OFFICE OF THE SECRETARY OF STATE

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MICHAEL KAPLAN
DEPUTY SECRETARY OF STATE



ARCHIVES DIVISION STEPHANIE CLARK DIRECTOR

800 SUMMER STREET NE SALEM, OR 97310 503-373-0701

NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 330

DEPARTMENT OF ENERGY

FILED

04/30/2025 9:31 AM ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Repeal Oregon Residential Weatherization Tax Credit Program Rules

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 05/30/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

CONTACT: Kaitlin Lynch

n Lynch 550 Capitol Street NE

Filed By:

503-378-4040

First Floor

Kaitlin Lynch

kaitlin.r.lynch@energy.oregon.gov

Salem.OR 97301

Rules Coordinator

NEED FOR THE RULE(S)

Rules are no longer needed, as the statute being implemented by the rules (OAR 316.088) was repealed in 1991 by Oregon Laws, Chapter 877, Section 41, and the rules no longer apply to an active program. Repealing these rules is an administrative task to clean up ORS Chapter 330. This rulemaking addresses the need by repealing the listed rules.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Oregon Laws 1991, Chapter 887, Section 41, available at Oregon State Archives

ORS 2023 edition, Chapter 316 Section 088

https://www.oregonlegislature.gov/bills_laws/ors/ors316.html#:~:text=316.088%20%5B1977%20c.811%20%C2%A7 2%3B%201979%20c.534%20%C2%A71%3B%201981%20c.894%20%C2%A71%3B%201983%20c.684%20%C2%A7 13%3B%201989%20c.648%20%C2%A764%3B%20repealed%20by%201991%20c.877%20%C2%A741%5D

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Repealing these rules will not affect racial equity in this state. This rulemaking repeals rules that are no longer applicable due to the repeal of the governing statute in 1991.

FISCAL AND ECONOMIC IMPACT:

There is no estimated fiscal or economic impact as a result of repealing these rules. This rulemaking repeals rules that are no longer applicable due to the repeal of the governing statute in 1991.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost

of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

There is no estimated cost of compliance to repealing these rules. This rulemaking repeals rules that are no longer applicable due to the repeal of the governing statute in 1991.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Small businesses were not involved in the development of these rules. This rulemaking repeals rules that are no longer applicable due to the repeal of the governing statute in 1991.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

An Administrative Rule Advisory Committee was not consulted. This rulemaking repeals rules that are no longer applicable due to the repeal of the governing statute. in 1991.

HOUSING IMPACT STATEMENT:

As required under ORS 183.530 and 183.534, the Department has considered the potential impact of repealing these rules and believes repealing these rules will cause no impact to the following costs for developing a typical 1,200 square foot detached single family dwelling on a 6,000 square foot parcel of land: (1) materials and labor costs (2) administrative construction or other costs (3) land costs, or (4) other costs.

RULES PROPOSED:

330-065-0005, 330-065-0010, 330-065-0015, 330-065-0020, 330-065-0025, 330-065-0030

REPEAL: 330-065-0005

RULE SUMMARY: Repeals the purpose of chapter 330 section 065.

CHANGES TO RULE:

330-065-0005

Purpose-

The purpose of these rules is to establish a list of weatherization items which qualify for the Oregon Residential Weatherization Tax Credit Program and to establish criteria for review of items proposed in the future. ORS 316.088 requires the Oregon Department of Energy to furnish to the Department of Revenue prior to January 1 of each year a list of items which qualify for the credit.

RULE SUMMARY: Repeals the list of qualifying weatherization materials

CHANGES TO RULE:

330-065-0010

Qualifying Weatherization Materials

The following weatherization materials as defined in ORS 316.088 shall qualify for the Oregon Residential Weatherization Tax Credit when installed in an existing dwelling as defined in ORS 316.088, other than a mobile home:¶

- (1) Insulation of ceilings or attics, including insulating materials installed on the exterior of flat roofs (but excluding any fire- or weather-proofing or other material installed on the exterior of the insulating materials and serving as roofing material):¶
- (2) Insulation of exterior walls;¶
- (3) Insulation of basement walls;¶
- (4) Insulation of crawl space foundation walls;¶
- (5) Insulation of floors over unheated spaces and materials necessary to support the insulation;¶
- (6) Insulation of heating system supply and return air ducts in unheated spaces;¶
- (7) Insulation of water heaters, water pipes, or steam pipes in unheated spaces;¶
- (8) Vapor barrier materials:¶
- (9) Ground cover in crawl spaces;¶
- (10) Weatherstripping;¶
- (11) Caulking;¶
- (12) Storm or thermal windows;¶
- (13) Storm or thermal doors;¶
- (14) Furnace or boiler replacement burners which result in increased combustion efficiency. The burners must replace an existing burner and must be of the same fuel type as the burner they replace. The burners do not qualify if they are acquired as part of a new furnace or boiler;¶
- (15) Replacement furnaces or boilers only when they replace an existing converted solid fuel gravity furnace which at one time burned sawdust, wood, or coal and was later converted to burn fuel oil or natural gas. The replacement must be of the same fuel type as the furnace it replaced;¶
- (16) Electric ignition devices for gas heating systems and appliances, except those acquired as part of a new furnace or boiler;¶
- (17) Automatic vent dampers installed on furnaces, boilers, or water heaters;¶
- (18) Improved draft hoods designed to restrict flue heat loss during both the on cycle and the off cycle installed on furnaces, boilers, or water heaters:¶
- (19) Flue heat recovery devices for use on gas- or oil-fired furnaces or boilers;¶
- (20) Timed thermostats;¶
- (21) Timers installed on hot water circulation pumps serving multiple unit residential housing:
- (22) Water flow regulating devices on any hot water outlet;¶
- (23) Attic ventilation, excluding power ventilators;¶
- (24) Dehumidifiers (plug-in or permanently installed):¶
- (25) Cost of renting equipment to blow in insulation; and ¶
- (26) Insulated shades and shutters with a tight seal on all four sides, which have an R-value of at least 3, and if foam plastic, a maximum flame-spread rating of not more than 75.

RULE SUMMARY: Repeals the list of qualifying mobile home weatherization.

CHANGES TO RULE:

330-065-0015

Qualifying Mobile Home Weatherization

The following mobile home weatherization materials as defined in ORS 316.088 shall qualify for the Oregon Residential Weatherization Tax Credit when installed in a mobile home:¶

- (1) Caulking;¶
- (2) Weatherstripping;¶
- (3) Floor insulation and materials necessary to support the insulation;¶
- (4) Ground cover in crawl spaces;¶
- (5) Insulation of ceilings or attics, including insulating materials installed on the exterior of flat roofs (but excluding any fire- or weather-proofing or other material installed on the exterior of the insulating materials and serving as roofing material);¶
- (6) Timed thermostats;¶
- (7) Insulation of heating ducts, water pipes and water heaters in unheated spaces;¶
- (8) Storm or thermal windows;¶
- (9) Storm or thermal doors;¶
- (10) Dehumidifiers (plug-in or permanently installed);¶
- (11) Water flow regulating devices on hot water outlets; ¶
- (12) Electric ignition devices for heating systems and appliances except those acquired as part of a new furnace or boiler;¶
- (13) Furnace or boiler replacement burners which result in increased combustion efficiency. The burners must replace an existing burner and must be of the same fuel type as the burner they replace. The burners do not qualify if they are acquired as part of a new furnace or boiler;¶
- (14) Automatic vent dampers installed on equipment furnaces, boilers, or water heaters;¶
- (15) Improved draft hoods designed to restrict flue heat loss during both the on cycle and the off cycle installed on furnaces, boilers or water heaters;¶
- (16) Flue heat recovery devices for use on gas- or oil-fired furnaces or boilers; and \$\frac{1}{2}\$
- (17) Insulated shades and shutters with a tight seal on all four sides, which have an R-value of at least 3, and if foam plastic, a maximum flame-spread rating of not more than 75.

Statutory/Other Authority: ORS 316, 469

Statutes/Other Implemented: ORS 316.088

RULE SUMMARY: Repeals the list of items that do not qualify as weatherization materials.

CHANGES TO RULE:

330-065-0020

Items Not Qualifying as Weatherization Materials

- (1) Siding;¶
- (2) Roofing;¶
- (3) Carpeting;¶
- (4) Microwave ovens and other appliances;¶
- (5) Dimmer switches;¶
- (6) Heat pumps;¶
- (7) Wood- or sawdust-burning stoves, heaters, and furnaces;¶
- (8) Ceiling to floor air circulators;¶
- (9) Thermal draperies and awnings;¶
- (10) Radiator temperature control valves;¶
- (11) Furnace tune-up and cleaning;¶
- (12) Appliance electricity consumption meters;¶
- (13) New gasketing for refrigerators, freezers and ovens;¶
- (14) Automatic water heater schedulers;¶
- (15) Solar screens and solar control films;¶
- (16) Power ventilators;¶
- (17) Wall insulation for mobile homes;¶
- (18) Fireplace modifications including: outside air inlets, glass screens, heat exchangers, special grates, and permanent fireplace inserts manufactured specifically for fireplaces;¶
- (19) Transient voltage surge suppression devices;¶
- (20) Any materials installed in new construction, additions to existing structures, or remodeling which adds living space;¶
- (21) Flue heat recovery devices for use on wood-burning equipment; and \(\begin{align*} \)
- (22) Any insulation, other than on a water heater, water pipe or heating duct, not installed between a conditioned area and an unconditioned area.

RULE SUMMARY: Repeals the review of proposed weatherization materials.

CHANGES TO RULE:

330-065-0025

Review of Proposed Weatherization Materials

(1) The Department shall, upon request, review items proposed for inclusion as weatherization materials eligible for the Oregon Residential Weatherization Tax Credit. Items determined to be eligible shall annually be added to OAR 330-065-0010 (Qualifying Weatherization Materials) and/or 330-065-0015 (Qualifying Mobile Home Weatherization Materials). The Department shall notify the Department of Revenue of those items determined to be eligible by January 1 of each year.¶

- (2) The request for review shall be in writing and shall be accompanied by the following information about the proposed item:¶
- (a) Cost;¶
- (b) Product literature:¶
- (c) Photos, schematic drawings and/or product samples;¶
- (d) Copy of listing certificate from UL, AGA, ICBO or other recognized standard-setting organization, where applicable; the certification shall be for the device as a whole and not simply for components;¶
- (e) Test data, including R-values where applicable, from an independent laboratory documenting and quantifying energy savings:¶
- (f) Name, address, and telephone number of the manufacturer; and ¶
- (g) Name, address, and telephone number of the person(s) submitting the request for review.

RULE SUMMARY: Repeals the criteria for review of proposed weatherization materials.

CHANGES TO RULE:

330-065-0030

Criteria for Review of Proposed Weatherization Materials

- (1) In order to qualify as an addition to the list of weatherization items in OAR 330-065-0010 and 330-065-0015, the proposed item shall:¶
- (a) Be primarily designed to improve the efficiency of space heating and energy utilization of a dwelling;¶
- (b) Where applicable, be listed by Underwriters Laboratory, American Gas Association, International Conference of Building Officials or other recognized standard-setting organization;¶
- (c) Actually and substantially improve the efficiency of space-heating and energy utilization. Independent laboratory test data or acceptable methods of calculation must be provided to demonstrate energy savings;¶
- (d) Involve replacement of retrofit rather than maintenance or repair;¶
- (e) Conserve more than nominal amounts of energy and/or be reasonably cost-effective; and ¶
- (f) Not involve substitution of one form of energy for another.¶
- (2) Review of an item shall also take into consideration whether the item will:¶
- (a) Be reasonably considered a fixture attached to the dwelling;¶
- (b) Operate to save energy independent of activation by the homeowner; and ¶
- (c) Be consistent with the statutory list of qualifying weatherization materials.

Statutory/Other Authority: ORS 316, 469

Statutes/Other Implemented: ORS 316.088