



# Oregon

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## MEMORANDUM

**To:** Oregon Legislative Assembly  
**From:** Oregon Department of Energy  
**Date:** January 30, 2025  
**Re:** 2024 Annual Agency Rulemaking Report

### 2024 ANNUAL AGENCY RULEMAKING REPORT

Pursuant to Oregon Laws 2016, chapter 44, section 1 (HB 4106), the Oregon Department of Energy is providing the following information about the agency’s rulemakings for the preceding 12-month period, January 1 through December 31, 2024. This report summarizes the number of permanent and temporary rules the agency adopted, amended, repealed, or suspended in 2024 and can be found on ODOE’s website: <https://www.oregon.gov/energy/Data-and-Reports/Pages/Reports-to-the-Legislature.aspx>

The agency conducts rulemaking across two OAR Chapters: Chapter 330 - Department of Energy and Chapter 345 - Energy Facility Siting Council.

#### Chapter 330 – Department of Energy

Permanent Rulemakings, pursuant to ORS 183.335(2) AND (3).

Number of Rulemakings	8
Number of Rules Adopted	15
Number of Rules Amended	20
Number of Rules Repealed	-
Number of Rules Suspended	-

#### [DOE 1-2024 - Renewable Energy Development Grant Amendment](#)

The rule amendment incorporates a recent legislative change that waives the requirement for a Renewable Energy Development Grant recipient to begin construction of their project within the first year of their performance agreement if construction was delayed due to supply chain or workforce shortages due to the COVID-19 pandemic and construction began between March 1, 2020 and March 31, 2022. This rulemaking amends the requirements for performance agreements under the program.

**Rules:** 330-200-0080

**Amend:** 330-200-0080

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Date Adopted: 01/09/2024	Date Filed: 01/09/2024	Date Effective: 1/10/2024
Adopted: -	Amended: 1	Repealed: -
		Suspended: -

[DOE 2-2024 - Oregon Rental Home Heat Pump Program Amendments](#)

The rule amendments:

- Alter the requirements for a contractor to become eligible to participate in the Oregon Rental Home Heat Pump Program, allowing contractors who have abated any violations and paid any fines from the Occupational Safety and Health Division to be eligible if all other eligibility requirements are met.
- Alters two of the requirements for a project to be eligible, changing the method that a contractor may show that a heat pump is appropriately sized and clarifying that a heat pump's auxiliary heat control is required to be set at or below a specific temperature only when it is applicable.
- Clarifies the program's efficiency requirements for higher efficiency heat pumps.
- Corrects who would be providing documentation of eligibility for the Low-Income Weatherization Assistance Program if that option was chosen to demonstrate eligibility.
- Adds that contractors would be required to provide a declaration that the heat pump is appropriately sized to the space or structure when submitting their reservation application.
- Changes the rule to match altered legislation, by altering one of the budget allocations from 'owners of units occupied by households whose income is less than 80 percent of the area median income' to 'owners of units occupied by low- or moderate-income households.'

**Rules:** 330-280-0020, 330-280-0030, 330-280-0040, 330-280-0070, 330-280-0080, 330-280-0110

**Amend:** 330-280-0020, 330-280-0030, 330-280-0040, 330-280-0070, 330-280-0080, 330-280-0110

Date Adopted: 04/30/2024	Date Filed: 04/30/2024	Date Effective: 05/01/2024
Adopted: -	Amended: 6	Repealed: -
		Suspended: -

[DOE 3-2024 - Energy Efficient Wildfire Rebuilding Incentive Program rule amendment for new residential building code](#)

**Summary:** The amendment includes a new residential building code in the eligibility requirements for incentives for residential structures.

**Rules:** 330-260-0030

**Amend:** 330-260-0030

Date Adopted: 06/14/2024	Date Filed: 06/14/2024	Date Effective: 06/14/2024
Adopted: -	Amended: 1	Repealed: -
		Suspended: -

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[DOE 4-2024 - Oregon Community Heat Pump Deployment Program Amendments](#)

**Summary:** The rule amendments:

- Adjust the grant allocation criteria to clarify the allocated amount when an alternative boundary has been proposed that combines more than one region.
- Simplify the alternative boundary rules and clarify that alternative boundaries cannot result in the division of a region.
- Adjust the annual reporting requirements for entities awarded a grant under the program to align with changes to the statute.
- Outline a procedure for a grantee to request an amendment to a performance agreement and the review process for the request.

**Rules:** 330-270-0020, 330-270-0030, 330-270-0060, 330-270-0080

**Amend:** 330-270-0020, 330-270-0030, 330-270-0060, 330-270-0080

Date Adopted: 08/06/2024		Date Filed: 08/05/2024		Date Effective: 08/06/2024	
Adopted:	-	Amended:	4	Repealed:	-
				Suspended:	-

[DOE 6-2024 - Community Renewable Energy Grant Program Amendments](#)

**Summary:** The amendments:

- Add additional detail to the definition of consumer-owned utility to align it with recent legislative changes. As a result of legislative changes, the cost incurred by an applicant’s partner is added in to the definition of planning cost and project cost, and so is accounted for in the cost to plan, acquire, construct, and install a project.
- Remove the provision preventing grant applications to the program being amended during the opportunity period.
- Include the ability for work done, or funding received, by the partner to be included in planning grant application materials.
- Include a requirement for agreements entered into after August 1, 2024, that if the applicant has a partner, there must be a written agreement between partner and applicant before grant funds are released by ODOE to the applicant. The amendment adds in incentives and grants received by a partner for the project when calculating the final release of grant funds. For development grants, it adds partners into the requirement to comply with the law and to allow ODOE to inspect the project or proposed location.
- Clarify that when amending a performance agreement, the requirement to demonstrate the length of time the project shall remain in operation relates to development grants.
- Adds in the ability for ODOE to audit all partner documentation.

**Rules:** 330-250-0010, 330-250-0040, 330-250-0080, 330-250-0090, 330-250-0130, 330-250-0140, 330-250-0150

**Amends:** 330-250-0010, 330-250-0040, 330-250-0080, 330-250-0090, 330-250-0130, 330-250-0140, 330-250-0150

Date Adopted: 09/16/2024		Date Filed: 08/23/2024		Date Effective: 09/16/2024	
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Adopted:	-	Amended:	7	Repealed:	-	Suspended:	-
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[DOE 7-2024 - Establishing Energy Efficient Technologies Information and Education Grant Program under House Bill 3409](#)

**Summary:** The purpose of these rules is:

- To implement a grant program to provide education and training to contractors, subcontractors, technicians, community-based organizations, and other installers of energy efficient appliances for heating and cooling and to other workers in industries related to construction and energy appliance installation to fulfill the requirements of Oregon Laws 2023, Chapter 442, section 4.
- To provide procedures for submitting applications, department review and selection of grant awardees, the development of performance agreements, and reporting and compliance requirements. The Division 290 rules apply to all applicants for grants under the program established to fulfill the requirements of Oregon Laws 2023, Chapter 442, section 4.

**Rules:** 330-290-0000, 330-290-0010, 330-290-0020, 330-290-0030, 330-290-0040, 330-290-0050, 330-290-0060, 330-290-0070, 330-290-0080, 330-290-0090, 330-290-0100, 330-290-0110

**Adopt:** 330-290-0000, 330-290-0010, 330-290-0020, 330-290-0030, 330-290-0040, 330-290-0050, 330-290-0060, 330-290-0070, 330-290-0080, 330-290-0090, 330-290-0100, 330-290-0110

Date Adopted:	10/29/2024	Date Filed:	10/29/2024	Date Effective:	10/29/2024
Adopted:	12	Amended:	-	Repealed:	-
		Suspended:			-

[DOE 8-2024 - Establishment of Oregon Building Energy Performance Standards program](#)

**Summary:**

- The purpose of the rules in Division 330-300 is to implement the Building Energy Performance Standard adopted under House Bill 3409 (2023), Sections 8 through 17, and codified as Oregon Revised Statutes 469.275-469.291. (
- The rules in Division 330-300 apply to the owners of covered commercial buildings as defined in Oregon Revised Statutes 469.275.

**Rules:** 330-300-0000, 330-300-0010

**Adopt:** 330-300-0000, 330-300-0010

Date Adopted:	12/23/2024	Date Filed:	12/23/2024	Date Effective:	01/01/2025
Adopted:	2	Amended:	-	Repealed:	-
		Suspended:			-

**Temporary Rulemaking**

[DOE 5-2024 - Oregon Rental Home Heat Pump Program temporary rules for transferred funds to benefit tribal members](#)

**Rules:** 330-280-0070, 330-280-0140

**Adopt:** 330-280-0140

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**Amend:** 330-280-0070

### **Need for the Rules:**

The Oregon Rental Home Heat Pump Program (ORHHPP) provides incentives for property owners to install heat pumps in rented dwellings. The Community Heat Pump Deployment Program (CHPDP) allocates grant moneys to each of the 11 economic development districts in Oregon and the nine federally recognized Tribes in Oregon for an eligible entity to provide incentives to homeowners who wish to install a heat pump at their home. An eligible entity may be selected to serve as an administrator for each Tribe or region. For some Tribes, an eligible entity did not apply to administer the grant, leaving the moneys allocated unable to be accessed through CHPDP.

In February 2024, Senate Bill 1525 outlined the transfer of unallocated grant moneys from CHPDP to ORHHPP to allow for the use of the moneys in rental properties occupied by members of Tribes and regions to whom the moneys were originally allocated. Grant funds not awarded as a grant by July 1, 2024 could be transferred.

As of July 1, 2024, all regions have been awarded a grant, so moneys are only being transferred for Tribes. *For this reason, the temporary rulemaking is limited to Tribes without an administrator.* Authority to adopt the rules to implement the program comes from Oregon Laws 2022, Chapter 86.

- *Rule amendments are needed to facilitate access to the incentives that will benefit tribal members and to outline how tribal membership will be verified, as these provisions do not currently exist in ORHHPP rules.* The temporary amendment to the rules for ORHHPP would specify requirements for providing rebates to install heat pumps in rental housing occupied by members of Tribes in Oregon that did not have an administrator under CHPDP. It is essential that moneys that were allocated for each Tribe in Oregon under CHPDP remain allocated to each Tribe under ORHHPP. *The temporary amendment will specify that the moneys that are transferred from CHPDP, and allocated for each Tribe that did not establish an incentive program through CHPDP, will remain allocated for rental housing where members of those specific Tribes dwell. Additionally, to ensure that funding allocated to each federally recognized Tribe is awarded to property owners that rent or provide affordable housing to tribal members of those Tribes, rules are needed to delineate how tribal membership will be verified. The temporary amendment outlines the ways that tribal membership may be verified, which will allow the Oregon Department of Energy to ensure that the funding benefits members of Tribes as intended.*
- *Rules are further needed to allow tribal members to qualify for rebates for low- or moderate-income tenants under the program.* Though tribal members are eligible for state programs, some of the programs, such as Temporary Assistance for Needy Families (TANF) are administered by the federally recognized Tribe for their members, not by ODHS. *The temporary rule amendment will add that a program could be administered by a Tribe or a Tribally Designated Housing Entity (TDHE). Not all tribal members who are experiencing low- or moderate-incomes may be participating in those programs.* Tribes and TDHEs verify the income of tribal members that they assist, most of which have criteria equal to, or stricter than, those required by ORHHPP, typically 80% of National Median Income or Area Median Income.

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- *A rule amendment is needed to allow Tribes or TDHEs to attest that tribal members qualify as experiencing low- or moderate-income. This addition will allow tribal members who are experiencing low- or moderate-incomes and receive assistance through programs not listed in OAR 330-280-0070(b) to qualify as low- or moderate-income for higher incentive levels in ORHHPP. The temporary rule amendment will also enable access to rebates for low- or moderate-income tenants for affordable housing providers.*
- *Rule amendments are needed to allow for the provision of rebates to install heat pumps in affordable rental housing owned or operated by Tribes in Oregon or by TDHEs. Tribes and TDHEs do not qualify as affordable housing providers under the current administrative rules. The current rules require affordable housing providers to prove that they are qualified based on participation in at least one of the programs administered by OHCS. Tribes and TDHEs are not eligible to participate in OHCS programs, though both types of entities serve as affordable housing providers and provide rental assistance to tribal members through federal funding sources and other grant programs. All federally recognized Tribes in Oregon are eligible for the U.S. Department of Housing and Urban Development Indian Housing Block Grant (IHBG). This block grant allows for the provision of affordable housing and rental assistance to tribal members.*
- *The temporary rule amendment allows for Tribes and TDHEs to qualify as an affordable housing provider based on receiving funding through IHBG, which will allow Tribes and TDHEs to access incentives to install heat pumps in housing that they own or operate and rent to tribal members. This addition will allow for Tribes and TDHEs to access the moneys specifically allocated to them through this fund transfer as well as funding reserved for low- or moderate-income households and affordable housing providers that is available in the general pool of ORHHPP funds.*

### **Justification of Temporary Filing:**

Failure to immediately adopt temporary rules will result in serious prejudice against tribal members, as they will continue to be unable to access funding that is allocated for them. Due to a lack of administrator for some Tribes, the funding has been unavailable through CHPDP to those tribal members. If temporary rules are not adopted, it will continue to be unavailable through ORHHPP, even after the fund transfer, due to existing rules not accounting for the requirement to allocate the funds to specific Tribes and their tribal members.

- It was particularly important that temporary rules were adopted so that funding was available for rental housing in which tribal members reside as Oregon entered the summer months and hottest part of the year, when the need for cooling systems is at its highest. Waiting for permanent rules to be implemented would have resulted in funding not being accessible until the summer is over, or longer, by which time the state will have already experienced extreme heat.
- If the temporary rules were not adopted, ORHHPP would also continue to be inaccessible to Tribes and TDHEs that provide affordable housing and rental assistance programs to their tribal members.
- Temporary rules were needed to specify that Tribes and TDHEs qualify as affordable housing and rental assistance providers. As the affordable housing and rental assistance provided by Tribes is available only to tribal members, failure to adopt these rules would have resulted in prejudice against the tribal members living in tribally owned or operated affordable housing.

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- If temporary rules were not adopted, low- or moderate-income tenants who are tribal members would continue to face barriers to proving eligibility for higher program incentive levels. Though property owners who rent to tribal members are currently eligible for non-income restricted ORHHPP funds, the lower incentive level can result in cost-prohibitive upfront costs that can deter property owners from paying to install a heat pump in their rental property, leaving the tribal members without cooling for another heat season.
- ORHHPP has been in effect for 10 months and ODOE is unaware of any dwellings where it is known that the renter is a member of a federally recognized Tribe. Program staff are aware of a small number of instances where a property owner applied for a higher rebate on behalf of a low-income renter who is a tribal member. Based on the income documentation submitted, the tribal member(s) would have qualified as low- or moderate-income but were unable to provide the specific documentation required under current administrative rules. The property owners were unable to receive incentives reserved for low- or moderate-income households and as a result, heat pumps were not installed in those units. For these reasons, failure to adopt temporary rules would result in continued prejudice against Tribes and tribal members.
- Adopting temporary rules would allow for tribal members who live in rental units to have access to heat pumps during the time of the year when they are most needed, rather than requiring them to wait until permanent rules are approved.
- The temporary rules would allow for property owners who rent to tribal members, including Tribes and TDHEs, to access funding that has been specifically allocated for tribal members and that has been inaccessible up to this point.
- The temporary rules will also ease the burden on and provide additional avenues of access for property owners to provide proof that tribal members qualify for higher incentive levels due to experiencing low- or moderate-income.
- Adopting temporary rules will ultimately allow for heat pumps to be installed in units that tribal members live in at the time of the year when they are most essential.

Date Adopted: 08/23/2024	Date Filed: 08/23/2024	Date Effective: 08/26/2024 - 02/14/2025
Adopted: 1	Amended: 1	Repealed: -
		Suspended: -

### Chapter 345 – Energy Facility Siting Council

Number of Rulemakings:	4
Number of Rules Adopted:	18
Number of Rules Amended:	8
Number of Rules Repealed:	19
Number of Rules Suspended:	-

#### [EFSC 1-2024 - Amending rule regarding exemption requirement for standby generators](#)

##### Rules Summary:

The legislature passed HB 2063 in 2021, adding the following language as ORS 449.320 4(a)(B), *"The council may not require a person who operates or proposes to construct or enlarge an*

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energy facility to request that the council determine whether the proposed facility qualifies for exemption under subsection (2)(g) of this section." This rule change reflects the new statutory language.

**Amend:** 345-015-0360

Date Adopted: 01/30/2024		Date Filed: 01/30/2024		Date Effective: 01/30/2024			
Adopted:	-	Amended:	1	Repealed:	-	Suspended:	-

[EFSC 2-2024 - Updating Energy Facility Siting Council's Contested Case rules for greater efficiency, clarity, and consistency.](#)

**Rules Summary:** Updating adoption of model rules to Office of Administrative Hearings model rules for contested cases.

**Rules:** 345-001-0005, 345-015-0001, 345-015-0012, 345-015-0014, 345-015-0016, 345-015-0018, 345-015-0022, 345-015-0023, 345-015-0024, 345-015-0038, 345-015-0043, 345-015-0046, 345-015-0051, 345-015-0054, 345-015-0057, 345-015-0059, 345-015-0062, 345-015-0080, 345-015-0083, 345-015-0085, 345-015-0200, 345-015-0220, 345-015-0230, 345-015-0400, 345-015-0403, 345-015-0405, 345-015-0410, 345-015-0415, 345-015-0420, 345-015-0425, 345-015-0430, 345-015-0435, 345-015-0440, 345-015-0445, 345-015-0450, 345-015-0455, 345-015-0460, 345-015-0465, 345-015-0470, 345-015-0475, 345-015-0480, 345-021-0100

**Adopt:** 345-015-0400, 345-015-0403, 345-015-0405, 345-015-0410, 345-015-0415, 345-015-0420, 345-015-0425, 345-015-0430, 345-015-0435, 345-015-0440, 345-015-0445, 345-015-0450, 345-015-0455, 345-015-0460, 345-015-0465, 345-015-0470, 345-015-0475, 345-015-0480

**Amend:** 345-001-0005, 345-015-0001, 345-015-0200, 345-015-0220, 345-015-0230

**Repeal:** 345-015-0012, 345-015-0014, 345-015-0016, 345-015-0018, 345-015-0022, 345-015-0023, 345-015-0024, 345-015-0038, 345-015-0043, 345-015-0046, 345-015-0051, 345-015-0054, 345-015-0057, 345-015-0059, 345-015-0062, 345-015-0080, 345-015-0083, 345-015-0085, 345-021-0100

Date Adopted: 10/01/2024		Date Filed: 10/01/2024		Date Effective: 10/01/2024			
Adopted:	18	Amended:	5	Repealed:	19	Suspended:	-

[EFSC 3-2024 - Updating Reporting Requirements to More Closely Align with Federal Requirements](#)

**Rule Summary:** Modifying the reporting requirements for research reactor operators to more closely align with both the U.S. Nuclear Regulatory Commission and technical specification requirements of existing research reactors in the state of Oregon.

**Amend:** 345-030-0010

Date Adopted: 10/25/2024		Date Filed: 10/25/2024		Date Effective: 10/30/2024			
Adopted:	-	Amended:	1	Repealed:	-	Suspended:	-



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[EFSC 4-2024 - Updating Carbon Monetary Offset Rate](#)

**Rule Summary:** Updating carbon monetary offset rate as directed by ORS 469.503.

**Amend:** 345-024-0580

Date Adopted: 10/25/2024		Date Filed: 10/30/2024		Date Effective: 10/30/2024			
Adopted:	-	Amended:	1	Repealed:	-	Suspended:	-