

Community Heat Pump Deployment Program

Regional Entity Frequently Asked Questions

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Regional Entity Questions

Regions

How were the regional boundaries established?

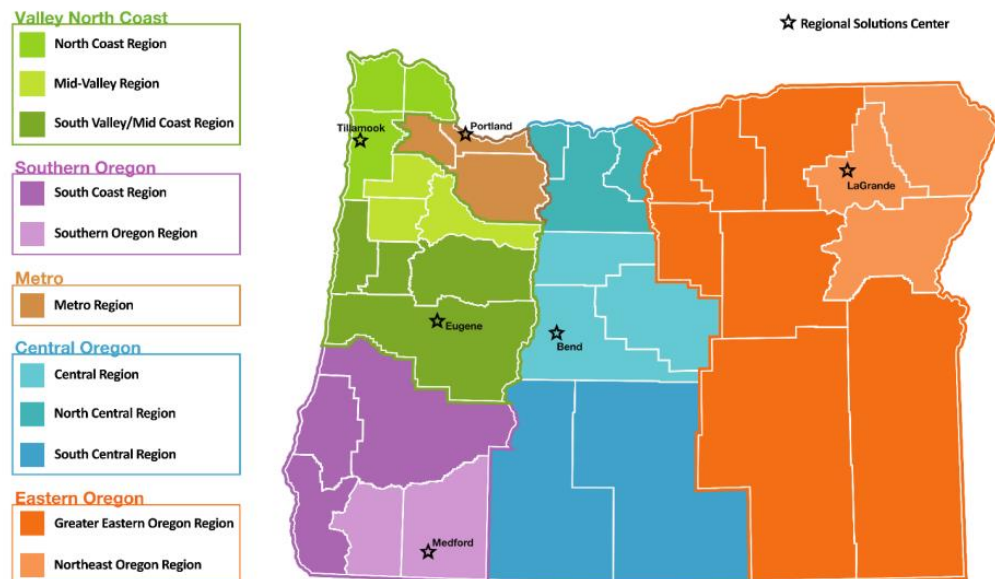
The current boundaries were established in the legislation; it aligns with the economic and community development around the state. There are questions in the application that allow for applicants to request alternative boundaries.

“Region” means an economic development district in Oregon, created by the Economic Development Administration of the United States Department of Commerce, for which a regional solutions center has been established under ORS 284.754.

Is population evenly distributed between the regions?

No, the 11 Region reflect boundaries of established economic development districts, which vary in population. The grant allocation formula attempts to account for climate-based differences in heating and cooling needs in different regions of the state as well as differences in population and the financial need of the Region. More details about this will be in our opportunity announcement. The regional solutions map can be found below. Region boundaries are related to county lines.

Regional Solutions Map: <https://www.oregon.gov/gov/regional-solutions/Documents/RegSol%20Program%20Overview%20FINAL.pdf>



Will you be awarding one grant per region despite the differences in population density in certain regions?

Senate Bill 1536 directs ODOE to award one grant per region. The amount available for use in each region will vary depending on the portion of the population in each region that are energy burdened, and the heating and cooling needs within that region. Additionally, there will be an opportunity for people to propose alternative boundaries in their application. Senate Bill 1536 can be found here [SB1536 \(oregonlegislature.gov\)](https://legislature.oregon.gov/bills/2013/1536).

Does a regional administrator have to represent the entire region in which they are located? If an electric utility covers half of a county, would they need to do the administration for the entire region?

The selected Regional Administrator will administer the program for the entire region, but it can partner with other entities to help cover the entire region. Per OAR 330-270-0040(20), a utility that serves only part of the region is required to partner with another eligible entity to cover the entire region.

Can there be more than one successful application per region?

While each performance agreement will be for one entity per region, an applicant can partner with other eligible entities. Notably, utilities seeking to be a Regional Administrator must partner with other eligible entities to reach people outside of their service area within the region they are applying for. Each selected applicant will be the lead entity and will enter into a performance agreement with ODOE.

If an alternative boundary is proposed and accepted, there would still only be one Regional Administrator per region, but they could partner with other entities. Proposals for alternative boundaries must be included in the application.

Funding

Can funding pass through a nonprofit organization that serves an Indian Tribe in Oregon, and go to one of their Tribal clients that provide climate construction services?

Yes. Each of the nine federally recognized tribes in Oregon can apply to be the administrator of administrator and invite a Tribe to be its partner.

Since the program will extend into 2025, are the funds listed a total? What is given on an annual basis?

The grant allocation listed in the opportunity announcement is the total amount per Region or Tribe for the entire agreement period. There will be a disbursement schedule decided in the performance agreement that will depend on the administrators' proposed timeline for getting the program up and running and opening the program for applications.

Is there a maximum amount of money allowed per household?

We are proposing a maximum dollar amount per dwelling for the purchase and installation of a heat pump up to 100% of the cost (less any other incentives or assistance program amounts). The financial assistance can be stacked with other incentives and assistance programs, which might influence the incentive amount given per dwelling. Homeowners may also be eligible for financial assistance up to a maximum dollar amount, as determined by the Regional Administrator, for related eligible upgrades.

We are setting the maximum cap, and each Regional Administrator could further customize the program based on their region's needs.

Can partners divide up funds? For example, if a city partnered with another entity and wanted to reserve a percentage of the funds to an existing low-income homeowner program, would that be allowable?

The performance agreement will establish the successful applicant as the grantee. The performance agreement will be between ODOE and the grantee. Grantees are required to maintain a separate contract with any partners to ensure compliance with all program requirements. Applicants can propose how they will prioritize funding to the eligible groups in their application to ODOE.

Is there a required percentage that must go to the prioritized group?

No. There is no specific required allocation to identified groups in statute. The statute states that certain target groups be prioritized for funding. ODOE did not set a requirement in rule to allow for local determination of each region's needs.

Dates

What is the date to apply?

The second opportunity period closed January 26, 2024 at 5PM, [per Opportunity Announcement No. 23-065](#).



What is the time frame for the grant period?

Performance agreement execution date will depend on the timing of regional administrator selection and performance agreement negotiation. Applicants should plan for a performance agreement that expires on December 30, 2025. This date will be finalized in the performance agreement stage of the process.

Will the program be retroactive to the beginning of the year? For example, will a person who had a heat pump installed in January be eligible for rebates, credits, etc.?

Regional administrators may decide whether to allow for retroactive use of funds in their programs.

When will homeowners be able to apply for the incentives? When can I tell my customers to apply?

Successful applicants will be notified of the grant award, following this they will be sent the performance agreement which both parties will need to review before signing. It is up to the grantee when they are ready to start advertising that they will be accepting applications. ODOE will maintain information on our website about the regional programs to help direct participants to their respective programs.

Will regional administrators need to provide program data to ODOE, whether through reporting or otherwise?

Yes, applicants that are awarded a grant will need to provide annual reports to ODOE, details regarding the report are outlined in rule [OAR 330-270-0060\(7\)](#). Additional reports will also be required during the year, the frequency and requirements of these reports will be specified in the performance agreement

Applications

Can you explain the competitive application process and how entities can collaborate?

Once the application portal closes, ODOE will review the applications for eligibility and completeness. Then there will be a competitive review, assessing each application using the scoring criteria detailed in the Opportunity Announcement, this includes assessing partners if there are any. The grants will be awarded to the applicants based upon the outcome of the competitive review, and the grantee and ODOE will sign a performance agreement.



How can we start preparing for the application process?

You may wish to reach out to entities in your area who might be interested in partnering or collaborating on applications. The program [rules](#) provide a list of required information for the application under OAR 330-270-0050. It also lists areas where the program can be customized. For example, the rules state that entities need to explain how they will prioritize environmental justice communities, bulk fuel users, and people who don't have heating or cooling in their homes. Start by thinking about those types of questions and how your program might seek to answer them.

What happens if there are no applications received for a region or tribe?

If ODOE does not receive any applications for a region or Tribe, ODOE will explore the available options and attempt to provide Program coverage across Oregon.

What if only one entity applies for a region and is eligible, but their program is rejected?

If only one entity applies to be an administrator for a region and their application is rejected, ODOE will provide explanations for the rejection, and the entity will be welcome to apply again should the opportunity arise.

In the application, applicants are instructed to “Enter the total contributions from partners.” Does the total administrative cost and the total program cost need to include partner contributions? Or is the total budget solely a detailed view of the use of ODOE grant funding?

The ‘Total administrative cost’ and ‘Total program cost’ should include partner contributions.

What latitude is there to offer different approaches to customer prioritization within a single region?

The prioritization of the provision of financial assistance to individuals should be standard across a region.

For the series of questions under “financial assistance details” requesting the maximum dollar amount and percentage of project cost expected for each qualifying equipment, is the request to detail the use of ODOE Community Heat Pump grants? Or should the response incorporate additional incentives from other sources to establish the maximum dollar amount and percentage of cost?

The series of questions under ‘Financial Assistance Details’ are asking for information regarding the maximum dollar amounts and percent of costs for projects eligible for financial assistance using the ODOE Community Heat Pump Deployment Program grant. Responses should comply with the Oregon Administrative Rule 330-270-0040 that relate to the use of the funds. Maximum amounts are specified in the rules, however, applicants may propose lower amounts in their application.

What is the distinction between a split and a packaged system?

The questions on the 0040(6) and 0040(8) application tabs refer to the efficiency requirements for qualifying heat pumps listed in the administrative rules. The questions on the tab labelled ‘0040(6) incentives’ refer to the minimum efficiency standards to be eligible for financial assistance listed in Oregon Administrative Rule 330-270-0040(6), with split-system and single-packaged systems both being either ducted or ductless systems. An applicant may also propose a financial assistance offering for a higher efficiency heat pump that meets or exceeds the standards in 330-270-0040(8), in this section the split-system and single-packaged questions refer to ductless systems and the ducted question refers to both split-system and single-packaged systems. 330-270-0040(12) states that ‘an eligible entity may propose additional project eligibility or higher efficiency requirements for heat pump installations in their application.’

Partners

What is the role of a partner?

Entities applying to be a regional administrator may wish to partner with other entities to help administer the program. These partners need to be other eligible entities, but the one applying to be the regional administrator must take a lead role in administering the grant funds and providing financial assistance. A partner entity may assist the entity awarded a grant by providing, or assisting in the provision of, financial assistance.

If entities are willing to partner, will ODOE facilitate coordination with others looking to do so in a region?

ODOE recently released a [fillable form](#) that interested eligible entities can use to express interest in leading or supporting administration of the Community Heat Pump Deployment Program funds within their Region. This was shared to each of our heat pump-related listservs. The intent of this form is to collect interest from possible regional partners and use those data to help connect possible partners within each Region. The list of interested entities is posted on the program website [here](#). We encourage you to share this form with the appropriate contacts in your network. If you have ideas how ODOE can help, please let us know, and please make sure that you are signed up for email updates so you will be notified if we put any new practices in place. We are always available to answer questions or take ideas for collaboration at our program email:

Community.HeatPump@energy.oregon.gov

Could a single regional entity apply for the funding and then make subawards?

A regional entity that is granted funding may not redistribute funds in subawards. However, a partner entity may assist the entity awarded a grant by providing, or assisting in the provision of, financial assistance.

Regional administrators and their partners may, collectively, use up to 15% of awarded funds for program administration costs. Partner and subcontractor roles must also be defined by the applying entity within the application. A regional entity may also subcontract with another organization to deliver the program within its Region. If an applying eligible entity wishes to partner or subcontract after the performance agreement is signed, they must amend and receive approval from ODOE before doing so.

Can program partners be added after the initial application is submitted?

Partners may be added after an application is submitted, providing they comply with the administrative rules. The process would look different depending on whether the performance agreement has been signed or not. During the application period, applications may be amended to add partners.

Heat Pump Efficiency Requirements

Should the minimum efficiency standard on ductless systems be set at 8.0 or 8.5 to take advantage of BPA and local utility incentives on every project? This would lower average project costs and may allow entities to serve a few more households.

The baseline for efficiency standards is intended to match federal standards for 2023. The bill requires that ODOE match or exceed those minimum standards.

We are currently setting two efficiency levels. One matches the federal guidelines, which allows for a broader range of heat pumps to be installed. The second option sets a higher efficiency minimum, which would be eligible for a higher level of incentive. In setting the higher efficiency standard we have taken into consideration other current incentives available so that these programs can all be stacked when applying for higher efficiency standard incentives and assistance.

How do efficiency requirements compare to the requirements for rebates from Energy Trust?

The bill requires us to set the minimum required efficiency at or above federal efficiency requirements, which were raised at the beginning of 2023. We set up two efficiency levels with different rebate caps to better align the requirements with tax credits and other local programs to allow incentives and rebates to be stacked, while providing a higher incentive for more efficient equipment

Federally Recognized Tribes

Can an entity other than a tribal government be the administrator for a Tribe?

Yes, eligible entities can apply to be the administrator of funds for a Tribe. Tribes can also partner with entities if they do not have capacity to administer a program. ODOE encourages an applicant applying to be the regional administrator for a Tribe to consult with the Tribe prior to applying.

If another entity is the regional administrator with a Tribe as a partner, what role should the Tribe play in the decision-making process around distribution of financial assistance?

The role the federally recognized Indian tribe would play in the decision-making process around the distribution of financial assistance is up to the partner contract made by said Tribe and partnering entity.

Rules

When will the rules be finalized?

The final rules were published by the Secretary of State on February 14, 2023. They can be accessed [here](#).

OAR [330-270-0040\(3\)\(b\)](#) states "Other costs the department determines should be ineligible." Could ODOE provide examples of ineligible costs?

The eligible costs are those that are necessary to administer and market the program. We provide a general outline like staffing materials, leaving it open for other costs. Examples of ineligible costs include existing rent and utilities.