

Solar Deployment in LIHEAP and WAP: Policy and Project Updates

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Project Introduction

Project Roadmap



Literature Review

FY22 Complete



Data Collection

FY22 Complete
FY23 In Progress



Stakeholder
Interviews

FY22 Complete
FY23 In Progress



Stakeholder
Workshops

FY22 Complete



Publication of
Results

FY23 Planned

WAP and LIHEAP Program Summaries

| Characteristic | Weatherization Assistance Program (WAP) | Low Income Home Energy Assistance Program (LIHEAP) |
|---|---|---|
| Program Structure | Formula Grant | Block Grant |
| Typical Annual Funding | ~\$300-350 million | ~\$2.5-4.5 billion |
| Typical Annual Households Served | 35,000 | 5-6 million |
| Infrastructure Investment and Jobs Act (IIJA)/Bipartisan Infrastructure Law (BIL) | \$3.5 billion until spent (initial 5-year period of performance) | \$500 million over 5 years |
| Income Eligibility | <200% of Federal Poverty Guidelines or categorical eligibility for recipients of SSI, LIHEAP, or certain HUD means-tested programs. | <150% of federal poverty level or <60% of State Median Income, whichever is greater. Recipients of SNAP, SSI, TANF, and certain means tested Veterans Administration Programs can be categorically income eligible. |
| Program Goal | Reduce energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring health and safety. | Keep families safe and healthy through initiatives that assist families with energy costs, associated with home energy bills, energy crises, and weatherization and energy-related minor home repairs. |

WAP and Solar

Updated WAP Solar Policy Guidance

- [WPN 23-06](#), issued March 3, 2023, outlines the process Grantees must follow to gain approval for solar photovoltaics (PV). Importantly, Grantees are no longer required to conduct a solar PV pilot.
 1. Integrating solar PV must follow the standard path for non-Appendix A technology approval:
 - Demonstrate that the technology can achieve an SIR of 1.0 or greater
 - Inclusion in the Grantee's Annual Plan
 - Demonstration that the Grantee can integrate the technology into its energy audit protocol for the specific housing type, to ensure the project-level analysis can generate an accurate SIR calculation

NEPA Categorical Exclusion

2. DOE clarified guidance on NEPA Categorical Exclusion.
 - If the PV system size is 60kW or less and the PV panels are mounted on the roof or otherwise attached to the dwelling, the system qualifies for a NEPA categorical exclusion and does not need additional review/approval.
 - If the PV system is larger than 60kW or is not attached to the dwelling, a NEPA impact assessment is required.

WAP Approval Process

3. Grantees must submit:

- A. A request to include solar PV as an approved measure for specific housing types.
- B. A Special Materials Request, including maximum PV system size and installation location.
- C. Grantee policies on solar PV energy modeling, installation, inspections, and monitoring, including:
 - The process for including leveraged funds in the SIR calculations
 - Compliance with Historic Preservation requirements
 - Requirements for Grantee, Subgrantee, and/or contractor training, qualifications, or certification.
- D. A sample analysis of a solar PV measure in energy modeling and cost-effectiveness calculations.
- E. A declaration of eligibility for the NEPA categorical exclusion, or a written process for NEPA impact assessment.

LIHEAP and Solar

Relevant LIHEAP Solar Guidance

Low Income Home Energy Assistance Program (LIHEAP) Act of 1981 (amended):

- Prohibits use of funds for improvement of land, or the purchase, construction, or permanent improvement of any building or other facility except for low-cost residential weatherization and energy-related home repairs.

Energy Policy Act of 2005:

- Authorizes LIHEAP funds to be used to “purchase renewable fuels.”

Assurance 16:

- Allows grant recipients to use up to 5% of LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs including need assessments, counseling, and assistance with energy vendors.

LIHEAP and WAP Interface

- LIHEAP weatherization funds:
 - Grant recipients may allocate up to 15% of funds to weatherization, or 25% if approved by waiver from HHS.
 - Funds may be used for solar if included in the grant recipient model plan
 - LIHEAP funds may be used for community solar subscriptions
- LIHEAP plan (among others) must identify:
 - The agency/office that will oversee LIHEAP-funded weatherization activities
 - The rules that will apply to those funds: HHS LIHEAP, DOE WAP, or a combination of both regulations
 - The specific weatherization measures, which may include solar

Program Design Approaches and Funding Sources

1. WAP Pathways

1. Solar approved as an eligible weatherization measure in WAP (PV or Domestic Hot Water)
2. Solar approved as an eligible weatherization measure via WAP SERC Grant

2. LIHEAP Pathways

1. Solar approved as an eligible weatherization measure in LIHEAP
2. LIHEAP funds used for community solar subscriptions or solar bills
 - Inclusive Shared Solar Initiative
 - Community Solar Subscription Platform

3. Other Models

1. Use of WAP or LIHEAP infrastructure to determine client eligibility for other solar programs
2. Use of non-federal weatherization funds for solar

Insights and Suggestions from Workshop Participants: Rooftop Solar

1. Critical Barriers to Solar Implementation

- Program design barriers: WAP re-weatherization, measure life
- Participant access barriers: renters, required roof repairs or electric upgrades
- Regulatory barriers: net metering, utility interconnection, historic preservation
- Administrative capacity and funding: staffing, securing non-federal funds

2. Suggestions for Action

- Federal: Align solar PV measure life with product warranties
- Federal: Provide clear guidance on solar program approval/structure (addressed by WPN 23-6)
- Federal: Add solar to WAP Appendix A or priority lists
- Federal: Explore re-weatherization waiver for solar (requires congressional action)
- Grantee: Have dedicated solar point person on staff
- Grantee: Consider allowing solar as factor for prioritizing waitlists (after five priority categories defined by statute)
- Grantee/Training Center: Provide solar training and/or support for subgrantees
- Subgrantee/Training Center: Retain Solar QCI

Insights and Suggestions from Workshop Participants: Community Solar

1. Critical Barriers to Solar Implementation

- Program design barriers (solar credits impacting income eligibility, enabling legislation)
- Administrative capacity (staffing)
- Funding (lack of clarity of how to use federal funds for community solar, funding for program planning and development)

2. Suggestions for Action

- Federal: Issue assurance that community solar credits will not be impact income eligibility
- Federal: Partnership with HUD and USDA affordable housing to help develop LMI models
- Federal: Explore community solar for multifamily properties without sufficient rooftop space
- Federal and Grantee: Share lessons learned from community solar pilots (ISSI, CSSP)
- Stakeholder partners: Develop model equitable community solar legislation that interfaces with weatherization

Resources in Development

Resources in Development

- Online toolkit on solar deployment, including:
 - Process map and decision guide for solar in WAP and LIHEAP
 - Solar implementation case studies
 - Frequently Asked Questions (FAQs)
 - Template materials
 - Video demonstration of Solar PV SIR Calculator

Feedback Requested

- What would you like to see included in these resources?
- Are there solar implementation resources not listed that you would find helpful?
- What information would you need to pitch inclusion of solar to your organization's leadership?
- What resources formats would you like (ex: written guides, webinars, videos, etc.)?
- Is there any specific technical assistance you would like to see provided?
 - Process map and decision guide for solar in WAP and LIHEAP
 - Solar implementation case studies
 - FAQs
 - Template materials
 - Video demonstration of Solar PV SIR Calculator

Next Steps

2023 Data Collection

- Due to high current activity around solar, NREL is conducting a second round of data collection. We need your help to make sure we have a complete picture of the state of solar in weatherization programs.
- Please fill out the following link by 5/12 to be included:
 - [LINK](#)



Thank you!

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