



Narrative Document

IRA Section 50122: Home Electrification & Appliance Rebates

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Introduction

This is an optional document that is not required by the ALRD. A state may use this to submit their ALRD 2 State Application.

This Narrative Document should demonstrate the state’s ability and intent to implement the program in accordance with the requirements of the ALRD and the Program Requirements document. The Narrative Document must provide a comprehensive framework and description of all aspects of the proposed rebate program(s). States may use existing programs/infrastructure to implement this work. States may not provide these funds to existing programs to implement non-rebate work.

The Narrative Document must be succinct, self-explanatory, and well-organized so that DOE reviewers can understand program design and delivery. A state must address the following in its application package and corresponding Standard Form 424 Application for Federal Assistance, Standard Form 424A Budget Information, and Budget Justification Workbook. A state may defer some responses to its State Implementation Blueprint, to be provided to DOE after award but prior to program launch. The questions are marked as such, and applicants should check the appropriate box if deferring their response. All other requirements are mandatory within the state application package. If there is no box offering the “Defer response to State Implementation Blueprint” option, then it is required as part of the application package.

Identify whether the application is for a Quick Start program.

- Yes, this is for a Quick Start Program.
- No, this is not for a Quick Start Program.

Home Electrification and Appliance Rebates State Programs (50122)

Use of Funds and Rebate Eligibility

Section 4.1.1: Use of Funds

1. Please provide the types of allowable costs the state proposes within each category of administrative funds and rebate funds within those categories.

Note: These responses should correspond with the Standard Form 424, Standard Form 424A, and Budget Justification Workbook.

Response: Missouri plans to use **administrative funds** to cover the following types of activities, for a total estimated administrative fund cost of \$15,015,962.43 (see also 1a below):

- Program planning and design: \$913,400.21
 - The state will contract with an organization with expertise in designing and delivering efficiency programs and with proven success in market uptake, sound installations, income verification, and delivering benefits to low-income households. Depending on the prime implementation contractor's experience reaching disadvantaged communities, a subcontractor may be involved.
- State program staff: \$247,851.08
 - The state plans to pay for portions of the work of several staff members who split their time between the Home Efficiency Rebates Program (Section 50121), Home Electrification and Appliance Rebates Program (Section 50122), and other tasks for the state. Administrative funds will offset costs of supporting multiple staff as they perform work related to these awards. Our accounting systems can separately track these different funding sources and internal policies are in place to ensure the time is accurately tracked.
- Development of tools and systems for program administration, including websites, applications, rebate processing, and reporting: \$1,916,351.81
 - The state plans to fund a program implementation contractor which, either on its own or through a subcontractor, will develop user interfaces and systems for contractors and/or others to use to apply for rebates, submit required documentation, verify income, and perform other tasks. In addition, the state plans to fund the implementation contractor or other qualified entity to connect rebate systems to the USDOE Rebate Tracking and Reporting Tool application programming interface (API) for real-time reservations and redemptions and to support required data reporting to USDOE.
- Program evaluation and consumer satisfaction surveys: \$129,413.11
 - The state will require the implementation contractor to conduct surveys to address the required customer satisfaction questions included in the program requirements.
- Program monitoring and audits: \$129,413.11
 - In addition to state staff monitoring program delivery and overseeing the implementation contractor(s)/program partners, the state may require outside assistance to respond to state or federal inquiries. The implementation contractor(s)/program partners and other providers (e.g., income verification services) will also be required to fulfill data reporting and analysis per the contract(s).

- Consumer protection functions including resolution procedures, data review, contractor management, installation standards, continuous improvement: \$647,065.55
 - In response to findings from periodic assessments of program performance (as well as any identified problems that arise throughout implementation), the state or its implementation contractor(s)/program partners will institute changes to address deficiencies in program delivery or design.
 - The state will develop consumer protection guides that will be provided to all rebate applicants as one part of the consumer protection strategy.
 - The state will also either create a separate hotline and email inbox or dedicate implementation contractor staff to respond to consumer questions and/or complaints.
 - State staff will fulfill contractor management needs with regular reviews of program implementer/other contractor data submissions. Such costs may be included under state program staff costs.
- Marketing, education, and outreach, including the funding of local governments and place-based organizations to assist with these activities: \$1,294,131.09
 - The state held three public feedback sessions to better understand community interests and solicit public feedback, which will be used to inform program design.
 - The state may conduct separate outreach to retailers, manufacturers, and distributors.
 - The state will require the implementation contractor to develop marketing and education information for homeowners, tenants, retailers, contractors, and others as needed and provide a distribution plan for disseminating information.
- Implementation contract cost not including rebates and costs for activities directly related to delivery of rebate: \$9,091,270.92
 - The implementation contractor(s)/program partners will use administrative funds for data review and reporting and to fulfill other programmatic management requirements.
 - These costs may also address state oversight of the implementation contractor(s)/program partners, contract management, and data review and reporting. However, we anticipate that these costs will be included as part of state program staff costs (see above).
 - These costs include the incentives to be paid to contractors and Eligible Entity Representatives (EERs). We do not have sufficient information at this time to separately project the cost of these incentives.
- Technical assistance: \$647,065.55
 - Depending on availability of resources, the state and/or its implementation contractor(s)/program partners may provide technical assistance either directly or through specialized organizations to assist entities focused on serving disadvantaged communities and/or other priorities.

The state certifies that costs will not be duplicated on the Home Efficiency Rebates (Section 50121) award or other awards and are not duplicative of costs captured in the Indirect Rates.

- a. The total amount of estimated administrative funds to be expended annually.

See the table below for administrative cost estimates by budget tranche. We will provide additional details and, as needed, revisions as part of our Implementation Blueprint.

Budget Period	Approximate Dates	Administrative Costs
Early Administrative	07/01/2024 – 06/14/2026	\$5,167,115.10

Funds/Tranche 1		
Tranche 2	06/15/2026 – 10/20/2028	\$3,939,495.53
Tranche 3	10/23/2028 – 04/24/2030	\$3,282,949.11
Tranche 4	04/25/2030 – 09/30/2031	\$2,626,402.68

- b. The total amount of estimated project-related costs as a portion of the rebate funds to be expended annually.

The state does not intend to use any rebate funds for project-related costs. The state intends to determine if rebate funds may be required to support home energy audits or assessments for low-income households, and will clearly outline that as part of the Implementation Blueprint.

2. If requesting additional funds for project-related activities, describe and justify each activity and associated budget in the budget justification worksheet as well as below.

The state does not intend to use any rebate funds for project-related costs. The state intends to determine if rebate funds may be required to support home energy audits or assessments for low-income households, and will clearly outline that as part of the Implementation Blueprint.

3. Confirm that the state will have a process for handling returns of rebated items as applicable in the Consumer Protection Plan.
 Yes, the state confirms the above statement.

Section 4.1.2: Rebate Conditions and Levels

4. Describe how the state will manage and ensure that rebate minimums and administrative maximums are adhered to over the duration of the program.

Response:

Budgeting and Forecasting Tools

To ensure that rebate minimums and administrative maximums are adhered to throughout the program, the state will utilize a combination of budgeting and forecasting tools. The state plans to use the USDOE Rebate Tracking and Reporting Tool, which offers an API that can be integrated with the state or implementation contractor's/program partners' systems. This integration will minimize data entry errors, reduce administrative costs, and ensure data consistency by adhering to USDOE/Pacific Northwest National Laboratory (PNNL) data specifications. The system will assign rebate amounts to products based on the applicant's income level (e.g., below 80% Area Median Income (AMI)) and any other considerations.

Process Controls and Systems

The state will implement process controls to track administrative costs and rebate funds expended. The state will utilize the USDOE Rebate Tracking and Reporting Tool's database that contains all previously issued rebates to individual residential dwellings, ensuring that rebates are not duplicated for the same address. The system will also track the amount of rebate funds committed to date and only approve new requests if sufficient funds remain. When a household receives its final invoice and the rebate is issued, the amount will be updated via connection to the USDOE Rebate Tracking and Reporting Tool. The state will monitor these rebate amounts relative to administrative spending forecasts.

The state system that interacts with the implementation contractor's/program partners' system(s) and/or the USDOE Tracking and Reporting Tool will include its own process controls to ensure that the state adheres to its own funding limits and set-asides. This will include assuring that higher administrative spending in any particular year is offset by lower administrative spending in subsequent years.

Administrative Efficiencies and Accounting Practices

To reduce the costs of administration and project-related activities, the state intends to incorporate systems that use "smart" technology to automatically read uploaded documents for income verification and/or other purposes. For example, the state aims to use a system (if not cost-prohibitive) that accurately reads the household's information on enrollment cards from various categorically eligible programs, including address.

The state will closely track and report spending both within this category as well as funds that are provided as rebates and as incentives to contractors/program partners. The state will also follow Generally Accepted Accounting Principles (GAAP) and conduct desk monitoring as it receives invoices. The state will reimburse the implementation contractor/program partners for necessary and allowable costs incurred specifically for the proper and efficient performance of the subgrant award, as outlined in 2 CFR Part 200 and USDOE regulations.

By implementing these budgeting and forecasting tools, process controls, and accounting practices, the state will effectively manage and ensure that rebate minimums and administrative maximums are adhered to over the duration of the program.

5. Describe how the state will monitor contractor costs and ensure that costs are not artificially inflated compared with market averages.

Response: For those 50122 projects where a rebate is provided to a contractor (after deduction on installation/project invoice), the contractor will be required to submit itemized invoices with labor and equipment/materials costs broken out. The state will record all itemized invoice data and use those data to examine invoices and compare costs. If some contractors' costs are consistently higher than others, the implementer will be required to issue a warning to the contractor, provide them with an opportunity to substantiate their costs, and if warranted, take action to remove the contractor from the qualified contractor list if not remedied.

The state will provide additional details in the State Implementation Blueprint via the Consumer Protection Plan.

6. Identify the maximum rebate amounts that will be offered to eligible entities and eligible entity representatives if lower than the allowed amounts.

Response: The state will use the maximum rebate amounts allowed by federal law (as defined in Table A-1 in the [Appendix to USDOE's sample narrative responses](#) and further clarified by USDOE in its recent guidance regarding kitchen appliances and heat pump clothes dryers), contingent on additional analysis conducted to support Implementation Blueprint development.

7. Identify the maximum allowable project costs for determining project cost rebate levels.

Response: Per the [Program Requirements & Application Instructions](#), the state will follow the maximum project costs allowed by federal law, contingent on additional analysis conducted to

support Implementation Blueprint development. This includes costs associated with the purchase and installation of qualified electrification projects. (These are defined in Table A-1 in the [Appendix to USDOE's sample narrative responses](#).) These costs may include equipment, labor, modeling, and site visits, among other costs.

For a household with income less than 80% of AMI:

Example 1: Project costs

- Heat pump equipment and labor: \$9,000
- TOTAL: \$9,000
- Rebate: \$8,000
- Homeowner responsibility: \$1,000

Example 2: Project costs

- Heat pump equipment and labor: \$9,000
- Initial home assessment: \$500
- Post-installation testing: \$500
- TOTAL: \$10,000
- Rebate: \$8,000
- Homeowner responsibility: \$2,000

For a household with income less than 150% AMI (but not less than 80% AMI):

Example 1: Project costs

- Heat pump equipment and labor: \$9,000
- TOTAL: \$9,000
- Rebate: \$4,500 (50% of \$9,000)
- Homeowner responsibility: \$4,500

Example 2: Project costs

- Heat pump equipment and labor: \$9,000
- Initial home assessment: \$500
- Post-installation testing: \$500
- TOTAL: \$10,000
- Rebate: \$5,000 (50% of \$10,000)
- Homeowner responsibility: \$5,000

8. Describe the documentation requirements related to project costs from eligible entities and eligible entity representatives.

Response: For each project, the contractor/program partner or EER must provide an invoice with the following information:

- The company name of the contractor/program partner performing the work, along with the name and contact information for the contractor(s)/program partner staff performing the work
- The address where the work was performed

- The dates on which the work was completed
- Model numbers, AHRI reference numbers, or universal product codes (UPC) for all rebated equipment (geo-coded photos of installations that include model numbers will be acceptable)
- Line-item costs of rebated equipment and materials
- Line-item costs for any audits, inspections, testing, and/or modeling
- Labor costs of the specific work performed
- The total project cost prior to the rebate and the rebate amount
- Other project costs (if applicable, e.g., permitting)

The invoice must be signed and dated by the homeowner or building owner and must include rebates applied to the invoice.

9. List the installation incentives the state will provide eligible entity representatives for each eligible product or service up to \$500 (in total).

Response: Below are the installation incentive amounts the state will apply.

Qualifying Activity	Incentive Proposed by State
Substantial installation located within a disadvantaged community (excludes installations of electric stoves and electric heat pump dryers) per dwelling unit	\$200
Installation of one or more electric heat pump water heaters	\$150
Installation of one or more electric heat pumps for space heating and cooling per dwelling unit – ducted	\$300
Installation of one or more electric heat pumps for space heating and cooling per dwelling unit – non-ducted	\$200
Installation of one electric stove, cooktop, range, or oven	\$0
Installation of one electric heat pump clothes dryer	\$0
Installation of one or more electric load service centers	\$150
Installation of insulation per dwelling unit	\$250
Installation of air sealing and materials to improve ventilation per dwelling unit	\$250
Installation of electric wiring per dwelling unit	\$250
Total incentive per dwelling unit	\$500

10. Describe the approach for ensuring that eligible entities will not receive multiple federal rebates or grants for the same Qualified Electrification Project (QEP).

Response: The state will use the USDOE Rebate Tracking and Reporting Tool to safeguard against duplicative rebates for the same product and household.

When a contractor, program partner, retailer, or eligible entity representative (as defined in the statute) applies to reserve a rebate for a product to be used at a specified address, the system will query a database to see if that type of rebate has already been issued for that address. If so, the rebate request will be rejected, and the applicant will be informed that the applicable rebate has already been used at that address. The state’s system will also notify all homeowners or building owners (and others, such as contractors, if applicable) that the rebate cannot be combined with other federal grants and rebates, but the household may still be eligible for a federal tax credit per Internal Revenue Service (IRS) guidelines. Notifications will include mention of typical federal grants or rebates that residents may be receiving.

In addition to this, the state will coordinate with the WAP data systems to ensure that only one source of federal funds is funding a single qualified electrification project.

11. Confirm that the state will provide information via API or DOE-provided spreadsheet to the DOE central database to ensure that rebates limited to a single or a combination of products are tracked and managed, and no duplicate rebates are awarded.
 - State will provide information via API.
 - State will provide information via a DOE-provided spreadsheet.
12. Describe how the state will approach providing rebates to multifamily building owners and qualified households who live in multifamily units.
 - Defer response to State Implementation Blueprint.
13. Identify the date after which upgrade projects must be completed for the purposes of being eligible for a rebate under the state program.
 - Defer response to State Implementation Blueprint.
14. Describe how eligible rebate recipients will be informed of additional program funding available from non-federal funds and grants.
 - Defer response to State Implementation Blueprint.

Section 4.1.3: Low-Income Households

15. Identify the portion of the rebate funds the state will reserve for low-income and low-income multifamily households.

Response: The state plans to allocate a minimum of 50% of rebates to low-income households (i.e., households with less than 80% of AMI). This is greater than the percentage of low-income households in the state, which is 40.2% [per USDOE](#).

The state plans to allocate a minimum of 30% of rebates to low-income multifamily buildings.

16. Provide a brief description of the procedures and penalties the state will provide to ensure that renters are not subject to unjustified rent increases.
 - Defer response to State Implementation Blueprint.

Response: For all tenant-occupied properties that receive higher rebate amounts available only to households with incomes less than 80% AMI, the state will require the building owner to sign a statement acknowledging the following:

- The owner agrees to rent the dwelling unit to a low-income tenant.
- The owner agrees not to evict a tenant to obtain higher-rent tenants based upon the improvements.
- The owner agrees not to increase the rent of any tenant of the building as a result of the energy improvements, with the exception of increases to recover actual increases in property taxes and/or specified operating expenses and maintenance costs.
- The owner agrees that if the property is sold within two years of receipt of the rebates, the aforementioned conditions apply to the new owner and must be part of the purchase agreement.
- The owner will provide written notice to tenants explaining their rights and the building owner's obligations (e.g., add an addendum to the lease and post the information in a common area).
- In the event the owner does not comply, the Missouri Department of Natural Resources

reserves the right to refer the case to the Attorney General for collection of rebated amounts, as well as civil and/or criminal proceedings, if warranted. The Missouri Department of Natural Resources also reserves the right to preclude the building owner's participation in future Inflation Reduction Act Home Energy Rebates Programs implemented by the Missouri Department of Natural Resources.

- The state will provide contact information for tenants to notify the state of breaches to this agreement. The state will also include this information in the consumer education campaign, so tenants are aware of their rights under the applicable state law.

17. Describe how the state program will define a disadvantaged community. If not using the default disadvantaged community definition of low-income households located in a disadvantaged community identified by the CEJST, a state must explain how the proposed definition will meet the following three criteria as described in DOE J40 implementation guidance:¹

- The communities of concern identified by the state tool or definition must conform to the definition of communities established in U.S. Office of Management and Budget (OMB) guidance:
 - a group of individuals living in geographic proximity to one another that experiences common conditions.
 - a geographically dispersed set of individuals (such as migrant workers or Native Americans) that experiences common conditions.
- The state tool or definition must consider two or more of the following indicators when identifying communities that should be classified as disadvantaged for the purposes of directing federal investments under Justice40:
 - Low income, high and/or persistent poverty
 - High unemployment and underemployment
 - Racial and ethnic residential segregation, particularly where the segregation stems from discrimination by government entities
 - Linguistic isolation
 - High housing cost burden and substandard housing
 - Distressed neighborhoods
 - High transportation cost burden and/or low transportation access
 - Disproportionate environmental stressor burden and high cumulative impacts
 - Limited water and sanitation access and affordability
 - Disproportionate impacts from climate change
 - High energy cost burden and low energy access
 - Jobs lost through the energy transition
 - Access to healthcare
- The communities of concern identified by the state tool or definition must be currently mapped in software or must be easily overlaid in GIS so that communities can be easily identified by stakeholders.

Response: The state will use the DOE-provided definition of disadvantaged communities and use the federally issued CEJST to identify disadvantaged communities ([available here: Explore the map - Climate & Economic Justice Screening Tool \(geoplatform.gov\)](#)).

18. Identify the tool(s) the state will provide for eligible entity representatives to identify households that qualify for the installer incentive available for work in disadvantaged

¹ See pages 8-9 of <https://www.energy.gov/sites/default/files/2022-07/Final%20DOE%20Justice40%20General%20Guidance%20072522.pdf> for more details.

communities.

Defer response to State Implementation Blueprint.

19. Confirm that the state's intake system for users to provide income information will compare household income to 80% and 150% AMI values associated with that household's county and household size to determine rebate levels prior to signing statements regarding their income.

Response: The state plans to use the USDOE-provided API to compare household income, occupancy number, and address to the appropriate AMI level (80% or 150% AMI) to determine income eligibility and rebate levels prior to households signing statements regarding their income.

20. If the state does NOT intend to use a federally provided web-based tool to determine whether a home is in a disadvantaged community, confirm that the state will provide the ZIP codes or a preferred more granular geography (e.g., census tract) with all disadvantaged communities as defined by the state to the DOE system.

Yes, the state confirms the above statement.

N/A. The state will use a federally provided web-based tool to determine whether a home is in a disadvantaged community.

Section 4.1.4: Community Benefits Plan

21. Confirm that the state will develop and submit a Community Benefits Plan prior to program launch.

Yes, the state confirms the above statement.

Section 4.1.5: Processing and Delivering Rebate Funds to Eligible Rebate Recipients

22. Describe what types of systems will be put into place to allow effective processing of rebates, including ensuring the ability to apply rebates at point of sale and/or as part of an invoice. And confirm that the system will link to federally provided systems via API.

Yes, the system will link to federally provided systems via API OR information will be sent as part of DOE-provided spreadsheet.

Defer response to State Implementation Blueprint.

Response: The state will use the USDOE Rebate Tracking and Reporting Tool to ensure effective issuance of rebates. The state's implementation contractor or a separate rebate processing firm will be charged with establishing an electronic rebate processing system and required to process reimbursements for used rebate coupons (applied at point of sale or installation) within 30 days of receipt of a rebate reimbursement request. The state will issue a request for proposals (RFP) and select an implementation contractor. In the RFP, the state will ask for qualifications regarding rebate processing and will make this a functional requirement for the implementation contractor or one of its subcontractors.

The unique rebate reservation codes displayed on rebate coupons will allow qualifying consumers, program partners, or eligible entity representatives to have the rebate amount deducted at point of purchase of equipment through contractors, program partners, or retailers. The contractor, program partner, or retailer will apply the rebate to the invoice provided to the household. Regardless of the type of transaction, the rebate will be applied at point of sale or installation. The coupon will designate the type of qualifying product as well as the maximum rebate amount and percentage (whichever is lower) that can be applied to the purchase. Retailers, vendors, program partners, and/or contractors will be able to submit reimbursement requests via electronic systems (either via an API for those retailers that wish to connect that way OR via a web portal where the contractor, vendor, or retailer may submit all the required information directly to the rebate processing

system).

To facilitate quality assurance and compliance with federal requirements, individual consumers will not be permitted to directly apply for rebates. The state will only accept applications from/work with contractors, program partners, retailers, and/or eligible entity representatives. Eligible entity representatives would be required to work with qualified contractors or retailers.

23. Describe how the state will ensure processing of rebates within 4 weeks of receipt (e.g., through a processing company, through program implementers, or other entities or methods). Include information on corrective actions that the state will implement in the event of lengthier processing times.

Defer response to State Implementation Blueprint.

24. Describe how the proposed processing system will be integrated with a system for processing rebates under Section 50121. Note if the state plans to use separate systems.

Defer response to State Implementation Blueprint.

N/A State is not planning to run 50121.

Section 4.1.6: Verify Income Eligibility

25. Describe how the state will define household income for verification purposes.

Response: For households that provide income information, the state will request documentation providing the income of all adult occupants over the past 12 months OR information from prior tax year earnings. As long as the income requirements of identified federal programs fall below 80% AMI and/or 150% AMI, households enrolled in a program that qualifies them as categorically eligible do not need to provide this income information. We will provide additional details and, as needed, revisions as part of our Implementation Blueprint.

26. For single-family households, how will claimants be able to establish their household income for income qualification? States may select from the following options:

Documentation of household income (for example, 1040)

Documentation of enrollment in a pre-qualifying program

Self-attestation of income level

Self-attestation of enrollment in a pre-qualifying program

Response: The state will recognize any of the following documentation for income to establish that a household is eligible: 1040 from prior year, W2 forms, other applicable tax documents, and wage statements/payroll.

The state also plans to offer categorical eligibility for households that can show enrollment in one of the following programs listed in Tables A-3 and A-4 of the [Appendix to USDOE's sample narrative responses](#):

- Low Income Home Energy Assistance Program (LIHEAP) – in Missouri, LIHEAP-eligible homes can qualify if they have an income at or below 60% of State Median Income. The state will only allow categorical eligibility for higher IRA rebate levels under LIHEAP for certain household sizes within any geographic area. These household sizes will correspond to instances in which 80% of AMI (or 150% of AMI for lower rebate levels) is less than 60% of State Median Income, as determined through a methodology similar to the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#).

- Medicaid
- Supplemental Nutrition Assistance Program (SNAP)
- Head Start
- Lifeline Support for Affordable Communications (Lifeline)
- Food Distribution Program on Indian Reservations (FDPIR)
- National School Lunch Program – Free (NSLP)
- Housing Improvement Program (HIP)
- Housing Opportunities for Persons with AIDS
- Supplemental Security Income (SSI)
- Weatherization Assistance Program (WAP) – the state will only allow categorical eligibility for higher rebate levels under WAP for certain household sizes within any geographic area. These household sizes will correspond to instances in which 80% of AMI is less than 200% of the Federal Poverty Level, as described in the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#). The state will ensure that these types of households are aware of and offered access to WAP prior to receiving any upgrades under the Home Electrification and Appliance Rebates.
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) – the state will only allow categorical eligibility for higher rebate levels under WIC for certain household sizes within any geographic area. These household sizes will correspond to instances in which 80% of AMI is less than 185% of the Federal Poverty Level, as described in the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#).
- Verified government or non-profit program serving Asset Limited Income Constrained Employed (ALICE) persons or households – the state will only allow categorical eligibility under ALICE to be used to demonstrate eligibility for the lower level of rebates.
- Public Housing (housing owned and operated by Public Housing Authorities)

We will provide additional details and, as needed, revisions as part of our Implementation Blueprint.

27. For multifamily buildings, describe what combination of methods will be used to verify that at least 50% of dwelling units consist of households with incomes less than 80% AMI.

Response: To qualify for low-income rebate amounts, multifamily building owners will be required to demonstrate that at least 50% of dwelling units consist of households with incomes less than 80% AMI through either of the following methods:

(1) Provide documentation (as described in the response to question #26) demonstrating that at least 50% of households either have incomes below 80% AMI or are enrolled in any of the following programs:

- Low Income Home Energy Assistance Program (LIHEAP) – in Missouri, LIHEAP-eligible homes can qualify if they have an income at or below 60% of State Median Income. The state will only allow categorical eligibility for higher IRA rebate levels under LIHEAP for certain household sizes within any geographic area. The state will ensure that these household sizes will correspond to instances in which 80% of AMI is less than 60% of State Median Income, as determined through a methodology similar to the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#).
- Medicaid
- Supplemental Nutrition Assistance Program (SNAP)

- Head Start
- Lifeline Support for Affordable Communications (Lifeline)
- Food Distribution Program on Indian Reservations (FDPIR)
- National School Lunch Program – Free (NSLP)
- Housing Improvement Program (HIP)
- Housing Opportunities for Persons with AIDS
- Supplemental Security Income (SSI)
- Weatherization Assistance Program (WAP) – the state will only allow categorical eligibility for higher rebate levels under WAP for certain household sizes within any geographic area. These household sizes will correspond to instances in which 80% of AMI is less than 200% of the Federal Poverty Level, as described in the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#). If applicable, the state will ensure that these types of households are aware of and offered access to WAP prior to receiving any upgrades under the Home Electrification and Appliance Rebates.
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) – the state will only allow categorical eligibility for higher rebate levels under WIC for certain household sizes within any geographic area. These household sizes will correspond to instances in which 80% of AMI is less than 185% of the Federal Poverty Level, as described in the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#).
- Verified government or non-profit program serving Asset Limited Income Constrained Employed (ALICE) persons or households – the state will only allow categorical eligibility under ALICE to be used to demonstrate eligibility for the lower level of rebates. The state will address the ability to use ALICE to qualify for the higher level of rebates in its Implementation Blueprint.

OR

(2) Provide documentation that demonstrates that one of the following categories applies to 50% of the units in the multifamily building:

- Public Housing (housing owned and operated by Public Housing Authorities)
- Privately owned multifamily buildings receiving project-based assistance (i.e., Section 8, Section 202, and Section 811)
- Privately owned multifamily buildings that house residents receiving tenant-based assistance
- Section 42 Low Income Housing Tax Credit (LIHTC)

We will provide additional details and, as needed, revisions as part of our Implementation Blueprint.

- a. For multifamily buildings, describe what combination of methods will be used to verify that at least 50% of dwelling units consist of households with incomes less than 150% AMI (but not less than 80% AMI).

Response: Multifamily building owners will be required demonstrate that at least 50% of dwelling units consist of households with incomes less than 150% AMI through either of the following methods:

- (1) Provide documentation (as described in the response to question #26) demonstrating that at least 50% of households either have incomes below 150% AMI or are enrolled in any of the following programs:

- Low Income Home Energy Assistance Program (LIHEAP) – in Missouri, LIHEAP-eligible homes can qualify if they have an income at or below 60% of State Median Income. The state will only allow categorical eligibility under LIHEAP for IRA rebates for certain household sizes within any geographic area. These household sizes will correspond to instances in which 150% of AMI is less than 60% of State Median Income, as determined through a methodology similar to the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#).
- Medicaid
- Supplemental Nutrition Assistance Program (SNAP)
- Head Start
- Lifeline Support for Affordable Communications (Lifeline)
- Food Distribution Program on Indian Reservations (FDPIR)
- National School Lunch Program – Free (NSLP)
- Housing Improvement Program (HIP)
- Housing Opportunities for Persons with AIDS
- Supplemental Security Income (SSI)
- Weatherization Assistance Program (WAP) – the state will only allow categorical eligibility under WAP for certain household sizes within any geographic area. These household sizes will correspond to instances in which 150% of AMI is less than 200% of the Federal Poverty Level, as determined through a methodology similar to the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#). If applicable, the state will ensure that these types of households are aware of and offered access to WAP prior to receiving any upgrades under the Home Electrification and Appliance Rebates.
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) – the state will only allow categorical eligibility under WIC for certain household sizes within any geographic area. These household sizes will correspond to instances in which 150% of AMI is less than 185% of the Federal Poverty Level, as determined through a methodology similar to the “AMI/FPL Comparison Tool” from the [Pacific Northwest National Laboratory](#).
- Verified government or non-profit program serving Asset Limited Income Constrained Employed (ALICE) persons or households

OR

(2) Provide documentation that demonstrates that one of the following categories applies to the multifamily building:

- Public Housing (housing owned and operated by Public Housing Authorities)
- Privately owned multifamily buildings receiving project-based assistance (i.e., Section 8, Section 202, and Section 811)
- Privately owned multifamily buildings that house residents receiving tenant-based assistance
- Low Income Housing Tax Credit (LIHTC)

We will provide additional details and, as needed, revisions as part of our Implementation Blueprint.

28. Confirm the following:

- Claimant will be required to note the number of individuals who occupy the dwelling

unit.

- Claimant will be required to sign a statement attesting to the validity of all information provided (e.g., enrollment documents, household income, number of full-time occupants) irrespective of the method of income qualification (e.g., categorical eligibility, self-attestation).

Yes, the state confirms the above statements.

29. Describe how the 80% AMI and 150% AMI levels for each location will be kept up-to-date and linked to DOE systems. Provide additional information if proposing NOT to use a federally provided link or API.

Defer response to State Implementation Blueprint.

Confirm that these levels will correspond to:

- The address of the home at which rebates will be applied
- The applicable number of household occupants

Yes, the state confirms the above statements.

30. Confirm that the state will do the following:

- Review information provided to support income eligibility for all applicants applying for rebates;

Yes, the state confirms the above statement.

- Take steps to verify income eligibility for all applications (100%) that use self-attestation to support income eligibility (e.g., confirm enrollment in at least one program that the applicant asserted enrollment in; confirm household income via IVES; calls to employers);

Yes, the state confirms the above statement.

N/A, the state will not be allowing self-attestation.

- After six months and not longer than one year after program launch, report to DOE the percentage and number of applicants that received rebates but were subsequently found to not meet eligibility requirements; and

Yes, the state confirms the above statement.

- Work with the state's DOE project officer to institute additional safeguards or determine if a lesser level of review for applicants using self-attestation is justified depending on the percentage/number of rebates issued without meeting eligibility requirements.

Yes, the state confirms all the statement.

N/A, the state will not be allowing self-attestation.

If applicable, propose the types of information that the state will provide to DOE to warrant reducing these requirements (e.g., allowing implementers to verify income of a subset of claimants through random sampling).

N/A. The state will not reduce this requirement.

Defer response to State Implementation Blueprint.

31. Provide additional information as needed to demonstrate that the proposed approaches for income verification will address all types of households; not create undue burden for claimants; and include safeguards to minimize error and abuse in the process of verifying

income.

Defer response to State Implementation Blueprint.

Response: By offering a variety of methods to demonstrate eligibility, including a wide range of programs recognized as providing categorical eligibility, the state believes that those in the lowest income brackets will have a range of options to demonstrate their eligibility.

As a safeguard to discourage applicants from falsifying income information, all households, when submitting income verification information, will be required to sign an attestation as well as confirm that they understand program rules such as the following:

If the information provided is invalid and warrants you ineligible for this rebate, the rebate reservation, if not processed, will be canceled. If the rebate has already been applied to a purchase or service, the Missouri Department of Natural Resources reserves the right to refer the applicant's case to the Attorney General for collection of rebated amounts, as well as civil and/or criminal proceedings, if warranted. The Missouri Department of Natural Resources also reserves the right to preclude the applicant's participation in future Inflation Reduction Act Home Energy Rebates Programs implemented by the Missouri Department of Natural Resources.

The state will train its staff, as well as ensure the implementation contractor/program partner staff receive training, on eligibility requirements and income verification processes. The state will integrate income validation into an electronic rebate processing system to automate verification when possible.

To further minimize error in this process, the state will conduct a review of each applicant household's income information prior to issuing a rebate coupon and giving the go-ahead to begin work. This delayed approval is workable given the complexity of the possible retrofits. Furthermore, the state will encourage applicants to provide income information as soon as possible through electronic means so that review can be concurrent with other steps, such as the contractor/program partner creating a scope of work. Applicants will be notified of household eligibility status (i.e., whether they qualify as below 80% or 150% AMI) as expeditiously as possible. The state will endeavor to lower burdens on households that wish to benefit from rebates, with additional details regarding the income verification process and associated safeguards to follow in our Implementation Blueprint.

32. Describe how the state will verify (confirm legitimacy) of income information for all claimants (e.g., verification within 2 days through IRS, cross-check with enrollment databases of approved programs, calls to employers). If applicable, a state may propose the types of information that it will provide to DOE to warrant reducing this requirement (e.g., allowing implementers to verify income of a subset of claimants through random sampling).

Defer response to State Implementation Blueprint.

33. Identify how the state will resolve instances when rebates are provided to those who have falsified their incomes.

Defer response to State Implementation Blueprint.

34. If proposing to allow self-attestation as a means for initial income qualification, provide a detailed description of how and when this approach will be used. Include statements, language, and detailed information regarding follow-up steps that will be used for this process. Additional topics to address include:

- Describe how those applying for rebates will be warned of potential liability associated with falsifying information.
 - Explain how signed statements of self-attestation will be securely stored.
 - Identify what level of falsified attestations will signal that the system needs to shut down either permanently or be restarted only after sufficient improvements.
- Defer response to State Implementation Blueprint.
- N/A. The state has chosen not to allow self-attestation.
35. Describe how the state program will verify, where applicable, that at least one member of a household has been enrolled in a program within the [Federal Programs Approved for Categorical Eligibility](#) document, or other state-proposed program approved by DOE, within the prior 12 months.
- Defer response to State Implementation Blueprint.
36. Identify the federal or other programs by which the state plans to allow categorical eligibility.
- Defer response to State Implementation Blueprint.

Please see the responses to Question #26, Question #27, and Question #27a.

37. If applicable, propose any additional federal and other programs to be considered for categorical eligibility. For any programs not already approved, describe how the program’s eligibility aligns with the Section 50122 income requirements (Section 4.1.6 of the [Program Requirements & Application Instructions](#)).
- Defer response to State Implementation Blueprint.
- N/A. The state will not propose additional federal or other programs to be considered for categorical eligibility.
38. Identify whether the state requests authorization to allow use of categorical eligibility determinations based on program participation outside of a one-year period (e.g., proof of enrollment within the past 12 months). If so, explain the state’s proposal and describe the rationale.
- Yes, the state requests authorization to allow use of categorical eligibility determinations based on program participation outside of a one-year period. (Explain the state’s proposal and describe the rationale.)
- No, the state will only allow for categorical eligibility determinations based on program participation within a one-year period.
- Defer response to State Implementation Blueprint.
39. Identify whether the state requests authorization to allow categorical eligibility for a program in a way that is not consistent with the “level of categorical eligibility” listed in the document [Federal Programs Approved for Categorical Eligibility](#). For each deviation requested, propose, and provide documentation to justify the requested change. Documentation must demonstrate that the state imposes income requirements equivalent to or less than 80% AMI.
- Defer response to State Implementation Blueprint.
- N/A. The state will not allow categorical eligibility for a program in a way that is not consistent with the “level of categorical eligibility” listed in the document [Federal Programs Approved for Categorical Eligibility](#).

Section 4.1.7: Data Collection and Evaluation

40. Explain how data will be protected, specifically addressing security measures and privacy measures.

Defer response to State Implementation Blueprint.

41. Include documentation of the processes to monitor, identify, and address security and privacy threats.

Defer response to State Implementation Blueprint.

42. Certify that the state will submit a Privacy and Security Risk Assessment in the State Implementation Blueprint.

Yes, the state confirms the above statement and will include it with this narrative document.

Yes, the state confirms the above statement but defers a response to State Implementation Blueprint.

43. Confirm that the state will collect required data and cooperate in program evaluation processes as listed in Section 4.1.7.2 of the [Program Requirements & Application Instructions](#).

Yes, the state confirms the above statement.

44. Confirm that the state will gain access to billing data when requested by DOE for program requirements and program evaluation.

Yes, the state confirms the above statement.

Describe how the state will gain access to billing data when requested by DOE for program evaluation.

Response: When feasible, the state's implementation contractor will partner and work directly with utilities to ensure USDOE will have access to billing/usage data when requested for evaluation purposes. However, our office does not have an existing system to access utility bill data. Due to the number of utilities and potential differences in their operational capabilities, the implementation contractor may be unable to directly obtain customer data from every utility. Security and regulatory concerns may also preclude direct access. If the implementation contractor cannot directly obtain these data, the homeowner or building owner will be required to provide the data directly to the implementer. We will address exact the methods by which the implementation contractor will access these data in our Implementation Blueprint.

For all projects that apply for a 50122 Home Electrification and Appliance Rebate, the state will request that the homeowner or building owner sign a statement that:

1. Gives the implementation contractor permission to collect 12 months of all energy utility billing data prior to the upgrade as well as 12 months of all energy utility billing data after the upgrade; or,
2. Confirms the homeowner or building owner will directly provide energy utility billing data if the implementation contractor is not able to get the records directly from the utility.

45. Confirm whether the state is planning to conduct its own evaluation, and if so, what type(s) of evaluations.

Yes, the state will conduct its own evaluation. (Describe below).

No, the state will participate in the DOE-led impact and evaluation process.

If yes, what type(s) of evaluations. If no, leave blank.

If the state plans to conduct evaluations on its programs, confirm that the state will:

- Cooperate with DOE to meet the requirements listed in Section 4.1.7.2 of the [Program Requirements & Application Instructions](#).
 - Yes, the state agrees to meet the evaluation requirements.
- Submit an evaluation plan for DOE review within three months of program launch.
 - Yes, the state will submit an evaluation plan within three months of program launch.
- Provide results to DOE.
 - Yes, the state will provide results to DOE.

46. If the state plans to conduct evaluations on its programs, describe the evaluation objectives, high level work plan, and timing of the evaluations and whether the state would request to be excluded from DOE-led evaluations.

- Yes, the state agrees to meet the evaluation requirements.
- N/A. The state will not conduct its own evaluation.

Consumer Experience

Section 4.2.1: Education and Outreach Strategy

47. Confirm that the state will develop and submit an Education and Outreach Strategy consistent with Section 4.2.1 of the [Program Requirements & Application Instructions](#).
- Defer response to State Implementation Blueprint.

Section 4.2.2: Qualified Electrification Projects

48. Describe how the state will verify that rebates are provided only for qualified electrification projects, including that each of the following conditions are met for each project:

- Project includes the purchase and installation of a qualifying product, as described in Section 4.2.2 of the [Program Requirements & Application Instructions](#)
- The qualifying product is installed as part of new construction; or to replace a non-electric appliance; or as a first-time purchase with respect to that appliance
- The installation occurs at a single-family home or eligible multifamily building

Response: The state will use the USDOE Rebate Tracking and Reporting Tool, which will only generate coupons for qualified product types. For those retailers that may use the API, they will be responsible for coding those sales items that meet 50122 requirements and only accepting coupons when applied to those products. As applicable, all others that accept rebate coupons will be informed that the rebate only applies to qualifying products and that they will not be reimbursed should the installed or purchased equipment not be a qualifying product.

Any entity that applies the rebate at point of sale or installation is required to submit a proof of sale/invoice with detailed product information (e.g., model numbers). For contractors/program implementers that install equipment, they will also be required to take and submit geocoded pictures of installed equipment, including nameplate information.

Homeowners or building owners will be notified of product requirements on the coupon and receive a warning consistent with the response to Question #31.

At the time of applying for a rebate, the applicant will be asked a series of questions intended to assess whether the home's current conditions meet rebate requirements. For example, if they answer "electric induction" to the question of what type of stove they are replacing, their application will be rejected with a note informing them the rebate cannot be used for this purpose. Similarly, if the applicant responds "yes" to the question of whether at least one of the types of

equipment is installed at that address, then the application will be rejected with a note informing them that the rebate can only be used for first-time purchases of the equipment.

Households will need to sign an attestation that they are providing accurate information, that they understand the consequences of falsifying information, and that they understand and agree to other applicable terms and conditions. They will also be required to attest to the type of equipment that will be replaced in their home (if relevant). The state will also inform them that by accepting the rebate/installation service, they agree to participating in randomly selected reviews that would require them to provide geo-coded photos (when not already provided by an installer/program partner) or by allowing an inspector to come to their home to verify that qualifying equipment has been installed at the given address.

49. Describe how the state will collect and retain documentation to demonstrate how each criterion in Section 4.2.2 of the [Program Requirements & Application Instructions](#) was met for each installation.

Defer response to State Implementation Blueprint.

50. If applicable, identify any additional types of “materials to improve ventilation” that the state plans to make eligible for rebates.

Defer response to State Implementation Blueprint.

N/A. The state will not include any additional types of “materials to improve ventilation” in the rebates.

Section 4.2.3: Installation Incentives

51. Describe how eligible entity representatives will be determined to be eligible for installation incentives, and how and when incentives will be paid.

Defer response to State Implementation Blueprint.

52. Confirm that the state program will provide a clear incentive schedule commensurate with the scale of the upgrades installed not to exceed the maximum allowable values.

Yes, the state confirms the above statement.

53. Describe what tool(s) the state will provide for eligible entity representatives to identify households that qualify for an installer incentive for substantial installation located within a disadvantaged community.

Defer response to State Implementation Blueprint.

54. Confirm that the state program will automatically provide the incentive to eligible entity representatives in an amount not to exceed \$500 per dwelling unit or multifamily building in a 12-month period.

Yes, the state confirms the above statement.

Section 4.2.4: Home Assessments

55. Determine and describe a pre-defined set of home pre-condition(s) and/or scope of work scenario(s) that will constitute unacceptable risk of raising utility bills.

Defer response to State Implementation Blueprint.

56. Identify if the state will allow remote or virtual assessments in place of field-based assessments in cases of limited home assessments and if so, describe process.

Yes, the state will allow remote or virtual assessments (describe below).

No, the state will not allow remote or virtual assessments.

Defer response to State Implementation Blueprint.

57. Describe what processes will be put in place for home energy assessments for multifamily buildings, including for energy used by common areas.

Defer response to State Implementation Blueprint.

Section 4.2.5: Consumer Protection Through Quality Assurance

58. Confirm that the state will prepare and implement a Consumer Protection Plan in accordance with these requirements in Section 4.2.5 of the [Program Requirements & Application Instructions](#).

Yes, the state confirms the above statement.

Requirements to Maximize Rebate Impact

Section 4.3.1: Supporting the Clean Energy Economy Through Market Transformation

59. Certify that the state will prepare and implement a Market Transformation Plan within the first year after receiving the financial assistance award.

Yes, the state confirms the above statement.

Section 4.3.2: Integrating with Other Programs

60. Identify whether the state plans to take proactive steps to encourage integration with other programs. If so, identify with which programs the state will actively seek to integrate. The state may include letters of support or other indicators of commitment from existing program partners. If the state does not plan to integrate the rebates into any existing programs, note this as “not applicable” within the application. Applications should identify whether programs will be integrated in any or the following areas:

- Integration into existing program administration, website, materials.
- Adoption of existing program standards, quality assurance (QA), workforce standards, or other practices.
- Braiding or co-funding of upgrades within individual households.
- Other integration elements, as applicable.

N/A. The state does not plan to integrate the rebates into any existing programs.

Response: The state plans to integrate the Home Electrification and Appliance Rebates with the following programs, as well as any other applicable programs:

- To the extent feasible given restrictions in combining federal grants and rebates, as one portion of our rebates, the state plans to leverage WAP and use the Home Electrification and Appliance Rebates to ensure that low-income households served by weatherization can also benefit from equipment improvements that are typically beyond the scope of weatherization.
- As one method for delivering these rebates, the state plans to leverage utilities’ demand-side management programs to the extent doing so is not prohibited by the Missouri Public Service Commission. These non-federally funded programs may already have consumer education and marketing materials, qualified contractor networks, and contractor training resources for delivering measures and are therefore potentially well-suited to deliver the Home Electrification and Appliance Rebates as well. The state will engage with utilities to explore co-marketing opportunities, align workforce standards and qualifications for contractor enrollment, and (when higher than ENERGY STAR®) align equipment standards and minimum efficiency rebates as well.

By integrating the Home Electrification and Appliance Rebates with these and other programs, the

state will build on existing consumer education materials, quality assurance activities, and workforce qualifications. In addition, consumers will have the opportunity to save additional money on Home Electrification and Appliance Rebates-funded improvements. WAP has well-established quality assurance efforts which can be carried out in concert with the QA needed for ensuring effective use of the Home Electrification and Appliance Rebates. The utility programs may have contractor networks and marketing infrastructure that the state can potentially leverage for training, contractor qualification, measure co-delivery, and consumer outreach.

Regardless of whether the state can fully integrate home energy rebates into existing programs, the state will ensure that any program co-funding or braiding complies with all USDOE requirements.

Missouri's Environmental Improvement and Energy Resources Authority (EIERA) is developing a simple, one-stop shop platform for announcing and financing energy infrastructure projects and building relationships with customers and vendors to further streamline the investment process of various infrastructure funds leveraged through EIERA. DE will collaborate with EIERA with the intention to weave Missouri's IRA programs into/through this platform if practicable and feasible.

The state's Implementation Blueprint will provide additional details.

61. Describe how the state program will support households, contractors, and other stakeholders in understanding how the state program may leverage other program resources.

Defer response to State Implementation Blueprint.

62. Describe the method(s) the state will use to ensure the total combination of all immediate upfront funding sources (federal grants, federal loans, and non-federal funding) provided to a project does not exceed the total project cost.

Defer response to State Implementation Blueprint.

63. Describe how the state program will support contractors and retailers in preparing acceptable invoices that may be kept as program records. The state must also describe how its implementer(s) will produce this documentation in a timely manner upon request in the event of an audit by DOE, the DOE's inspector general, a state's inspector general, or another entity.

Defer response to State Implementation Blueprint.

64. Describe how the state will ensure rebate recipients will be made aware of the portion of the funding received from the DOE Home Electrification and Appliance Rebates.

Defer response to State Implementation Blueprint.

Section 4.3.3: Quick Starts

65. Identify whether the application is for a Quick Start program. For Quick Start programs, identify the timeline for program launch.

Yes, this is for a Quick Start Program (provide timeline below).

No, this is not for a Quick Start Program.

Please add your name, title, signature, and date.

Nora Maxwell
Name (printed)

Manager, State Energy Program
Organization and Title

Nora Maxwell
Signature

11/20/2024
Date