

State & Federal Incentives for Home Electrification

March 22, 2023

Green Energy Consumers Alliance

Harnessing our power as energy consumers to speed the transition to a zero-carbon future.



Clean Heating Incentives



Massachusetts: Mass Save Rebates

Whole Home

- \$10,000 per home/apartment
 - Multifam bldgs: only up to 4 units
 - 5 units + must go through building manager for different rebate program
- Must be sized to meet 100% of your heating needs
- You are not required to remove your legacy fossil fuel heating system

Partial Home

- \$1,250 per ton of heating capacity
 - 1 ton = 12,000 BTUs
 - Roughly 500 SF
- "Integrated control" smart thermostat may be required
 - Toggles automatically between heat pump and fossil fuel HVAC depending on temperature

Massachusetts: Municipal power and light companies

Check with your town for details! This information on this slide is for Wellesley (more information here).

- Maximum Incentive:
 - Oil & propane customers: \$1,600/ton* up to \$10,000
 - Electric resistance and other non-gas customers: \$1,000/ton up to \$5,000
- Gas-heating customers do not qualify for WMLP rebates gas-heating customers apply through MassSave.
- 2 electrification rebates per household per year (both can be used for heat pump rebates, if desired)

Federal: Energy Efficiency Tax Credits

Claim 30% of energy efficiency costs, up to certain limits

- \$2,000 for heat pumps, HP water heaters
- \$600 for electrical panel upgrades
- total of \$2,600 per year

\$6	500	Windows, Skylights; Central A/C; Electric Panels; High Efficiency Fossil Fuel Water Heaters, Furnaces and Boilers
\$2	2,000	Electric or Natural Gas Heat Pump Water Heaters, Electric or Natural Gas Heat Pumps, and Biomass Stoves and Boilers

For more information, see <u>Rewiring America calculator</u>.



Federal: Residential Clean Energy Tax Credit

- Solar PV and water heating
- Home battery storage with or without solar
- Geothermal (ground-source) heat pumps
- Extends for 10 years a tax credit that was set to expire
- 30% from 2022 till 2032; 26% in 2033, and 24% in 2034
- Having a solar array at your home, or community solar, are good ways to reduce operating costs of electric heating



Federal: Inflation Reduction Act (IRA) Rebates

HOMES

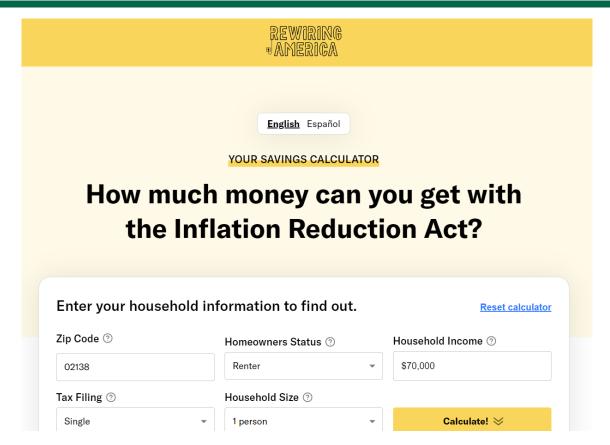
- Open to all incomes
- Based on total energy savings predicted
- Savings must be modeled or measured by a professional
- Up to \$4,000 for most households
 - Doubled for low-income occupied properties

HEEHRA

- Moderate- and low-income
 - Moderate = \$200K in metro Boston
- Up to \$14,000
- How to apply has not yet been announced



A Helpful National Resource

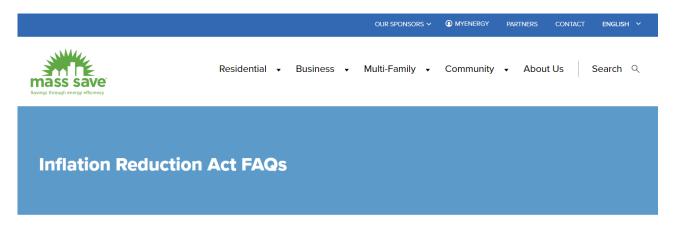


How much money can you get with the Inflation Reduction Act?

— Rewiring America



A Helpful Mass Save Resource



Mass Save | Inflation Reduction Act FAQs

O: What is the Inflation Reduction Act?

A: The Inflation Reduction Act of 2022 (IRA or Act) is a recently passed U.S. law designed to advance clean energy and reduce greenhouse gas emissions through support for investment in domestic energy production, energy efficiency and beneficial electrification. The legislation provides over \$10 billion in rebates and tax credits to help households install important home upgrades, increase energy efficiency, and use renewable energy.

Q: When will the IRA go into effect?

A: The Act was signed into law on August 16, 2022. The Act includes multiple programs designed to assist owners, renters,



Green Energy Consumers' Heat Pump Program

- Helping energy consumers find trusted vendors and sound advice
- On-line portal to find trusted heat pump installers (free)
- Independent quote comparison (\$75 a 50% discount)
- Expert virtual consultations about your home (\$150)
- More details <u>on our website!</u>



Electric Vehicle Incentives



New Federal Clean Vehicle Credit



New tax credit goes into effect in 2023

- Valid through 2032; no more 200,000-unit cap
- Income requirements
 - <\$300,000 for joint filers
 - <\$150,000 for individual filers
- Fuel cell vehicles now included
- New vehicle requirements



New Vehicle Requirements

1. Assembly Location: Final vehicle assembly in North America

2. Price Cap: based on **MSRP**. \$80,000 for SUVs, pickups, and vans; \$55,000 for sedans & hatchbacks.

3. Batteries: Mineral and battery component requirements









Starting 2023: Used Vehicles Qualify



- Battery requirements do not apply
- \$4,000 or 30% of sale price, whichever is lower
- Must buy vehicle from dealership
- Must be at least 2 years old and cost <\$25,000
- Only applies at first resale
- Lower income threshold
 - Joint filers: <\$150,000
 - Individual filer: <\$75,000



Starting 2024: Point of Sale

- Consumer can choose to transfer the tax credit to the dealership
- Details are still TBD!





Massachusetts: MOR-EV Rebate

For now:

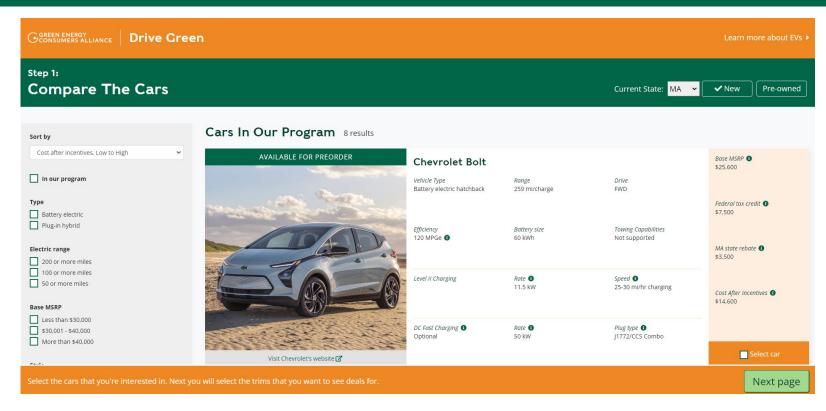
- \$3,500 for battery electric vehicles;
 \$1,500 for plug-in hybrids with 25+
 miles of electric range
- Final sales price must be under \$55,000 for all-electric and \$50,000 for plug-in hybrid
- Purchase or 36-month lease
- Apply online after purchase at morev.org

Coming soon:

- Rebate up to \$3,500 \$5,000?
- No rebate for PHEVs
- New AND used
- Additional rebates for low-income drivers and trading in gas car
- Authorized point-of-sale



The Drive Green program can help!





Support for Installing Charging

- <u>Federal tax credit</u> of 30%, only if you meet census tract requirements
- Make Ready & EVSE support from National Grid, different levels for different segments, <u>more info here</u>
- MassEVIP, only for multi-unit dwellings, workplaces, and other nonresidential locations
- ... more coming soon?



DONATE

greenenergyconsumers.org/donate



Donations will be doubled, dollar for dollar, during March!

Why donate?

Fossil-fueled energy is squeezing budgets and threatening lives. We are working to speed the transition to a livable, safe, and low-carbon future by enabling consumers to make greener energy choices.

Upcoming Webinars & Read Our Blog!



Is a Used Electric Car Right For You?

Tuesday, March 28 2023, 12:00pm

Learn more & RSVP



Electric Vehicles 101 with QARI

Wednesday, March 29 2023, 7:00pm

Learn more & RSVP now

How On Earth Will The Grid Handle All These Heat Pumps & EVs?

Posted by Larry Chretien & Anna Vanderspek on Wednesday, March 08, 2023 @ 12:05 PM









In the course of our work promoting the electrification of transportation and heating, we are often asked how the grid is going to hold up with the increased demand caused by heat pumps and electric vehicles (EVs). Recently, one of our favorite state



legislators said he gets that question frequently too. So, here's our response.

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