July 15, 2026

The Honorable Audrey Robertson
Assistant Secretary of Energy for Critical Minerals and Energy Innovation
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

**Re: Support for the Department's Revised Home Energy Rebate Guidance (Program Notices 26-1 and 26-2)**

Dear Assistant Secretary Robertson:

The undersigned organizations represent America's heating oil and propane distributors, natural gas utilities, plumbing and HVAC service contractors, and manufacturers, distributors, and retailers of hearth appliances and other residential appliances and equipment. In support of the millions of families and small businesses our industries serve, we write to commend the Department of Energy for its revised guidance governing the Inflation Reduction Act (IRA) Home Energy Rebate programs[1], issued on May 29, 2026 as Program Notices 26-1 and 26-2.[2]

In February 2025, many of the undersigned urged the Department to withdraw and rewrite guidance that steered these programs toward forced electrification and against the fuels and technologies on which 71.4 million American households depend.[3] The Department listened. The revised guidance reflects the concerns we raised, restores these rebate programs to their statutory purpose, and returns federal energy policy to a common-sense, consumer-first footing. We write both to express our strong support and to reinforce the foundation on which this guidance stands.

Specifically, we commend the Department for the following changes:

- The High-Efficiency Electric Home Rebates may no longer be used to subsidize the replacement of non-electric heating systems and appliances. A household that installs a heat pump may keep its existing system rather than remove it, and upgrades from existing electric equipment and installations in new construction remain fully supported.

- By withdrawing the prior "Envelope First, Heat Pump Ready" recommendations[4], the Department has restored fuel neutrality to the HOMES program, allowing efficient oil, propane, and natural gas equipment to qualify once again on its energy savings merit.
- The ENERGY STAR requirement is now optional under HOMES, so that high-efficiency liquid- and gas-fired furnaces, boilers, and water heaters are no longer screened out.
- Weatherization is prioritized, reducing a home's energy use first, without the prior guidance's steering toward electrification or its bias against non-electric heating.

We also endorse the principles that justify this guidance, principles that have only grown more pressing since these programs were enacted. Above all, it promotes affordability by focusing on measures that actually lower a household's energy use and protects reliability at a moment when the grid is under mounting strain. Since the IRA was enacted, electricity demand has surged and is projected to continue to climb sharply as data centers, advanced manufacturing, and reindustrialization draw on the grid, making reliability and affordability pressing national concerns.[5] Preserving the non-electric heating that keeps homes warm during extreme cold, when electric demand peaks and the grid is most strained, relieves pressure on the grid. Forcing those same homes onto it through electrification would do the opposite.

The guidance restores consumer choice and favors no fuel over another. Families, not governments, are best suited to determine which heating solutions fit their home, their climate, and their budget. Further, the new guidance advances energy security, because a diverse residential energy mix, including natural gas, propane, heating oil, and renewable heating fuels, eases strain on the grid and strengthens national and regional resilience.

The guidance is also a responsible use of limited public dollars. These rebates were enacted to serve low- and moderate-income families, and limited funds reach more of them when they are directed toward measures that deliver genuine and immediate energy savings rather than toward the costly whole-home conversion to all-electric appliances and heating systems. A single conversion can consume much of a household's HEEHR rebate once the new appliance and the required electrical work are counted, up to $4,000 for a panel upgrade and $2,500 for wiring[6], which leaves fewer dollars to serve the next family in line. Prioritizing the households these programs were meant to help, and stretching finite resources to reach more of them, is sound policy and prudent stewardship of taxpayer dollars.

Finally, we respectfully recommend that the Department evaluate whether comparable fuel-neutral revisions are warranted for the State-Based Home Energy Efficiency Contractor Training Grants authorized under Section 50123 of the Act.[7] Obligated funds continue to flow in several states under the previous administration's guidance, which is still oriented toward electrification. Aligning workforce-training guidance with the reformed rebate programs would bring welcome consistency across the Department's residential energy initiatives.

Thank you for your leadership in restoring balance to these important programs. Our organizations stand ready to serve as a resource as you implement these reforms.

Respectfully,

American Public Gas Association
American Supply Association
Energy Marketers of America
Hearth, Patio & Barbecue Association
National Energy & Fuels Institute
National Propane Gas Association
Organization of Energy Service Professionals
Plumbing-Heating-Cooling Contractors – National Association

cc:
Carolyn Snyder, Deputy Assistant Secretary for Innovation, Affordability, and Consumer Choice
Joshua Campbell, Deputy General Counsel for Energy Efficiency and Clean Energy Demonstrations
Michael Li, Director, Office of State and Community Energy Programs
Joseph Bradley, Office of Critical Minerals and Energy Innovation
Michael Sangaline, Office of Critical Minerals and Energy Innovation

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[1] Inflation Reduction Act, Pub. L. 117-169, §§ 50121, 50122 (42 U.S.C. §§ 18795, 18795a).

[2] U.S. Department of Energy, Home Energy Rebates Program Notices 26-1 (HOMES) and 26-2 (HEEHR), May 29, 2026.

[3] U.S. Census Bureau, American Community Survey (2024). Figure reflects U.S. households whose primary home heating fuel is natural gas, fuel oil, or propane. Five year average is used due to the reduce margin of error.

[4] U.S. Department of Energy, "Recommendations for Envelope First, Heat Pump Ready Home Efficiency Rebate Programs," August 2, 2023.

[5] North American Electric Reliability Corporation, 2025 Long-Term Reliability Assessment (January 2026) (projecting an approximately 24 percent increase in summer peak electricity demand over the next decade, with data centers, electrification, and industrial growth as leading drivers).

[6] Inflation Reduction Act, Pub. L. No. 117-169, § 50122, codified at 42 U.S.C. § 18795a(c)(3)(B)(i) and (ii) (capping rebates at $4,000 for an electric load service center upgrade and $2,500 for electric wiring)

[7] Ibid. § 50123 (42 U.S.C. § 18795b).