



# Oregon Heat Pump Programs



**Pre-Rulemaking Public Meeting  
Oregon Department of Energy  
September 26, 2022**



# OREGON DEPARTMENT OF ENERGY

Leading Oregon to a safe, equitable, clean, and sustainable energy future.

## Our Mission

The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.

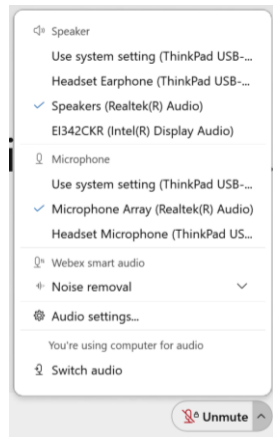
## What We Do

On behalf of Oregonians across the state, the Oregon Department of Energy achieves its mission by providing:

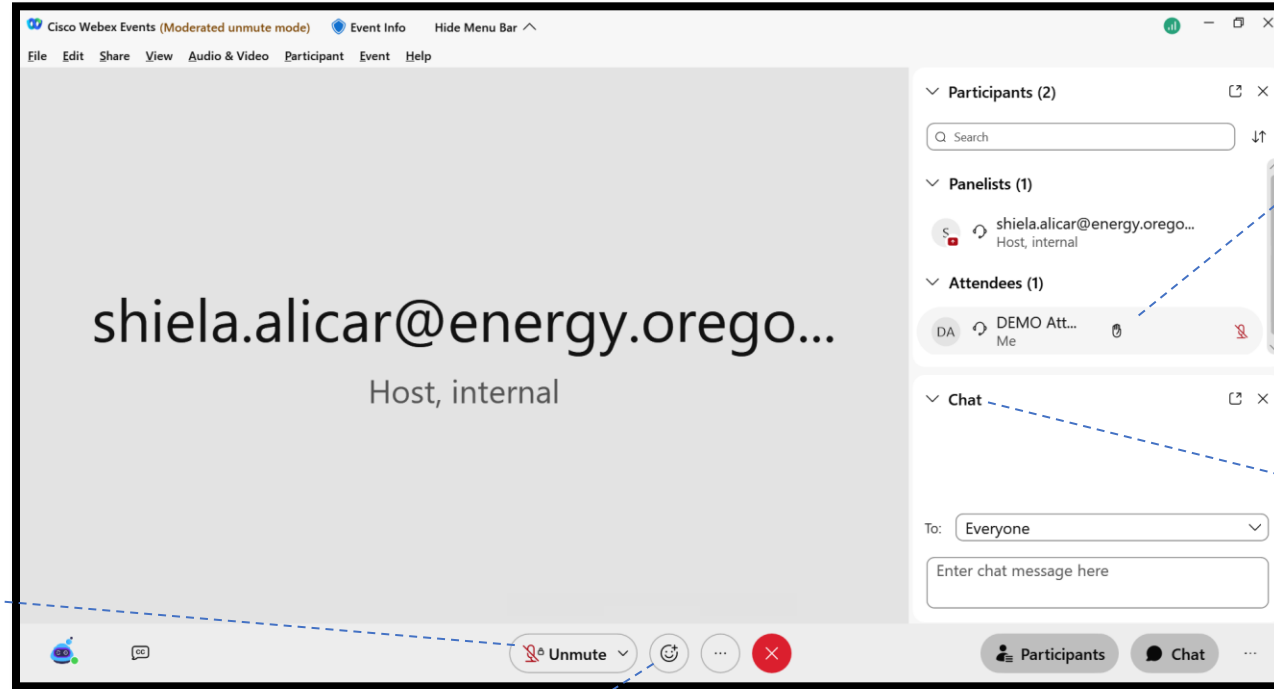
- A Central Repository of Energy Data, Information, and Analysis
- A Venue for Problem-Solving Oregon's Energy Challenges
- Energy Education and Technical Assistance
- Regulation and Oversight
- Energy Programs and Activities

# Welcome to WebEx!

## Audio Options



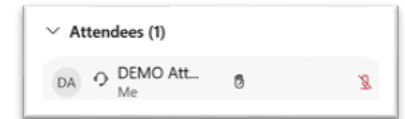
You can check Speaker and Microphone settings by clicking the arrow next to Mute/Unmute.



## Second Raise Hand Option

You can also click on the hand next to your name in the Participant list to raise your hand.

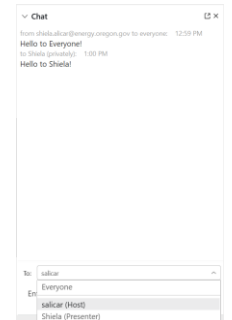
Click on Lower hand when you are done.



## Chat

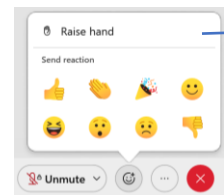


You can chat to Everyone in the meeting.



You can send a private message to the Host or Presenter (or all Panelists when there is a Panel).

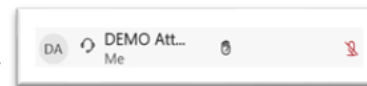
## Reactions



Click to Raise your hand.

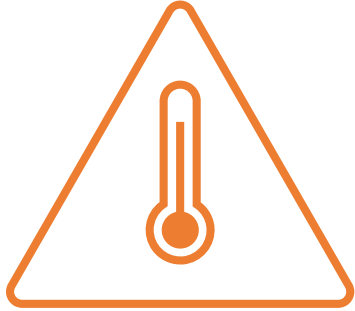


Click on Lower hand when you are done.



# SB 1536 HEAT PUMP PROGRAMS

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- Senate Bill 1536 (2022)
    - Various measures to address heat relief
  - Two heat pump incentive programs:
    - Community Heat Pump Deployment Program
    - Oregon Rental Home Heat Pump Program
- ... a quick note on the Inflation Reduction Act

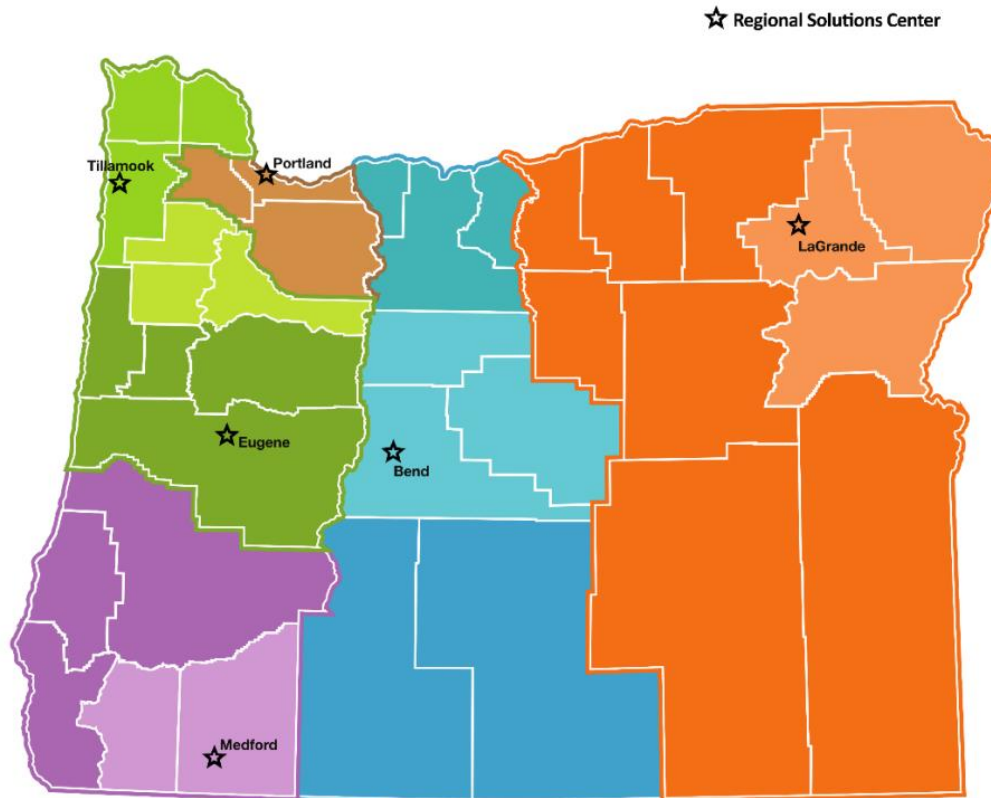
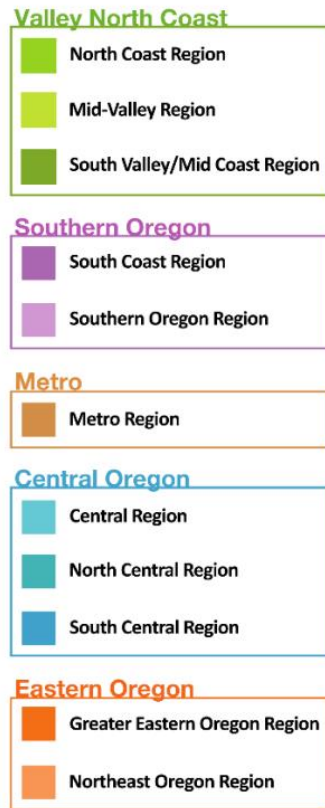
# COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

- Grants to regional entities
- Regional entities administer the program
- Provide financial assistance: loans, grants, rebates, incentives
- Purchase and install heat pumps and related upgrades
- \$10 million



# COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

- Grants for each region and federally recognized Indian tribe in Oregon
- Region: an economic development district in Oregon



# COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

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- Eligible entities to apply to be regional administrators:
  - Local government
  - Local housing authority
  - Nonprofit organization
  - Federally recognized Indian tribe in Oregon
  - Coordinated care organization
  - Community action agency
  - Manufactured dwelling park nonprofit cooperative
  - Electric utility



# COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

- Prioritize financial assistance for:
  - Environmental justice communities.
  - Individuals who rely on bulk fuels or electric resistance heating.
  - Individuals who reside in a home or structure that does not have a functioning heating or cooling system.





# COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

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- Rebate Amounts
  - ODOE will establish a maximum dollar amount for financial assistance, at a similar level to the Oregon Rental Home Development Program.
  - Regional entities may establish different financial assistance offerings (within the bounds set by ODOE) to customize the program for their region.



# OREGON RENTAL HOME HEAT PUMP PROGRAM

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- ODOE administers
- Provide financial assistance: rebates and grants
- Purchase and install heat pumps and related upgrades
- Financial assistance for:
  - Owners of rental units
  - Manufactured dwelling or RV who rent a space in a manufactured dwelling or RV park
- Rebates to contractors
- \$15 million



# OREGON RENTAL HOME HEAT PUMP PROGRAM

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- Rebate level:
  - Owners of rental units: up to 60 percent of the purchase price of a heat pump
  - Owners of manufacture dwelling/RV: to be established in rule
- Bill provides ability to give preference for providing rebates:
  - That benefit low- and moderate-income residential tenants;
  - To support heat pumps with superior energy efficiency.

# OREGON RENTAL HOME HEAT PUMP PROGRAM

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## Tentative Proposal for Rebate Amounts:

- Ductless heat pump (rental units): \$1000-\$4000/40%-60% total cost
- Ductless heat pump (manufactured/RV): \$1000-\$5000/40%-80% total cost
- Ducted heat pump: \$2000-\$5000/40%-60% total cost
- Ground source heat pump: \$3000-\$5000/40%-60% total cost

Higher incentives for higher efficiency heat pumps and/or qualifying as benefiting low- or moderate-income.

Related upgrades: \$2000-\$4000/100% total cost

# SB 1536 HEAT PUMP PROGRAMS

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## Heat Pump Efficiency Standards:

- The Federal minimum standards are changing as of January 1, 2023, for air source heat pumps, including a new test standard.
- Both SB 1536 programs will begin after January 1 and will follow the new federal standards for heat pumps.
- For the Oregon Rental Home Heat Pump Program, second tier incentives will require 10-15% efficiency increase over the federal minimums, depending on type.

# QUESTIONS FOR YOU

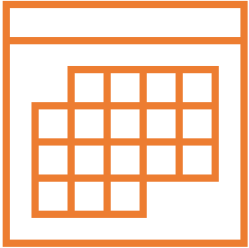
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- What technical requirements should the agency and/or regional administrators have for installers and for installations?
- What works well about existing heat pump incentive programs that you want to see us do also?
- What challenges have you seen with existing heat pump incentive programs?
- How do you see these new programs fitting in within existing programs?
- What other issues or factors should we consider when drafting the rules?



# WHAT'S NEXT?

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- Official rulemaking process will kick off around November 1<sup>st</sup> for both programs
  - Formal rulemaking hearing
  - Public comment on draft rules
- Goal: each program to open in early 2023



For questions and to share additional comments, please email Rulemaking Coordinator James Cogle  
[james.cogle@energy.oregon.gov](mailto:james.cogle@energy.oregon.gov)