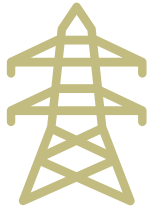


State Energy Office Federal Funding Impacts

**Melissa Bailey, State Energy Office Director
Vermont Department of Public Service**

January 14, 2026



Public Service Department

- Represents the public interest in utility matters and proceedings
- Conducts long range planning for the state's energy and telecommunications needs



State Energy Office (est 2023)

- Federal Designation from U.S. Department of Energy
- Deploys federal funds for energy and climate work flowing through the Dept.



Houses Clean Energy Development Fund (CEDF)

- Increase renewable energy generation in Vermont

Climate Work: Interagency Coordination & Vermont Climate Council

January 14, 2026

IRA Home Energy Rebates Programs

\$59 million allocated via formula funding to VT:



- \$29M for **Home Efficiency Rebates (HOMES)**
 - To be granted to the low-income *Weatherization Assistance Program (WAP)* through the Office of Economic Opportunity
 - Expected to serve ~1,600 households
- \$29M for **Home Electrification & Appliance Rebates (HEAR)**
 - To support heat pump installations for low- and moderate- income households in existing buildings and multifamily new construction
- \$ 1M contractor training and workforce development (TREC)
 - To fund training for weatherization and heating contractors

January 14, 2026

Status of Funding

- DOE is not communicating with states on “conditional” awards (*for VT these are TREC and HEAR*)
- Consistent Communication on HOMES throughout 2025
 - SEO has submitted and revised required program docs to DOE satisfaction
- Vermont is almost ready to launch HOMES
 - Software approval is pending – contractor anticipates March approval
 - No state has received HOMES or HEAR approval since change in federal administration
- DOE review of all programs is underway
 - Pursuant to OMB Memo (1/27/25) – *consistency with Administration priorities*



Solar for All Vermont = \$62 million over 5 yrs. At least **\$46.5M of incentives** for low-income Vermonters to receive financial benefits via solar power

PSD Solar for All VT program
\$2.84M

Workforce development grant
\$1.71M

MASH

On and off-site kW & MW
solar for affordable
housing tenants,
through VHFA
\$22.34M
3,050 HH Served

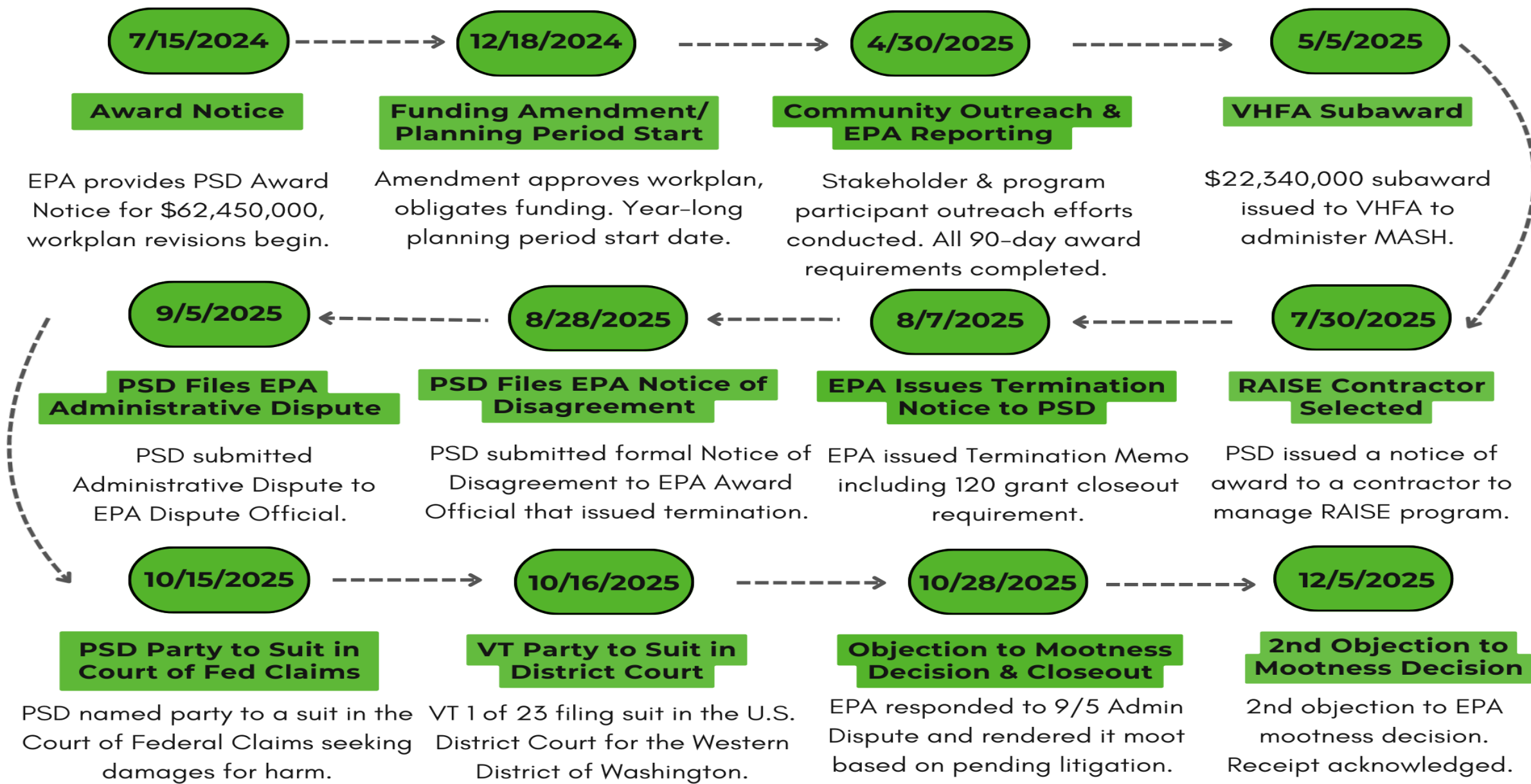
ACRE

MW sized
community solar
for renters,
through utilities
\$20.5 M
4,300 HH Served

RAISE

5kW on-site solar for
homeowners,
through PV Installers
& financial partner(s)
\$14.61M
1,000 HH Served

Solar for All Timeline



Appendix: State Energy Office Federal Funding

Authority	Federal Name	Fed Agency	Funding Amount	Conditional	Planned Use	Start	End	Status
BIL	Preventing Outages And Enhancing The Resilience Of The Electric Grid Formula Grants To States	DOE	\$ 8,404,471	No	Grants to DUs and partners for projects to reduce outages	7/14/2023	4/30/2032	Pursuing project proposals from 17 Distribution Utilities
	Energy Efficiency Revolving Loan Fund	DOE	\$1,327,818	No	Directed by VT Legislature to transfer funds to BGS for Municipal Revolving Loan Fund	6/1/2024	5/31/2029	MOU with BGS complete
	Energy Efficiency and Conservation Block Grants	DOE	\$ 956,652	No	Grants to Municipalities for Efficiency Planning and Projects	3/1/2024	2/28/2027	Grants issued to 17 Municipalities
	BIL: State Energy Program	DOE	\$ 3,000,090	No	\$900K for workforce development; contractor support for engagement and energy planning; data project;	7/1/2022	6/30/2028	WFD RFP to be issued this year, data project underway
Other	Sustainable Energy in Schools and Public Buildings	DOE	\$1,000,000	No	Congressionally directed spending for renewable heating for schools and municipalities.	7/1/2023	10/31/2026	Grant agreements issued to municipalities and school districts.
	State Energy Program Annual Formula Funds	DOE	\$ 444,440	No	Code support, weatherization and health pilot, and staffing	7/1/2025	6/30/2026	Implementing
	ARPA/General Fund	N/A	\$ 59,000,000	No	Weatherization, Flood Recovery, Panel Upgrades, Load Management, HPWH, Community Solar, Renewable Heating	6/1/2022	12/31/2026	Implementing through 2026
IRA	IRA Section 50121 Home Energy Efficiency Rebate Program (HOMES)	DOE	\$ 29,303,666	No	Supplemental funding for the low-income Weatherization Assitance Program through AHS/Office of Economic Opportunity	9/1/2024	9/30/2031	MOU with OEO in progress. Expect to launch in 2026
	IRA Section 50122 Home Electrification and Appliance Rebates (HEAR)	DOE	\$ 29,192,160	Yes	Funding for heat pumps to OEO and Efficiency Vermont	1/1/2025	9/30/2031	On pause. Awaiting further guidance from DOE
	IRA Home Energy Efficiency Contractor Training Grants, Training for Residential Energy Contractors (TREC)	DOE	\$ 1,048,680	Yes	Contractor training for Weatherization and Heat Pump installs	1/1/2025	9/30/2031	On pause. Awaiting further guidance from DOE
	IRA Vermont Energy Code Update and Zero Energy Code Adoption Project	DOE	\$ 4,484,570	Yes	Staffing and support for increasing Code Compliance in VT	1/1/2025	9/30/2031	On pause. Awaiting further guidance from DOE
	Greenhouse Gas Reduction Fund Solar For All	EPA	\$ 62,050,000	No	3 distinct subprograms for single family, multifamily, and community solar	9/1/2024	8/31/2029	Terminated by EPA. VT is disputing termination