



National Association of State Energy Officials

February 28, 2025

Eric Mahroum
Director
Office of State and Community Energy Programs
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20024

Subject: State Energy Office Priorities and Recommendations for Streamlining Home Energy Rebates

Dear Director Mahroum:

The National Association of State Energy Officials (NASEO) represents the 56 governor-designated State and Territory Energy Directors and their offices across the country. The State Energy Offices work on a wide range of energy policy and planning actions for their governors, such as:

- Supporting the development of energy resources and innovative technologies to lower energy costs;
Streamlining grid planning to more rapidly and cost effectively add power to the grid and expand transmission where necessary;
Preparing for and responding to energy emergencies resulting from natural disasters, cybersecurity incidents, and physical threats to the energy system;
Supporting manufacturers' and businesses' energy needs; and
Delivering cost-effective energy efficiency options to help households and businesses lower energy costs.

In each of the above areas, the state-federal partnership with the U.S. Department of Energy (DOE) is NASEO's primary focus. It offers synergistic opportunities to meet many of the energy goals of the Trump Administration and DOE. The states, through NASEO, are working collaboratively to meet the historic opportunity of lowering energy costs and meeting the nation's growing energy needs through new activities such as NASEO's First Movers Advanced Nuclear Initiative and Electric Distribution System Load Growth Program.

Congress' addition of the home energy rebate programs to the portfolio of state activities has offered a valuable opportunity to lower consumers' energy costs and directly help millions of households. However, realizing these benefits requires DOE to streamline its program administration and oversight. The development of the home energy rebate programs over the past two years has included many well-intended DOE requirements; however, as program rules have grown – constraining state decision-making – so too have administrative and review burdens on both DOE and the states. States are in the best position to determine how to deliver energy

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cost saving benefits to households in their communities, but program implementation flexibility is needed to accomplish that mission.

Over the past several weeks, NASEO has worked with virtually every state in the nation to develop a set of rebate program streamlining recommendations for your consideration. In many cases, states are simply asking for the DOE requirement to be made optional rather than kept mandatory. Following are 30 home energy rebate programs streamlining recommendations for your consideration:

Reporting Requirements

1. Eliminate the DOE monthly program reporting requirement and revert to the standard DOE quarterly reporting frequency for cooperative agreements and grants.
2. Limit the DOE requirement for extensive rebate recipient data collection and revise the Data and Tools Requirements Guide to only require critical information.
3. Remove Annual Quality Job Creation Report, IRA Supplemental Annual Data Report, and the Performance Report Narrative reporting requirements.
4. Remove DOE tranche performance metrics and reporting to align with DOE's removal of tranche funding.
5. Simplify the budget workbooks to only require critical information.
6. Eliminate the redundant requirement for approval for program launch, instead allowing the final award to serve as permission to launch a rebate program.
7. Make optional the HEEHR requirement for geo-tagged photos for "Do It Yourself" projects.
8. Eliminate the requirement that DOE must approve the state's contract with the selected implementer before the state can fully execute the agreement.
9. Remove the requirement to notify the contracting officer and project officer in writing 30 days prior to the execution of new or modified subrecipient and/or subcontractor agreements.
10. Collaborate with states, retailers, and other partners to improve the application programming interface (API) by allowing two-way communication, streamlining the approvals for state API connections, and automating reporting.

Appliance Eligibility

1. Make optional the requirement for states to only use ENERGY STAR products under the Home Efficiency Rebates (HOMES) program.
2. Expand the interpretation of "first-time purchase" of a HEEHR appliance to allow emergency replacements and upgrades of existing appliances.
3. Allow for the replacement of existing, lower efficiency electric appliances that states determine are nearing or at the end of useful equipment life with new high efficiency appliances.
4. Eliminate the requirement that installations of heat pumps for space conditioning serve as the primary heating and/or cooling source.
5. Where an ENERGY STAR product is not available for a particular application, streamline the DOE request and approval process for an alternative high-efficiency product. There are a limited number of cases that require these alternatives, but it is important to address these consumers' needs.

Blueprints

1. Make optional the DOE Utility Data Access Plan, Education and Outreach Plan, and Consumer Protection Plan requirements.

2. Make the Market Transformation Plan optional or replace it with a recommendation to coordinate with industry partners on the effectiveness of program design and long-term opportunities.

Income Eligibility

1. Eliminate additional income verification requirements for categorically eligible participants.
2. Expand income eligibility verification options (allow a state to determine eligibility for a whole multi-family building based on rental records maintained by owners and reduce eligibility screening from 50 to 25 percent of households).
3. Allow vacant units to be eligible for multifamily upgrades.
4. Allow states to determine the allocation of rebates funds for each income level (DOE currently requires states to distribute funds across all eligible income bands).

Program Implementation

1. Provide streamlined DOE approval processes for additional energy modeling methodologies, consistent with the legislation, under HOMES, such as weatherization audit tools and portfolio-level analysis.
2. Allow states to determine requirements related to verification of installation, quality assurance procedures, and contractor training.
3. Make optional the requirement that states offer HOMES rebates retroactively.
4. Allow partial payments for all building types without prior DOE authorization.
5. Support states' option to offer retail pathways to allow greater direct access to appliances.
6. Continue requiring a prohibition on rent increases and evictions associated with rebate improvements but make optional other requirements of landlords.
7. Allow for states to leverage affordable housing agencies as aggregators, enabling program access to their housing portfolios, without requiring that they be treated as subgrantees.
8. Allow states the option to include the cost of financing in the rebate to incentivize increased energy saving.
9. Coordinate with those states already delivering rebates under these programs to be certain additional DOE changes do not negatively impact consumers.

NASEO continues to assist the states in development and implementation of a wide range of energy actions in support of expanding energy resources, affordability and innovation. With regard to the above home energy rebate programs recommendations, we are committed to working with DOE and the states to move energy cost saving benefits to consumers more rapidly and efficiently to lower consumer utility bills now. We look forward to discussing these recommendations with your office and thank you for your consideration of these ideas.

Best regards,



David Terry, President, NASEO

cc: State Energy Office Directors