

# Oregon Rental Home Heat Pump Program

## 2025 Administrative Rulemaking



### Hearing Officer Report

**Date:** January 6, 2025  
**To:** Oregon Department of Energy  
**From:** Kaitlin Lynch, Rulemaking Coordinator  
**Subject:** Hearing Officer Report on Rulemaking Hearing  
**Hearing Date:** December 16, 2024  
**Hearing Location:** Online

**Rule Filing Caption:** Oregon Rental Home Heat Pump Program Amendments and Adoption

---

The rulemaking hearing on the proposed rules was convened at 10:04 a.m. on December 16, 2024. Four members of the public attended, along with six Oregon Department of Energy staff, including the hearing officer. Attendees were asked to state their names, affiliations, and whether they wished to comment on the proposed rules. They were informed of the procedures for making comments and told that the hearing was being recorded.

Before receiving comment, Kaitlin Lynch briefly summarized the proposed rules.

### Summary of Oral Public Comments

The following is a summary of the testimony received during the hearing; it is not an exact transcription.

**Jeremy Anderson, Total Comfort Weatherization:** Also submitted written comments. Thank you. The rule changes are extremely important. Urge the speedy adoption of the rules. Any additional flexibility around inspection dates would be extremely helpful, though adopting the rules as-is would be fantastic as well.

**Kyle Hampton, Comfort Flow Heating:** Flexibility for inspections would be very helpful. It can be challenging to gain access to the rental units after the heat pump has been installed. There was also a delay working with utilities for electric upgrades or replacements because of an ice storm in Lane County. Acknowledged that they should have requested an extension to the rebate period, which they didn't realize at the time, and accept responsibility. Contractors do the installation but end up footing the bill if the inspection isn't done in time. Present at the hearing to urge flexibility for inspections.

### Written Comments

No written comments were submitted during the hearing.

### Close of Hearing

The hearing was adjourned at 10:17 a.m.

The public comment period closed at 5 p.m. on December 21, 2024.

**Written Comments Submitted During Public Comment Period**

The following is a record of the written comments submitted during the public comment period.

Respondent	Detail
Gretchen Houchin, Contractor, Peak Electrical	<p>I'm very excited to see the proposed rule amendment which, "allows a contractor who has installed a heat pump and passed final inspections within the reservation period but did not claim the rebate within the reservation period, to request reinstatement of the previously reserved funds within a set amount of time." (page 2). I think this would be a great step in the right direction. However, I'd like to see it taken a <b><u>step further</u></b> - to include reinstating reimbursement of reserved rebates for projects that were COMPLETED on time (i.e. successfully installed by us, the contractor), EVEN IF they were not inspected on time. This <b><u>"step further"</u></b> is a reasonable amendment because we, as contractors, have very little control over when an inspection may take place. If a landlord, property manager, &amp;/or tenant are unresponsive, out of town, or otherwise unavailable for any reason, we are unable to force an inspection to take place.</p> <p>We participated in this program and were successfully reimbursed for 79 of our 80 successfully completed projects. The 1 project that was denied reimbursement happened because we COULD NOT arrange for an inspection. Unfortunately, we erroneously believed that projects needed to be completed (installed) by the 180 day cut off, not "claimed" (i.e., inspected &amp; all paperwork submitted). If we had understood that technicality, we would have applied for an extension (which we did on other projects where we knew we could not complete the installation within 180 days). In our case this left a \$2,925.00 shortfall that we were never reimbursed.</p>

	<p>I believe if the amendment I'm suggesting were made, there would not be any increase in "late" submissions. In addition, none of the reimbursements that are being contemplated with this amendment would be new. These would only be reinstatements of funds that were already reserved (at great time and expense on the contractor's part). We, as contractors, are very motivated to finish projects so that we may be reimbursed for all expenses that we are carrying.</p> <p>I hope that this additional amendment will be made.</p>
<p>Jeremy Anderson, Contractor, Total Comfort Weatherization, Ltd.</p>	<p>Total Comfort Weatherization, Commercial Property Resources, Bright Apartments, and Shelter Management, as well as the hundreds of employees and residential tenants who are affected by the proposed changes are strongly in favor of the draft changes to Section 330-280-0080.</p> <p>In the course of this new, and extremely successful, program, we have found that some projects have had unforeseen &amp; significant delays. Even more so, we have found that the time needed to complete the final paperwork after installation can take much longer than expected. In some cases, this has meant that the final paperwork was delayed beyond the 180 or 360 day deadline. Since these projects could not have moved forward without the rebates and grants, and the work was competed with the understanding that ODOE funds would be available, this funding is absolutely critical.</p> <p>We thank the staff at ODOE who have worked with us to find a solution to this unforeseen problem and urge the speedy adoption of these revised rules.</p>
<p>Scott Lineburger, Contractor, Sale Heating &amp; Sheet Metal</p>	<p>I want to add my support for amending the rules to allow two projects that I submitted outside of the time frame allowed. I did not clearly understand that a project had to be completed and paperwork within 180 days if I didn't specify extension. I did turn in everything required at the</p>

	<p>time [after 180 days by the time we got the final inspection completed and was denied. I truly hope you can reinstate and approve all the work we've done expecting payment. Instead, we received nothing. This was a HUGE loss (2) projects not paid out after going through all the steps.</p> <p>Thank you for considering this amendment.</p>
<p>Melinda Sprague, Housing Director, Cow Creek Band of Umpqua Tribe of Indians</p>	<p>As far as the temporary rulemaking regarding the allowance to use the Oregon rental heat pump program for tribally owned housing rented by tribal members: This change is beneficial for Tribal Housing Departments and Tribal Housing Authorities, especially those who were not able to access the heat pump deployment program. At this time, Cow Creek Tribal Housing has approximately 21 HVAC units that are in need of replacement at an estimated cost of \$283,500.00. Programs like this help to offset those big cost burdens associated with keeping our affordable housing stock in the best condition possible.</p>

### ODOE Evaluation of Comments

ODOE appreciates the input that stakeholders have provided on the draft rule amendments. All comments received during the public comment period were considered during the process of finalizing the rules. Below is our evaluation of these comments and a description of how they were considered during the finalization of the rules.

The comments received at the rulemaking hearing pertained to OAR 330-280-0080, the amendment that will allow contractors to request reinstatement of a rebate if a heat pump is fully installed but the final paperwork isn't submitted prior to the reservation expiring. A heat pump is considered fully installed once it passes final inspection by the authority that has jurisdiction. The comments shared at the hearing were in support of the proposed amendment but also requested that the rule allow contractors to request reinstatement if a heat pump has been installed but has not yet passed final inspection. Written comments received outside of the rulemaking hearing were also in support of the rule amendment but also requested this addition to the rule amendment.

ODOE extensively discussed the possibility of allowing reservation reinstatement requests for heat pumps installed but not inspected within the 180-day reservation period or 360-day extended reservation period. For the following reasons, ODOE has declined to make changes to the proposed rules and feels that it is reasonable to allow rebate reinstatement requests only

for heat pumps whose installation completion date falls within the reservation period, while not disregarding existing rules.

OAR 330-280-0100 requires the heat pump installation completion date to be submitted at the time a contractor submits a rebate request. The installation completion date is “the date that the heat pump installation has passed its final inspection by the authority having jurisdiction.” Thus, Oregon Department of Energy requires inspections to be completed in order to consider a heat pump fully installed. As there is no way to verify that a heat pump is installed on a certain date, using the inspection date provides verification that a heat pump is fully installed and functional as of a certain date. This also allows ODOE to verify that the unit was installed properly and safely, and meets all jurisdiction requirements, before issuing a rebate.

OAR 330-280-0080 states that a reservation is valid for 180 days, unless extended for an additional 180 days, under OAR 330-280-0090. ODOE recognizes that accessing a residential tenancy for an inspection takes additional time and planning and can be difficult to schedule. However, OAR 330-280-0090 allows for a reservation extension for a total reservation period of almost one year, providing sufficient time for a heat pump to be installed and inspected within that period.

During this comment period, ODOE received one written comment from a Tribal administrator, in support of, and none opposed to, the amendments and new rule regarding the transfer of funding from the Community Heat Pump Deployment Program to the Oregon Rental Home Heat Pump Program.

Based on the comments received and internal evaluation, ODOE has not made changes to the proposed rule amendments.