METHOW VALLEY CLIMATE ACTION PLAN

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A Toolkit for Electrifying your Home

Through the new federal Inflation Reduction Act, (IRA), in combination with initiatives from the state government and electric utilities there has never been a better time to electrify all aspects of your home. A range of financial incentives and rebates are available to homeowners, renters, and businesses to substantially reduce the costs of transitioning to electrical based energy efficient improvements. Through taking advantage of these programs Methow valley households will be able to reduce their ongoing energy costs, have cleaner air and decrease their consumption of fossil fuels.

Where to get started?

The three primary resources are the IRA, your local electric utility (Okanogan PUD and OCEC) and some State and other federal programs.

1. IRA - is the largest climate bill in U.S. history which will get the U.S. much closer to our climate goals, reducing greenhouse gas pollution by one billion metric tons from current levels. It offers rebates, tax incentives and low-cost financing to purchase and install emissions-free home heating and cooling, household appliances, electric vehicles and chargers, solar energy, and battery storage. The IRA provides financial support for energy saving and electrification through 3 areas; 1) Tax Credits; 2) Rebates; and 3) Public Funding which will enable households to save on average \$1,800 a year by going electric.

Details of the IRA electrification initiatives are detailed in the table below and span.

- Home energy usage audits
- Switching to electrical appliances
- Energy efficiency home improvements
- Installing rooftop solar and home storage
- Purchasing electric vehicles and chargers

Energy Saving Product / Service	Tax Credit / Rebate	Who Qualifies	When is it available	More Information
Home energy audit	30% of the cost of an audit, up to \$150	Everyone	Now through the end of 2032	U.S. Department of Energy
Purchases of highly energy-efficient home systems, including water heaters, central boilers. Energy-saving home improvements, including; insulation, sealing air leaks and energy-efficient exterior doors, windows and skylights	A tax credit covers 30% of the costs of purchase and installation, up to \$2,000 per year. (In addition to the \$1,200 available in tax credits for other energy-saving renovations and appliances.)	Everyone	Now through the end of 2032	I.R.S. fact sheet
Install a heat pump	30% of the costs of purchase and installation, up to \$2,000	Everyone	Now through the end of 2032	I.R.S. fact sheet

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	per year. (In addition to the			
	\$1,200 available in tax credits			
	for other energy-saving			
et	renovations and appliances.)	_	A I	1000
Electrical panel	30% of cost up to a maximum	Everyone	Now through the	I.R.S. fact sheet
upgrade	of \$600 per year. Must be in		end of 2032	
	conjunction with another			
	upgrade e.g. heat pump,			
	water heater etc.			
Renovations	The rebate amount depends	Everyone, but	The HOMES rebate	Rewiring America
that reduce energy	on two factors: your	low-income	is expected to	and <u>WA Dpt</u>
use	household income and how	households	become available	Commerce Home
	much energy you save with	can receive	mid 2024 and last	Energy Rebates
	the renovations, which can be	more money	through Sept. 30,	
	determined through modeling	back	2031, or until	
	or measurements. If using the		funding runs out.	
	modeled energy savings		The program will be	
	route, the rebate amount		managed by the	
	ranges from \$2,000 to \$4,000,		Energy Office of the	
	or 50 percent of project costs,		WA Commerce	
	with incentives doubled for		Department.	
	low-income households, up to			
	80 percent of project costs.			
Energy-efficiency	Upfront rebates are available	Low- and	The HEEHR rebate is	U.S. Department of
upgrades for lower-	for qualified purchases, with	moderate-	expected to become	Energy, Rewiring
income households	100 percent of project costs	income	available mid 2024	America and WA
installing Energy Star-	covered for low-income	households	and last through	<u>Dpt Commerce</u>
certified electric	households (up to the	only	Sept. 30, 2031, or	Home Energy
appliances, including	maximum rebate amount),		until funding runs	Rebates
electric stoves and	and 50 percent of costs		out. The program	
heat pump heating	covered for moderate-income		will be managed by	
and cooling systems.	households. Maximum		the Energy Office of	
	amounts vary by category: up		the	
	to \$840 for electric stoves		WA Commerce	
	and heat pump clothes		Department.	
	dryers, \$1,750 for heat pump			
	water heaters and \$8,000 for			
	heat pump heating systems.			
	You can also get \$1,600 for			
	insulation and sealing air			
	leaks, \$2,500 for electric			
	wiring and \$4,000 for a			
	breaker box	_		
Install solar panels,	Tax credit can cover 30	Everyone	Now through the	I.R.S. fact sheet
wind turbines and	percent of qualifying		end of 2034. Applies	
geothermal heat	purchases, with no cap on the		retroactively to	
pumps, as well as	total purchase price. The		projects completed	
standalone batteries.	credit can also cover the cost		in 2022, except for	
	of labor, permits and		standalone battery	
	inspection.		storage	

Buy a new electric car,	Tax credit of up to \$7,500 on	A single	Now through the	I.R.S. fact sheet
			_	I.N.S. Idet Sheet
pickup truck, or SUV	eligible vehicles. There is a	taxpayer	end of 2032	
	\$55,000 price cap on new	<\$150,000		
	cars and sedans and a	heads of		
	\$80,000 price cap on trucks,	households		
	SUVs and vans	<\$225,000		
		and joint		
		taxpayers		
		<\$300,000		
Buy a used electric	Tax credit of up to \$4,000 or	A single	Now through the	I.R.S. fact sheet
car, pickup truck, or	30 percent of the vehicle	taxpayer	end of 2032	
SUV.	price, whichever is lower, up	<\$150,000		
	to maximum vehicle price of	heads of		
	\$25,000	households		
		<\$225,000		
		and joint		
		taxpayers		
		<\$300,000		
Install an electric	Tax credit for up to 30	Households in	Now through the	U.S. Department of
vehicle charger at	percent of the costs, up to	rural and low-	end of 2032	Energy's <u>Alternative</u>
home if you live in a	\$1,000	income		Fuels Data
rural or low-income		census tracts		Center and the I.R.S.
area				Alternative Fuel
				Credit

How much will I save?

The non-profit Rewiring America's guide <u>Go electric now</u> provides a comprehensive step by step guide on how to identify the electrification opportunities in your home. You can then use the <u>calculator</u> to estimate the rebates and credits for your household.

The <u>Electrify Everything in your Home</u> provides a great reference to understand the benefits of electrification of different areas of your home; heat pump space heating and cooling heat pump water heater, electric / induction cooking, heat pump clothes dryer.

2. Local Electric Utilities

Both the Okanogan County PUD and the Okanogan County Electric Cooperative offer a range of energy efficiency financial incentives for their customers. These programs operate independently and are in addition to the IRA benefit. The key elements are summarized below and details are available at their websites; Okanogan County PUD Incentives and Okanogan County Electric Cooperative Rebates:

Okanogan County PUD - Residential

Energy Saving Product / Service	Rebate	How to Apply	Notes
Smart Thermostats	\$140	Smart Thermostat Form	Must be on <u>BPA's Product List</u>
Heat Pump Water Heaters	Unitary system; 40 gallons \$700, Tier 3 50 gallons and above - \$800, Tier 4	Heat Pump Water Heater Installation Form	Must be on <u>BPA's HPWH</u> <u>Qualified Products List</u>

	50 gallons and above - \$900		
Insulation	Varies by primary heat source, area of insulation, etc.	Residential Insulation Project Information Form	
Windows	\$6 per square foot of glass replaced	Residential Window Project Information Form	
Doors	\$40 per door	Residential Door Project Information Form.	
Ductless Heat Pump	\$800	Residential Ductless Heat Pump Participation Form.	Must be installed by a licensed contractor
NEEM (Northwest Energy Efficient Manufactured) homes	NEEM 1.1 - \$1,000; NEEM 2.0 - \$1,200	PUD form.	
Energy Audits	Free	Contact Kim Johnson in Energy Services at 509-422-8428 or kimj@okpud.org.	

For all applications see requirements below *

Okanogan County PUD - Commercial

Energy Saving Product / Service	Rebate	How to Apply	Notes
Heat Pump Water heaters	Unitary system Tier 1 \$300, Tier 2 and 3 \$600 Split system; Tier 3 - \$800	Heat Pump Water Heater Installation Form	Must be on BPA's HPWH Qualified Products List
Windows	\$18 per square foot of glass replaced. The incentive may pay up to 70% of the total cost of windows and installation	Commercial Window & Patio Door and Commercial Window Project Information	
Ductless Heat Pump	Varies	Ductless Heat Pump Project Information Form	Must be installed by a licensed contractor
Insulation - Attic & Wall	Incentive amount per square foot based on by pre-existing and ending R-value	Commercial Insulation Project Information Form	

^{*} For all applications:

- 1. Customer must call Energy Services for pre-approval before beginning the project.
- 2. Customer must have a current PUD account.
- 3. To qualify for incentives the customer's current primary source of heat must be electric
- 4. Incentive amounts and requirements are set by Bonneville Power Administration and are subject to change.

Okanogan County Electric Cooperative

Energy Saving Product / Service	Rebate	Applications	Notes
Ductless Heat Pump	Up to \$800	Residential Ductless Heat Pump Project Information Form.	Must be completed by a Comfort Ready Home contractor

3. Other Local, WA State and Federal Programs

- Okanogan County Community Action Council. The OCCAC provides a range of weatherization centered energy saving measures for low-income households.
- <u>Low-Income Home Energy Assistance Program (LIHEAP)</u>. Low-income households receive LIHEAP assistance for energy bills and repair or replacement of heating or cooling systems.
- Home Rehabilitation Loan Program. The HRLP provides deferred loans to rural, low-income households that
 need repairs and improvements on their primary residence for health, safety, or durability. These loans can
 include electrification of heating, cooking and hot water systems.
- <u>Low-Income Energy Efficiency State and Tribal Grant Program</u>. This Bonneville Power Administration program is a weatherization assistance grant program provided to low-income residents located in the BPA's service area.
- Community Energy Efficiency Program. CEEP provides energy efficient upgrades for hard-to-reach households.
- <u>Weatherization Assistance Program.</u> WAP is a federal program to reduce weatherization costs for low-income households.
- Rural Energy Assistance Grant Program. REAP provides grant assistance to farmers or small business owners to invest in renewable energy and energy efficiency upgrades.
- <u>Zero Energy Ready Home</u>. ZERH provides a tax credit up to \$5,000 for homes that are certified to be compliant with the program.
- Okanogan County Wood Stove Exchange Program Clean Air Methow's program enables qualified participants to replace their old wood stoves with new efficient wood or pellet stoves.