How Retail Can Simplify Home Energy Rebates

About Lowe's

- Leading home improvement company serving approximately **16 million customer transactions a week**.
- Operating over **1,750 home improvement stores** and more than **130 supply chain facilities**, employing approximately **300,000 associates** around the country.
- Facilitating approximately 600 instant rebate utility incentive programs across more than 30 states.
- #1 appliance retailer in the United States.



Advantages of Working with Lowe's

- Lowe's has a dedicated team collaborating with states, the Department of Energy (DOE), vendors, and other stakeholders to develop and implement Inflation Reduction Act (IRA) rebate programs, helping customers take advantage of them.
- First retailer in the country to offer IRA Home Energy Rebates at the retail point-of-sale.
- Positioned to support both homeowners and Pro customers in utilizing these programs.
- Lowe's associates are well positioned to educate customers about available rebates and the benefits of energy-efficient products.
- Lowe's serves a network of service providers, installers, and the professional contractor community.



Homeowner

Single family homeowner or condominium owner

- ☑ DIY — homeowner-led projects for replacement products
- ☑ Purchasing and fulfillment sources:
  - Lowe's stores and online at Lowes.com
  - Nationwide delivery network



PROfessional

Property management - residential and commercial

- ☑ Multifamily rental and housing authorities
- ☑ Trades - electricians, plumbers and more

Construction

- ☑ Repair, remodel and restoration
- ☑ Builders and construction
- ☑ State-approved contractors



Purchasing and fulfillment sources

Convenient locations of 1,700 stores

- ☑ Direct-to-customer delivery options, as soon as same-day, inclusive of rural communities
- ☑ Lowe's stores nationwide and online at Lowes.com
- ☑ Lowe's Pro Supply with 29 branches in major markets and online at LowesProSupply.com*

Retail Takeaways from DOE's Guidance Update

1 Expanded Retail Access

- Stronger support for retail, e-commerce, direct-to-consumer, marketplace and mail-in pathways
- DIY participation explicitly supported for eligible categories

2 Broader Product Eligibility

- Electric-to-higher-efficiency electric upgrades are now eligible
- Creates a more consistent customer experience across cooking, clothes drying and water heating

3 More Flexible Installation Verification

- States have greater flexibility when geotagged installation photos are not practical
- Several states have developed workable alternatives with DOE approval

NEXT STEP: Lowe's is partnering with NASEO to document installation verification approaches across states where it currently participates in a retail HEEHR program in developing a replicable resource to help inform other states.

Lowe's HEEHR Program Updates

Recent progress is expanding access and helping more of the total project fit within a simple retail transaction.

NEW STATE LAUNCH

RI

Retail point-of-sale pilot launched

Income-eligible households can receive instant rebates, with planned expansion of the retail pathway statewide.

ELIGIBLE CATEGORIES

- Electric cooking
- Heat pump clothes dryers
- Heat pump water heaters

SIMPLIFYING THE CUSTOMER JOURNEY

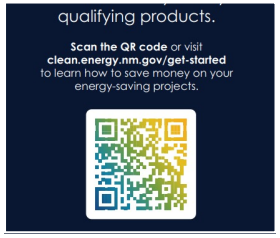
One coupon can simplify more of the complete upgrade

1. **Eligible appliance**
2. **Installation essentials**
   Cords, hoses and other eligible items
3. **Haul-away / recycling**



ONE LOWE'S COUPON • FEWER CUSTOMER STEPS

In-Store and Online Experience



In-Store Signage

Signage is displayed in stores guiding customers to the relevant website to apply for their state's rebate program where they can begin the application process.



Coupons

Once verified, customers can receive a Lowe's coupon that can be used at checkout in stores and online.



Pro Desk

Lowe's Pro Desks can share with Pro customers how Lowe's can provide them with eligible products and share educational materials from states, like how to join their approved contractor network.

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Lowe's Associates Enable Customer Awareness

Lowe's Associate Readiness at Scale

- Central intranet hub with program summaries, FAQs, and Qualified Product Lists
- Simple associate talking points focused on qualifying products, program eligibility, and directing customers to the state application or information

Consistent Customer Messaging

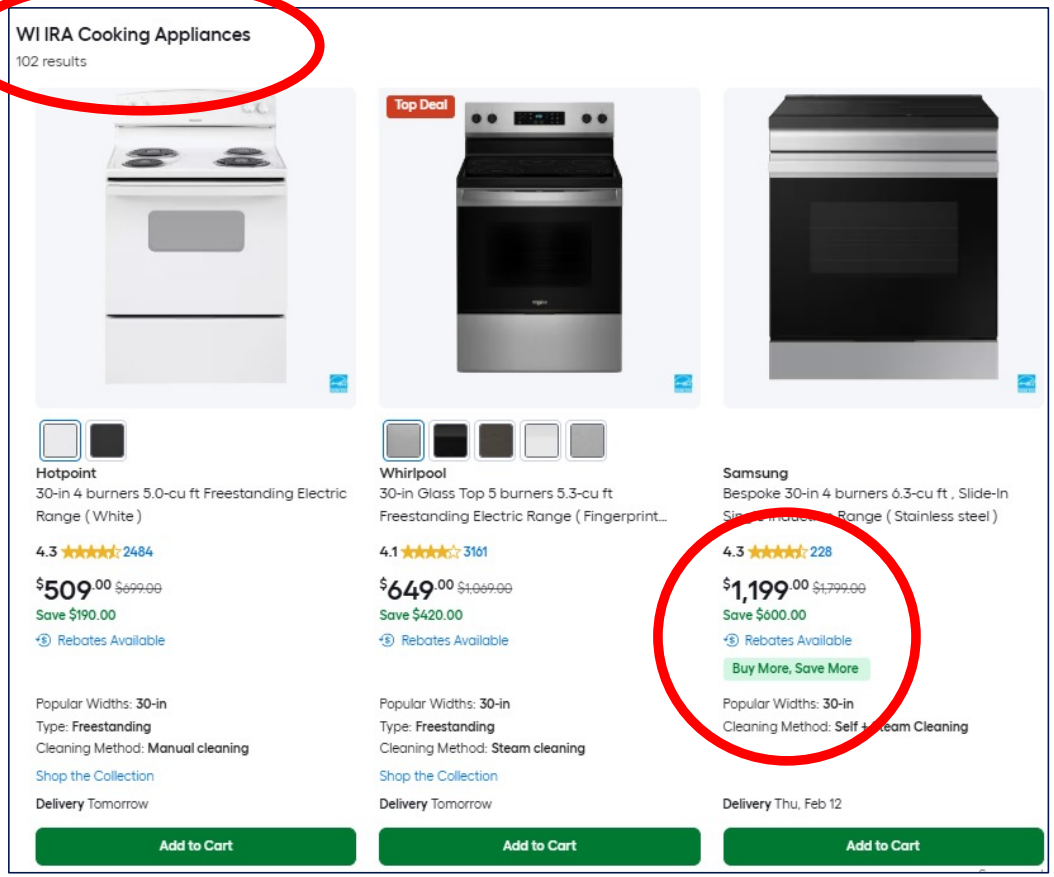
- Aligned guidance across in-store, online, and customer care channels
- Clear direction to state-managed approval processes

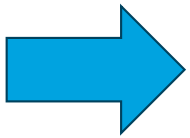
Clear Escalation and Support

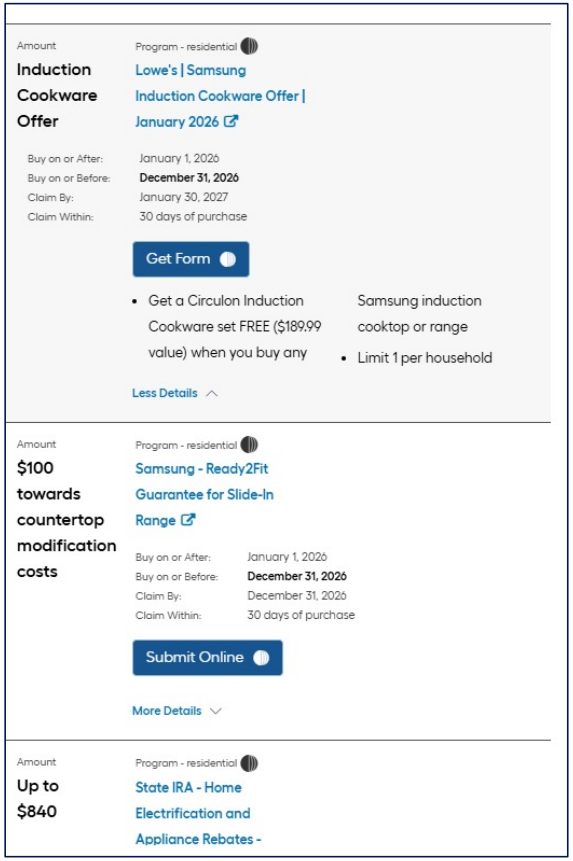
- Defined paths for program-specific questions
- Reduces misinformation and customer drop-off



State-Specific Lowes.com Landing Pages







HP Water Heaters as Proof Point: Reducing Friction While Expanding Choice

Retail can reduce friction at the moment of replacement by pairing instant savings with product availability and fulfillment.

1 Problem to Solve

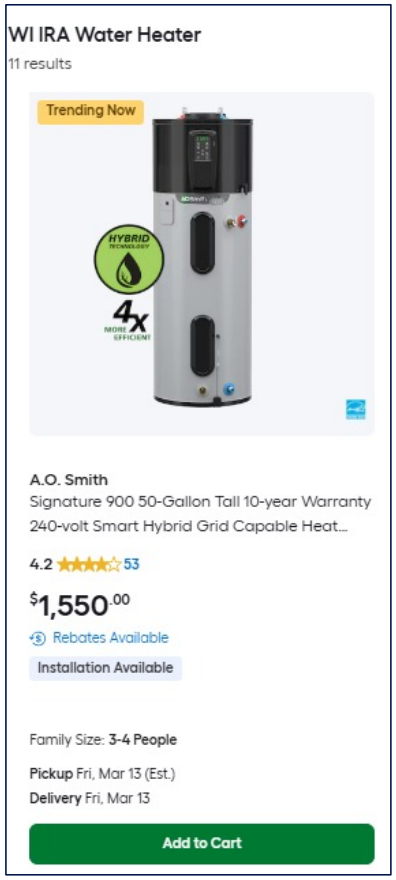
Heat pump water heaters are still relatively new to market, and emergency replacements are often driven by what a plumber can source quickly.

2 Retail Solution

In Wisconsin and Arizona, Lowe's supports HPWHs through the HEAR retail point-of-sale pathway — stocking qualifying models locally, expanding sizes and options online, and offering direct-to-job-site delivery for Pro customers.

3 What This Enabled

Reduced friction at replacement, preserved customer and contractor choice, and faster uptake by combining immediate savings with access to qualifying products.



How Retail Can Support Contractor-Led Rebate Programs

A retail pathway can help state-approved contractors overcome cash-flow and product-access barriers without changing their core business model.

The Challenge

Small and mid-sized contractors may not warehouse appliances or electrification equipment and can face cash-flow pressure when fronting product costs across multiple projects.

A SIMPLE RETAIL PATHWAY

1. **State-approved contractor**
   Receives a coupon tied to approved rebate and product requirements
2. **Purchase at Lowe's**
   Qualifying product discount is applied with a documented retail transaction
3. **Flexible fulfillment**
   In-store pickup or direct-to-job-site delivery
4. **Reimbursement**
   Lowe's fronts the rebate and seeks reimbursement through the defined program process

WHAT IT ENABLES

For Contractors

- Lower upfront cost and sourcing barriers
- Ability to take on more projects
- Access to products beyond traditional trade distribution

For States

- Documented retail transaction for qualifying products
- Greater visibility into rebate utilization under contractor led programs
- An added control point supporting program integrity



RETAIL FULFILLMENT FOR CONTRACTOR-LED PROJECTS

Resources to Support Retail Implementation

Turning lessons from early retail launches into repeatable tools states can use to move from program design to implementation.

AVAILABLE NOW

Lowe's Retail Roadmap & FAQ

- Contracting and reimbursement
- Point-of-sale coupon setup
- Qualifying product lists and inventory coordination
- Marketing, associate and Pro communications

Retailer implementation playbook

AVAILABLE NOW

NASEO Retail Pathway Resources

- State-facing launch guidance
- Shared milestones and sequencing
- Early retailer and implementer coordination
- Lessons from active retail programs

State-focused implementation framework

IN DEVELOPMENT

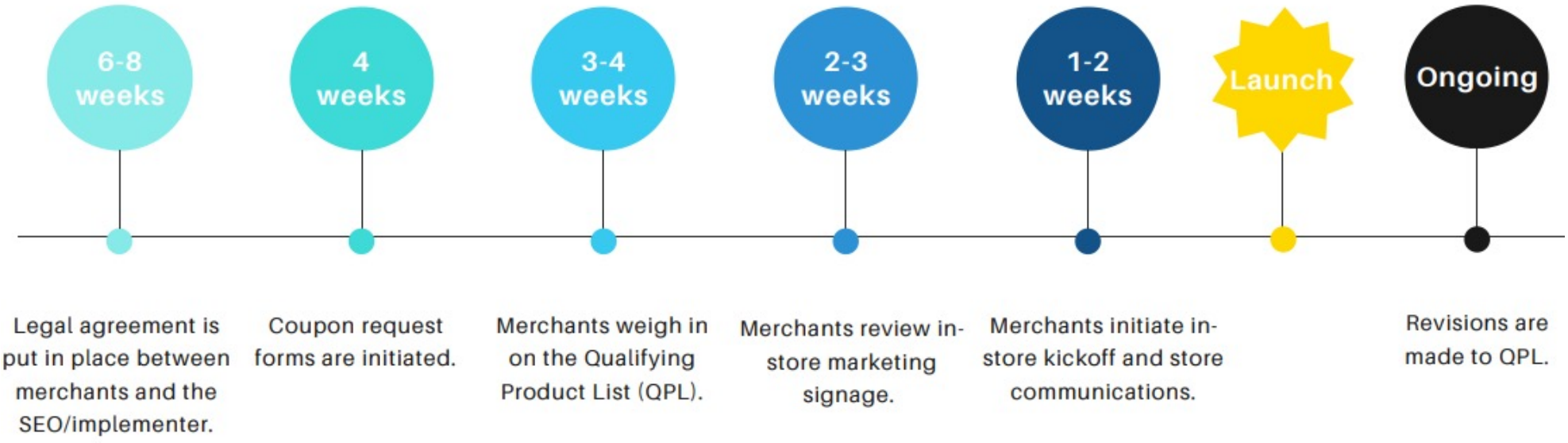
Installation Verification Resource

- Compare approaches across Lowe's five active retail states
- Highlight alternatives to geotagged photos
- Document approaches approved by DOE
- Help states replicate proven models

Lowe's + NASEO collaboration

Goal: shorten the path to launch by giving states practical, repeatable models built from real implementation experience.

HEAR Retail Implementation Timeline





Thank you!

