



# California Energy Commission IIJA | IRA Update

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# Today's Goals

- California Context
- Infrastructure Investment and Jobs Act (**IJA**)
  - Bipartisan Infrastructure Law (**BIL**)
- Inflation Reduction Act (**IRA**)
- CEC Contacts & Timeline







# Focus on Existing Buildings and Equity

## In California...

- 5 million low-income households
- 10 million people living in a disadvantaged communities
- Billions of dollars needed to reduce GHG emissions by 2030
- Focus on Equity consistent with U.S. DOE Justice40
- 6 million heat pumps by 2030



### Residential Units

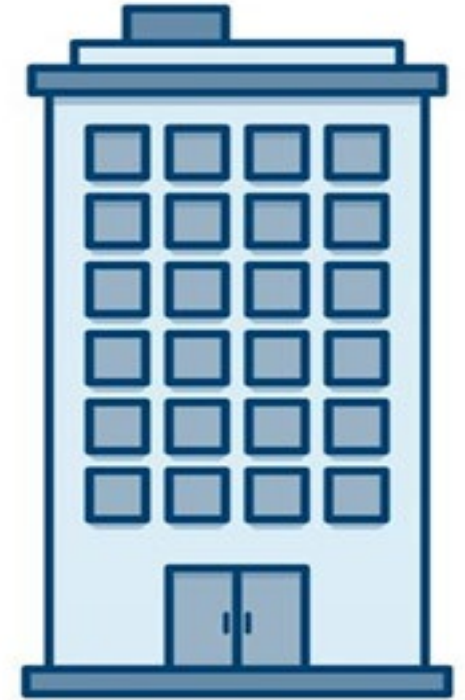
13.7 million

**Annual Electricity Consumption**

93,522 GWh

**Annual Gas Consumption**

4,562 MM therm



### Commercial Space

7,392 million sq. ft.

**Annual Electricity Consumption**

105,174 GWh

**Annual Gas Consumption**

2,130 MM therm



# Policy Drivers in California

**Carbon-free economy by 2045**

**100% renewable and carbon-free electricity by 2045**

**Reduce GHG emissions 40% below 1990 by 2030**

**Double energy efficiency savings by 2030**

**Equitable low-carbon solutions for low-income and disadvantaged communities**

**Electrify transportation and decarbonize fuels**



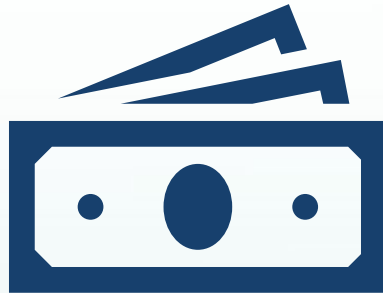
# CA Decarbonization Programs

Program	Focus	Time Frame	Funding
Building Initiative for Low-Emissions Development	Incentives to build all-electric low-income multi-family buildings; Gas territories only	Active	<b>\$60 million</b>
California Electric Home Program	Incentives to build all-electric and/or provide energy storage systems in new homes	2023	<b>\$58 million</b>
Equitable Building Decarbonization Program	Direct install decarbonization program and an incentive program to advance the adoption of low-carbon technologies	2023	<b>\$922 million</b>
Electric Program Incentive Program	Research and development program. Address barriers to building decarbonization and support equitable distribution of clean energy solutions	Active	<b>\$75 million over 2021-25</b>
Gas Research and Development	Fund projects to catalyze change and accelerate achievement of energy goals. Recent focus on gas cooking and indoor air implications and equitable gas line pruning	Active	<b>\$80 million to date</b>



# IIJA | IRA Benefits to Californians

- Multiplies state funds to meet clean energy goals
- Prioritizes most impacted communities
- Strong statewide public process





# Infrastructure Investment and Jobs Act (IIJA)

## SEP State Award

State Energy Program State Award (40109)

## SEP RLF

State Energy Program Revolving Loan Fund (40502)

## EECBG

Energy Efficiency and Conservation Block Grants (40552)

## RECI

Resilient and Efficient Codes Implementation (40511)



# SEP State Award (IIJA 40109)

- **Formula Funds**
  - \$31M over 5 years
- **Anticipated Use:**
  - Support State Energy Office Operations
    - Building Energy Code (Title 24)
    - Energy & Water Appliance Standards
    - Flexible Demand Appliance Standards
    - Standards Compliance
- **Application due: Submitted (December 5)**
  - Awards – February 2023







# SEP Revolving Loan Fund (IIJA 40502)

- **Formula Funds**
  - \$6.6M to CA for financing capitalization grants
- **Anticipated Use:**
  - Energy efficiency building audits
  - Building upgrades based on those audits
- **Application due: April 2023**





# Energy Efficiency Conservation Block Grant (EECBG) (IIJA 40552)

- **Formula Funds**
  - \$4.5M to CA
- **Anticipated Use:** Local Government & Tribes Planning
  - Potentially combine with ARRA 2009 funds for Local | Tribal Government Challenge for planning and building upgrades
- **Application due:** April 2023



**The Importance of Community Planning for Energy**



# Resilient and Efficient Codes Implementation (RECI) (IIJA 40511)

- **Competitive Funds**
  - \$225M nationally over 5 years
- **Purpose**
  - Enable sustained, cost-effective, implementation of updated building energy codes
  - Competitive solicitation
- **Proposed Use**
  - Local code tech support
  - Compliance tools
  - Compliance modeling innovation







# Resilient and Efficient Codes Implementation (RECI) (IIJA 40511)

- **FOA Areas of Interest:**
  - Partnerships
  - State and local code adoption
  - Workforce development
  - Implementation and compliance
  - Innovative approaches
  - Equity & environmental justice
- **Expected application:** Imminent







# Inflation Reduction Act (IRA)

## HOME Rebates

Home Energy Performance-based, Whole House Rebates

## HEEHRA

High Efficiency Electric Home Rebate Allocation

## HEE Contractor Training

Home Energy Efficiency Contractor Training



# Home Energy Performance-Based, Whole-House Rebate Allocation (HOME Rebates)

- **Formula Funds**

- \$292 million to California
- a.k.a., Home-Owner Managing Energy Savings (HOMES)

- **Request for Information: 2023 Q1**

- **Application Due: 2023 Q2**





# Home Energy Performance-Based, Whole-House Rebate Allocation (HOME Rebates)

- **Rebates for whole-house energy savings retrofits**
  - CEC to develop & implement plan, within federal rules
    - Strong public process / outreach
  - Double rebates for low- and moderate-income
  - Both single and multifamily homes
- **Single Family and Multifamily Funding**
  - Based on modeled or measured energy savings
  - Approximately \$2k – 4k per unit, depending on savings
    - Limited to 50% project cost



# High Efficiency Electric Home Rebate Allocation (HEEHRA)

- **Formula Funds**
  - \$290 million to California
- **Request for Information: 2023 Q1**
- **Application Due: 2023 Q2**







# High Efficiency Electric Home Rebate Allocation (HEEHRA)

- **Point-of-sale rebates for qualified electrification projects**
  - Coordination with vendors for point-of-sale rebates
  - Data system to ensure no double dipping
- **Rebates up to \$14,000 per household...**
  - \$8,000 for space conditioning heat pumps
  - \$1,750 for heat pump water heaters
  - \$840 for electric stove, range, oven, or heat pump clothes dryer.
  - \$4,000 for panel upgrade
  - \$1600 for insulation, sealant, ventilation
  - \$2500 for electric wiring
  - Up to \$500 for the installer



# HOME and HEEHRA Rebate Programs: Total Funding for California

<b>HOME Rebates</b> (Home Energy Performance-Based, Whole-House Rebate Allocation)	<b>HEEHRA</b> (High Efficiency Electric Home Rebate Allocation)	<b>Total California Allocation</b>
<b>\$ 292 M</b>	<b>+</b> <b>\$ 290 M</b>	<b>= \$ 582 M</b>



# HEE Contractor Training (Home Energy Efficiency)

- **Formula Funds**
  - \$200 million nationally
- **Anticipated Use:**
  - Collect data on cost of training contractors
  - Testing and Certification to support HOMES & HEEHRA
  - Coordinate with non-profit to implement training
- **Application due: TBD**



# Current Timetable

Date	Activity
<b>Ongoing</b>	Data gathering, outreach, & local coordination
2023 Q1	U.S. DOE Request for Information (RFI)
2023 Q1-3	CEC Workshops & Program Development
2023 Q2	First funding to States & Tribes
<b>2024</b>	Programs Launch – Funds to Public







# CEC Contacts

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**California Equitable Building Decarbonization Program**

[www.energy.ca.gov/programs-and-topics/programs/equitable-building-decarbonization-program](http://www.energy.ca.gov/programs-and-topics/programs/equitable-building-decarbonization-program)



# Appendix

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1. Infrastructure Investment and Jobs Act <https://www.congress.gov/bill/117th-congress/house-bill/3684/text>
2. Resilient and Efficient Codes Implementation <https://www.energycodes.gov/RECI>
3. State And Tribe Allocations For Home Energy Rebate Program <https://www.energy.gov/articles/biden-harris-administration-announces-state-and-tribe-allocations-home-energy-rebate>
4. Webinar to Solicit Input on the Resilient and Efficient Codes Implementation (RECI) Federal Funding Opportunity <https://www.energy.ca.gov/event/webinar/2022-10/webinar-solicit-input-resilient-and-efficient-codes-implementation-reci>