

Oregon Department of **ENERGY**

HB 3166 Public Hearing

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BACKGROUND

New Federal Funding Coming to the Oregon Department of Energy

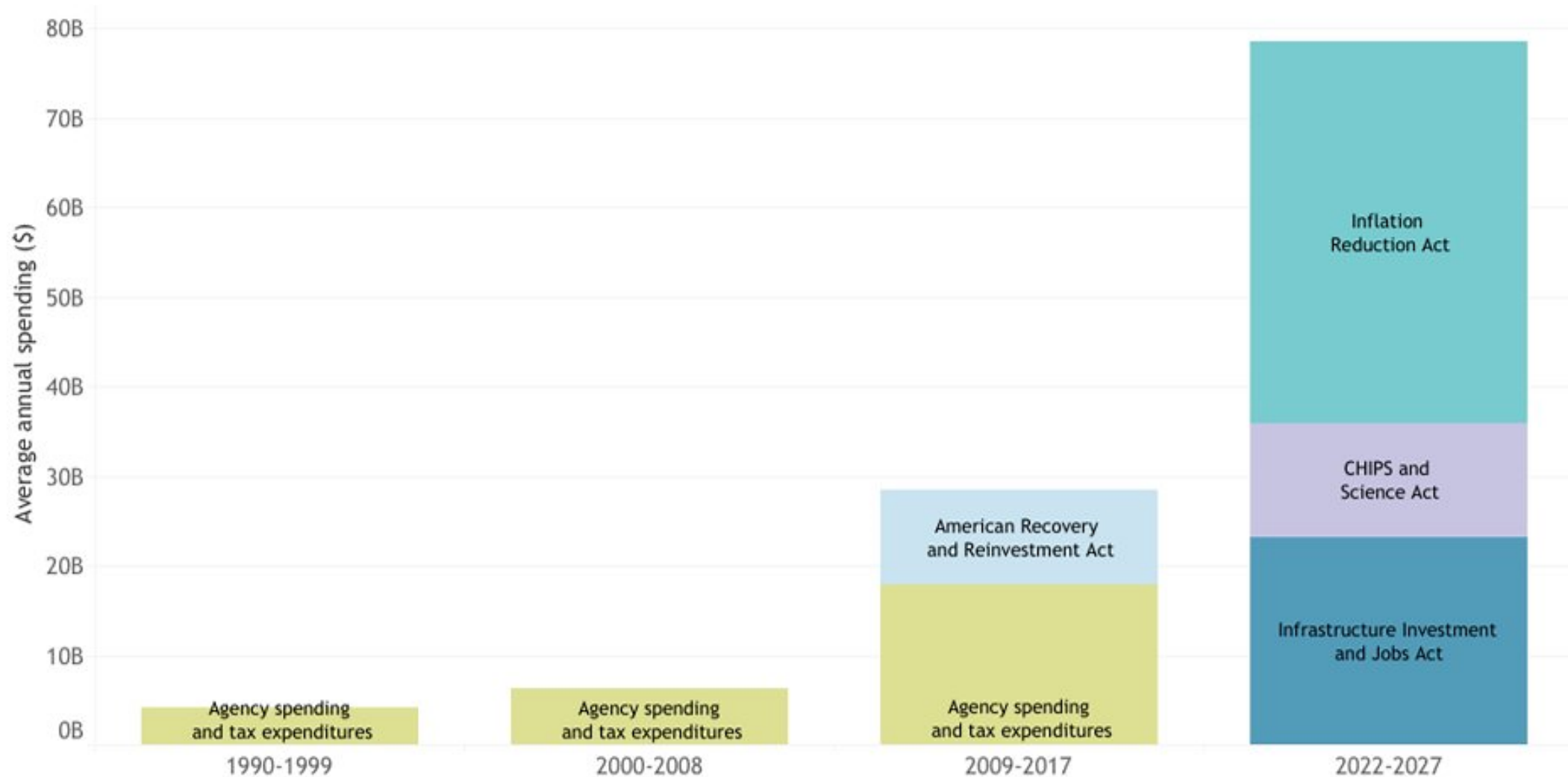
Infrastructure Investment and Jobs Act of 2021 (IIJA)

- Passed the House and Senate with bipartisan support
- Signed into law by President Biden on November 15, 2021
- Provides funding to support infrastructure across more than 380 distinct federal programs

Inflation Reduction Act of 2022 (IRA)

- Passed through the House and Senate through a partisan budget reconciliation process
- Signed into law by President Biden on August 16, 2022
- Funds programs related to health, energy, and climate change using various tax measures and grants

HISTORIC FEDERAL INVESTMENTS



IRA Rebate Programs

The Inflation Reduction Act created two separate home energy efficiency rebate programs:

Home Energy Performance-based, Whole House Rebate Allocations (HOMES)	High Efficiency Electric Home Rebate (HEEHR)
<ul style="list-style-type: none">• Projects with demonstrated energy savings of 20-35%.• Rebates up to \$4,000 for single-family homes, \$400,000 for multifamily buildings.• \$57,046,250 available to Oregon	<ul style="list-style-type: none">• Covers home electrification projects, including heat pumps.• Covers 100% of project costs for low-income households and 50% of costs for moderate income households up to \$12,000.• \$56,714,440 available to Oregon

IRA Funding in Context

\$97 Million Approximate total funds available
After 15% for program administration.

\$5,500 Average project cost
Estimated based on agency expertise

17,600 Approximate number of households reached
Roughly 1% of total households in Oregon.

Justice40 Requirements

- IRA programs fall within the federal Justice40 Initiative.
- **40% of benefits** must flow to disadvantaged communities.
- Required to engage in stakeholder consultation to ensure communities are meaningfully engaged.
- Approximately **25% of Oregonians** live in Justice40 communities. (Based on staff analysis of the Climate and Economic Justice Screening Tool)

Examples of Justice40 communities:

- Low-income areas with:
 - High unemployment.
 - High vulnerability to the impacts of climate change.
 - High energy burden.
 - High instances of chronic health conditions.

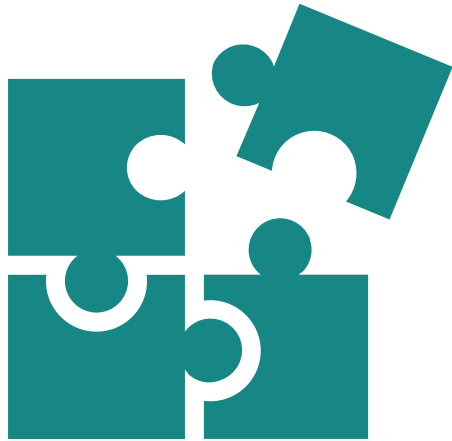
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This bill will encourage coordination among relevant agencies and organizations and allow better navigation of home efficiency and health programs for everyday Oregonians by creating a “one-stop shop.”

- Directs ODOE to establish HOMES and HEEHR
- Directs ODOE to work with other entities with related programs in standing up these new ones to encourage efficiency
- Directs the establishment of a “one-stop shop” where Oregonians can learn about different programs they may qualify for
- Ensures that relevant data is shared for the purposes of creating that single resource
- Leaves room for detailed federal guidelines expected to be released after session while allowing work to begin as soon as possible

ACCESSIBILITY AND ALIGNMENT

Draft Strategic Intentions



- Easy and accessible for consumers
- Reduce energy burden
- Leverage existing programs
- Improve quality of life
- Improve Racial Justice
- Whole of government approach
- Reduce greenhouse gas emissions
- Responsive system
- Efficiency and alignment
- Programs should be well-resourced
- Integrated eligibility



OREGON
DEPARTMENT OF
ENERGY

Questions/Comments?

For further information, visit
www.oregon.gov/energy/energy-oregon/Pages/IIJA

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