



OREGON
DEPARTMENT OF
ENERGY

Home Energy Rebate Programs Public Planning Update

March 2024



AGENDA

- Introduction to where the funding comes from, rough timeline, related programs, and Justice40
- HEAR program intro and clarifying questions
- HOMES program intro and clarifying questions
- Program design and implementation
- Guiding questions discussion





OREGON DEPARTMENT OF ENERGY

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

Our Mission

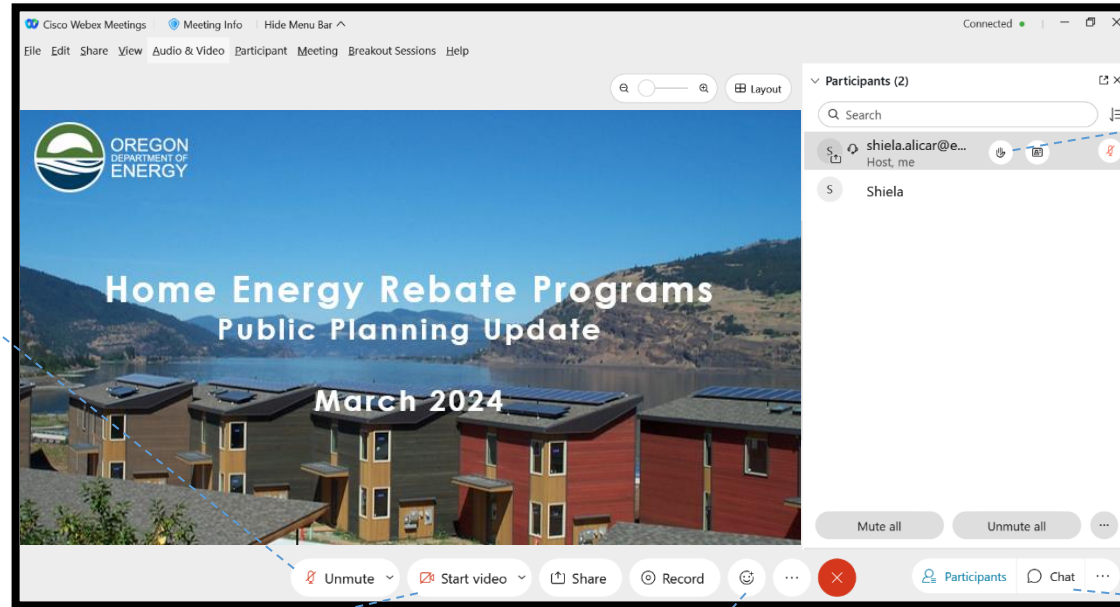
The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and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

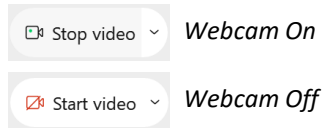
USING WEBEX



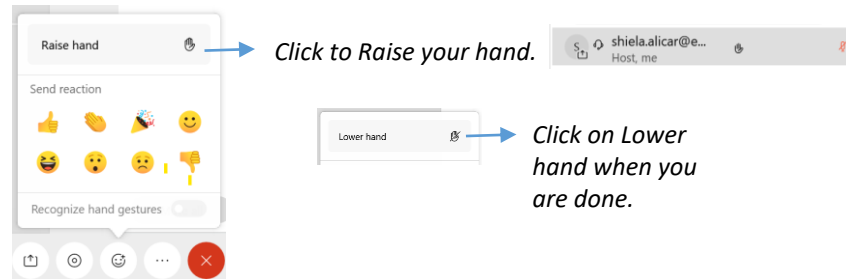
Audio Options



Video Options



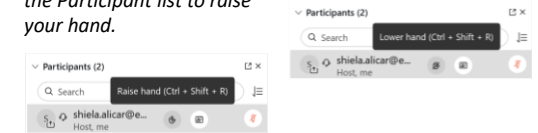
Reactions



Second Raise Hand Option

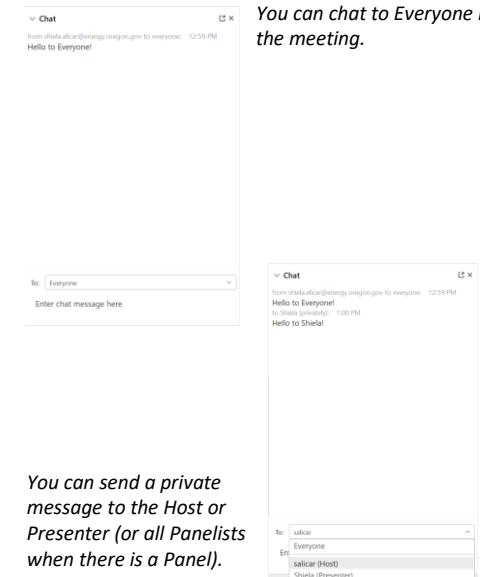
You can also click on the hand next to your name in the Participant list to raise your hand.

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).

HOME ENERGY REBATES

The U.S. Congress passed a large federal package known as the **2022 Inflation Reduction Act (IRA)** that includes several grants, tax incentives, and rebates designed to help consumers lower their energy use and save on energy bills. The Home Energy Rebates are a pair of programs that are available to states through the U.S. Department of Energy.

HOMES

- Home Efficiency Rebate Program
- Performance-based rebates for energy efficiency retrofits

HEAR

- Home Electrification and Appliance Rebate Program
- Rebates for high-efficiency electric appliances and certain associated upgrades

Rebates ≠ Tax Credits

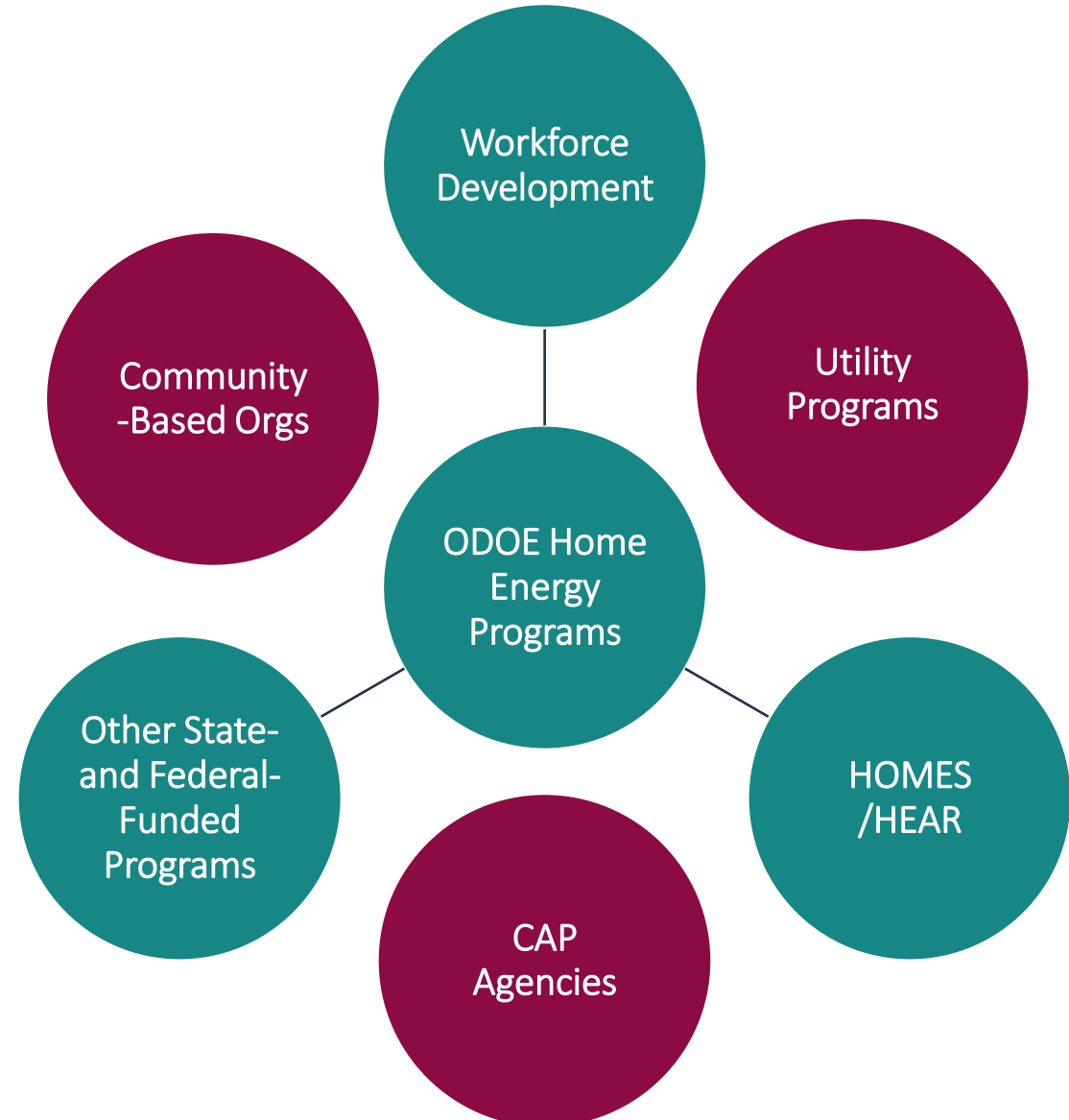
Unlike the Home Energy Rebates, the Energy Efficient Home Improvement Credit is available this tax year (2023) through the IRS.

ODOE staff are not tax professionals. Please speak with a licensed tax professional about this tax credit.

- Tax credits reduce federal tax owed
- Available credits up to \$3,200
- File with your tax return
- Primary residence, in most cases
- Applies to qualified expense between Jan. 1, 2023 and Jan. 1, 2033
- [Energy Efficient Home Improvement Credit | Internal Revenue Service \(irs.gov\)](#)
- [Energy Star Tax Credits for Homeowners](#)

PROGRAMS WORKING TOGETHER

ODOE is preparing for the Home Energy Rebates by aligning program goals and policies from several different complementary programs.





On January 27, 2021, President Biden signed Executive Order 14008, which set forth prioritizing actions to tackle the climate crisis. Included was the Justice40 Initiative, which directs that **40% of the benefits of certain federal investments flow to communities that are marginalized, underserved, and overburdened.**

The Home Energy Rebates programs fall under the Justice40 Initiative, and it is ODOE's intent to achieve those goals with these rebates in Oregon.

- Defined by the Council on Environmental Quality
- Overburdened and Underserved
- Census Tracts
- Tribes
- Climate and Economic Justice Screening Tool (CEJST)

We are not able to answer questions about specific projects in this forum.

If you have a project-related question for ODOE staff, please send us an email at:

- Kristina.Donnelly@energy.Oregon.gov
(HOMES and HEAR)
- Stephanie.Kruse@energy.oregon.gov
(HOMES)

HOMES: HOME EFFICIENCY REBATE PROGRAM

Performance-based home energy efficiency rebate program

- Single-family and multi-family households are eligible
- Must demonstrate at least **20% modeled energy savings to be eligible for rebates**
- Higher rebates available for households that save 35% or more
- USDOE requires retroactivity for projects initiated after Aug. 16, 2022
 - Projects must still meet all program requirements



What is an Energy Efficiency Upgrade?

Energy efficiency projects ultimately reduce the energy use in a home or building such as:

- Energy management updates like installing smart thermostats
- Installing more efficient heating or cooling equipment (heat pumps, high efficiency condensing furnaces, on demand water heaters, etc.)
- Weatherization measures like air sealing and adding insulation

HEAR: HOME ELECTRIFICATION AND APPLIANCE REBATE PROGRAM

Income restricted, point-of-sale rebate program

- Point-of-sale rebate program for installation of high efficiency electric appliances, associated electric upgrades, as well as insulation and air sealing.
- For low-income (80% of area median income or less) and moderate-income (80%-150% of area median income) households only
- USDOE does not allow retroactivity



- Electrification is changing the source of energy from combustion of a direct fuel to electricity.
- Electrification is a key component of decarbonization and emissions reduction plans.
- While some forms of electricity generation cause carbon emissions, plans to reduce emissions from electricity are underway in Oregon and the region.

What is electrification?

ELIGIBLE HEAR MEASURES

Product Rebates		
Upgrade Type	Qualified Product	Rebate Amount Not to Exceed
Appliance	Heat Pump Water Heater	\$1,750
	Heat Pump for Space Heating or Cooling	\$8,000
	Electric Stove, Cooktop, Range, Oven, or Heat Pump Clothes Dryer	\$840
Building Materials	Electric Load Service Center	\$4,000
	Insulation, Air Sealing, and Ventilation	\$1,600
	Electric Wiring	\$2,500
Maximum Rebate		\$14,000

PROPOSED PROGRAM DESIGN

HOMES (performance-based rebates):

- Increase the low-income rebate cap from \$8K to \$10K per project
- Increase the low-income rebate limit from 80% of project costs to 100% of project costs
- Per USDOE, retroactivity must be allowed, but projects must still meet all program requirements

HEAR (point-of-sale rebates):

- Increase the low-income allocation from 40% to 60%
- Increase the multi-family allocation from 10% to 20%

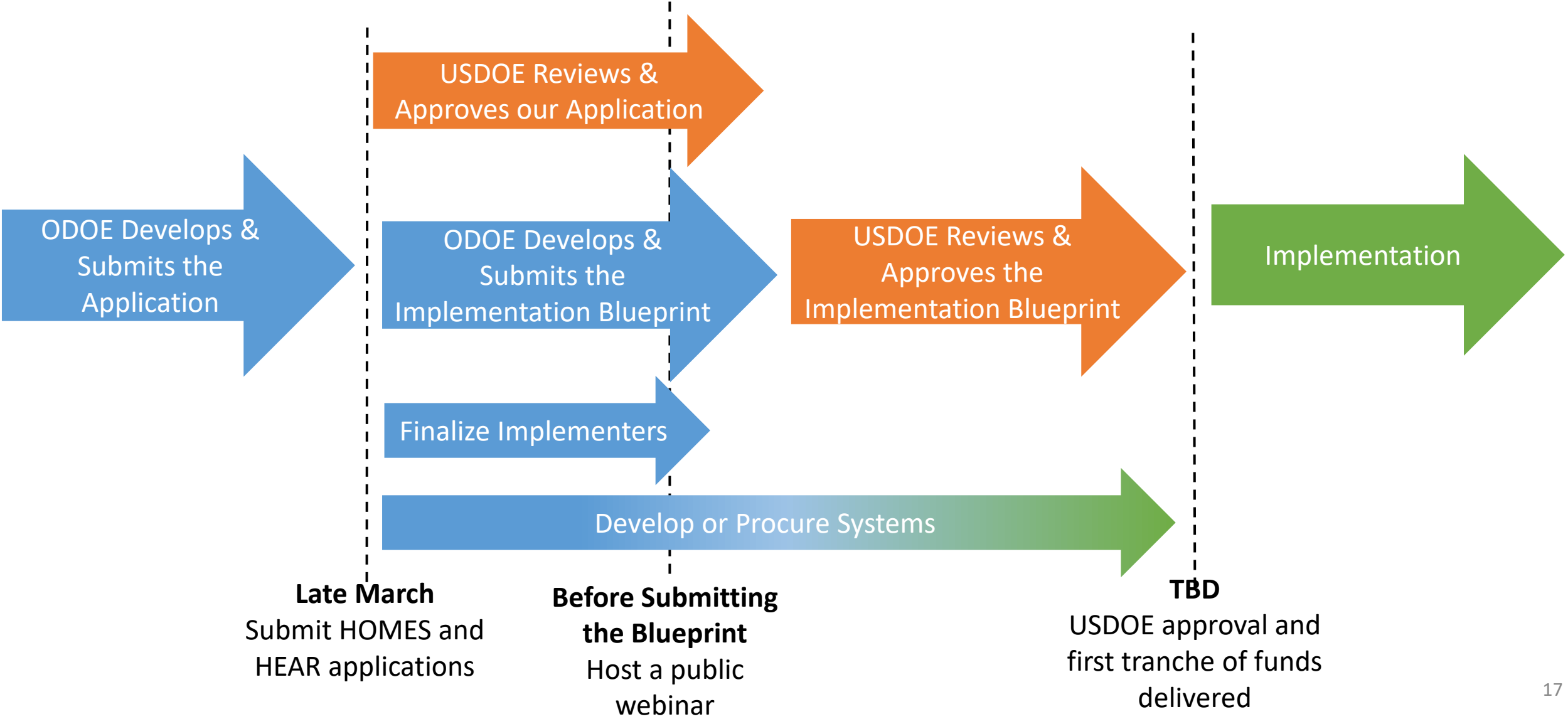
Both:

- Streamline the minimum efficiency standards between the two programs
- In Portland, prioritize multi-family and J40 communities

PROPOSED IMPLEMENTATION STRATEGY

- ODOE will issue an RFP for a contractor to build essential components of the programs (such as rebate processing & management system)
- ODOE will work with two implementers to issue rebates to customers:
 - Issue an RFP for an implementer in Consumer-Owned Utility and Idaho Power service areas
 - Work with Energy Trust of Oregon in Investor-Owned Utility service areas
- ODOE will work in close collaboration with both implementers to ensure the programs continue to meet our goals

CURRENT TIMELINE



WHAT ABOUT THE ONE-STOP-SHOP?

82nd OREGON LEGISLATIVE ASSEMBLY--2023 Regular Session

Enrolled House Bill 3630

Sponsored by Representatives RAYFIELD, PHAM K, Senator GOLDEN, Representative MARSH;
Representatives ANDERSEN, BOWMAN, DEXTER, FAHEY, GAMBA, GRAYBER, HOLVEY,
HUDSON, KROPF, MCLAIN, NATHANSON, NERON, NOSSE, PHAM H, REYNOLDS, SOSA,
Senators LIEBER, PATTERSON, SOLLMAN

STATE DEPARTMENT OF ENERGY SINGLE RESOURCE

SECTION 9. (1) The State Department of Energy shall create a single resource that provides to interested persons information, technical assistance and assistance in identifying contractors and financing options, related to available energy efficiency incentives and programs.

Discussion

We invite you to weigh in on the following questions to help inform our program design. Please raise your hand to be called on or drop your response in the chat.

What else do you want to hear about from us?

What other questions do you still have about these programs?

What else do you think we need to consider as we finalize the design of these programs?

Wrap-up Questions

Thanks for joining us!

Contact:

HOMES and HEAR

Kristina.Donnelly@energy.oregon.gov

HOMES

Stephanie.Kruse@energy.oregon.gov

WHICH PROGRAM IS BEST FOR YOU?

We are still designing these programs, so the decision may have to wait until details are finalized. However, there are some key differences between the programs that may be useful to consider:

HOMES (performance-based)

- HOMES has minimum energy savings requirements, which means several upgrades/measures will likely be needed to qualify.
- Any energy saving measure that meets the minimum savings threshold could be eligible.
- Rebate amounts are lower, so the program may work best in combination with other incentives.

HEAR (point-of-sale)

- HEAR is income restricted to at or below 150% Area Median Income.
- Only specific electric appliances and measures are eligible.

**Participants cannot use funds from both HOMES and HEAR for the same measure.
But a single household can claim both rebates for different projects.**