

# AFFORDABLE CLEAN ENERGY BENEFITS FOR SENIORS

**JANUARY 2024** 

Summer 2023 was the hottest summer recorded in Arizona, with a record-breaking thirty-one consecutive days of temperatures 110 degrees or higher in Phoenix. Older Arizonans experience a greater risk when exposed to extreme temperatures. More than 60% of the nearly 500 heat-related fatalities last summer were people over the age of 50, and area hospitals saw a spike in visits during the hottest summer months.

The soaring summer temperatures not only affect seniors' health but also impact their finances. Aging adults are less likely to be able to combat rising energy costs to keep their homes cool or to seek repairs on dated equipment, as it is estimated that one in four seniors depend on Social Security benefits for 90% of their income.

### THE INFLATION REDUCTION ACT:

- Arizonans won big with the unprecedented climate and clean energy investments approved in the Inflation Reduction Act (IRA) and the bipartisan Infrastructure Investment and Jobs Act (IIJA). These new investments will improve energy efficiency, accelerate the transition to a clean energy economy, and lower energy costs for Arizona families and seniors.
- As Arizonans brace for extreme heat and droughts this spring and summer, it is more
  important than ever to leverage these critical investments to weatherize our
  communities and mitigate the impacts of extreme weather.
- The Inflation Reduction Act contains numerous climate and clean energy investments that will help lower energy costs for Arizona seniors, investments that could help the average household save up to \$1,000 on energy and gas bills each year.

### **CLIMATE AND CLEAN ENERGY INVESTMENTS:**

- \$9 billion in consumer home energy rebate programs to help low-income seniors switch to electric home appliances and afford the cost of energy-saving home retrofits. For more information about switching to electric for renters and homeowners, visit the <u>Department of Energy</u>.
- New grants to help state and local governments adopt new building and energy codes, which will save the average new homeowner in Arizona more than 18% on their annual energy bill, or \$446 each year. That means all Arizonans even those who do not make the switch to clean energy could see lower home energy prices.

- \$3.7 billion in Low Income Home Energy Assistance Program funding, which is utilized for heating/cooling assistance, home energy equipment repair and replacement, and minor energy-related home repairs. Arizonans can determine their eligibility and apply for LIHEAP through the <a href="Department of Economic Security">Department of Economic Security</a>.
  - LIHEAP Eligibility Tool
- Rebates for the purchase of new and used clean energy vehicles to be used toward the purchase of a new electric vehicle or up to \$4,000 toward the purchase of a used electric vehicle for low- and moderate-income seniors.
  - EV Shopper Checklist
- \$47.5 million for the Weatherization Assistance Program to help pay for homerepair projects that will result in directly lowering home energy bills. To learn more about WAP, visit the Arizona <u>Department of Housing</u>.

## **REBATES, TAX CREDITS, AND GRANTS:**

New rebates, tax credits, and grants becoming available in 2024 will make it more affordable for seniors to convert their homes from fossil-fuel-based to electricity-based heating and cooling, including the following.

- Up to \$14,000 in rebates to switch over to electric appliances.
- 10 years of consumer tax credits to make homes energy efficient and run on clean energy, making heat pumps, rooftop solar, electric HVAC, and water heaters more affordable.
- An alternative rebate option covers more than 80% of the cost of whole-home energy efficiency measures for low- and moderate-income households, and more than 50% for wealthier households.
- Rebates and grants to support energy- efficient upgrades and improvements in multifamily homes and affordable housing.

#### INFRASTRUCTURE INVESTMENTS:

Several water conservation and drought mitigation investments will impact Arizonans, including the following projects and plans:

- **\$4 billion** to be invested for drought resiliency in Western states, with priority to the Colorado River Basin.
- More than **\$50 million** will be allocated to drought relief projects specifically in Arizona.
- \$300 million to implement the Colorado River Basin Drought Contingency Plan