INFLATION REDUCTION ACT ELECTRIFYING AMERICA'S FUTURE



Electrifying America's Future

ELECTRIFICATION

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- **\$4.5 billion for electrification rebates**, modeled after the Zero-Emission Homes Act:
 - Grants are awarded to State Energy offices (\$4,275,000,000), and Tribes (\$225,000,000) to implement high-efficiency electric home rebate programs focused on low- and moderate-income households.
 - The total maximum rebate cannot be more than \$14,000, with rebates for specific equipment up to:
 - **\$1,750** for a heat pump water heater
 - **\$8,000** for a heat pump for space heating or cooling
 - \$840 for an electric stove, cooktop, range or oven or an electric heat pump clothes dryer
 - \$4,000 for an electric load service center upgrade
 - \$1,600 for insulation, air sealing, and ventilation
 - \$2,500 for electric wiring
- \$4.5 billion whole-house energy efficiency retrofit rebates, modeled after HOPE for Homes Act:
 - Up to \$4,000 or 50 percent of the cost of a project
 - \$200 million training for energy efficiency contractors
- Expands the 25C tax credits for residential energy efficiency, including heat pumps and electrical panel upgrades. The related 25D residential clean energy tax credit extension applies to geothermal heat pumps as well as solar, and also includes energy storage.
- Expands and extends tax credits for new and used electric vehicles (EVs) to make buying an EV more accessible and affordable. Creates tax credits for commercial EVs to spur adoption of electric delivery vans and other fleet vehicles and create cleaner air and healthier communities.
- \$500 million for using the Defense Production Act (DPA) to produce heat pumps and spur critical minerals processing projects.

IN FLATIO N REDUCTIO N ACT

The Inflation Reduction Act includes historic new investments and tax credits for clean electrification of homes, buildings, transportation, and industry. These electrification investments will help save families hundreds of dollars on their energy bills, create millions of new jobs, and help build cleaner, healthier homes and communities.

OTHER ELECTRIFICATION PROVISIONS IN THE INFLATION REDUCTION ACT





- \$1 billion for the U.S. Department of Energy (DOE) to provide technical assistance for states to adopt the latest building energy conservation and zero energy codes, which can encourage electrification.
- **\$5.8 billion for industrial decarbonization** through the DOE Office of Clean Energy Demonstrations, which can be used to electrify parts of industry and manufacturing.
- \$1 billion for rural energy storage projects, with up to 50% of the cost of the project covered, and 50% funded as a loan under the Rural Electrification Act.
- **\$2 billion for the Rural Energy for America Program** at the Department of Agriculture (USDA), which creates a broader opportunity for agricultural producers and rural small businesses to electrify parts of their operations.
- **\$3 billion to reduce air pollution at ports** using zero-emission equipment and technology, including through electrification.
- **\$1 billion** to the Department of Housing and Urban Development (HUD) for upgrades to affordable housing energy efficiency and resilience, which could include electrification.
- \$3 billion for Environmental and Climate Justice Block Grants, which can be used for electrification projects that specifically benefit disadvantaged communities.
- **\$145 million to provide electricity to unelectrified Tribal homes** using zero-emissions energy systems, transition electrified Tribal homes to zero-emission systems, and provide home repairs necessary to the installation of zero-emission systems.
- \$250 million for converting federal buildings to high-performance green buildings, which can include electrified systems, along with almost \$1 billion for the General Services Administration for emerging and sustainable technologies.
- \$3 billion for US Postal Service (USPS) EV delivery vehicles.
- \$27 billion for a Greenhouse Gas Reduction
 Fund/National Climate Bank and seed funding for
 state and local and Tribal climate banks, which can
 be used to creatively invest in electrification
 projects, like providing financing for EV charging and
 electrification of residential, multi-family, and
 commercial buildings.

