

Oregon State Heat Pump Programs

Energy Trust of Oregon
Trade Ally Forums
October, 2023



OREGON
DEPARTMENT OF
ENERGY

Senate Bill 1536

- Heat dome event of 2021
- Legislature passes Senate Bill 1536 (2022)
- Creation of two heat pump incentive programs:
 - Community Heat Pump Deployment Program
 - Oregon Rental Home Heat Pump Program

Oregon's heat wave death toll grows to 116

Updated: Dec. 01, 2021, 12:18 p.m. | Published: Jul. 07, 2021, 12:42 p.m.



Salem Fire Department paramedics and employees of Falck Northwest ambulances respond to a heat exposure call during a heat wave, Saturday, June 26, 2021, in Salem, Oregon. Nathan Howard | AP Photo

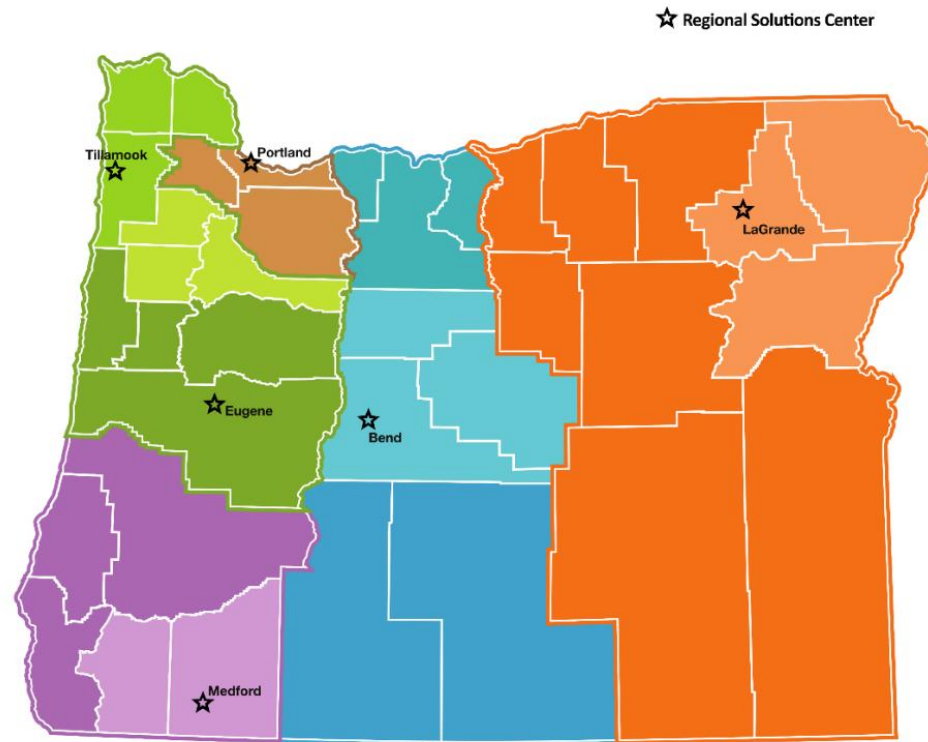
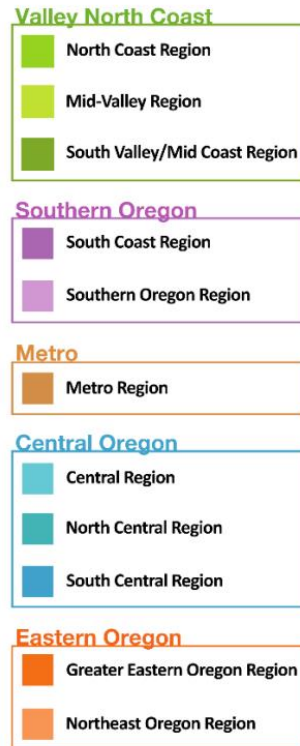
Community Heat Pump Deployment Program

Financial assistance for the purchase and installation of heat pumps and related upgrades for homeowner-occupants in Oregon.

- ▶ Eligible entities apply to become fund administrators
- ▶ Selected administrators design their own programs and fund prioritization parameters including:
 - Incentive caps
 - Retroactivity of incentives
 - Eligible upgrade costs
- ▶ Initial program launched in March 2023
- ▶ Eligible contractors apply to regional and Tribal administrators for funds

Program Regions

ODOE to contract with up to one eligible entity for each region and one eligible entity for each federally recognized Tribe in Oregon.



Eligible entities include:

- Local government
- Local housing authority
- Nonprofit organization
- Federally recognized Tribe in Oregon
- Coordinated care organization
- Community action agency
- Manufactured dwelling park nonprofit cooperative
- Electric utility

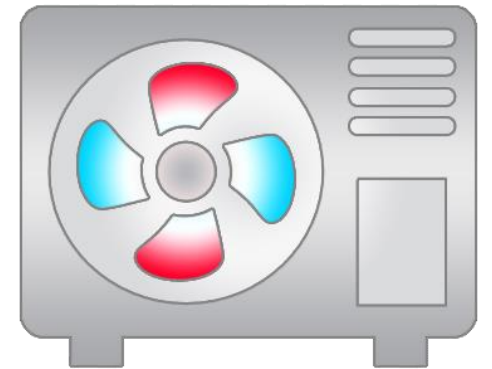
Community Program – Updates and Next Steps

- Current fund administrators:
 - Mid-Columbia Community Action Council (North Central)
 - NeighborImpact (Central Oregon)
 - Lake County Resources Initiative (South Central)
 - Earth Advantage (Metro, Mid-Valley, and South-Valley)
- Advisory council made up of participating administrators
- Second round opportunity to open Fall 2023

Oregon Rental Home Heat Pump Program

Financial assistance for the purchase and installation of heat pumps and related upgrades in rental dwellings.

- ▶ \$15 million allocated for program administration and incentives
- ▶ Assistance available to owners of:
 - Rental units – does not include vacation occupancy, transient occupancy in hotel or motel, new construction, nor rented rooms in a house.
 - Manufactured dwellings or recreational vehicles that rent a space in a manufactured dwelling or RV park.
- ▶ Eligible contractors apply to ODOE online to reserve and request funds. The full rebate amount is passed on to the customer.



Rental Program – Available Incentives



Rebate Amounts

Owner of a rental unit

\$2,000 - \$5,000 or
60% of purchase and installation costs
of the heat pump

**Owner of manufactured dwelling or
RV that rents a space in a
manufactured dwelling or RV park**

\$2,000 - \$7,000 or
80% of purchase and installation costs
of the heat pump

- ▶ Rebate amount dependent on costs, heat pump efficiency, and tenant income level
- ▶ Grants for related upgrades may range from \$2,000 – \$4,000, depending on tenant income level

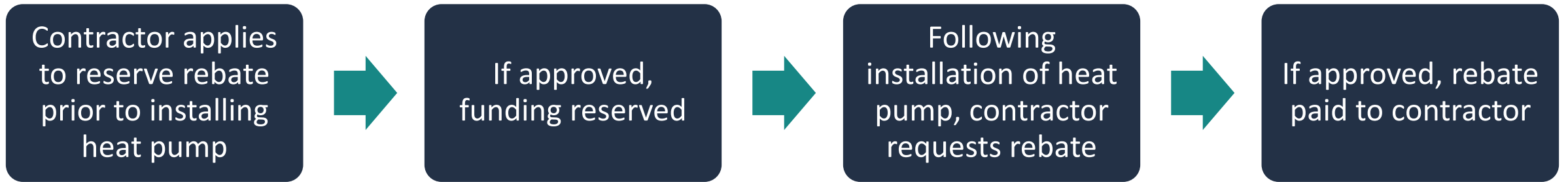
Rental Program – Rebate Process



Eligible contractors must:

- Hold any required license, bond, insurance or permit
- Maintain licensure with the Construction Contractors Board
- Maintain worker's compensation insurance coverage
- Have no Occupational Safety and Health Division violations in prior two years
- Meet Bureau of Labor and Industries requirements

Rebate Process (cont.)



Note the project requirements in rule relating to, among others: unit compatibility, sizing, installation location, permitting, warranties, and technical specifications.

Rental Program - Reserving a rebate or grant

List of required info, including but not limited to:

- Project site and customer information
- Proof of rental property
- Heat pump model and efficiency details
- If applicable, income eligibility information
- Total and itemized project costs (including any upgrades)
- Other anticipated incentives
- Signed installation agreement



Rental Program - Reserving a rebate or grant

The installation agreement (bid) must include:

- ✓ The address where the installation will occur
- ✓ Customer name
- ✓ Total project cost
- ✓ Heat pump equipment details (including model numbers for all units)
- ✓ Warranty information
- ✓ Incentive details (this includes ODOE incentives and other anticipated incentives)
- ✓ Customer signature



Rental Program - Program Outcomes

- Program opened for rebate reservations in July 2023
- Program results to date
 - Number of approved contractors: **99**
 - Number of rebate requests: **1387**
 - Number of rebates reserved: **693**
 - Amount of funds reserved to date: **~\$2.3 million**
 - Rebates issued: **\$218,038**



Thank You!

Any questions?

Program Emails: Community.HeatPump@energy.oregon.gov
rentalhome.heatpump@energy.oregon.gov

<https://www.oregon.gov/energy/Incentives/Pages/heat-pumps.aspx>

