



STATE & COMMUNITY ENERGY PROGRAMS

Home Efficiency Rebates (50121) Retroactivity Fact Sheet and Eligibility Checklists

State Requirements for Providing Retroactive Rebates

The U.S. Department of Energy (DOE) developed this optional resource in relation to the Inflation Reduction Act (IRA) of 2022, section 50121¹, which established the [Home Efficiency Rebates](#), which operates under the umbrella of the [Home Energy Rebates](#).

Per the IRA, retrofits begun on or after Aug. 16, 2022, that meet Home Efficiency Rebates program requirements qualify to receive a rebate.² As stated in Section 3.1.2 of DOE's [Program Requirements and Application Instructions](#), states must provide rebates for projects that:

- are initiated on or after Aug. 16, 2022,
- meet all DOE requirements within the requirements document, and
- meet any additional state requirements.

Why must states offer retroactive rebates?

IRA section 50121 specifies that a state “shall provide rebates to homeowners and aggregators for whole house energy savings retrofits begun on or after the date of enactment of this Act.” This means that any **eligible** project that began on or after Aug. 16, 2022, may qualify for a state-issued rebate. [Home Electrification and Appliance Rebates](#), which were established under IRA Section 50122, are not available retroactively.

Protecting Consumers

States, stakeholders, and industry representatives need to clearly communicate the complexities of receiving a retroactive rebate to consumers to minimize confusion, frustration, and the potential for fraud. To do this, DOE encourages the following:

- Provide consumers with information directly from DOE or the state program because many entities are circulating inaccurate information about the requirements for retroactive rebates.
- Share information about retroactivity on your website, including the Retroactivity Checklist for Consumers below or equivalent material.
- For states, contact DOE with questions about retroactive eligibility.

¹ See 42 U.S.C. 18795.

² 42 U.S.C. 18795(c)(1).



Retroactivity Checklist for States

DOE is providing the following checklist as an optional resource to help states efficiently screen projects for retroactive qualification. States may use the following checklists to help determine if a project is eligible and required by DOE to receive a program rebate. See below for checklists for the modeled and measured program paths.

Modeled path. Each statement below, plus any additional requirements established by the state, must be confirmed for a project to qualify under the modeled path.

- The retrofit began on or after Aug. 16, 2022.³
- A home assessment was conducted prior to the retrofit that recorded each of the following:
 - Dwelling type
 - Performance or efficiency of the dwelling unit and its components, materials (such as insulation), and systems
 - Existing equipment, materials, or systems to be replaced.
- The contractor identified the new equipment, systems, or materials proposed for installation and modeled the energy savings based on those measures.
- Prior to initiating the retrofit, the contractor produced an energy savings estimate using a DOE-approved modeling software⁴ consistent with BPI 2400 and based on an energy savings model calibrated to the dwelling unit's historical energy use.
- The modeled energy savings estimate met or exceeded 20 percent of total dwelling unit's energy use.
- The contractor obtained written acknowledgement from the consumer of the proposed project's estimated impact on household energy costs and consumption, including an estimate in dollars of the energy savings in the first year based on current utility rates at the dwelling unit.
- The contractor obtained written acknowledgement from the consumer of the remaining payment amount they will owe after applying the Home Efficiency rebate.
- The contractor provided the total cost of all upgrades within a completed project invoice inclusive of any rebated amount.
- The retrofit included at least one major upgrade as defined in the [Program Requirements and Application Instructions](#), Section 2.1.
- Did not include generation technologies.
- Collected all data required in the [Data & Tools Requirements Guide](#).

³ Consistent with Section 3.1.2 of DOE's [Program Requirements and Application Instructions](#).

⁴ The modeling software may have existed prior to DOE-approval but must be DOE-approved for use in the program to be eligible.

Measured path. Each of the statements below, plus any additional requirements established by the state, should be confirmed for a project to qualify under the measured path.

- The retrofit began on or after Aug. 16, 2022.⁵
- A home assessment was conducted prior to the retrofit that collected each of the following:
 - Dwelling type
 - Performance or efficiency of the dwelling unit and its components, materials (such as insulation), and systems
 - Existing equipment, materials, or systems to be replaced.
- The contractor identified the new equipment, systems, or materials being proposed for installation and modeled the energy savings based on those measures.

Measured energy savings at each site must be calculated in a manner that:

- Used a DOE-approved⁶ open-source advanced measuring and verification software before and after implementation of home energy upgrades.
- Estimated energy savings based on data collected in the home assessment.
- For purposes of the rebate threshold, the defined, calculated, and reported energy savings as kilowatt-hour or kilowatt-hour equivalent as defined in the [Program Requirements and Application Instructions](#) Section 2.1.
- Calculated actual home- or portfolio-level savings no less than nine months after the final installation in the home or portfolio. If measuring energy savings less than 12 months post-installation, the calculation must include at least one peak energy season, or both peak seasons if in a dual-peaking climate.
- Achieved actual measured energy savings of at least 15 percent.
- Collected all data and information required in the [Data & Tools Requirements Guide](#).
- Did not include generation technologies.

⁵ See [Program Requirements and Application Instructions](#), Section 3.1.2.

⁶ DOE approval of methodologies pending; expected early 2024.

Retroactivity Checklist for Consumers

State programs can use the language below, and adjust as needed to match their requirements, to develop webpages and other outreach material for households seeking retroactive rebates:

If you began energy upgrades or retrofits to your home on or after Aug. 16, 2022, you may be eligible for a rebate.

To be considered, your project must meet **all** requirements listed below. Please use this checklist to determine if you may be eligible.

- I received a final invoice for my home energy upgrade project on or after Aug. 16, 2022.
- A home assessment⁷ was conducted on my home prior to the installation of equipment and/or materials.
- The home assessment included a summary of equipment and/or materials.
- The home assessment estimated the project's energy savings to be at least 15 percent⁸ of my total home energy use.
- I received an estimate of the impact to my energy bill if I installed the equipment and/or materials.
- The contractor collected my written acknowledgement of the estimated impact to my energy bill.
- The contractor provided me with an invoice of the completed upgrade that includes the total cost of the project and all equipment and materials.
- My project included the installation of a heat pump, a heat pump water heater, or insulation.
- My project did not include electric generation technology (e.g., solar panel installation).

[States should insert any additional requirements they may have here.]

⁷ A home assessment is a third-party audit that provides information about the home's characteristics (e.g., home type, year built, number of floors), existing equipment, efficiency levels, and opportunities for energy-saving upgrades.

⁸ Some state programs may require a minimum of 20 percent energy savings. Check with your state about specific savings requirements.