

1Roof

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Minnesota
**INTERFAITH
POWER & LIGHT**

MNIPL mission

Minnesota Interfaith Power & Light is a 501(c)(3) non-profit organization that works to build a stable climate that supports vibrant, equitable communities for all life. **We believe the active care of creation is integral to spiritual life and social justice.**

MNIPL works in partnership with faith communities to **build transformative power and bring the lights of people's unique gifts** to addressing the climate crisis. We respond to climate change by bringing Minnesota's faith communities together and by providing opportunities for congregations to join the growing climate justice movement.



IRA, Clean Energy Incentives, And You

- Federal – IRA
 - Direct Pay – Commercial/Non-profits
 - Residential
 - Solar
 - EE tax credits
 - EE rebates
- New state incentives
- Utility incentives

Inflation Reduction Act

- History – GND, 2020 Election, BBB, IJA
- Signed 8/16/22
- Taxes/Deficits, healthcare, Climate/Energy
 - \$370 Billion in climate action spending (floor)
 - 40% emissions reduction by 2030 (modeling estimate)
- Compromise bill – climate provisions in exchange for concessions
 - Critical Role of Senator Smith in passage

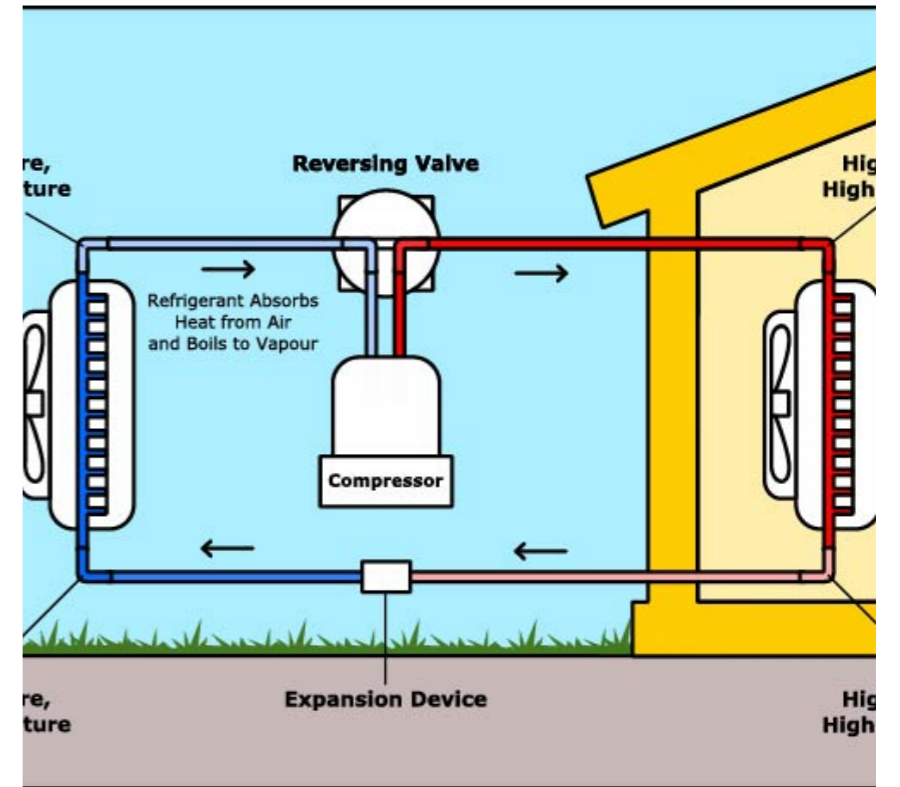
Theory of Action



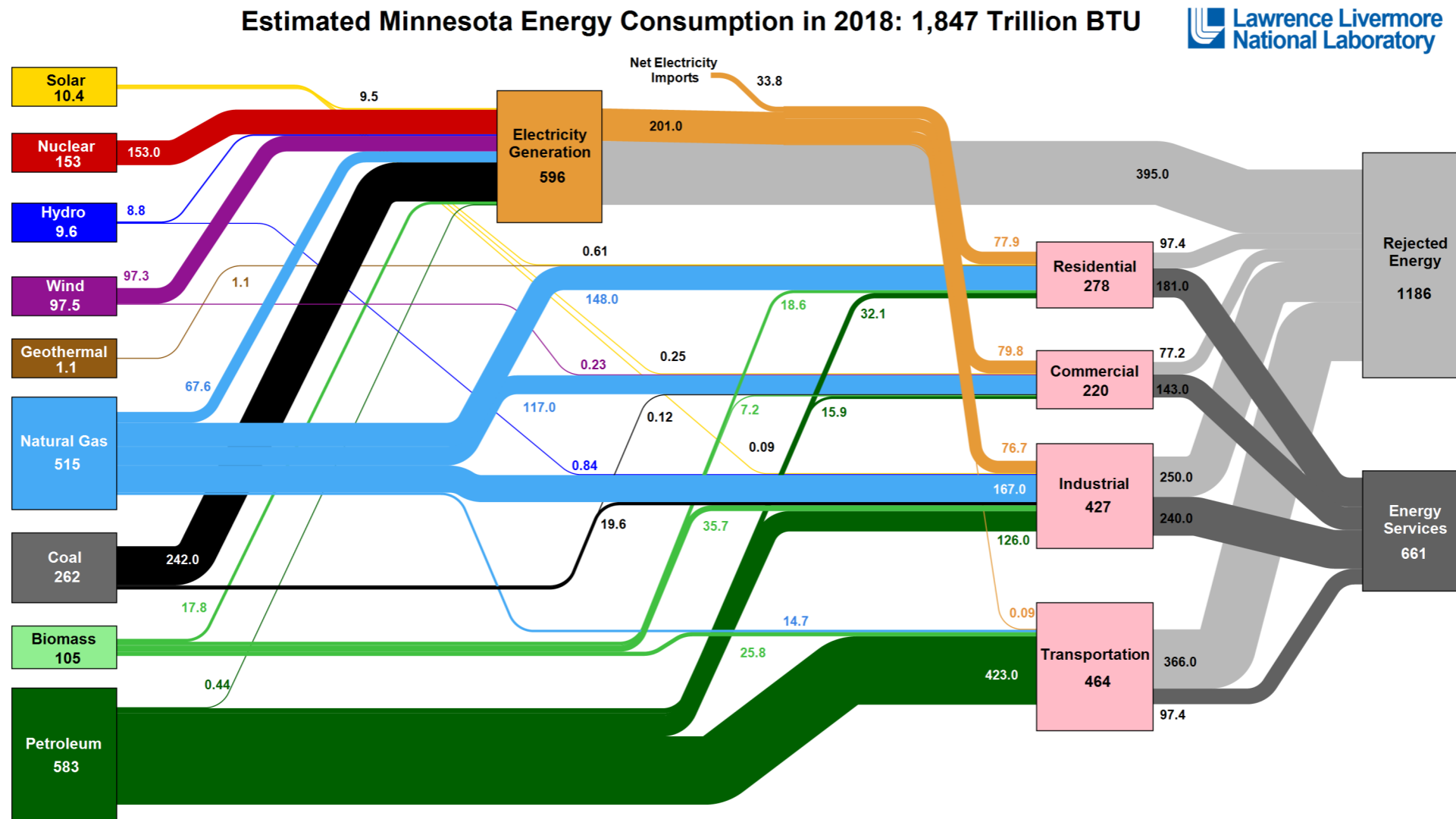
- Clean up Electricity
- Electrify everything
- Center equity



Air Source Heat Pumps Heating Cycle



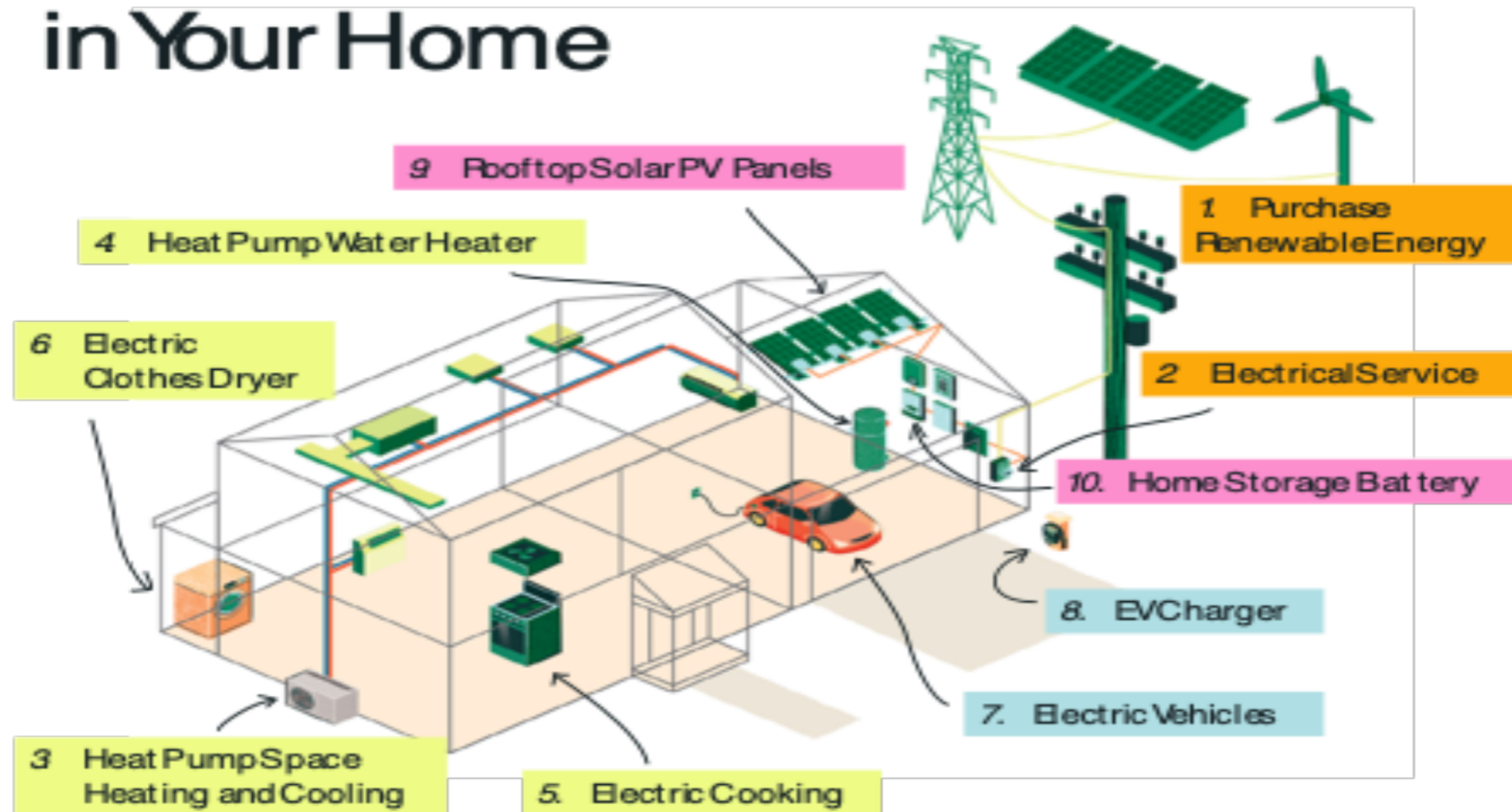
Electrification = Efficiency



Source: LLNL June, 2020. Data is based on DOE/EIA SEDS (2019). If this information or a reproduction of it is used, credit must be given to the Lawrence Livermore National Laboratory and the Department of Energy, under whose auspices the work was performed. Distributed electricity represents only retail electricity sales and does not include self-generation. EIA reports consumption of renewable resources (i.e., hydro, wind, geothermal and solar) for electricity in BTU-equivalent values by assuming a typical fossil fuel plant heat rate. The efficiency of electricity production is calculated as the total retail electricity delivered divided by the primary energy input into electricity generation. End use efficiency is estimated as 65% for the residential sector, 65% for the commercial sector, 49% for the industrial sector, and 21% for the transportation sector. Totals may not equal sum of components due to independent Rounding. LLNL-MI-410527

Electrification is everywhere

Where to Electrify Everything in Your Home



Commercial and Individual Incentives of the IRA

- Tax incentives
 - Tax credits
- Direct rebates
- Loans
- Community Grants
 - Rural (REAP)
 - Justice centered
- Awaiting guidance on implementation rules

Commercial Energy benefits in the IRA (Non-profit)

- Commercial/Nonprofit (most starting in 2023)
 - Solar – Investment Tax Credit (ITC)
 - 30% tax credit, with extra qualifying provisions for up to 60% tax credit off!
 - 10% domestic product credit
 - 10% energy community credit
 - 10-20% low income community project credit
 - Non-profits may now qualify through direct payments
 - Also qualifying - wind, geothermal, batteries, and much more!

How Direct Pay Works

Before Direct Pay

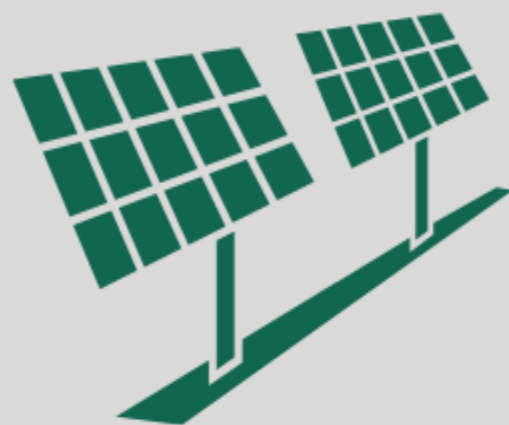
Nonprofit



Private Company



Financing
agreement with a
private company.

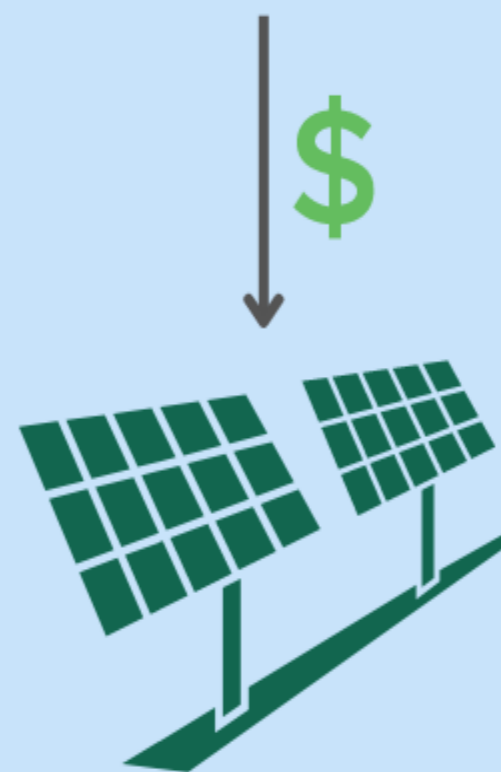


Nonprofit funds rooftop or
community solar project.

Private company
claims federal
tax credits and
offers lower
project cost to
nonprofit.

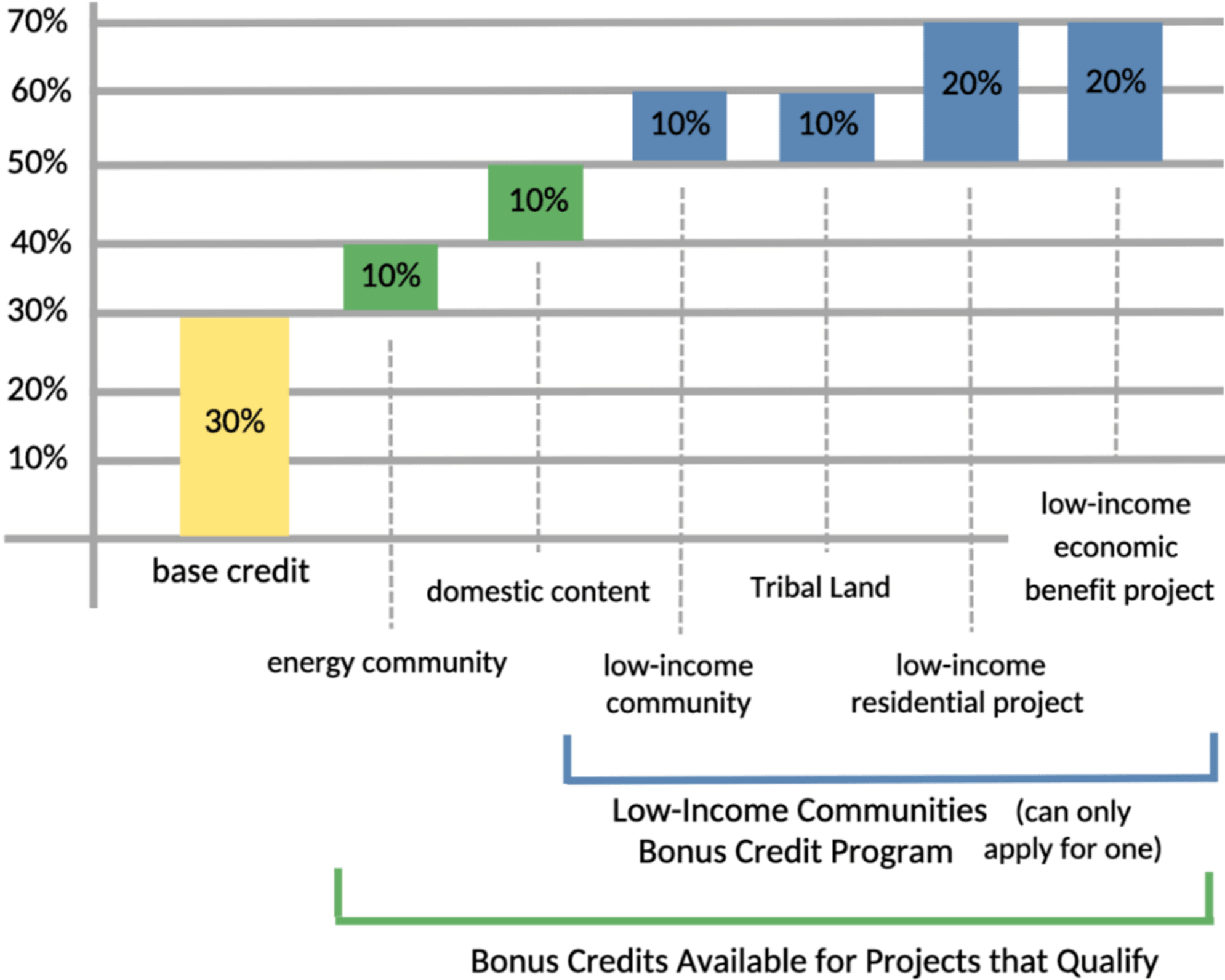
After Direct Pay

Nonprofit



Nonprofits can
take advantage of
clean energy tax
credits directly,
allowing them to
install solar energy
or battery storage.

Bonus Credits available within the Investment Tax Credit



Individual Federal Tax Credits

- Tax Credits - available now
 - 25D – Solar, batteries, GSHP, wind
 - 30%, no cap, turn key
 - 25C – Energy efficiency/Electrification
 - Annual limit rollover
 - Caps of different amounts

EQUIPMENT TYPE	TAX CREDIT AVAILABLE FOR 2022 TAX YEAR	UPDATED TAX CREDIT AVAILABLE FOR 2023-2032 TAX YEARS
Home Clean Electricity Products		
Solar (electricity)	30% of cost	
Fuel Cells		
Wind Turbine		
Battery Storage	N/A	30% of cost
Heating, Cooling, and Water Heating		
Heat pumps	\$300	30% of cost, up to \$2,000 per year
Heat pump water heaters		
Biomass stoves		
Geothermal heat pumps	30% of cost	
Solar (water heating)		
Efficient air conditioners*	\$300	30% of cost, up to \$600
Efficient heating equipment*		
Efficient water heating equipment*	\$150	30% of cost, up to \$600
Other Energy Efficiency Upgrades		
Electric panel or circuit upgrades for new electric equipment*	N/A	30% of cost, up to \$600
Insulation materials*	10% of cost	30% of cost
Windows, including skylights*	10% of cost	30% of cost, up to \$600
Exterior doors*	10% of cost	30% of cost, up to \$500 for doors (up to \$250 each)
Home Energy Audits*	N/A	30% of cost, up to \$150
Home Electric Vehicle Charger	30% of cost, up to \$1,000	30% of cost, up to \$1,000 **
<p>* Subject to cap of \$1200/year ** The IRS will soon publish further information on eligibility requirements related to home electric vehicle chargers, but we know that credits are intended for residents in non-urban or low-income communities.</p>		

Individual Federal Rebates

- Rebates – available late 2024/early 2025, administered by State
 - HEERA – Electrification
 - LMI qualified
 - Point of sale
 - 50-100% off!!
 - HOMES – retrofit projects



High-Efficiency Electric Home Rebate Act (HEEHRA) *(coming late 2024/early 2025?)*

Electric Load Service Center Upgrades	\$4,000
Electric Stove, Cooktop, Range, and/or Oven	\$840
Electric Wiring	\$2,500
Heat Pump Clothes Dryer	\$840
Heat Pump Heating/Cooling	\$8,000
Heat Pump Water Heaters	\$1,750
Insulation and Air Sealing	\$1,600

Tip: You can combine these incentives with Utility Rebates for additional savings!

State and Utility Incentives

- State of Minnesota
 - Heat Pumps
 - Electric panel upgrade grants
 - Energy storage incentives
 - EV's
 - E-Bikes!
- Utilities
 - residential and commercial
 - Rebates and special program rates

How much money will you get with the Inflation Reduction Act?

Enter your household information to find out.

We do not store this data.

Zip Code [?]

55803

Homeowner Status [?]

Homeowner

Household Income [?]

\$100,000

Tax Filing [?]

Joint

Household Size [?]

4 people

Calculate! 

Your Personalized Incentives

These are available to American homeowners and renters over the next 10 years.

UPFRONT DISCOUNTS [?]

\$14,000

AVAILABLE TAX CREDITS [?]

\$7,550

ESTIMATED BILL SAVINGS PER YEAR [?]

\$1,150

Total Incentives: \$21,550 

Disclaimer: This is an estimate. We do not yet know how or when upfront discounts will be implemented in each state, so we cannot guarantee final amounts or timeline. The geothermal tax credit is not included in these totals.

Frequently Asked Questions



Incentive stacking

- Bret's home in Duluth, gas furnace to ASHP
 - \$16000 cost
 - -\$8000 – IRA rebate
 - -\$4000 - State of MN HP rebate
 - -\$1000 – utility rebate
 - -\$900 – Fed tax credit
- New cost = \$2100
- Payback = 15 years



Energy Audits

- Why?
 - Check up for your home
 - Gives you an energy baseline
 - Let's you develop a plan
 - Energy improvements
 - Incentive planning
- Ecolibrium3
 - <https://www.ecolibrium3.org/energyaudit/>

Resources (or Get Ready!)

- [Rewiring America Calculator](#) (electrification benefits) – learn what rebates and incentives you may be eligible for
- MN CERTs (consumer facing questions) <https://www.cleanenergyresourceteams.org/>
- [MN Department of Commerce](#) – location to keep up to date when rebates from the state are available.

The train has left the station.

Which track do we take?

Business-as-usual:

Approach energy like just another product (whose benefits are realized by some groups but not others).



Tell a new story:

Use the transition to a clean energy economy as an pivotal moment to pursue climate justice and systemic change.

