Energy Efficient Wildfire Rebuilding Incentive Program 2022 Administrative Rulemaking



Hearing Officer Report

Date: February 25, 2022

To: Oregon Department of Energy

From: James Cogle, Rulemaking Coordinator

Subject: Hearing Officer's Report on Rulemaking Hearing

Hearing Date: January 05, 2022

Hearing Location: Online

Title of Proposed Rules: Establishing wildfire recovery energy efficiency incentive program and providing procedures for program administration.

The rulemaking hearing on the proposed rules was convened at 4:05 p.m. Fifteen members of the public attended along with ten Oregon Department of Energy staff, including the hearing officer. People were asked to type their names, affiliations, and state whether they wished to comment on the proposed rules into the chat function of Webex. They were informed of the procedures for taking comments. They also were told that the hearing was being recorded.

Before receiving comment, James Cogle briefly summarized the proposed rules.

Summary of Oral Public Comments

Alessandra de la Torre, Rogue Climate: In terms of equity and access, is it possible to prioritize applications from low-income owners instead of a first come, first served basis? If there is a process, low-income owners could have priority in their applications for the funds that are available.

ODOE response: Applications will be reviewed as they are received by ODOE. However, ODOE is committed to monitoring program implementation and evaluating the effectiveness of the program in reaching different communities. ODOE will review the program following the first 6 months of program implementation to see if changes to the program are required.

In terms of accessibility, if the Oregon Department of Energy could provide examples of documents required to prove eligibility, simple images that show how the documents could look, so people could have a reference of the documents needed. This could be on the website. Having examples up so people can be more assured of what documents are needed and how they can look.

ODOE response: ODOE will seek to provide resources on the ODOE website to assist the applicants through the application process.

For the language for the draft rule language, if retroactive rule language could be added. It is in the manufactured homes section, but wherever else it applies if it could be explicit that it is a retroactive incentive.

ODOE response: Language has been added to the final rules to clarify that rebuilding completed prior to the incentive program start would still be eligible for the incentives.

It says local government is the entity that is going to be determining the damaged or destroyed structures, but I am wondering if there are other ways to determine the structures such as the FEMA databases. Local government is not always accessible or sometimes it can be difficult to communicate to. If there is an issue with local government identifying people's location as a fire impacted home, are there other entities or databases that could be used to qualify an individual's location as a fire impacted zone? Is there space to have it open up?

ODOE response: ODOE reviewed potential data and verification sources of structures damaged or destroyed in the 2020 Wildfires and determined local building departments have the most comprehensive understanding of structures destroyed and being rebuilt.

ODOE will work with Oregon Housing and Community Services, Department of Consumer and Business Services, Oregon's Office of Emergency Management, and local stakeholders to share data, track rebuilding, and identify opportunities to improve our understanding of and communication with participating survivors and hard-to-reach communities.

The household definition, there have been issues with landlords refusing to give copies of their lease agreements to fire survivors or there are verbal agreements made and there is not a physical copy of a lease agreement. I am wondering how that can be mitigated especially with some households being split up. They may share just one address with their fire address before but may now be split up. Can more than one household use the same address if they now live separately?

ODOE response: The program seeks to provide the owner of a structure that has been damaged or destroyed by wildfire an incentive to rebuild in an energy efficient manner. Eligibility for an incentive is not tied to the owner of the structure at the time of the wildfire but the owner of the structure at the time of the incentive application.

Maya Jarrad, Rogue Climate: A barrier to access is the deadlines for people to have submitted applications and completed projects by. It may be beneficial to extend those deadlines by 6-12 months. Right now, many people who are planning on rebuilding in Jackson County especially manufactured homes are waiting on a private developer or a plot developer to finish cleaning up and re-permitting and then improving those lots again so people can move back, so it is not an option for them to move back yet. They are dependent upon the timelines of the landowner.

ODOE response: The legislature set the timelines for funds to be distributed. ODOE recognizes current timelines are too short to support the entire rebuilding process and this has been brought to the attention of the Governor's Office and members of the legislature. At committee meetings in Fall 2021 former Rep. Brian Clem, who was then Chair of the

House Interim Committee on Wildfire Recovery, placed it on the record that the legislature supported and recommended extending the implementation time of state programs so more people would have the time to take advantage of the programs. Legislative action may happen in the 2023 legislative session.

Some of the power infrastructure, the grid or the inverters at the pole need some upgrades when a large amount of people in one plot/lot/street convert appliances from gas to electric. There may be costs that one consumer may be asked to pay if they are converting all their appliances to electric for a single lot, that could be a cost of \$15,000 for example. Could there be some sort of contingency plan or discussion with the utility companies for distributing that cost, or subsidy to assist with the power upgrade at the pole in order for people to adopt appliance upgrades. It is a lottery as to whether a lot would need the upgrade and a property owner wouldn't know until they are changing the appliances.

ODOE response: The incentive program is focused on energy efficient rebuilding of structures using building codes and above code utility programs as standards to encourage energy efficiency. Rebuilding structure owners may use natural gas, electricity or other fuels to be eligible for incentives. We recognize rebuilding communities may see this as an opportunity to change their structures and the fuels they use. ODOE's program does not offer support for fuel switching at this time.

One additional way to qualify people as fire affected or to know their income level. A number of fire affected communities are vetting cases through the disaster case management program that Oregon DHS is involved with in a lot of communities. The disaster case managers are not able to work with every fire survivor as there are waitlists, but this may be one possible venue other than through the local government systems.

ODOE response: ODOE is exploring alternative ways to verify eligibility for low- or moderate-income incentives and added language in program draft rules to provide greater flexibility and options. ODOE is committed to working with state and local organizations in verifying income level of survivors they are currently working with. The program seeks to provide the owner of a structure that has been damaged or destroyed by wildfire an incentive to rebuild in an energy efficient manner. It is not tied to the owner of the structure at the time of the wildfire but the owner at the time of the application.

Written Comments

The following persons submitted written comments at the hearing.

John Schmiedl, Santiam Hospital: In the Santiam Canyon of Marion County there is a community called Breitenbush. I believe their community is, by tax ID criteria, considered a private business, but they also provide year-round housing to their employees and live in an intentional community. Working and living go hand in hand. As they were affected by the

wildfires, and I think have a number of clean energy strategies, might they still be eligible for these incentives?

ODOE response: The program does not provide a requirement of who the owner of a residential structure or commercial structure can be. A private business would still be eligible for the incentive program and the incentive they are eligible for would depend upon the building code the structure being rebuilt is required to meet.

Lorraine: I've had a lot of people explain to me that they are interested in purchasing a property as a group (2-4 families). How might this be equitably allowed in your grant? Can individual families stack grants on one property?

ODOE response: The incentives are tied to the destroyed or damaged structures. Rule language has been added to clarify that if more than one structure was on a property, they may each be eligible for an incentive. Also, additional changes to the rule may allow new accessory dwelling units that are built on a property that were not previously present to be eligible to receive an above code level incentive.

In August of 2019 I bought a mobile home in a family park for \$30k. To replace a smaller mobile home today in a family park in this area now can cost well over \$100k MORE. We are so grateful for these grants that are becoming available...but we really need the grant rules to be flexible alternative building options like 3d printed homes. There is a neighborhood of 3d printed homes coming here in about 1 year. For the people will not own the land but will own the homes, those payments will be at least 1,200 per month. It would be nice to know whether the grant would be around or applicable to those people. People aren't able to return to parks until the infrastructure is rebuilt, and hope for the future is important.

ODOE response: ODOE is committed to monitoring program implementation and evaluating the effectiveness of the program in reaching different communities. ODOE will review the program following the first 6 months of program implementation to see if changes to the program are required.

People are unable to financially bear the full burden of purchasing the property and building on it and in some cases may partner with the property owner to share the costs or rebuilding. In some cases people are coming together to build multiple dwellings on one property to reduce costs and are looking to see how incentives that are coming available may be applied. Would they be able to use grant funds to do something like that? ADUs are being allowed in this area and in several different jurisdictions and it would be helpful to be able to tell people that if you can come to an agreement with the property owner to build an ADU on their property that incentives are available to do so. In some cases this is relatives.

ODOE response: The program seeks to provide the owner of a structure that has been damaged or destroyed by wildfire an incentive to rebuild in an energy efficient manner. Changes to the rules were made that may allow new accessory dwelling units that are built on a property that were not previously present to be eligible to receive an above code level

incentive. ODOE is committed to monitoring program implementation and evaluating the effectiveness of the program in reaching different communities. ODOE will review the program following the first 6 months of program implementation to see if changes to the program are required.

Alessandra de la Torre, Rogue Climate: Can it also be added in the rules that qualified contractors should provide services in multiple languages, including paperwork in the customers preferred language? Not sure if ODOE has any role in that or can advocate for that?

ODOE response: While ODOE encourages contractors to provide what language services they can to customers, it is not a requirement for contractors to participate in the program. ODOE will make program applications available in languages other than English. The online application portal has a built-in translator, and the paper version of the forms will be made available in Spanish. As ODOE continues evaluating the program, we may make the paper form available in additional languages, should the need arise.

Cassandra Cornwell: Can all of these programs apply to FEMA trailers? Some park owners are asking about being able to add Fire Hardening actions to FEMA trailers.

ODOE response: FEMA trailers do not qualify to receive ODOE's wildfire rebuilding energy efficiency incentives at this time. To learn more about Oregon Department of Consumer and Business Services' Fire Hardening Grant Program, please visit https://www.oregon.gov/bcd/Pages/firehardening.aspx.

Close of Hearing

The hearing was adjourned at 5:02 p.m. The public comment period closed at 5 p.m. on January 7, 2022. The public comment period was reopened on January 26, 2022, and closed on again February 18, 2022.