

FREQUENTLY ASKED QUESTIONS

Inflation Reduction Act Home Energy Rebates Program Stakeholder Engagement



NYSERDA

Context

The following are questions and answers regarding New York's Home Energy Rebates Program administered by the New York State Energy Research and Development Authority (NYSERDA) together with the US Department of Energy and funded by the Inflation Reduction Act (IRA).

For more information, visit the NYSERDA Home Energy Rebates stakeholder engagement page.

General Residential FAQs

Category: Program Eligibility Access and Equity

Question

Will the program accommodate gas to electric fuel switching for the 5+ Multifamily programs or the 1-4 Single family programs?

NYSERDA has taken note of concerns raised by stakeholders during the IRA engagement session and worked with NYS Department of Public Service (DPS) to schedule a low-to-moderate income (LMI) electrification session, which was held on September 20th, with interested stakeholders to better understand concerns raised about program accommodations for natural gas to heat pump conversions.

It is a priority for New York State agencies to address affordability issues related to electrification for lower income households. The initial rollout of the IRA HEAR rebates will prioritize the conversion of homes that heat with electric resistance and delivered fuels such as oil and propane, to heat pumps, which present the best economic cases. Nearly one third of LMI residents.

NYSERDA will continue to work with the DPS and other state agencies over the next several months to assess opportunities to mitigate energy burden impacts for lower-income New Yorkers when converting to heat pumps, including those who currently use methane gas as a primary heating fuel. This work will inform the administration of the remainder of the IRA rebates.

Question

How will NYSERDA navigate ENERGY STAR certification requirements for appliances which could deter LMI households in Disadvantaged Communities (DACs)?

Department of Energy (DOE) modified the ENERGY STAR requirements in updated program requirements released June 17, 2024. DOE allows states to propose ENERGY STAR alternatives for certain equipment for multifamily buildings. NYSERDA prepared a proposal with alternatives that was reviewed and approved by DOE.

Question

Will NYSERDA provide program assistance to address cost-inhibitive capital expenditure and operational expenditure associated with heat pump installations, and other energy-efficient upgrades?

Eligible measures will have the opportunity to receive IRA Home Energy Rebate funds and incentive funds from other state and utility programs. Additionally, building owners may apply for financing through other NYSERDA programs, and products offered by the NY Green Bank or our other lending partners, provided they are eligible.

In addition, NYSERDA has established processes for working with other related programs to maximize funding for residents, such as the Weatherization Assistance Program and certain NYS Utility programs.

Question

How will LMI homes not located within NYS DAC census tracts but considered as DAC for purposes of reporting be accommodated?

As long as a household meets the IRA home energy rebate definition of “low income” or “moderate income”, the household will be eligible for IRA home energy rebates. Households that do not meet the IRA definition of LMI may still participate in the IRA HER program.

NYSERDA will follow existing protocols for reporting on Disadvantaged Community (DAC) benefits for both those who are located within a DAC and those who meet the low-income definition.

For the Home Energy Rebate program, the HEAR and HER programs provide an additional incentive for installers for work completed in a DAC and NYSERDA will track the work done in these communities for reporting purposes.

Question

Provide clarity regarding income eligibility processes required by NYSERDA vs DOE’s Justice 40 requirements for the IRA HER Programs.

DOE's IRA Home Energy Rebates Program requirements include the following definitions:

- Low-income household is a household below 80% AMI
- Moderate-income household is a household between 80% and 150% AMI
- A low-income multifamily building is a building with at least 50% of households with incomes less than 80% AMI (<80%)
- Moderate-income multifamily building is a building with at least 50% of households with incomes between 80% and 150% AMI

DOE has accepted NYSERDA's approach to use the New York State definition for Disadvantaged Communities that is consistent with NYS' existing DAC definition available at <https://www.nyserda.ny.gov/ny/Disadvantaged-Communities>

The NYS DAC criteria reflect the best available representation of cumulative burdens in communities across the state and was developed with and approved by those representing Disadvantaged Communities.

Category: Contractor Participation Access and Equity

Question

Will the program accommodate gas to electric fuel switching for the 5+ Multifamily programs or the 1-4 Single family programs?

NYSERDA has taken note of concerns raised by stakeholders during the IRA engagement session and worked with NYS Department of Public Service (DPS) to schedule a low-to -moderate income (LMI) electrification session, which was held on September 20th, with interested stakeholders to better understand concerns raised about program accommodations for natural gas to heat pump conversions.

It is a priority for New York State agencies to address affordability issues related to electrification for lower income households. The initial rollout of the IRA HEAR rebates will prioritize the conversion of homes that heat with electric resistance and delivered fuels such as oil and propane, to heat pumps, which present the best economic cases. Nearly one third of LMI residents heat with a delivered fuel.

NYSERDA will continue to work with the DPS and other state agencies over the next several months to assess opportunities to mitigate energy burden impacts for lower-income New Yorkers when converting to heat pumps, including those who currently use methane gas as a primary heating fuel. This work will inform the administration of the remainder of the IRA rebates.

Question

How will NYSERDA navigate ENERGY STAR certification requirements for appliances which could deter LMI households in Disadvantaged Communities (DACs)?

Department of Energy (DOE) modified the ENERGY STAR requirements in updated program requirements released June 17, 2024. DOE allows states to propose ENERGY STAR alternatives for certain equipment for multifamily buildings. NYSERDA prepared a proposal with alternatives that was reviewed and approved by DOE.

Question

Will NYSERDA provide program assistance to address cost-inhibitive capital expenditure and operational expenditure associated with heat pump installations, and other energy-efficient upgrades?

Eligible measures will have the opportunity to receive IRA Home Energy Rebate funds and incentive funds from other state and utility programs. Additionally, building owners may apply for financing through other NYSERDA programs, and products offered by the NY Green Bank or our other lending partners, provided they are eligible.

In addition, NYSERDA has established processes for working with other related programs to maximize funding for residents, such as the Weatherization Assistance Program and certain NYS Utility programs.

Question

How will LMI homes not located within NYS DAC census tracts but considered as DAC for purposes of reporting be accommodated?

As long as a household meets the IRA home energy rebate definition of “low income” or “moderate income”, the household will be eligible for IRA home energy rebates. Households that do not meet the IRA definition of LMI may still participate in the IRA HER program.

NYSERDA will follow existing protocols for reporting on Disadvantaged Community (DAC) benefits for both those who are located within a DAC and those who meet the low-income definition.

For the Home Energy Rebate program, the HEAR and HER programs provide an additional incentive for installers for work completed in a DAC and NYSERDA will track the work done in these communities for reporting purposes.

Question

Provide clarity regarding income eligibility processes required by NYSERDA vs DOE’s Justice 40 requirements for the IRA HER Programs.

DOE's IRA Home Energy Rebates Program requirements include the following definitions:

- Low-income household is a household below 80% AMI
- Moderate-income household is a household between 80% and 150% AMI
- A low-income multifamily building is a building with at least 50% of households with incomes less than 80% AMI (<80%)
- Moderate-income multifamily building is a building with at least 50% of households with incomes between 80% and 150% AMI

DOE has accepted NYSERDA's approach to use the New York State definition for Disadvantaged Communities that is consistent with NYS' existing DAC definition available at <https://www.nyserdera.ny.gov/ny/Disadvantaged-Communities>

The NYS DAC criteria reflect the best available representation of cumulative burdens in communities across the state and was developed with and approved by those representing Disadvantaged Communities

Category: Contractor Participation: Access and Equity

Question

How will NYSERDA accommodate small businesses/contractors that do not have access to upfront working capital for the installation of qualifying measures?

NYSERDA recognizes the financial burden that providing upfront capital for the installation of these measures poses to customers. Eligible measures will have the opportunity to receive IRA Home Energy Rebate funds and incentive funds from other state and utility programs. Additionally, building owners may apply for financing through other NYSERDA programs, and products offered by the NY Green Bank or our other lending partners, provided they are eligible.

Question

How will NYSERDA address the low availability of qualified and stable contractors in downstate NY?

NYSERDA plans to leverage US DOE funding to provide incentives for training and certification for 6,000+ residential energy contractors, with higher incentives for individuals from Disadvantaged Communities and Priority Populations as well as employees of Minority- and Women-Owned Business Enterprises (MWBES) and Service-Disabled Veteran-Owned Business (SDVOBs). A fund award is expected in the very near future.

The program will complement NYSERDA's existing workforce development and training initiatives, including NYSERDA's On-the-Job Training Program (PON 3982). The On-the-Job Training Program provides financial support to clean energy businesses to hire and train new employees by

reimbursing 50-75% of their wages up to \$24/hour for up to 6 months. This allows businesses to grow their workforce by bringing on new employees that they might otherwise not have been able to hire without the NYSERDA funding.

Additionally, NYSERDA is in the process of developing a new multifamily contractor network that will be inclusive of more service categories than previous multifamily-focused contractor networks, and we will invite participants in other contractor networks to join this new one. With the inclusion of more service categories and the inclusion of related contractor networks, we expect to have coverage of qualified and stable contractors throughout NY State.

The Appliance Upgrade Program will also be developing a Participating Contractor network for the installation of Program measures (heat pump clothes dryers, and electrical wiring and panel upgrades). Licensed electricians will be needed for any electrical work (wiring and/or panel). Similarly, but depending on the respective municipality, the replacement of a gas clothes dryer may require a licensed plumber (with gas specialty, or a Licensed Master Plumber) and permit to disconnect and cap the gas line. Appliance installers will also be necessary for heat pump clothes dryer installations that do not require the previously mentioned trades. NYSERDA will enroll Participating Contractors through PON 5859.

Category: Marketing and Outreach

Question

Clarify NYSERDA's approach to HER and HEAR program marketing.

Marketing investments and proposed marketing strategies were identified in the DOE application submission. NYSERDA marketing will work to ensure strategies, measurement, and rollout timelines are aligned with New York State's objectives and existing NYSERDA program workstreams. Additionally, marketing efforts will be optimized to align with the pace at which funds are available. Meaning, if there is a need to increase HEAR and HER presence in market if incentive applications are slowing, NYSERDA can optimize accordingly, and vice versa. All marketing and outreach efforts will be shared with key partners and stakeholders (hubs, contractors, and channel partners) to help ensure efforts are consistent and impactful.

Category: Timelines and DOE Approvals

Question

What is the timeline for the rebate program funding, as some buildings want to start working now? Given that DOE approval is required, is it likely that the program design incentives/criteria will change?

NYSERDA currently has IRA HEAR rebates available through EmPower+ and will launch the Appliance Upgrade Program this Fall. All other IRA Home Energy Rebate funded programs are finalizing program designs and will become available in the market in early 2025.

Category: Coordination with Utilities

Question

How will coordination between utilities and NYSERDA occur – will there be a framework to streamline reporting and data requirements?

NYSERDA has had ongoing engagements with all state utilities in the design and implementation of the Home Energy Rebate Program including the establishment of Utilities Working Groups to guide program co-ordination activities.

Category: IRA Tax Credits

Question

How do I qualify for the IRA tax credits for upgrades made to my home?

Eligibility for IRA tax credits varies by product and may be based on household income, federal income tax liability, product specifications, and more.

Consult the Internal Revenue Service (IRS) [guidance for taxpayers on credits and deductions](#)^[2] and your tax advisor to determine IRA eligibility.

Category: Program Participation

Question

How can my entity partner/support NYSERDA on program implementation?

Please sign up for NYSERDA's Funding Opportunities mailing list to get notification of any solicitations/RFPs when they are released. <https://www.nyserdera.ny.gov/Funding-Opportunities/Funding-Opportunity-Email-List>

Single Family Residential FAQs

Category: What IRA Rebates Are Available? EmPower+

Question

How do I get access to the IRA funding to improve my home's energy efficiency?

Currently the only IRA home energy rebate programs available in NYS are IRA HEAR incentives offered through the EmPower+ program. For more information visit: <https://www.nysesda.ny.gov/All-Programs/EmPower-New-York-Program>

NYSERDA is working on offering IRA funds to all New York State residents, including those not eligible for existing programs.

Question

Who is eligible for IRA HEAR funds?

Currently, owners of residential buildings with 1-4 units with household incomes below 80 percent of the Area Median Income. This is the same as the eligibility criteria for NYSERDA's current EmPower+ program.

Question

Which measures are eligible for IRA HEAR funding and what is the IRA funding amount for each measure through EmPower+?

Customers may access IRA HEAR funding in addition to the existing EmPower+ incentive offer. Income qualifying residential households can access up to 100% of the total eligible project cost, with IRA funds enabling additional rebates per dwelling unit of up to \$14,000, for the following measures that meet program guidelines:

- Up to \$1,750 for ENERGY STAR qualified Heat Pump Water Heaters
- Up to \$8,000 for ENERGY STAR qualified Heat Pumps used as the primary heating source with capacity to meet the majority of the home's heating load
- Up to \$4,000 for Electric Service Upgrades
- Up to \$2,500 for Electrical Wiring Repairs
- Up to \$1,600 for ENERGY STAR qualified insulation, air sealing, and ventilation

See <https://www.nysesda.ny.gov/empower> for detail on incentive amounts available by income bracket and housing unit size.

Question

How can I access the incentives? What is the application process?

Eligible households can access HEAR incentives via NYSEERDA's existing EmPower+ Program.

<https://www.nyserda.ny.gov/All-Programs/EmPower-New-York-Program>

Homeowners can select a contractor or have one assigned to them. The EmPower+ participating contractor will automatically deduct the eligible rebate amount from the total project cost, up to 100% and up to the project caps specified at the website linked above.

Question

Can the rebates be combined with other NYSEERDA or New York State incentives?

NYSEERDA's EmPower+ Program is designed to integrate with multiple funding sources to make a seamless process for residents and contractors to access the most beneficial combination of rebates for eligible projects. For EmPower+, NYSEERDA will continue to use the following sources of funding based on project scope:

- Utility ratepayer funding collected by certain electric and gas utilities, that is administered through NYSEERDA's programs
- Regional Greenhouse Gas Initiative funding
- Other limited State funding

For example, a customer's project may receive ratepayer funding administered through NYSEERDA up to a maximum of \$10,000 *and* receive IRA HEAR funding up to \$14,000.

In addition, NYSEERDA has established processes for working with other related programs to maximize funding for residents, such as the Weatherization Assistance Program and certain NYS Utility programs.

Question

Are rebates retroactive?

No, there will be no retroactive payment through the HEAR EmPower+ program for purchases already made. The IRA does not allow for retroactive rebates under the HEAR program.

Question

I previously had work completed through EmPower+ program. Can I participate again?

Yes. With additional IRA HEAR funds, you may be qualified to receive additional funding for your project and possibly get more work done on your home.

For more information visit: <https://www.nyserda.ny.gov/All-Programs/EmPower-New-York-Program>

Question

Can homeowners on Long Island, NY, access the IRA incentives?

Yes, eligible households can access IRA incentives via NYSERDA's existing EmPower+ Program.

For more information visit: <https://www.nyserda.ny.gov/All-Programs/EmPower-New-York-Program>

Category: Program Eligibility

Question

I see incentive amounts listed on the EmPower+ website. Will I qualify for those amounts?

The amounts listed for IRA related funding on the EmPower+ website are maximum amounts that an eligible EmPower+ household can receive for each improvement type. To understand the specific upgrades you may be eligible for, a home energy assessment will first be completed to identify your home's needs and eligibility for upgrades. Typically, costs are covered at 100%. Your contractor will notify you which of the upgrades can be covered by the program fully, or if there may be any out-of-pocket costs.

Category: Contractor Participation in EmPower+

Question

How can trade contractors get involved?

NYSERDA will utilize its existing network of approximately 200 contractors currently participating in the EmPower+ program statewide to complete energy assessments and most installations.

NYSERDA has an open enrollment process for companies to apply to be a participating contractor. Requirements include demonstrating proper credentials and meeting all program requirements per NYSERDA's EmPower+ Participation Agreement. <https://www.nyserda.ny.gov/All-Programs/Become-a-NYSERDA-Qualified-Contractor/Residential-Existing-Homes-Contractor>

A list of current participating contractors is available here:

<https://www.nyserda.ny.gov/Contractors/Find-a-Contractor/Empower-Plus-Contractors>

Question

What is the timeframe for a contractor to get their funds from this rebate/ program?

Once the final project submission has been approved, payment is typically received by the contractor in one to two weeks.

Multifamily Family Residential FAQs

Question Category: Program Eligibility Access and Equity

Question

How will naturally occurring affordable housing (not regulated affordable housing) be accommodated by the program?

This is a topic of high interest and is an area where NYSERDA is working actively with DOE. DOE has developed a list of federally-approved programs for categorical eligibility, which is available here:

<https://www.energy.gov/scep/articles/ira-50121-50122-home-energy-rebates-categorical-eligibility-list>.

NYSERDA will leverage that list for categorical eligibility to accommodate program requirements where applicable. NYSERDA also proposed additional programs for categorical eligibility.

Regarding naturally occurring affordable housing, NYSERDA recognizes the challenge of confirming income eligibility for buildings outside of the categorical eligibility channel and is continuing to explore income eligibility mechanisms with DOE.

Question

How is NYSERDA's multifamily program approach planning to adhere to the BPI2400 modeling requirement for HER?

DOE does allow states to propose an alternative approach for modeling energy savings for multifamily homes given that BPI2400 is not applicable for multifamily buildings. NYSERDA plans to build from insights on modeling requirements in previous multifamily programs and is exploring options with DOE.

Question

Will communal spaces (in buildings) that serve residents be accommodated?

For HEAR, DOE does allow upgrades that benefit common areas, but those upgrades must also benefit individual dwelling units. For HER, upgrades that benefit any portion of commercial space are not eligible.

Category: Contractor Participation Access and Equity

Question

How will the program design avoid lost time and expended capital for the following

- Searching for contractors willing to take on affordable housing projects.
- Co-ordination between multiple contractors

The program will develop a list of qualified contractors and the services they can provide will be posted publicly for customers to avail themselves.

NYSERDA will allow projects with multiple contractors, however there must be a primary point of contact for the project. Applicants are encouraged to carefully consider their unique project needs and contractor's service offering when selecting their preferred contractors

Category: Contractor Participation Qualification Process

Question

Clarify the following:

- *Are contractors qualified under Clean Heat (or similar programs) automatically qualified for this program?*
- *Are Qualified Contractors trade specific or are general contractors included in this term?*
- *What is NYSERDA's definition of a "Qualified" contractor, and how is it measured?*

NYSERDA is presently designing the 'Qualified Contractor' requirements for the NYS Home Energy Rebates Program delivery including details of how the Qualified Contractor list will work and how applications for this list will be processed. NYSERDA will continue to solicit stakeholder feedback as needed throughout the planning process and NYSERDA expects to launch this new network in Fall 2024.

Retail (Point of Sale) FAQs

Category: Program Coordination

Question

How does the HEAR program interact with existing state initiatives like the EmPower+ Program, the New York State Clean Heat Program, and others?

How do stakeholders leverage existing programs to avoid duplicating efforts with the requirements for new programs?

- **Single family Homes:**

NYSERDA is integrating IRA funds into its existing EmPower+ and Comfort Home Programs; a separate program is not required by a customer in order to access IRA funds through those programs. Customers may not receive incentives for heat pumps through both NYSERDA and NYS Clean Heat Programs.

- **Multifamily Buildings:**

NYSERDA is creating an umbrella multifamily offering, the Multifamily Residential Energy Pathways, that will feature a common application that could be used to access both HEAR and HER funds. As new NYSERDA multifamily programs launch, we plan to cover them under the common application to avoid duplicating efforts in the application process. HEAR funds can also be braided with other state and utility programs, but not with the NYS Clean Heat Program.

Question

How will the program support contractors with municipal co-ordination and workflows to meet local licensure requirements?

NYSERDA understands the varying municipal requirements, particularly for the disconnection/capping of the gas line for a heat pump clothes dryer installation, and is working to develop a process to inform customers of their respective municipal requirements during the application process.

Question Category: Eligibility Measures

Question

Will there be a Qualifying Products List or is it the ENERGY STAR® products list?

Answer

ENERGY STAR® certified heat pump clothes dryers will be eligible for purchase with Appliance Coupons (i.e., Appliance Upgrade Program coupons received by eligible customers for the purchase of a heat pump clothes dryer at a Participating Retailer). NYSERDA has procured a Retailer and Contractor Recruitment Consultant who will assist NYSERDA in developing a Qualified Products List from the ENERGY STAR® Qualified Products List, which will filter the latter to only include ENERGY STAR® certified heat pump clothes dryers available for purchase in New York State (NYS).

Category: Timelines

Question

What is the phased rollout of HEAR qualifying measures?

In October 2024, NYSERDA will launch the Appliance Upgrade Program with heat pump clothes dryers. NYSERDA anticipates the addition of induction stoves/cooktops/ranges in 2025. For future rollouts, NYSERDA continues to explore the addition of other heat pump technologies, like space heating heat pumps and heat pump water heaters.

Question

How will the phased program approach integrate heat pumps into the market given the existing programs?

The phased approach for the Appliance Upgrade Program will allow for NYSERDA to develop the Program to support the complexities of additional heat pump measures, like space heating heat pumps, as well as the integration with existing programs. The October 2024 launch with only heat pump clothes dryers rather than additional heat pump measures provides a more streamlined project process for customers, especially with their point-of-sale purchases.

Category: Retailer Participation

Question

Where is the representation from big box stores in the proposed design workflow? How can retailers prepare for the IRA rebates program?

NYSERDA has ongoing discussions with various retailers, and thus far, has considered their feedback in the Program design. NYSERDA encourages interested retailers to apply through the open solicitation Program Opportunity Notice (PON) 5859 to participate in the Program.

Question

Clarify the following on retailer reimbursement:

- *When will retailers be reimbursed for the coupons/incentives issued to customers?*
- *How will NYSERDA ensure that retailers are not held accountable for customer compliance issues?*
- *How will NYSERDA make the process seamless?*
- *Who will document and verify installs for rebate? Who is responsible for pre-install/post photos (Customer? Retailer? Contractor)?*

Participating Retailers are eligible for the reimbursement of redeemed Appliance Coupons after delivery is fulfilled (if applicable) and the required sales documentation is uploaded to the MyEnergy portal, then reviewed and approved by NYSERDA's Implementation Contractor. Please see the Program Manual (Attachment A as part of the open solicitation Program Opportunity Notice (PON) 5859) for the full list of data to be included in the sales documentation as well as further details on the requirements.

Participating Retailers will not be required to submit the pre-installation photo as it is collected from the applicant during the application process. Post-installation photos will not be collected and submitted by the Participating Retailer. Post-installation photos will be collected and submitted by Participating Contractors (in the case that they are needed for installations).

Category: Consumer Outreach and Awareness

Question

How will NYSERDA help increase consumer awareness of clean energy products, especially in low-income communities? How will NYSERDA handle consumer education?

NYSERDA has had ongoing engagements with key stakeholders in the design and implementation of the Home Energy Rebates Program including the establishment of contractor and community partners working groups in the fall of 2023. NYSERDA has developed a Community Benefits Plan and an Outreach and Education Plan which has integrated feedback provided by these working groups. Additionally, NYSERDA has will be developing a Consumer Bill of Rights which includes consumer protection measures designed to increase consumer understanding of and confidence in the Home Energy Rebate programs.

Significant training, toolkits, resources, and support will be provided to Participating Contractors to ensure they provide the best offer and experience to their customer.

Category: Consumer Protection

Question

Clarify the following regarding contractor performance:

- *How will consumer complaints be stored?*
- *Are notices about feedback for consumers provided by the contractor or directly by NYSERDA?*
- *How will NYSERDA handle poor performance by a contractor?*
- *How will NYSERDA ensure sub-standard installations are remedied?*

NYSERDA has procured a Retailer and Contractor Recruitment Consultant who will assist NYSERDA with enrolling qualified (per the Program requirements) contractors and retailers as Participating Contractors and Retailers, respectively. The Consultant will also assist NYSERDA with enforcing Quality Assurance (QA) procedures, which include handling and resolving customer complaints with their Participating Contractor. The QA process will also ensure that installations done by a Participating Contractor meet the Program requirements. Customers may submit complaints and feedback through the MyEnergy portal.

For more information, please see NYSERDA's Consumer Protection Plan.