

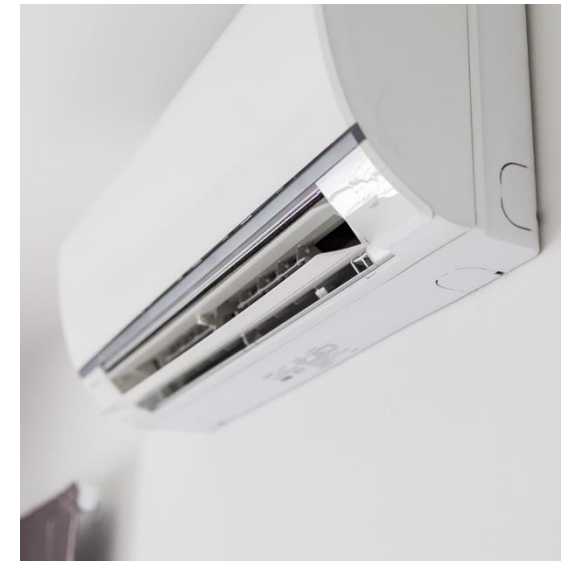
Oregon Department of **ENERGY**

House Bill 2567 Heat Pump Program Updates

Senate Committee on Energy and Environment

April 16, 2025

Christy Splitt and
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

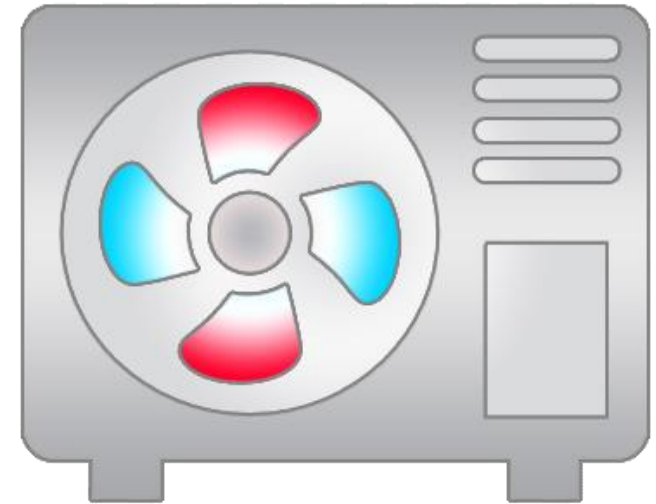


COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

Program Delivery

As of December 2024:

- \$7,594,194 in grants obligated to program administrators
 - \$905,806 transferred to rental program for Tribal members
- \$2,446,709 in heat pump incentives issued
- \$330,285 in upgrade grants issued
- 403 owner-occupied homes with new heat pumps installed
- Four 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

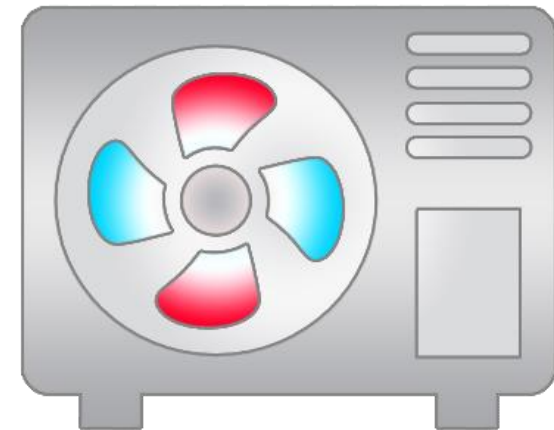


OREGON RENTAL HOME HEAT PUMP PROGRAM

Program Delivery

As of April 2025:

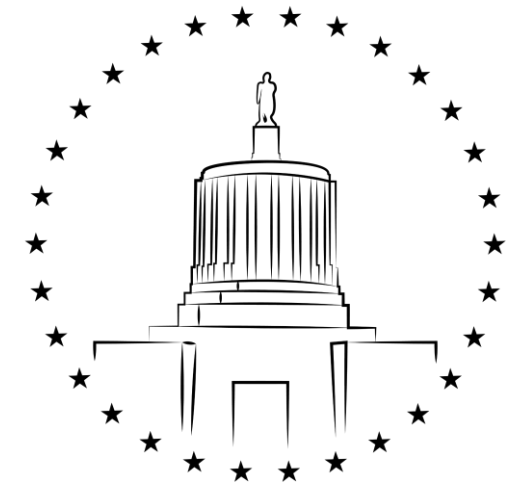
- 152 approved contractor businesses
- \$12,103,154 in heat pump rebates issued
- \$2,877,616 in upgrade grants issued
- Supported \$27,870,374 in total project costs
- 3,568 homes with new heat pumps installed



COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

Proposed Changes in HB 2567

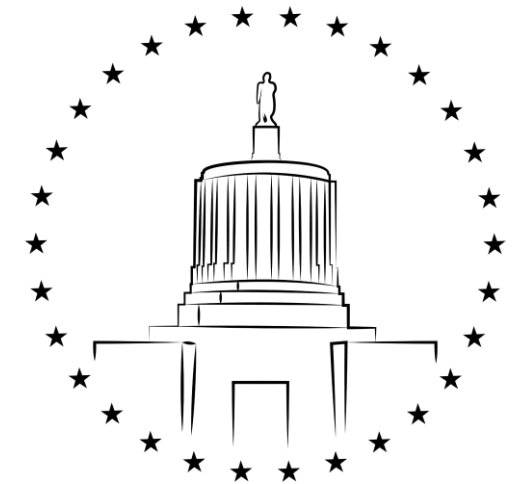
- Change “environmental justice” community to “disadvantaged” community
- Remove 15% cap on administrative and marketing expenses, allow ODOE to set cap in program rule
- Remove restriction of sharing recipient personal information, such as address, with ODOE
- Formalize requirement that administrators use best practices to protect program applicant personal information
- **NEW:** *-2 amendment in the Senate - Allow ODOE to directly award any additional funding to existing program administrators*



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
- Incentivizes contractors working in frontier and rural areas





Thank you!
Questions?

Contact:

christy.splitt@energy.oregon.gov