

# House Bill 2758

Sponsored by Representative HOLVEY, Senator BEYER

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Transfers administration of fuel oil dealer program from State Department of Energy to Housing and Community Services Department.

## A BILL FOR AN ACT

1  
2 Relating to residential energy conservation for oil-heated dwellings; amending ORS 469.673, 469.675,  
3 469.677, 469.679, 469.681 and 469.683.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 469.673 is amended to read:

6 469.673. As used in ORS 469.673 to 469.683:

7 (1) "Cash payment" means a payment made by the [*State Department of Energy*] **Housing and**  
8 **Community Services Department** to the dwelling owner or to the contractor on behalf of the  
9 dwelling owner for energy conservation measures.

10 (2) "Commercial lending institution" means any bank, mortgage banking company, trust com-  
11 pany, savings bank, savings and loan association, credit union, national banking association, federal  
12 savings and loan association or federal credit union maintaining an office in this state.

13 (3) "Cost-effective" means that an energy conservation measure that provides or saves a specific  
14 amount of energy during its life cycle results in the lowest present value of delivered energy costs  
15 of any available alternative. However, the present value of the delivered energy costs of an energy  
16 conservation measure shall not be treated as greater than that of a nonconservation energy resource  
17 or facility unless that cost is greater than 110 percent of the present value of the delivered energy  
18 cost of the nonconservation energy resource or facility.

19 [(4) "*Director*" means the *Director of the State Department of Energy appointed under ORS*  
20 *469.040.*]

21 [(5)] **(4)(a)** "Dwelling" means real or personal property within the state inhabited as the princi-  
22 pal residence of a dwelling owner or a tenant.

23 **(b)** "Dwelling" includes a manufactured dwelling as defined in ORS 446.003, a floating home as  
24 defined in ORS 830.700 and a single unit in multiple-unit residential housing.

25 **(c)** "Dwelling" does not include a recreational vehicle as defined in ORS 446.003.

26 [(6)] **(5)** "Dwelling owner" means the person:

27 (a) Who has legal title to a dwelling, including the mortgagor under a duly recorded mortgage  
28 of real property, the trustor under a duly recorded deed of trust or a purchaser under a duly re-  
29 corded contract for the purchase of real property; and

30 (b) Whose dwelling receives space heating from a fuel oil dealer.

31 [(7)] **(6)** "Energy audit" means:

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 (a) The measurement and analysis of the heat loss and energy utilization efficiency of a dwelling;

2 (b) An analysis of the energy savings and dollar savings potential that would result from pro-  
3 viding energy conservation measures for the dwelling;

4 (c) An estimate of the cost of the energy conservation measures that includes:

5 (A) Labor for the installation of items designed to improve the space heating and energy utili-  
6 zation efficiency of the dwelling; and

7 (B) The items installed; and

8 (d) A preliminary assessment, including feasibility and a range of costs, of the potential and  
9 opportunity for installation of:

10 (A) Passive solar space heating and solar domestic water heating in the dwelling; and

11 (B) Solar swimming pool heating, if applicable.

12 [(8)] (7) "Energy conservation measures" means measures that include the installation of items  
13 and the items installed that are primarily designed to improve the space heating and energy utili-  
14 zation efficiency of a dwelling. These items include, but are not limited to, caulking,  
15 weatherstripping and other infiltration preventative materials, ceiling and wall insulation, crawl  
16 space insulation, vapor barrier materials, timed thermostats, insulation of heating ducts, hot water  
17 pipes and water heaters in unheated spaces, storm doors and windows, double glazed windows, and  
18 dehumidifiers. "Energy conservation measures" does not include the dwelling owner's own labor.

19 [(9)] (8) "Fuel oil dealer" means a person, association, corporation or other form of organization  
20 that supplies fuel oil at retail for the space heating of dwellings.

21 (9) "Petroleum supplier" means a petroleum refiner in this state or any person engaged  
22 in the wholesale distribution of distillate fuel oil in this state.

23 (10) "Residential customer" means a dwelling owner or tenant who is billed by a fuel oil dealer  
24 for fuel oil service received at the dwelling.

25 (11) "Space heating" means the heating of living space within a dwelling.

26 (12) "Tenant" means a tenant as defined in ORS 90.100 or any other tenant.

27 **SECTION 2.** ORS 469.675 is amended to read:

28 469.675. Within 30 days after November 1, 1981, each fuel oil dealer shall submit for the ap-  
29 proval of the [*Director of the State Department of Energy*] **Director of the Housing and Community**  
30 **Services Department** a residential energy conservation program that, to the director's satisfaction:

31 (1) Makes available to all residential customers of the fuel oil dealer information about:

32 (a) Energy conservation measures; and

33 (b) Energy conservation measure financing available to dwelling owners.

34 (2) Provides within 60 days of a request by a residential customer of the fuel oil dealer or a  
35 dwelling owner, assistance and technical advice concerning various methods of saving energy in that  
36 customer's or dwelling owner's dwelling including, but not limited to, an energy audit of the  
37 customer's or dwelling owner's dwelling.

38 **SECTION 3.** ORS 469.677 is amended to read:

39 469.677. (1) The [*Director of the State Department of Energy*] **Director of the Housing and**  
40 **Community Services Department** shall contract and a fuel oil dealer may rely upon the director  
41 to contract for the information, assistance and technical advice required to be provided by a fuel  
42 oil dealer under ORS 469.675.

43 (2) The director, **in consultation with the State Department of Energy**, shall adopt standards  
44 for energy audits required under ORS 469.675 by rule in accordance with the rulemaking provisions  
45 of ORS chapter 183.

**SECTION 4.** ORS 469.679 is amended to read:

469.679. After the *[Director of the State Department of Energy]* **Director of the Housing and Community Services Department** has approved the residential energy conservation program of a fuel oil dealer required by ORS 469.675, the fuel oil dealer promptly shall implement that program.

**SECTION 5.** ORS 469.681 is amended to read:

469.681. (1) Each petroleum supplier shall **annually** pay to the State Department of Energy **its share of a petroleum supplier assessment.** *[annually its share of an assessment to fund:]*

*[(a) Information, assistance and technical advice required of fuel oil dealers under ORS 469.675 for which the Director of the State Department of Energy contracts under ORS 469.677; and]*

*[(b) Cash payments to a dwelling owner or contractor for energy conservation measures.]*

**(2) Moneys received by the department under this section shall be deposited in the Oil-Heated Dwellings Energy Account to be used only to fund:**

**(a) Information, assistance and technical advice required of fuel oil dealers under ORS 469.675 for which the Director of the Housing and Community Services Department contracts under ORS 469.677; and**

**(b) Cash payments to a dwelling owner or contractor for energy conservation measures.**

*[(2)] (3)* The amount of the assessment required by subsection (1) of this section shall be determined by the **Director of the State Department of Energy** in a manner consistent with the method prescribed in ORS 469.421. The aggregate amount of the assessment shall not exceed \$400,000. In making this assessment, the director shall exclude all gallons of distillate fuel oil sold by petroleum suppliers that are subject to the requirements of *[section 3a,]* Article IX, **section 3a**, of the Oregon Constitution, or ORS 319.020 or 319.530.

*[(3)] (4)* If any petroleum supplier fails to pay any amount assessed to it under this section within 30 days after the payment is due, the Attorney General, on behalf of the State Department of Energy, may institute a proceeding in the circuit court to collect the amount due.

*[(4)] (5)* Interest on delinquent assessments shall be added to and paid at the rate of one and one-half percent of the payment due per month or fraction of a month from the date the payment was due to the date of payment.

*[(5)] (6)* The assessment required by subsection (1) of this section is in addition to any assessment required by ORS 469.421 (8), and any other fee or assessment required by law.

*[(6) As used in this section, "petroleum supplier" means a petroleum refiner in this state or any person engaged in the wholesale distribution of distillate fuel oil in the State of Oregon.]*

**SECTION 6.** ORS 469.683 is amended to read:

469.683. (1) *[There is established, separate and distinct from the General Fund, the Oil-Heated Dwellings Energy Audit Account.]* **The Oil-Heated Dwellings Energy Account is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Oil-Heated Dwellings Energy Account shall be credited to the account.** *[Moneys deposited in the account under subsections (2) to (5) of this section shall be used to pay the cost of the information, assistance and technical advice required of fuel oil dealers under ORS 469.675 for which the Director of the State Department of Energy contracts under ORS 469.677.]*

*[(2) The State Department of Energy shall pay into the State Treasury all assessment moneys received by the department under ORS 469.681 during the preceding calendar month. The State Treasurer shall deposit the moneys to the credit of the Oil-Heated Dwellings Energy Audit Account.]*

*[(3)] (2)* *[The]* Moneys in the Oil-Heated Dwellings Energy *[Audit]* Account are continuously appropriated to the *[State Department of Energy]* **Housing and Community Services Department**

1 **to be used only for the purposes specified in ORS 469.681 (2).** *[for the purpose of:]*  
2 *[(a) Paying the cost of information, assistance and technical advice required of fuel oil dealers*  
3 *under ORS 469.675 for which the director contracts under ORS 469.677; and]*  
4 *[(b) Providing cash payments to a dwelling owner or contractor for energy conservation*  
5 *measures.]*  
6 *[(4) Notwithstanding ORS 293.140, any interest attributable to moneys in the Oil-Heated Dwellings*  
7 *Energy Audit Account shall accrue to that account.]*  
8 **[(5)] (3)** The State Department of Energy shall keep a record of all moneys deposited in the  
9 Oil-Heated Dwellings Energy *[Audit]* Account.  
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