

State Home Energy Rebate Programs

February 2025



The State Home Energy Rebate Programs provide \$8.8 billion to State Energy Offices across the country to set up state-customized Home Efficiency Rebates (HOMES) and Home Electrification and Appliance Rebates (HEAR) programs.¹ These programs have already started providing American households with **more affordable options** to better heat and cool their homes, save money on utility bills, reduce energy waste, and support local contractor jobs across the country.² **States³ and territories have already applied for and been awarded full HOMES and HEAR funding**, and twelve have **launched programs** as of February 2025. HOMES and HEAR will drive energy affordability – and state programs are **already assisting President Trump’s goal of cutting Americans’ energy bills in the coming year.**

Background

The State Home Energy Rebate Programs are managed by the U.S. Department of Energy but are implemented by State Energy Offices to allow for customized programs that fit state needs.



Home Efficiency Rebates (HOMES) Program

\$4.3 billion to states to launch fuel-neutral, whole-house, performance-based rebates for improvements such as insulation, high-efficiency HVAC (including gas furnaces and appliances), and other upgrades. This program is based on the **bipartisan HOPE for HOMES Act** ([H.R. 3456, 117th Congress](#)) introduced in 2021. States provide rebates to **existing** single-family homes and multifamily residences for projects that **prove energy savings** based on two potential pathways:

HOMES Modeled Pathway	HOMES Measured Pathway
 <ul style="list-style-type: none"> ➤ Requires projects to model energy savings of at least 20 percent to qualify for rebates. 	 <ul style="list-style-type: none"> ➤ Uses market-based incentives to reward real energy savings of at least 15 percent. ➤ Can optimize grid infrastructure and prioritize customer savings.

Home Electrification and Appliance Rebate (HEAR) Program

\$4.5 billion to states to reduce appliance costs via rebates at the point of sale, expanding **consumer choice** for low- and moderate-income households in **new** and **existing** single-family and multifamily residences. Includes **fuel-neutral upgrades** such as insulation, air sealing, and electrical improvements.

 <p>Rebates provide households with options to upgrade old appliances to more efficient models, or pursue fuel-neutral upgrades like insulation to improve home comfort and reduce utility bills.</p>	 <p>Rebates are capped at \$14,000 total per household.</p>	 <p>HEAR programs can provide a retail pathway to reduce costs of appliances at the register, support contractors, promote consumer choice, and leverage private sector support.</p>
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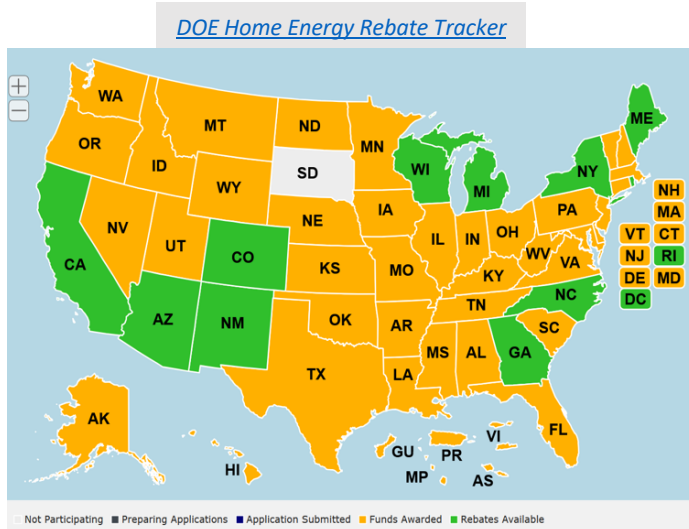
¹ See Secs. 50121-50122 of the Inflation Reduction Act of 2022.

² Building Performance Association, Energy Efficiency Jobs in America Report (ee.e4thefuture.org). The energy efficiency sector employs **nearly 2.3 million** Americans, the most jobs of any energy subsector. 99.9% of U.S. counties host energy efficiency jobs, and nearly 270,000 of these jobs are in rural areas.

³ South Dakota was the only state that did not apply for Home Energy Rebate funding.

Rebates Timeline and Program Status

Throughout 2023 and 2024, State Energy Offices developed their programs in alignment with their state energy policies, hired program staff, and engaged with contractors to prepare to deploy the programs. As of January 22, 2025, **55 states and territories** (all states except South Dakota) have applied, and DOE issued full awards for the rebate funding through legally binding contracts. **Eleven states and the District of Columbia have launched rebate programs**, and many states are preparing to launch rebate programs in the coming months.



- Now that all states have received awards, DOE may also choose to **streamline** the program requirements to speed rebates to households across the country.
- Most households will **work with contractors to receive the rebates up-front**, making appliances and home upgrades more affordable.
- Households can **also purchase select appliances at participating retail outlets**.

Examples of two recently launched State Home Energy Rebate Programs:

Georgia	North Carolina
<ul style="list-style-type: none"> • On November 13, 2024, the Georgia Environmental Finance Authority launched⁴ a pilot of its Home Energy Rebate programs. • Eligible households in Georgia can receive up to \$16,000 in rebates depending on their household income and/or expected energy savings. • The state is initially launching the program through approved network contractors providing services such as energy assessments, HVAC installations, and appliance purchases. • Projected energy savings for rebated supported projects⁵: <ul style="list-style-type: none"> ○ Insulation: 12-13% savings ○ Heating upgrade: 10-28% savings ○ Whole-home upgrade: 44% savings 	<ul style="list-style-type: none"> • On January 16, 2025, the North Carolina Department of Environmental Quality State Energy Office launched⁶ both of its Home Energy Rebate programs. • Eligible households in North Carolina can receive up to \$16,000 in rebates depending on their household income and/or expected energy savings. • The initial scope of NC’s program is limited to single-family, owner-occupied homes in areas affected by Hurricane Helene. • Energy Saver NC aims to support more than 2,300 jobs, per the office. • Projected energy savings for rebated supported projects⁵: <ul style="list-style-type: none"> ○ Insulation: 13-15% savings ○ Heating upgrade: 12-30% savings ○ Whole-home upgrade: 46% savings

⁴ “Georgia’s Home Energy Rebates,” <https://energyrebates.georgia.gov/>.

⁵ National Renewable Energy Laboratory, ResStock, Energy Efficiency and Electrification Dashboard, <https://tinyurl.com/2ahf6sdp>.

⁶ “Energy Saver North Carolina,” <https://www.deq.nc.gov/energy-climate/state-energy-office/energy-saver-north-carolina>.