

Home Energy Rebates: New Guidance, New Opportunities

October 2026

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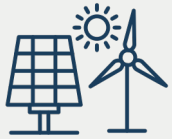
About AnnDyl



Washington, DC-based policy strategy firm that focuses on Federal and State legislative, regulatory, and administrative energy and environmental policy.



Our team brings together extensive knowledge, experience, and expertise to take a substantive approach on policy and advocacy.



We specialize in advanced grid infrastructure, energy efficiency, smart technology, demand response, clean energy financing, renewable energy, carbon and climate policy, and much more.

Agenda

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- Keeping Track of Guidance
- My Top 3 Favorites Things – Program Notice
- A Word on Data
- A Message on Attribution
- Challenges from the Field

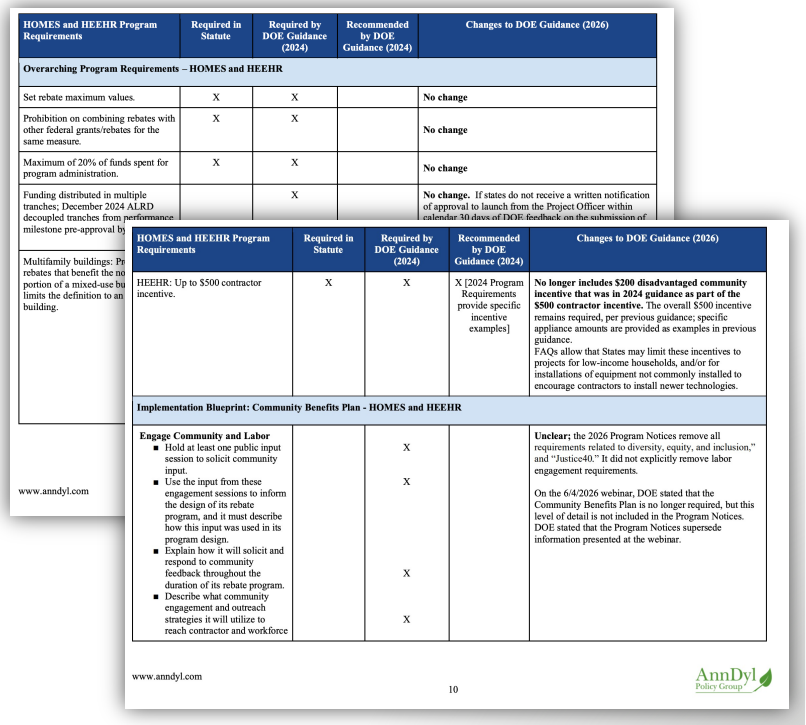
AnnDyl's Guidance Side-by-Side

Home Energy Rebates Updates (Updated Oct. 28)

https://anndyl.com/department-of-energy-releases-updated-home-energy-rebates-guidance/

Law 2022 vs. Requirements/Recommendations 2024 vs. Program Notice 2026 + Frequently Asked Questions document through September 2026.

Also accounts for various technical updates to the rebate reservation tool and procedure from the Pacific Northwest National Laboratory (PNNL).



HOMES and HEEHR Program Requirements	Required in Statute	Required by DOE Guidance (2024)	Recommended by DOE Guidance (2024)	Changes to DOE Guidance (2026)
Overarching Program Requirements – HOMES and HEEHR				
Set rebate maximum values.	X	X		**No change**
Prohibition on combining rebates with other federal grants/rebates for the same measure.	X	X		**No change**
Maximum of 20% of funds spent for program administration.	X	X		**No change**
Funding distributed in multiple tranches; December 2024 ALRD decoupled tranches from performance milestone pre-approval b		X		**No change.** If states do not receive a written notification of approval to launch from the Project Officer within calendar 30 days of DOE feedback on the submission of
Multifamily buildings: Pr rebates that benefit the ne portion of a mixed-use bu limits the definition to an building.				

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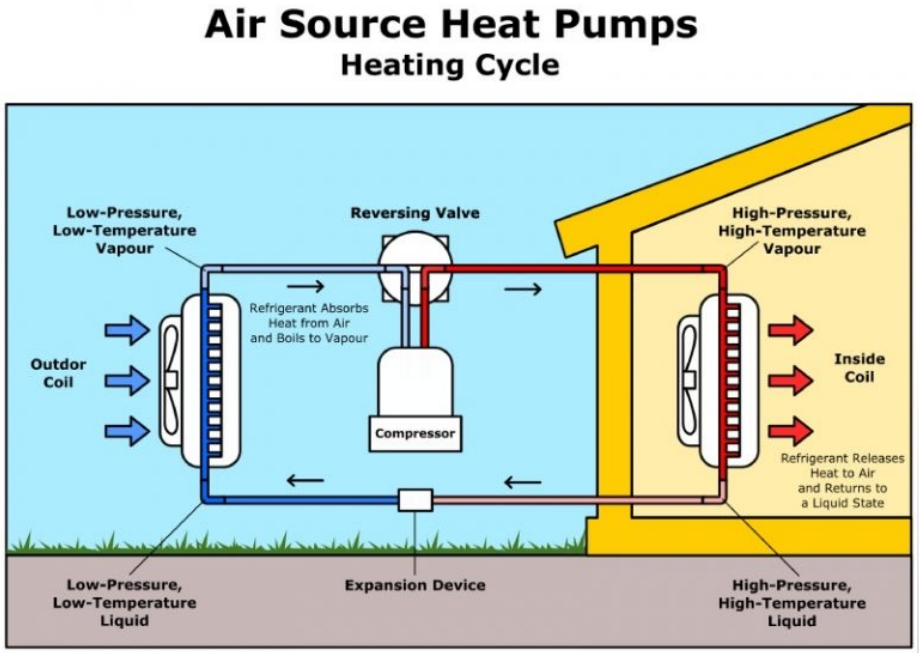
HOMES and HEEHR Program Requirements	Required in Statute	Required by DOE Guidance (2024)	Recommended by DOE Guidance (2024)	Changes to DOE Guidance (2026)
HEEHR: Up to $500 contractor incentive.	X	X	X [2024 Program Requirements provide specific incentive examples]	**No longer includes $200 disadvantaged community incentive that was in 2024 guidance as part of the $500 contractor incentive.** The overall $500 incentive remains required, per previous guidance; specific appliance amounts are provided as examples in previous guidance. FAQs allow that States may limit these incentives to projects for low-income households, and/or for installations of equipment not commonly installed to encourage contractors to install newer technologies.
Implementation Blueprint: Community Benefits Plan - HOMES and HEEHR				
Engage Community and Labor ▪ Hold at least one public input session to solicit community input. ▪ Use the input from these engagement sessions to inform the design of its rebate program, and it must describe how this input was used in its program design. ▪ Explain how it will solicit and respond to community feedback throughout the duration of its rebate program. ▪ Describe what community engagement and outreach strategies it will utilize to reach contractor and workforce		X X X X		**Unclear;** the 2026 Program Notices remove all requirements related to diversity, equity, and inclusion," and "Justice40." It did not explicitly remove labor engagement requirements. On the 6/4/2026 webinar, DOE stated that the Community Benefits Plan is no longer required, but this level of detail is not included in the Program Notices. DOE stated that the Program Notices supersede information presented at the webinar.

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#1 New DOE insulation requirement supports successful home upgrades

- Home performance considerations
- Air sealing and duct sealing included
- Do not have to do all that an audit recommends to meet the requirement.
- Important for homeowner to understand how heat pumps work with thermal envelope in partnership.
- Bipartisan legacy



#2 Heat Pump Installation Flexibility

- **DOE no longer requires a heat pump to be the primary heating/cooling equipment in the home.**
- Program notices allow heat pump installations, even if the heat pump will not become the primary source of heating and cooling.
- If the fossil HVAC system remains (dual-fuel or supplemental heating) a heat pump rebate can be utilized.
- Heat pumps can also be replaced with new heat pumps – eliminating an ongoing issue for homeowner that did not realize that their AC was a heat pump.
- HEEHR Energy Star Warning

#3 Measured Approach Partial Payments

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- States *"may request approval from DOE to issue partial payments for both multifamily and single-family home retrofits under the HOMES Rebate Program. Grantees must work with their DOE Project Officer to obtain approval to do so."*

- Reduces cost of doing business and supports cash flow for contractors, aggregators, and lenders on measured projects pending 12-months of performance data and longer multifamily projects

bonus.....

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HOMES

Data is Pivotal to Successful Rebates

- HOMES was designed with utility data as the innovator.
- Use cases in the rebates:
  - HOMES (modeled and measured), energy audits, targeting high-energy customers, upgrade savings estimates, demand response, EM&V
- Use cases in the future of program design:
  - Result driven incentives, Virtual Power Plants, flexible buildings responding to new loads (such as data centers)

"I think you learn better when things are done the hard way" John Elway

IRA HOMES Measured program incentivizes on a per-kWh-equiv basis –

- Payment rate is **calculated per kWh-equivalent saved**, equal to $2,000 for a 20% reduction of energy use for the average home in the state ($4,000 for LMI, **higher with DOE approval**)
- Payments are made based on the **measured savings and the payable rate per kWh at the portfolio level.**
- **Minimum:** The portfolio of homes must achieve at least 15% energy savings.
- **Open-Source Advanced M&V software required.**

Examples from DOE Calculator:

Market-rate project (TX SFH)

$$\text{Incentive rate} = \frac{\$2{,}000}{(20\%) * (21{,}701\ \text{kWhe})} = \$0.46 / \text{kWhe}$$

State-Specific Data for Texas

Average site energy use*		
Energy Type	**Single Family**	**Multi family**
Electric	14664 kWh	8289 kWh
Natural Gas	224 Therm	48 Therm
Propane	18 gallons	2 gallons
Fuel Oil	124 gallons	10 gallons

Measured Incentive Payment Rate
(by energy type, dwelling type, and income level)

	Single Family		Multi Family	
Energy Type	Market	LMI	Market	LMI
Electric ($/kWh)	**0.46**	**0.92**	**1.02**	**2.04**
Natural Gas ($/Therm)	**13.51**	**27.01**	**29.90**	**59.80**
Propane ($/gallon)	**12.36**	**24.72**	**27.36**	**54.72**
Fuel Oil ($/gallon)	**20.23**	**40.45**	**44.78**	**89.56**

(1 Therm=29.3 kWhe)

Rebate Energy Savings Attribution

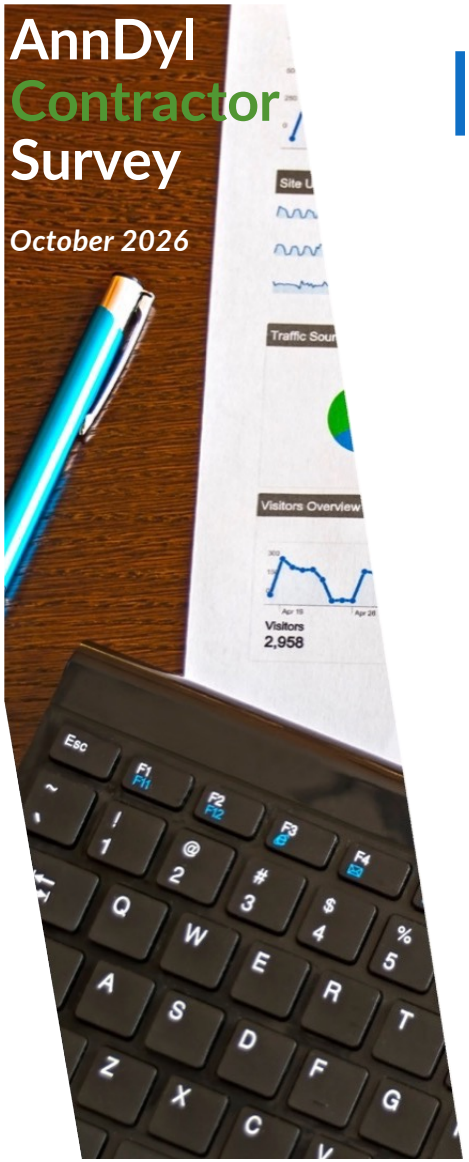


Ratepayers

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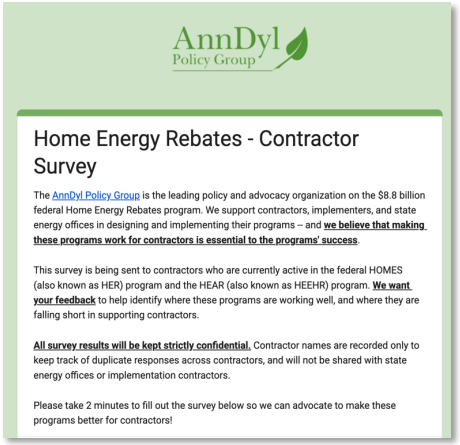


Taxpayers



Informal Contractor Survey - Overview

- **AnnDyl** Contractor Survey conducted October 19-26, 2026.
- **59** total contractor respondents operating in **seven states with launched rebate programs**
- **~2 minutes** to complete.



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Home Energy Rebates - Contractor Survey

The AnnDyl Policy Group is the leading policy and advocacy organization on the $8.8 billion federal Home Energy Rebates program. We support contractors, implementers, and state energy offices in designing and implementing their programs – and **we believe that making these programs work for contractors is essential to the programs' success**.

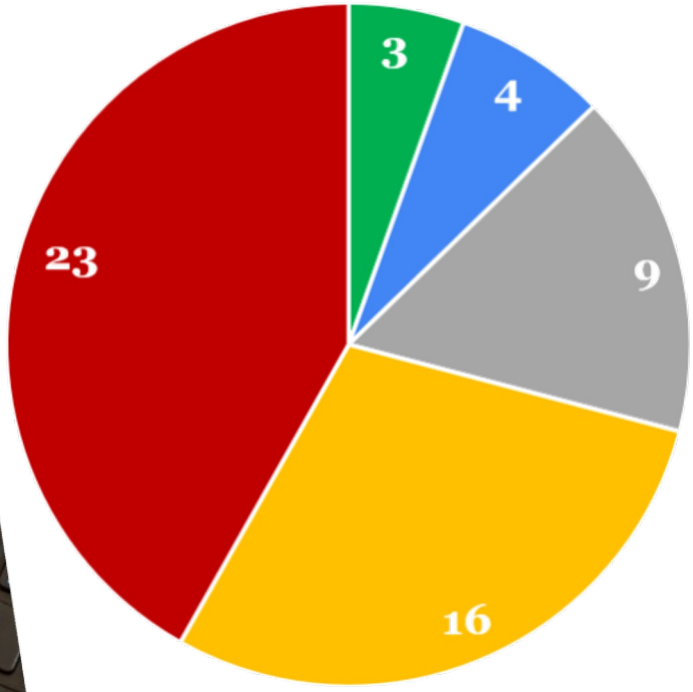
This survey is being sent to contractors who are currently active in the federal HOMES (also known as HER) program and the HEAR (also known as HEEHR) program. **We want your feedback** to help identify where these programs are working well, and where they are falling short in supporting contractors.

All survey results will be kept strictly confidential. Contractor names are recorded only to keep track of duplicate responses across contractors, and will not be shared with state energy offices or implementation contractors.

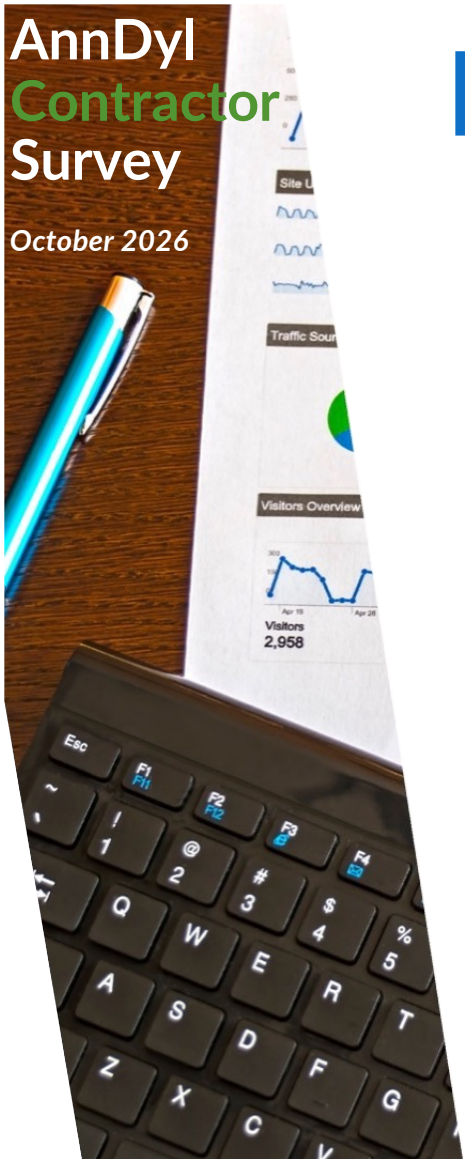
Please take 2 minutes to fill out the survey below so we can advocate to make these programs better for contractors!



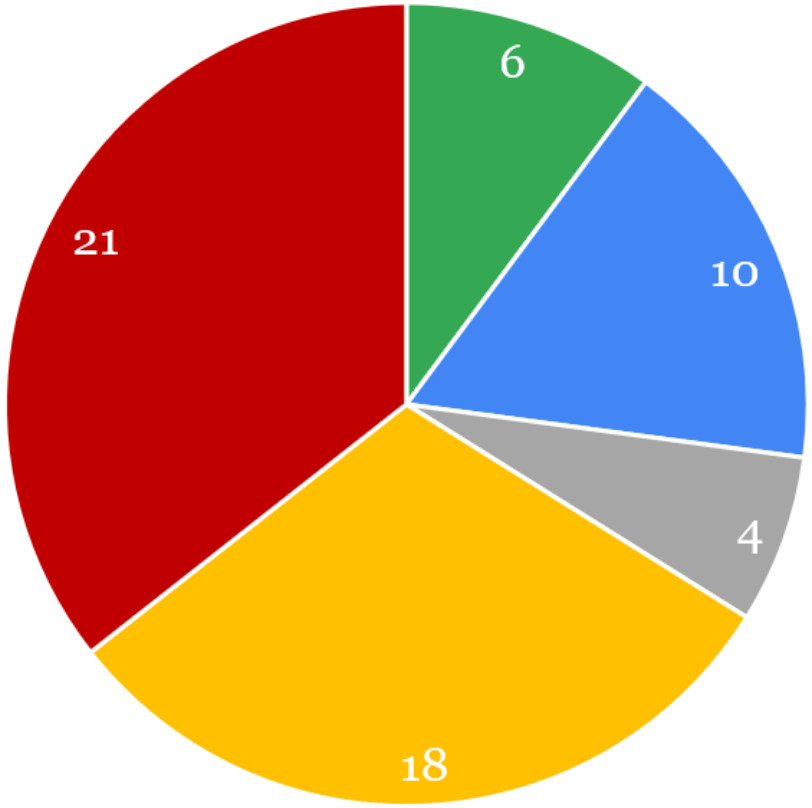
Are you satisfied with the speed of rebate processing and payment under your state's Home Energy Rebate program?



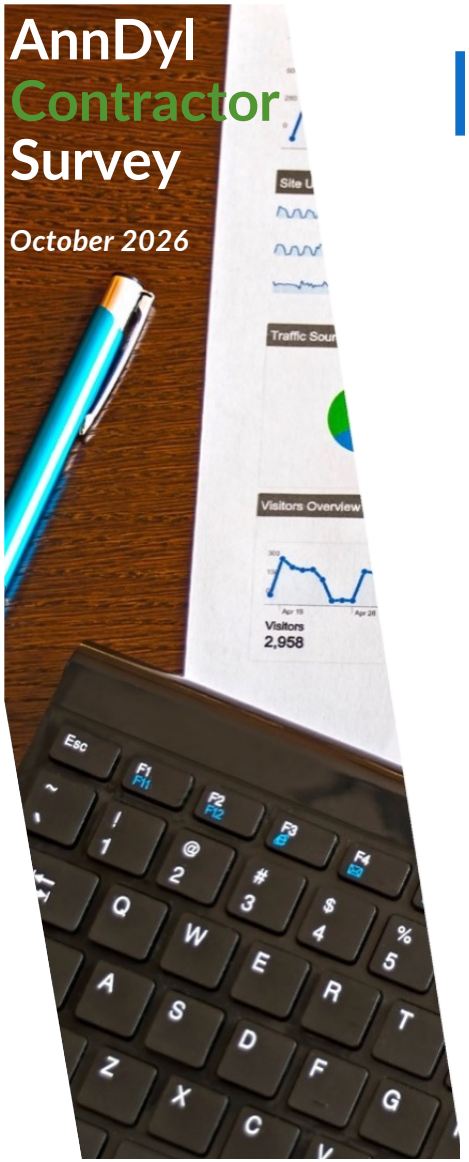
- Very satisfied — payments are processed quickly and meet all expectations for timeliness
- Satisfied — payments are processed on a reasonable timeframe which mostly meets expectations
- Neutral
- Dissatisfied — payment processing takes longer than desired and/or has a negative impact on my business
- Very dissatisfied - payment processing takes much longer than desired and/or has a significant negative impact on my business



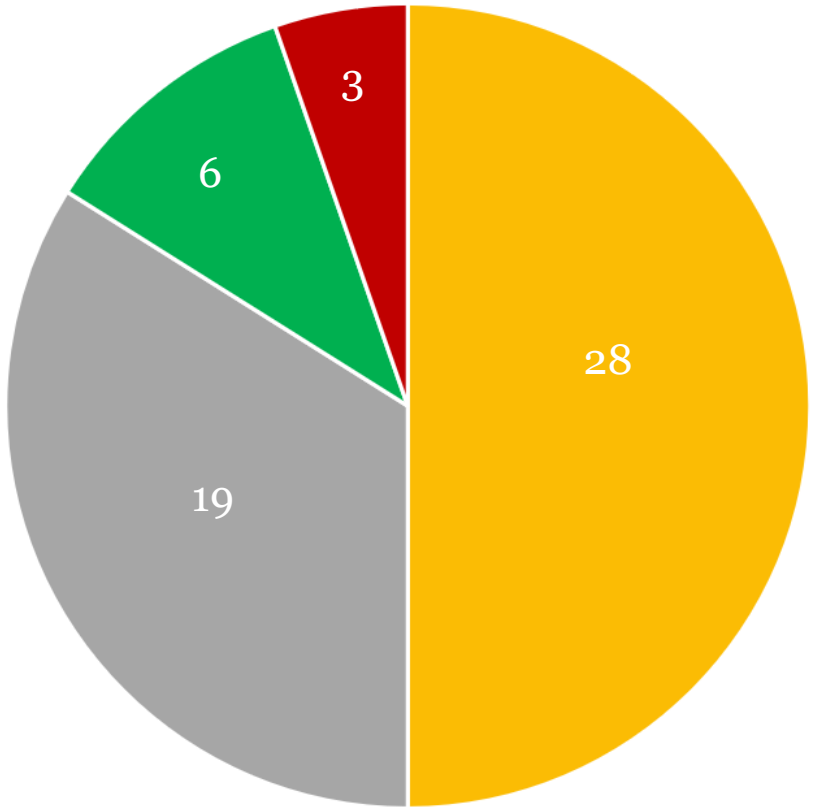
How do you feel about the current documentation and quality assurance process in your state's Home Energy Rebate program?



- Positive
- Mostly Positive
- Neutral
- Somewhat Negative
- Negative



The HOMES/HER Rebate program requires you to use customer energy usage/utility data in your modeling (i.e. BPI-2400). Do you achieve this by:



- Asking the homeowner for their hard-copy or PDF utility bills
- Using a data service (e.g. Utility API, Arcadia, GreenButton Connect)
- I always mark that utility bills are unavailable
- Other (state provides the data, HOMES unavailable/not participating, unsure)

Thank you!

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