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Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development
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Dear Co-chair Woods, Co-chair Gomberg and members of the Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development:

On behalf of Energy Trust, thank you the opportunity to provide comment on the Oregon Housing and Community Services' 2023-2025 agency budget (SB 5511); in particular, the line item for the agency's existing Manufactured Home Replacement Program.

Energy Trust is an independent nonprofit organization providing energy efficiency and small-scale renewable power programs, incentives and services to the Oregon customers of Portland General Electric, Pacific Power, NW Natural, Cascade Natural Gas and Avista. We do so under a grant agreement with the Oregon Public Utility Commission, and pursuant to that agreement, we do not advocate in support of, or opposition to, state policies and priority setting. We offer these comments in that non-advocacy spirit.

The OHCS Manufactured Home Replacement Program illustrates how the energy and housing sectors can work together to achieve results greater than the sum of their parts.

Approximately 80,000 manufactured homes built before 1978 are a source of affordable housing for Oregonians. These homes predate construction standards for energy, durability and safety because they were not initially thought of as permanent housing. This is why aging manufactured homes are among the least energy-efficient housing structures in Oregon. The distressed condition of older manufactured homes make the energy efficiency improvements Energy Trust supports—such as insulation, windows and heating system replacement—either less effective or not feasible to install without significant investments in home repairs. These same conditions can create health risks for households due to poor indoor air quality, thermal stress during extreme heat and cold events, and structural and electrical hazards.

Despite ongoing efforts to conduct repairs and make energy efficiency improvements, many of these households remain vulnerable to the next emergency repair and the ongoing burden of unaffordable energy costs.

Since introducing a pilot program in 2018, Energy Trust has supported the replacement of 59 older manufactured homes. To support customers in this year alone, we have invested in full-time outreach specialists, increased our incentive budget and are engaging with a pipeline of 47 active projects considering their replacement options. Our incentive of up \$15,000 provides assistance to households while enabling cost-effective energy efficiency to benefit all ratepayers that are part of the utility system.

After five years of engaging with customers we know that Energy Trust, on our own, is challenged to meet the needs of the limited-income owner-occupants of older manufactured homes in parks and leased-land communities. The \$4 million allocation for Oregon Housing and Community Services' Manufactured Home Replacement Program proposed in Governor Kotek's budget can improve the financial package for many households, bringing

transformational change within reach. The addition of the agency's grants and forgivable secondary loans creates opportunity for the Oregonians who live with the greatest risks to their safety and economic wellbeing.

Manufactured home parks are a critical element of our state's affordable housing supply and provide community and social fabric to many Oregonians. At Energy Trust, we are especially proud to ensure our mission of providing clean, affordable energy for all includes these communities in the form of newly built, energy-efficient and durable manufactured homes. Working together with OHCS, CDFI Craft 3, CASA of Oregon and many other public, not-for-profit and market-based partners we know that the results of our shared effort are far greater than what we can accomplish on our own.

Thank you for the opportunity to provide these observations.

Sincerely,

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