



## **Nevada Clean Energy Fund (NCEF)**

### **Home Energy Audit Incentive Program Guidance**

March 19, 2025, Version

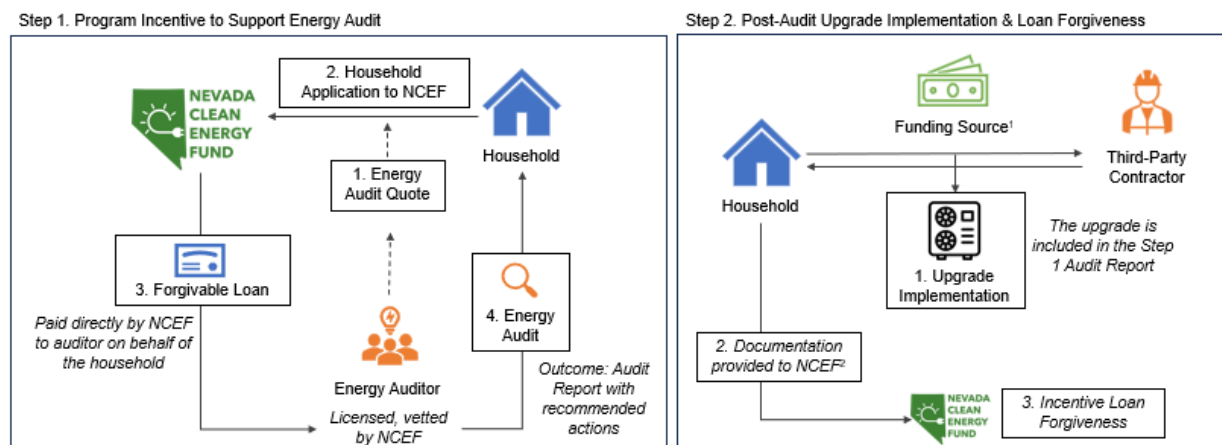
## 1. Program Overview

The Nevada Clean Energy Fund (NCEF) is a nonprofit organization dedicated to supporting a thriving, affordable, and accessible clean energy economy by providing financial and technical resources to Nevadans. NCEF works with communities, local businesses, schools, governments, Tribes, utilities, contractors, and others to increase access to cost-saving opportunities such as renewable energy, energy efficiency, clean vehicles, and energy storage.

With a federal subgrant from the Nevada Governor's Office of Energy, NCEF is establishing an Home Energy Audit Incentive Program (the Program). The Program enables Nevada households to implement a residential energy audit and subsequently to install energy upgrades or retrofit measures that reduce energy costs, reduce emissions, and improve health, safety, and comfort.

The Program incentive is structured as a 0% interest, unsecured, forgivable loan. The loan is forgiven if the recipient installs at least one cost-saving upgrade or retrofit measure recommended by the energy audit **or** demonstrates ineligibility for programs that fund home upgrades or retrofit measures. Program funds are only available to support all, or a portion of, the cost of an energy audit, not the implementation of recommended home energy upgrades or retrofit measures. The Program also allows for an additional incentive to the household after receiving their eligible home upgrade or retrofit to confirm that recommendations were followed. See Figure 1.

Figure 1. Energy Audit Incentive Program Process Diagram



<sup>1</sup>Could include personal funds, financing through NCEF's Residential Energy Upgrade Program (RE-UP), or other sources of funds or financial assistance.

<sup>2</sup>See Section 3 for details on the documentation that can be provided to NCEF to trigger loan forgiveness.

<sup>3</sup> See Section 4 for details about post-upgrade test-out audit process.

## 2. Program Eligibility

Applications are accepted at <https://nevadacef.org/audit/> on a rolling basis through October 2026 or until program funds are expended.

Applicants must:

1. Be a resident of Nevada

2. Provide proof of home ownership (mortgage statement, title, property tax statement, etc.) for a single-family residence or a multi-unit building (below 5 units)
  - a. Renters may participate with written permission of the landlord or property owner.
3. Provide self-attestation of household income. Income qualification is not an eligibility requirement. However, NCEF collects this information to ensure that low-income households are benefitting from the Program.

Throughout the application and implementation process, NCEF will collect information and documentation including utility bills and household demographics.

Households will be eligible for an energy audit incentive for both the initial test-in audit and a secondary test-out audit following the installation of an eligible upgrade or retrofit. The size of the incentive is described in Table 2.

Table 2. Incentive Structure

Square Footage of Home	Incentive Value
Test-in Audit Only	\$500
Test-in & Test-Out Audits	\$900

### 3. Program Benefits

#### Financial Assistance

The Program provides participants with a 0% interest forgivable loan, subject to caps set by NCEF based on market rates. to cover all, or a portion of, the cost of an energy audit performed by a Network-Approved Energy Auditor (defined further below).

Depending on the size of the house and scope of energy audit, the energy audit cost may be above the cap for this financial assistance, **in which case the resident will be responsible for covering the remaining cost.**

In addition, if participants need financing to implement recommended upgrades or retrofit measures following successful completion of an Energy Audit, applicant can apply for an unsecured loan through NCEF's [Residential Energy Upgrade Program \(RE-UP\)](#).

#### Loan Forgiveness

Loans provided by the Program are forgivable for 100% of the value of the loan upon verification of the participant completing an Energy Audit with a Network-Approved Energy Auditor **AND** meeting one of the two below criteria:

1. Participant provides documentation to NCEF of purchase or financing of an Eligible Home Upgrade (defined below) included in the Energy Audit report within six (6) months of execution of a forgivable loan agreement with NCEF.
2. Participant provides documentation of non-eligibility for NCEF's Residential Energy Upgrade Program (RE-UP) within six (6) months of execution of a forgivable loan agreement with NCEF **AND** documentation of non-eligibility for at least one other Eligible Program within 10 months of execution of a forgivable loan agreement with NCEF. Eligible Programs provide financial assistance for implementation of home energy upgrades or retrofit measures and include, but are not necessarily limited to:

- a. U.S. Department of Health and Human Services' (HHS) Low Income Home Energy Assistance Program (LIHEAP)
- b. NV Energy's Powershift Qualified Appliance Replacement Program
- c. U.S. Department of Agriculture's (USDA) Single Family Housing Repair Loans and Grants (Section 504 Home Repair program)
- d. Any other verified government or non-profit program serving Asset Limited, Income Constrained, Employed (ALICE) individuals or households with assistance for home energy upgrades or retrofit measures.

Loan forgiveness will be dictated by the terms of the agreement executed between NCEF and the Program participant.

### Technical Assistance

Applicants may also be eligible for other clean energy incentives, including a federal tax credit of up to \$150 for an energy audit if this Program incentive does not cover the full cost of an audit. See [nevadacef.org/residents](http://nevadacef.org/residents) for information about incentives and tax credits that may be available. NCEF provides general information to participants about how to access rebates, tax credits, and other incentives associated with the home energy upgrades or retrofit measures, in addition to consumer protection information. NCEF is not a financial advisor and does not provide tax guidance. Participants should consult their tax professional for personalized advice regarding the implications of participating in the Program and the tax credit information shared by NCEF.

## 4. Other Requirements

### Energy Audit Eligibility

An Energy Audit is defined as an in-person evaluation of the home's energy efficiency performance that results in recommendations for potential upgrades or retrofit measures to improve the home's performance. Energy Audits performed for the Program must conform to the definition of, and include all relevant listed steps and actions described, in [Nevada Revised Statutes \(NRS\) 645D.300](#). The audit must be performed by a Network-Approved Energy Auditor.

Each element of the home listed below will be tested/inspected prior to any recommendations being made or any improvements are implemented, "Test-In". Once improvements have been completed to the home the elements below will be tested and inspected again, "Test-Out". The following data points are required to be collected on site and incorporated into the computer model.

- Envelope (including insulation levels of walls, floors, foundation, and ceilings/roofs)
- Fenestration
- Air tightness (Blower Door Testing)
- Building orientation
- Number of stories
- Total conditioned floor area and average floor-to-ceiling height
- Space heating (equipment evaluation; age, location, condition, performance)
- Space heating and cooling Distribution System (Duct Blaster Testing)
- Space cooling (equipment evaluation; age, location, condition, performance)
- Domestic hot water (equipment evaluation; age, location, condition, performance)
- Combustion Appliance Zone (CAZ) Assessment and Testing

- Assessment of Major Appliances (Refrigerator, Washer, Dishwasher, etc. for age, location, condition, performance)
- On-site energy production (e.g., PV system, wind)

The “Test-In” / “Test-Out” approach allows for quantitative measurement and verification of improvements implemented.

### Network-Approved Energy Auditors

NCEF vets all participating energy auditors and onboards them in the approved network. All auditors must be licensed by the Nevada Real Estate Division (NRED) and have completed at least one of the below certifications:

1. Certified Building Analyst (T-Technician) and (P-Professional) by the Building Performance Institute, Inc. (BPI)
2. Certified Home Energy Rating System (HERS) Rater by the Residential Energy Services Network (RESNET)

Inclusion in NCEF’s network is contingent on submitting the required documentation to NCEF, remaining current on license and auditor certifications, and compliance with NCEF’s Program protocols.

NCEF will enforce a Conflict-of-Interest policy for energy audits and home upgrades pursued under the Program. Per Nevada law, an energy auditor must not base an audit on a single product line, the services of a contractor, or his or her own convenience<sup>1</sup>. Each network-approved auditor must disclose to the Incentive recipient any connection to or conflict of interest with any contractor or company that may ultimately implement the upgrade or retrofit for a homeowner. In addition, auditors may not recommend that households use a specific contractor to implement an upgrade recommended in the audit (auditors may generally refer households to NCEF’s vetted contractor network).

Energy Auditors who are non-compliant with any Program requirements will be given notice to resolve the issue within a reasonable time period. Continued non-compliance or poor performance will result in removal from NCEF’s network and disaffiliation from the Program.

### Home Energy Upgrade Eligibility

An Eligible Home Upgrade or Retrofit Measure:

1. Is recommended by the energy audit report issued by a Network-Approved Energy Auditor.
2. Is performed by a contractor licensed by the Nevada State Contractors Board.
3. Must meet at least one of the following objectives:
  - a. Reduces electric, natural gas, propane, wood, or oil consumption.
  - b. Improves the physical comfort of building occupants.

---

<sup>1</sup> NRS 645D.300; Section 3: “An energy auditor shall not base an energy audit upon a single product line, the services of a contractor or his or her own convenience.” <https://www.leg.state.nv.us/nrs/nrs-645d.html#NRS645Dsec300>

- c. Improves the indoor air quality of the building.

Eligible Home Upgrades include (but are not necessarily limited to) the below upgrades or retrofit measures. NCEF may consider eligibility of other upgrades or retrofit measures on a case-by-case basis.

1. Air sealing, insulation, ventilation
2. Attic/floor/roof/wall Insulation
3. Duct sealing/repair
4. Window repair or replacement
5. Heating and cooling repair/performance tune-up/replacement
6. Roof replacement/repair/reinforcement
7. Water heater replacement
8. Rooftop solar

Eligible Home Upgrades do NOT include:

1. Swimming pool heaters
2. Attic fans
3. Garage exhaust fans
4. Insulation above garage, garage door

#### Test-Out Procedure

Each incentive agreement will cover up to the Test-in Audit Only rate (referenced in Table 2) by default, with additional flexibility to cover up to the Test-Out Audit cost. After the household meets the forgiveness conditions by receiving an upgrade, the household is eligible to receive the remaining incentive of \$400 for their Test-Out Audit. The Test-Out Audit incentive would be paid directly by NCEF to the auditor. The household must accept the incentive for the Test-Out Audit within three (3) months of their upgrade or retrofit's completion date. The Test-Out incentive is automatically forgiven. The same energy auditor may perform both the Test-In and Test-Out audit for a household.

If the Test-Out incentive is not claimed by the three-month deadline, is declined by the household, or the household does not install a new upgrade or retrofit for whatever reason, the household will not receive the Test-Out audit incentive.

#### Key Participation Steps

You can submit an application with a quote from a Nevada licensed energy auditor in NCEF's approved list, or, if you do not have a quote at the time of application, NCEF can connect you to an auditor. After you submit an application, an NCEF Loan Officer (LO) will review your application and contact you, if necessary, to address any issues.

Your LO will send you a forgivable loan agreement for your review and signature. Upon agreement execution, your LO will issue a Notice to Proceed (NTP) to the Network-Approved Energy Auditor to complete the audit. **Do not complete the audit before you have an executed agreement with NCEF.** Someone age 18 or over should be present during the energy audit if a minor is present.

Upon completion of the Energy Audit, the Network-Approved Energy Auditor must submit to NCEF the audit results, detailing recommendations for possible Eligible Home Upgrades applicable to your building. Your LO will contact you to ensure customer satisfaction and obtain consent to authorize payment to the auditor.

If needed, your LO will work with you to review the Energy Auditor's report and suggest next steps for energy upgrade or retrofit measure implementation and subsequent loan forgiveness. If your energy audit was performed by energy auditor employed by a contractor, and that contractor provides a price proposal or quote for your Eligible Home Upgrade, NCEF strongly recommends obtaining at least one additional price proposal or quote from a different contractor that does not employ the individual(s) who performed the audit. Your LO will follow up with you regularly until you have implemented an Eligible Home Upgrade(s) or otherwise demonstrated eligibility for loan forgiveness as defined in Section 3. If and when you meet the criteria, your LO will provide written confirmation of loan forgiveness. Within 12 months after the execution of your forgivable loan agreement with NCEF, your LO will reach out to you for a copy of utility bills.