energy Rebate:

- Households above 150% Area Median Income (AMI). AMI is defined at the county level and can be found [here](#).
- Households with a tax burden (i.e. households expecting to owe federal income taxes when they file their annual tax return).
- Households that urgently need to replace old or broken equipment.

Additionally, please see the question, "[What Incentives Are Available to Me Now?](#)" for more information on the current incentives available in Oregon.

What if I install a home efficiency upgrade before the programs launch? Will rebates be available retroactively?

According to U.S. DOE program guidance, HEAR rebates cannot be retroactively available to installations completed before the program launches.

For the HOMES program, per U.S. DOE program guidance, rebates will be allowable retroactively for projects completed after August 16, 2022 (the date of the passage of the Inflation Reduction Act) and before the program launches. However, retroactive projects will still need to comply with all program requirements, which we are still in the process of developing. Considering the complexity of the program and its requirements, ODOE does not recommend completing an installation before launch with the expectation of being able to receive a rebate. To learn more about federal retroactivity requirements, please [refer to U.S. DOE's fact sheet](#).

We also do not recommend that households wait to accomplish essential home energy upgrades, and we encourage you to pursue other incentive options that are available to you now. Please see the question, "[What Incentives Are Available to Me Now?](#)" for more information on the current incentives available in Oregon.

I already know that I want to apply for a rebate: Where can I find an application?

Rebate applications are not yet available. We are still in the process of developing the programs, and our plans will need to be approved by the U.S. Department of Energy before we are able to release detailed program materials, forms, or other guidance.

ODOE is in the process of developing an RFP to procure a rebate processing system that will include an online application portal and website. Until this procurement process is complete and the application portal is released, all information about the programs can be found on [ODOE's main website](#). If you think you might be interested in applying to this RFP when it is released, you should sign up for updates on the state's online procurement system, [OregonBuys](#).

I can't wait to install an upgrade: What incentives are available to me now?

We always recommend starting by **contacting your local energy utility**, which can be found [using this map](#). Many utilities offer rebate and incentive programs to customers for the installation of energy efficient technologies. If you are a customer of one of Oregon's investor-owned utilities (Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas, or Avista), these utility programs are collectively administered by [Energy Trust of Oregon](#).

The State of Oregon also offers two heat pump programs:

- The [Oregon Rental Home Heat Pump Program](#) offers rebates to install heat pumps in rental homes and in recreational vehicles or manufactured homes in a rented space. ODOE's general program funding has been completely reserved, and the agency is no longer accepting applications. However, the program is accepting applications for rental housing occupied by members of specific Indian tribes; please visit the program website for more information. We will not know about the potential for additional state funds for the program until the next legislative session, which begins in January 2025. We anticipate re-opening the program in 2025 when federal funding becomes available. Please sign up to receive future email updates about the program.
- The [Community Heat Pump Deployment Program](#) distributes grant funds to regional administrators, who in turn provide financial assistance to homeowners. More information on regional administrators and funding availability [can be found here](#).

In addition to utility incentives, **federal tax credits** are available through the Inflation Reduction Act to support installation of energy efficient technologies. You can find more information about these tax credits on the [Energy Star website](#) and the IRS provides details on [how to qualify for these credits](#). We recommend contacting a qualified tax professional to help you navigate any potential tax credits.

In addition, Oregon Housing and Community Services operates a low-income weatherization program that provides low-income households with home weatherization services that can increase energy savings and improve comfort. You can find information about the **Weatherization Assistance Program** [here](#).

There are many other federal opportunities available to businesses, non-profits, Tribes, and residents in Oregon. While this list is not exhaustive, a list of the ones ODOE is tracking can be found [here](#).

Why don't contractors seem to know about these rebates?

Because ODOE's programs are still in the development phase, we have not yet released formal guidance to installation contractors. As part of its public engagement process, ODOE has been soliciting input from contractors and their trade groups to help inform the design of these rebate programs and ensure they integrate within existing retrofit workflows. ODOE is developing an outreach plan to ensure Oregon's workforce is familiar with energy efficient technologies and ready to implement the rebate programs. Once the programs' designs are complete and approved, we will start to issue guidance for contractors to learn how to participate and help their customers access funding.

I already have a contractor that I want to work with – will they be able to get me a rebate?

Per U.S. DOE's program requirements, all HOMES projects, as well as HEAR projects that require the completion of a home assessment, must be completed by an installer on a pre-approved list of qualified contractors. This qualified contractor network will ensure all participating contractors meet the program standards that are required by the federal government. Contractors will have an opportunity to demonstrate their qualifications and meet specific criteria, such as technical competency and financial capacity. These qualifications and requirements will be communicated to contractors in advance of the programs' launch to ensure a highly skilled and qualified workforce is well-prepared for program implementation.

I am a contractor or energy auditor – How do I sign up to participate in these programs?

More information will become available in the coming months for interested contractors. In the meantime, please [sign up to receive email updates](#).

How many households will these programs serve?

This depends on the average rebate amount a household receives, which can be difficult to estimate due to the range of rebate levels available for each program. Using a middle-of-the-road average household rebate amount, ODOE estimates fewer than 11,000 households in Oregon could benefit from these programs, which is less than 1% of Oregon's total housing stock. If all projects received the maximum amount available, these programs would serve fewer than 7,500 households.

That doesn't seem like a lot of households. Why is the number so low?

Because these programs primarily target low-income households, it is important that rebates cover a large portion of the up-front cost to ensure customers with limited resources can take advantage of these rebates with minimal out-of-pocket costs. Larger incentives mean fewer households will receive funding under these programs, but it will ensure that those who receive rebates will have lower out-of-pocket costs.

What happens when the rebates run out?

Recognizing the relatively limited reach of these programs, ODOE is focusing on creating systems and program delivery infrastructure that can stay in place long after the federal funding has been spent. Our goal is to use these programs as a springboard to build the state's capacity and workforce to deliver energy efficiency projects across Oregon, bringing together our utility partners, Energy Trust of Oregon, sister agencies, non-profit organizations, installers, and a range of other key stakeholders. This will also include the development of a one-stop-shop for information about existing funding programs. We will continue to update the public as we develop these processes.

When will the rebate programs be available in Oregon?

The U.S. Department of Energy released full program guidance for the HOMES and HEAR rebate programs on July 27, 2023, and set an application deadline of January 31, 2025. ODOE submitted its applications to U.S. DOE on March 27, 2024, and received approval and awards for both programs in September 2024.

Now that the state has received the awards, ODOE can finalize the programs' design and start developing the materials and guidance that are necessary to launch two effective and well-run programs. Doing this work – and doing it right – will take time, but ODOE will work with our partners to roll out these programs as quickly as possible. Although there is still much uncertainty in our anticipated launch date, at this time, we anticipate rebates will not be available to Oregon consumers before late 2025 or early 2026.

We understand the excitement and anticipation around these programs in Oregon and are working hard to develop programs that are accessible to consumers and support a safe, equitable, clean, and sustainable future for Oregon. If you would like to stay on top of our progress, we will continue to provide updates through the [programs' website](#), and you can also [sign up to receive email updates](#).

The IRA passed in August 2022, why aren't rebates available yet?

ODOE received approval of our applications for both programs in September 2024, however, rebate funding cannot be available until ODOE has the necessary people and systems in place to deliver rebates. ODOE is well-positioned to design and implement these programs in an efficient manner; however, these are large and complex investments, and it is important to ensure these public funds are spent efficiently and effectively. ODOE is working diligently to roll out the programs as quickly as possible, while ensuring customers are protected and the impact of the programs is maximized.

I saw that other states have launched their programs; why hasn't Oregon launched yet?

While a few states have been able to roll out their programs relatively quickly in comparison to other states, those programs are supported by existing process and systems that Oregon does not have. To roll out these programs as quickly as possible, ODOE submitted both applications almost a year before the deadline and we continue to work diligently to finalize our plans and preparations for launch.

How will the recent national elections affect these rebate programs?

We don't want to speculate how the national election results will affect federally funded energy programs in Oregon. The Oregon Department of Energy finalized an agreement with U.S. DOE for these programs in September 2024 and we continue to work with the U.S. DOE to launch as quickly as possible. ODOE is committed to helping Oregonians make the switch to renewable energy, strengthening climate resilience, and improving energy efficiency in our state. We will provide updates as we learn more about any impacts on federal funding or ODOE's programs.

Who will administer these programs?

ODOE will use two implementers to administer the HOMES and HEAR programs. Energy Trust of Oregon will administer the programs in investor-owned utility service areas and a second implementer will administer the programs in consumer-owned and Idaho Power Company service areas. ODOE will be issuing a Request for Proposals to procure a second implementer. If you think you might be interested in applying to this RFP when it is released, you should sign up for updates on the state's online procurement system, [OregonBuys](#).

What will the implementers do?

Simply put, the state’s implementers will be responsible for processing rebates for both the HOMES and HEAR programs. This work will also include processing disadvantaged community and contractor incentives, verifying income, conducting education and outreach to contractors and communities (including partnering with community-based organizations) to help identify vulnerable populations and ensure equitable access to the rebates. Successful implementation will be measured through consumer surveys, reported data, and program evaluations.

ODOE is in the process of developing a Request for Proposals (RFP) to procure a rebate processing system that our implementers will use to track and issue rebates. If you think you might be interested in applying to this RFP when it is released, you should sign up for updates on the state’s online procurement system, [OregonBuys](#).

What role will utilities play?

Utilities have been engaged in program design and will continue to be important partners as ODOE implements these rebates. ODOE and its implementers will work with utilities to develop rebate processes that integrate as much as possible with existing utility programs and make it easy for consumers to combine rebates.

What is the one-stop-shop?

House Bill 3630 directed ODOE to create a single resource that provides information, technical assistance, and support in identifying contractors and financing options related to energy efficiency incentives and programs. Our goal is to launch the resource in 2025. In addition to providing information, this “one-stop-shop” will also include an incentives finder tool that will allow consumers to enter basic information about their home and household and receive a list of energy efficiency incentives that are likely available to them.

This is all pretty exciting- how can I be involved?

In designing these rebate programs, the Oregon Department of Energy is conducting a public engagement process to allow Oregonians opportunities to provide input on the program requirements. Formal Administration guidance directs the HOMES and HEAR programs to conduct meaningful engagement with stakeholders to ensure community members have an opportunity to provide input on program decisions, including in the identification of the benefits of Justice40 covered programs. To stay informed of future opportunities to provide input, please [sign up for email updates](#).

I still have questions – who can I contact for answers?

If you would like to reach out to ODOE with a question about the Home Energy Rebates Programs, you can contact the program team at HomeEnergyRebates@energy.oregon.gov or call 503-378-4040.