

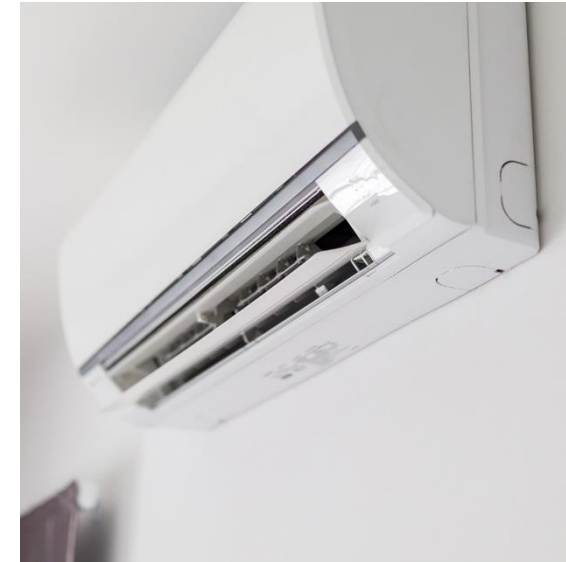
Oregon Department of **ENERGY**

Heat Pump Programs

Public Hearing
House Bill 2567

February 11, 2025

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Kaitlin Lynch



BACKGROUND

2022: Senate Bill 1536

- Created two heat pump incentive programs at Oregon Department of Energy
 - Community Heat Pump Deployment Program for owner-occupied homes
 - Oregon Rental Home Heat Pump Program for rental homes

2024: Senate Bills 1525 and 5701

- Transferred all unallocated funds from Community Heat Pump Deployment Program to Oregon Rental Home Heat Pump Program
 - Transferred for seven federally recognized Tribes in Oregon
- Extended Oregon Rental Home Heat Pump Program sunset from January 2, 2025 to January 2, 2026, and added \$4 million to the program

COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

Program Objectives

- Offset the cost of installing essential heating and cooling devices in Oregon homes
 - Incentivize the purchase and installation of heat pumps in owner-occupied homes
- Develop programs specific to each region and Tribe
 - Ensure equitable access to funds throughout the state
- Advisory Committee established

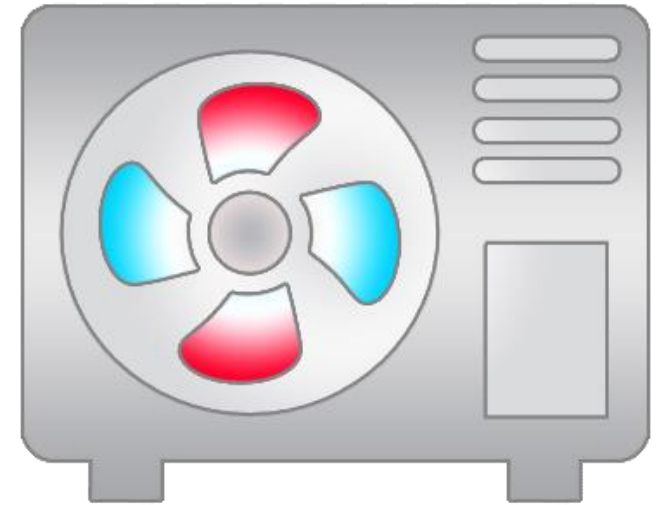


COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

Program Delivery

As of September 2024:

- \$7,594,194 in grants obligated to program administrators
 - \$905,806 transferred to rental program for Tribal members
- \$1,821,575 in heat pump incentives issued
- \$234,929 in upgrade grants issued
- Supported \$2,533,174 in total project costs
- 287 owner-occupied homes with new heat pumps installed
- Three regions have fully expended funding



OREGON RENTAL HOME HEAT PUMP PROGRAM

Program Objectives

- Offset the cost of installing essential heating and cooling devices in Oregon rental homes, manufactured homes, and recreational vehicles located on rented land
- Incentivize the purchase and installation of heat pumps for rental property owners
 - 25% of funding reserved for affordable housing providers
 - 25% of funding reserved for low- and moderate-income households

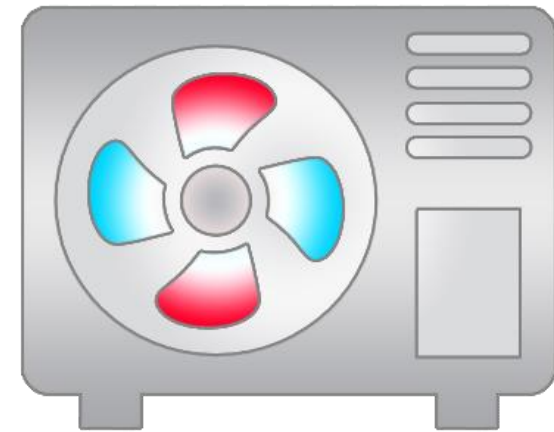


OREGON RENTAL HOME HEAT PUMP PROGRAM

Program Delivery

As of January 2025:

- 185 approved contractors
- \$11,225,981 in heat pump rebates issued
- \$2,486,147 in upgrade grants issued
- Supported \$25,876,675 in total project costs
- 3,296 homes with new heat pumps installed

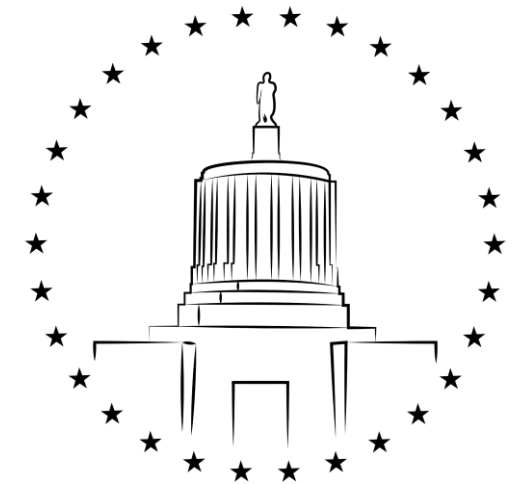




COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

Proposed Changes in HB 2567

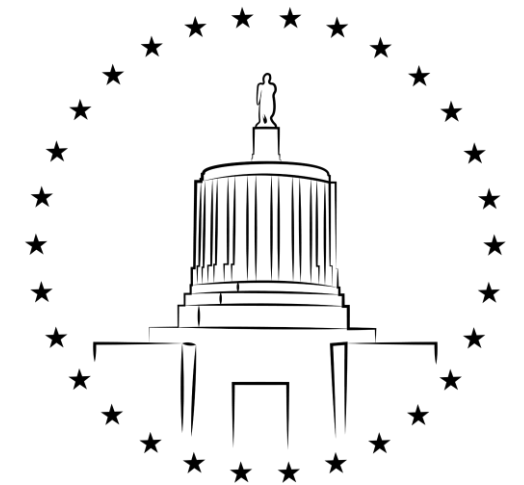
- Change “environmental justice” community to “disadvantaged” community
- Remove 15% cap on administrative and marketing expenses, allow ODOE to set cap in program rule
- Remove restriction of sharing recipient personal information, such as address, with ODOE
- Formalize requirement that administrators use best practices to protect program applicant personal information



OREGON RENTAL HOME HEAT PUMP PROGRAM

Proposed Changes in HB 2567

- Change January 2, 2026 sunset date to January 2, 2032
- Requires ODOE to submit a program report to Legislature by November 30 of each even-numbered year
- Possible amendment to incentivize contractors working in frontier and rural areas





Thank you!
Questions?

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