

SUMMARY OF RESPONSES TO RFI

Background

The Connecticut Department of Energy and Environmental Protection (DEEP) is considering options for the design and implementation of the Home Efficiency Rebates (HER) program and the Home Electrification and Appliance Rebates (HEAR) program, collectively known as the Home Energy Rebate Programs. Through a [Request for Information \(RFI\)](#) issued on May 14, 2024, DEEP sought information on what program design options could most effectively serve Connecticut households with technology, products, and services that will reduce energy bills, increase home comfort, improve indoor air quality, and reduce greenhouse gas emissions. Responses to the RFI were due to DEEP on June 7, 2024. DEEP received [25 responses](#) to its RFI from a variety of stakeholder types including:

- Consultants to the Energy Efficiency Board (EEB)
- Utility companies
- Advocates
- Supply chain representatives
- Energy efficiency program implementers
- Contractors

Summarized responses are organized by the following topics:

- Allocation of Funds to Low-Income
- Allocation of Funds to Single-Family and Multifamily
- Tenant Protections
- Eligible Technologies
- Measured Versus Modeled Savings Pathways
- Point-of-Sale Rebates
- Outreach and Education
- General Feedback

See the Conclusion section for how DEEP used this feedback to inform the general programmatic design of HER and HEAR.

Summary of Responses

Allocation of Funds to Low-Income

- The vast majority of respondents were aligned with DEEP's desire to allocate all of the rebate funds toward low-income households (<80% Area Median Income, or AMI). However, some differing opinions to note:
 - Sealed and Recurve: Both organizations suggested that some portion of HER funds be available to market-rate customers. Sealed also suggested that 50% of HEAR funds be allocated to households between 80-150% AMI. Their rationale for this suggestion was that broader access would encourage market transformation.
 - A coalition of Connecticut Home Energy Solutions and Home Energy Solutions-Income Eligible (HES-IE) contractors: This group suggested that 60% of HER should be allocated to low-income and 40% should be available to market-rate households in order to encourage deeper investment in decarbonization projects, maximizing savings from the program.
 - Eversource: The utility recommended setting income guidelines at 60% State Median Income (SMI) to align with other low-income programs in Connecticut to reduce the administrative burden of having to income-qualify customers. (This approach is not permitted under the U.S. Department of Energy's rules). They were also concerned that the increased customer eligibility at 80% AMI could create budget pressures on HES-IE.
- Most respondents to the RFI suggested that incentives should cover 100% of the costs of energy efficiency measures for low-income households; there were no stated objections to this proposal.

Allocation of Funds to Single-Family and Multifamily

- Most respondents agreed that more than the minimum 10% requirement for HER and HEAR funding should be allocated to multifamily buildings.
- Several respondents suggested that funding for multifamily buildings should be equivalent to the percentage of multifamily units of all residential units in the state. Eversource referenced a Connecticut Housing Finance Authority (CHFA) statistic that 18% of housing stock in the state is multifamily.
- Save the Sound suggested that funds be allocated based on the proportion of low-income households that live in multifamily buildings compared to low-income households living in single-family homes.
- The joint response of the environmental advocates further suggested that funds be equitably distributed by geography, rural designation, and elderly households. It also suggested that funds be allocated to manufactured housing stock as a percentage of total housing stock.
- Dr. Mitchell suggested that 80% of funds for HER and HEAR should go to multifamily units that are not owner-occupied.

Tenant Protections

- Respondents were split between maintaining the duration of tenant protections required by the Department of Energy (DOE), and suggesting that it should be longer. For example, the

environmental advocates suggested that some federal programs require protections for as long as 5 years, and the National Housing Trust noted that other states have affordability requirements between 5-10 years in duration. However, Save the Sound suggested that tenant protections not extend beyond the 2 years required by DOE, noting the many barriers to energy efficiency upgrades in multifamily buildings.

- The coalition of environmental advocates suggested that tenant protection periods should be the same across all Connecticut programs.
- People’s Action for Clean Energy urged DEEP to consider how to best ensure that tenant costs do not increase through electrification measures that could shift energy costs from the building owner to the tenant.

Eligible Technologies

- Most respondents suggested that rebates should be available for a broad range of upgrades with a strong focus on alignment to current programming to ease implementation. Some respondents offered specific suggestions for how measures should be prioritized:
 - A coalition of HES/HES-IE contractors suggested that heat pumps should only be installed in conjunction with any needed weatherization measures.
 - The Building Performance Association suggested that contractors be required to present customers with weatherization and envelope improvement options, though did not suggest that customers should be required to install those measures to have a heat pump installed.
- Eversource suggested that HEAR and HER funding support measures not covered in Conservation & Load Management (C&LM) programs, like electric panel and wiring upgrades. They noted that if DEEP decides to include heat pumps, then it should focus on full displacement scenarios.

Measured Versus Modeled Savings Pathways

- Those who responded to this question were fairly split on whether a Measured path should be pursued. Some respondents suggested that savings from energy efficiency measures are well documented and should not require utility bill analysis to confirm payment of incentives. Several respondents suggested that the State set aside funds for a Measured pilot (EEB Consultants, Franklin Energy, Sealed, and Recurve), and the Building Performance Association suggested that both paths be available to provide maximum flexibility for home/building owners and contractors.
 - While the EEB Consultants indicated support for a pilot to test the Measured savings approach, they also acknowledged that it may be more desirable to test this approach with funding that does not have as many restrictions as the DOE funding.
 - Franklin Energy suggested a Measured pilot be targeted to single-family market rate customers.

Point-of-Sale Rebates

- Most stakeholders agreed on providing point-of-sale (POS) rebates through contractors and coupons for eligible households.

- The utilities (Eversource and Connecticut Municipal Electric Energy Cooperative) recommended POS rebates only be available through qualified contractors to measure savings properly, minimize administrative costs, and enable the easier braiding of programs.
- The Residential Electrification Innovation Coalition urged DEEP to make rebates as easy to access as possible, including through coupons and POS discounts at home improvement stores.

Outreach and Education

- The majority of respondents suggested that DEEP take various approaches to marketing these rebate opportunities.
 - Many respondents suggest developing a general awareness campaign, outreach and education materials, and training for qualified contractors, retailers, and manufacturers, as well as connecting with local communities.
 - Several respondents suggested the importance of connecting with local, trusted voices to help drive program participation, particularly in disadvantaged communities.

General Feedback

There were some questions fielded in DEEP's RFI to which respondents did not have a substantial objection to DEEP's preferred path or which would indicate a strong inclination for or against. For example:

- What programs should DEEP allow for categorical eligibility?
- How can CT access billing data when requested by DOE?

In general, ease of accessibility to low-income households and integration/coordination with existing programming were key themes in the RFI responses for DEEP's consideration.

Conclusion

Based on the feedback received from this RFI, the Public Technical Meeting on May 16, and numerous other engagements with stakeholders, DEEP has proposed the following framework for HER and HEAR:

- Funding will be targeted at low-income households (<80% AMI)
- 50/50 funding split between single family and multifamily (2+ unit) buildings
- HEAR – rebates available for all allowable upgrades
- HER – modeled pathway only

This general framework is being used by DEEP to draft the initial HER and HEAR applications to DOE. DEEP must receive approval from DOE on these program frameworks before they become final. DEEP also must draft Implementation Blueprints, which will contain additional details on implementation for both HER and HEAR, and submit to DOE for approval. DEEP will use comments from this RFI to inform the Implementation Blueprint development, and also may conduct additional stakeholder outreach. DOE must approve both the initial applications and Implementation Blueprints before either rebate program can be launched.