
WEATHERIZATION INDUSTRIES SAVE ENERGY

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COMMENTS ON HB 2522 & SB 688

MEASURE: _____
EXHIBIT: J
Joint Committee on Tax Credits 76th Session
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Weatherization Industries Save Energy (WISE) is a trade association of weatherization and HVAC contractors, manufacturers, and distributors. It is dedicated to promoting energy conservation through the services of its members, keeping conservation measures affordable, and providing policy-makers with the experience-based knowledge of business owners.

Duct sealing is often considered the most cost-effective capital improvement available to the typical home, yet because it is unseen and virtually unheard-of amongst homeowners, it has seen a very slow development in Oregon. In recent years, market penetration rates have increased significantly with the help of the combined efforts of the RETC and utility incentive programs, but that progress will falter if the tax credits are reduced or removed. When considering whether Oregon will continue its support of this energy efficiency measure, it is important to remember the following facts:

- The duct sealing portion of RETC makes up about 1% of historical RETC costs and is capped at 25% up to \$250 per home.
- The average forced air heat system loses 20-30% of its heat through leaky ductwork.
- Duct sealing saves energy at a levelized cost to the State of about \$0.005 per kWh.
- Duct sealing is labor intensive but requires very little material cost; this means that almost all money spent on duct sealing goes directly to local job creation and retention.

Due to the high cost-effectiveness of duct sealing, its job creation value, and the low cost of the tax credit program the duct sealers spread throughout Oregon ask that the Legislature preserve at least this 1% of the RETC that provides so much for the state. Specifically, they request that the current tax credit amount of 25% of cost not be reduced. If absolutely necessary, the per-home cap could be reduced to \$200, but the 0.002% of RETC savings that would result do not seem to justify the harm it would cause to Oregon's economy and efforts toward energy efficiency.

For more information, please contact Jeremy Anderson at (503) 569-1381.