

Summary

The Trump Administration is trying to stop rebates for replacing a gas furnace with an electric one. Congress said specifically that those projects qualify for rebates.

The Department of Energy has issued [new guidance](#) that cuts off rebates for people who replace a gas furnace with a heat pump. (It's called a guidance document but it's really a regulation.) Under the new guidance, the rebate will be allowed only if the heat pump replaces an electric furnace. Unless I'm missing something, the statute creating the program says the exact opposite. I suppose maybe at this stage I should find this blithe lack of concern for legality unsurprising. I guess maybe I haven't adjusted to the Trump era as much as I'd thought.

DOE's guidance purports to be implementing a section of the Inflation Reduction Act that survived the Big Beautiful Bill and is now found in [42 U.S.C. 18795a](#). (The money goes to state and tribal energy offices that are seeking to establish a "high-efficiency electric home rebate program." Section 18795a tells us more about high-efficiency rebate programs. Specifically, those programs provide rebates for "qualified electrification projects." And now, having worked through all that, we come to the jackpot. Subsection (d)(6) defines the meaning of the phrase, qualified electrification project. A qualified project is any "project that includes [among other things] ... the purchase or installation ... of an electric heat pump ... to replace a nonelectric appliance."

Admittedly, you have to do some work to figure out what the statute is saying, digging through a couple of layers of definitions and then putting together two different lists of requirements for qualified projects. But did they think no one would bother trying to find out what the statute actually said?

In short, if you follow through the maze of requirements and definitions, it turns that a high-efficiency rebate program includes rebates for exactly the purchases that DOE is now trying to exclude. Is it just me, or is this as crazy as it seems?