

Energy-Efficient Homes Pay Dividends

Where you can save in your house



Heat Pumps & Air Conditioning Systems

Get a \$100-\$400 tax credit for using a certified heat pump technology to control air conditioning systems that a new energy efficient heat pump is an conditioning system.

Labels in heating and cooling, the most common that up to 20% of home heating and cooling bills. These can be used and used, just pay up to a \$200 tax credit.

Appliances

If your refrigerator was made prior to 2011, it uses 40% of more energy than today's energy efficient models.

How does Energy Star help?



Phase II

Ways & Means Budget Presentation

May 2, 2013



OREGON
DEPARTMENT OF
ENERGY

Discussion Topics

- Budget Recap
- HB 2807 – Energy Supplier Assessment Bill
- Policy Option Packages
- HB 5012 – Agency Fee Bill
- 10% Reductions

Budget Recap

- ❑ Fund Sources are Other and Federal Funds – No General Fund is being requested
- ❑ Expenditures are 2/3 non-limited (loan activity) and 1/3 limited funds.
- ❑ The limited fund budget is approximately \$50 million funded by approximately:
 - \$3 million Federal grants
 - \$10 million POP 090
 - \$37 million Other Funds - fees, charges for services, energy supplier assessment

Budget Recap

- ❑ No original agency bills are advancing
 - Supporting HB 2807 which focuses on energy supplier assessment modifications
- ❑ The department has four policy packages:
 - 101 Oregon's Energy Priorities
 - 090 Governor's Adjustments
 - 201 Energy Incentives Program Support
 - 401 Energy Facility Siting Workload

HB 2807

Energy Supplier Assessment Bill

- ❑ Developed with legislative, stakeholder and department participation
- ❑ Key changes:
 - Establishes program level budgets
 - Transfers administration of the Energy Facility Siting Council from the Department of Administrative Services to the department
 - Reduces allowable cap from five-tenths to 0.375 percent of suppliers gross operating revenues
 - Establishes ongoing ESA work group
 - Establishes notification process for department engagement on energy matters
 - Makes minor changes to reporting and invoicing processes

Policy Package 101

Governor's Energy Priorities

- ✓ Maximizes energy efficiency in residential, commercial, industrial and public building sectors to reduce energy bills
- ✓ Streamlines energy financing infrastructure to overcome barriers to developing Oregon's own energy resources
- ✓ Facilitates use of alternative transportation fuels including natural gas, electricity, propane and biofuels
- ✓ Leverages department programs with other programs for maximum impact
- ✓ Provides outreach to affected communities
- ✓ Enables timely incentive program changes based on sound information and analysis

Costs
\$1,232,015 OF
\$174,012 FF
4.84 FTE 4 Positions

Policy Package 090

Governor's Adjustments

- ✓ Shores up the debt service reserves of Small-scale Energy Loan Program, mitigating risk to the General Fund (\$5 million)
- ✓ Establishes competitive grant funds for entities that coordinate energy efficiency assessments, financing and contractors (\$5 million)

Cost
\$10 million Lottery bonds

Policy Package 201

Energy Incentives Program Support

- ✓ Promotes energy conservation, clean energy projects and transportation alternatives through effective implementation of incentive programs per statute (HB 3672 in 2011)
- ✓ Protects the General Fund by ensuring compliance with statutory mandates
- ✓ Promotes excellent customer service by enabling timely handling of a more complex application process

Cost
\$447,060 OF 2.52 FTE 3 Positions

Policy Package 401

Energy Facility Siting Workload

- ✓ Ensures timely review of siting applications despite increased workload and complexity of issues addressed
- ✓ Continues the streamlining of the siting process
- ✓ Improves public participation
- ✓ Enhances support for cost recovery from applicants and financial oversight of project review costs

Cost
\$ \$1,027,091 OF 3.00 FTE 3 Positions

HB 5012 – Fee Bill

- ❑ Provides Legislative approval for new fees approved by the Department of Administrative Services and established by rule in 2011-13
- ❑ Adds new Business Energy Tax Credit pass-through & compliance fees
 - Department-assisted: 0.025% of tax credit -- \$100 to \$25,000 fee
 - No department assistance: \$100 per tax certificate
 - Tax credit transfer fee: \$200, plus \$100 per tax credit certificate
 - Compliance re-inspection fee: \$400

Red text: proposed amendments

10% Reduction Options

- ✓ The Reduction Options include 17 items for a Total Funds reduction of approximately \$3.8 million and 4 positions.
- ✓ Criteria used to prioritize:
 - Public Safety
 - Constitutional Obligations
 - Statutory or Federal Obligations
 - Alignment with mission and Governor's goals
- ✓ Reduction options categories:
 - Reductions to Services and Supplies (Reduction options 1-5)
 - Reductions to Renewable Energy Grants (Reduction option 6)
 - Reductions to Professional Services or Special Payments (Reduction options 7-13)
 - Reductions to staff (Reduction options 14-17)

Thank you

