



## Opportunity Announcement for the Community Heat Pump Deployment Program

### Opportunity Announcement No. 23-065 for:

Grant dollars to provide financial assistance for the purchase and installation of heat pumps and related upgrades.

#### Contact

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#### Schedule

Event	Date
Opportunity Announcement Published	October 30, 2023
Opening of the Online Application Portal	November 15, 2023
Deadline for Questions Relating to Application Evaluation	December 29, 2023
ODOE to post final Q&A	January 3, 2024
<b>Closing of Opportunity Period &amp; Applications Due</b>	January 26, 2024
Eligibility and Completeness Review	February 9, 2024
Competitive Review	February 23, 2024
Award Notifications Start (approximate)	March 1, 2024

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## **Section 1: Purpose and General Information**

### **1.1 Introduction**

The purpose of this Community Heat Pump Deployment Program opportunity announcement is to describe an application, review, and grant award process that follows the requirements of the legislation and rules under which the Community Heat Pump Deployment Program is administered to determine which eligible entities will receive grant funding.

### **1.2 Objectives**

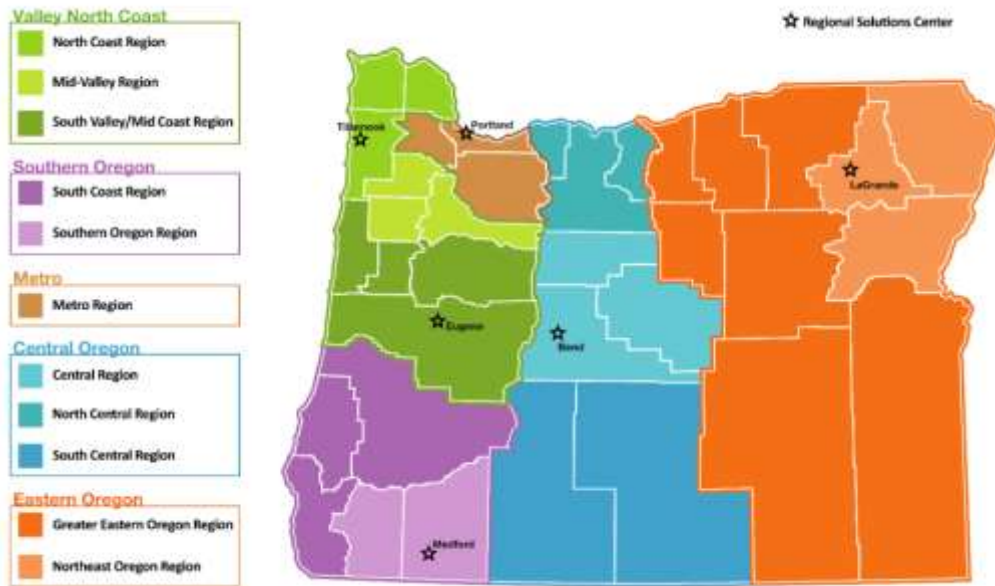
The Community Heat Pump Deployment Program provides grants to eligible entities to provide financial assistance for the purchase and installation of heat pumps and related upgrades to individuals who reside within the region or who are members of the Tribe the entity has been awarded a grant for. This is the second opportunity for eligible entities to apply for this funding.

### **1.3 Grant availability**

For this solicitation, the Department has \$3,821,424 in grant funds available for award under the Community Heat Pump Deployment Program.

The grants may be allocated to one eligible entity for each of the 11 identified regions and one eligible entity for each federally recognized Tribe in Oregon. An eligible entity may receive grant funding to administer the Community Heat Pump Deployment Program in more than one region. An eligible entity may propose alternative boundaries that cover multiple regions. Following the first round of applications, which closed April 7, 2023, ODOE selected fund administrators for six regions and one Tribe.

The regions are the economic development districts in Oregon, designated by the Economic Development Administration of the United States Department of Commerce, for which a regional solutions center has been established under ORS 284.754. Below is a map of the 11 regions taken from the Office of the Governor's Regional Solutions 2015 Program Overview.



The grant shall be allocated based upon the following criteria:

- (1) Up to 1.5 percent of the available grant funding shall be allocated to *each eligible entity* selected, which would account for 30 percent of the total available funds. If an eligible entity does not wish to receive the full 1.5 percent, they may choose a lower percentage. Any additional funding that results from establishing regions with alternative boundaries will be incorporated into the allocations described in (2) – (4) below to ensure all available funds can be distributed.

The remaining funds may be distributed as follows:

- (2) 30 percent of the available grant funding shall be allocated based upon the mean average heating zone of the counties in a region multiplied by the number of households that spend greater than 6 percent of their income on home energy costs and, as a result, are considered energy burdened.
- (3) 40 percent of the available grant funding shall be allocated based upon the mean average cooling zone of the counties in a region multiplied by the number of households that spend greater than 6 percent of their income on home energy costs and, as a result, are considered energy burdened.
- (4) Allocations to eligible entities selected for each federally recognized Tribe in Oregon will consist of the allocation of available grant funding under criterion (1), plus a portion of the funding to the regions within a Tribe’s service area under criteria (2) and (3). This portion shall be based upon the proportion of occupied housing units in a Tribe compared to the total number of occupied households in the regions in the service area of the Tribe.

Initial application of these criteria resulted in the grant allocations listed in the below chart. These amounts are subject to change and may not reflect existing grant award amounts. **Region or Tribal administrators have already been selected for the regions and Tribes highlighted in green; ODOE is now only seeking applications for regions and Tribes that are *not* highlighted in green.**

Region or Tribe	Total
Burns Paiute Tribe	\$128,075
Central	\$486,065
Confederated Tribes of Coos, Lower Umpqua & Siuslaw Indians	\$127,668
Confederated Tribes of Grand Ronde	\$128,186
Confederated Tribes of Siletz Indians	\$128,177
Confederated Tribes of Umatilla Indian Reservation	\$134,868
Confederated Tribes of Warm Springs Reservation	\$131,517
Coquille Indian Tribe	\$128,739
Cow Creek Band of Umpqua Tribe of Indians	\$127,770
Greater Eastern	\$487,048
Klamath Tribes	\$127,620
Metro	\$1,950,493
Mid-Valley	\$775,668
North Central	\$214,915
North Coast	\$274,368
Northeast	\$257,980
South Central	\$328,380
South Coast	\$521,080
South Valley/Mid Coast	\$1,049,869
Southern	\$991,514

A minimum of 85 percent of the grant must be used by the eligible entity to provide financial assistance to individuals who reside within the entity’s region or who are members of that Tribe for the purchase and installation of heat pumps and related upgrades. The eligible entity awarded a grant for a region or Tribe may use a percentage, not to exceed 15 percent of the awarded grant funds as specified in the performance agreement, for program-related administrative expenses and marketing costs. Grant funds will be issued under a Performance Agreement between the Grantee and the Department.

#### 1.4 Eligibility

An applicant must be one of the following:

- A local government as defined in ORS 174.116;
- A local housing authority;

- A nonprofit organization;
- A federally recognized Tribe in Oregon;
- A coordinated care organization as defined in ORS 414.025;
- A community action agency as described in ORS 458.505;
- A manufactured dwelling park nonprofit cooperative as defined in ORS 62.803; or
- An electric utility.

An applicant may partner with another eligible entity. A partner may assist the applicant by providing, or assisting in the provision of, financial assistance.

To be eligible to receive a grant, an eligible entity must also demonstrate that it serves or represents at least one environmental justice community within a region or that it serves or represents members of a federally recognized Tribe in Oregon. Environmental justice communities include communities of color, communities experiencing lower incomes, tribal communities, rural communities, coastal communities, communities with limited infrastructure, and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth, and persons with disabilities.

To be eligible to receive a grant, an eligible entity must also demonstrate it has the capacity to administer grant funds for the program.

An entity may only apply for a grant for the region that contains the greatest percentage of individuals that the eligible entity serves or represents. If an entity serves a community that spreads across two or more counties that are located in two or more different regions, then the entity must apply for a grant for the region that contains the highest number of individuals that the entity serves or may apply to administer funds in both regions.

## **Section 2: Application Requirements & Process**

### **2.1 Submission of Applications**

Applications must be submitted with all the requested information through the Department's online application portal. Access to the application portal and associated materials are available on the Oregon Department of Energy website.

Applications that are submitted improperly or are incomplete may be rejected. The Department must receive applications no later than the due date on the cover of this opportunity announcement.

A complete grant application includes, at a minimum:

- (1) An application form with all required information in (2)-(8) completed.
- (2) Applicant eligibility information and contact details.

- (3) Information about any partner entities and their roles. (Note that utility applicants must partner with one or more eligible entities to provide financial assistance to individuals within the region that reside outside the utility's service boundary.)
- (4) The name of the region or federally recognized Tribe in Oregon the entity is applying for or a description of proposed alternative boundaries.
- (5) A description of the entity's capacity to administer any grant funds received. This should include the following:
  - (a) A description of the entity's experience administering state grant programs or programs similar to the Community Heat Pump Deployment Program.
  - (b) A description of the entity's experience developing community programs within a region or with members of a Tribe.
  - (c) A description of the entity's capabilities to manage and deliver the program. This should include how ready the entity is to begin the program and any anticipated challenges to beginning the program.
- (6) A description of the how the entity serves or represents environmental justice communities within a region or members of a federally recognized Tribe in Oregon. This should include a description of any connections to communities within the region or with members of a Tribe.
- (7) A description of the proposed program. This should include:
  - (a) The proposed methods to prioritize financial assistance to the individuals and communities listed in OAR 330-270-0040(17), which should include a description of how individuals and communities that meet more than one prioritization category will be prioritized.
  - (b) A description of the financial offerings and heat pump installation requirements the entity is proposing within the limits established in Chapter 330 Division 270 of the Oregon Administrative Rules. This should include:
    - (A) The type of financial assistance that is proposed (loans, grants, rebates, incentives).
    - (B) The dollar amounts for the proposed financial assistance to be offered.
    - (C) Any additional project eligibility or efficiency requirements.
  - (c) A description of the related upgrades that the entity will also support with financial assistance.
  - (d) If applicable, a description of how the entity will support customers and coordinate other incentives for the customers' benefit.
- (8) A detailed budget that includes administrative and marketing expenses.

## **2.2 Questions**

Questions, including requests for explanations of the meaning or interpretation of provisions of this opportunity announcement, must be submitted via email to . The Department will respond to questions concerning the application and its contents by December 20, 2023 to ensure the Department's ability to provide any resulting guidance to all applicants through an FAQ

document. This deadline does not apply to requests for technical assistance with the online application portal nor to programmatic questions not related to application evaluation.

## Section 3: Review Process

### 3.1 Overview of Review Process

The Department will evaluate all applications for completeness and eligibility. The Department will then conduct a competitive review of all eligible and complete applications and, based on the results, one applicant for each open region and one applicant for each federally recognized Tribe in Oregon (for whom Region or Tribal administrators have not already been selected) may be offered a performance agreement.

The Department will only consider information submitted in the application. Unless specifically requested by the Agency, information submitted outside of the application will not be considered during review. All comments and questions must be submitted via email to [Community.HeatPump@energy.oregon.gov](mailto:Community.HeatPump@energy.oregon.gov).

### 3.2 Review of Applications

The Department staff will review all applications on a pass/fail basis to determine if each application is eligible and complete, meaning it includes all the minimum required elements described in section 2.1 of this opportunity announcement. Only those applications that meet the minimum requirements will be considered for further review. The Department will provide written notification to the applicant of incomplete applications that their application is not moving to the competitive review.

The scoring criteria for the competitive review is outlined below.

Criteria	Community Heat Pump Deployment Program Competitive Review Criteria	Points
A	Connections to communities within a region or with members of a Tribe: description of how the entity serves, represents, or has other ties to a community in a region or with members of a Tribe. Scoring will evaluate the level of involvement with the community or members of a Tribe; the size of the community in relation to the total population of the region or Tribe; and the degree to which the community would qualify for prioritization under the program.	20
B	Experience with community program development: eligible entity describes their experience developing community programs within a region or with members of a Tribe.	20
C	Organizational capability and capacity to administer the program: eligible entity demonstrates they have experience administering state grant programs or programs similar to the Community Heat Pump Deployment Program, has the capability to manage the program, and is ready to deliver the program.	20



D	Strength of proposed program: eligible entity provides an adequate description of the proposed program, including the proposed financial offerings, methods of prioritization, and project eligibility requirements. Scoring will evaluate program customization proposed by the entity in terms of how it strengthens the program and its proposed outcomes.	15
E	Strength of financial plan: applicant demonstrates financial ability to operate the program and proposed administrative costs in relation to the proposed activities and expected outcomes are reasonable.	10
F	Proposed outcomes: proposed benefits to the communities or members of a Tribe; this may factor in how the entity will coordinate other incentives, programs, and resources, as well as the needs of the communities most closely linked to the entity.	10

**3.3 Offer of Performance Agreement**

Successful applicants may be offered a performance agreement. The Department will communicate a timeline for the applicant to respond to the offer of award, after which the Department may revoke the offer.

**Section 4: Grant Process and Payment**

**4.1 Reporting**

Once a Performance Agreement is executed, successful applicants will be required to submit annual reports as specified in OAR 330-270-0060 and the performance agreement. In addition, successful applicants will be required to submit reports during the year, as specified in the performance agreement, to update the Department.

**4.2 Amendments**

Performance agreements may be amended only as provided under the terms of the performance agreement. The grantee must submit a written amendment request to the director to amend a performance agreement. The grantee must demonstrate the program will continue to meet the requirements of statute, rule, and the opportunity announcement. The Department will decide whether to approve or deny an amendment request. In making their decision the Department shall evaluate how, and to what degree, the amendment would impact the proposed outcomes for the communities served and whether the proposed changes would have affected the outcome of the competitive review.

**4.3 Disbursing Grant Award**

Once a performance agreement is executed, the grant shall be released according to the payment schedule in the performance agreement.

#### **4.4 Compliance Monitoring**

The department may conduct reviews, audits, inspections, and other compliance monitoring as it deems appropriate with respect to each grantee and its partners to verify compliance with the program requirements. Additional recordkeeping and compliance monitoring requirements for grantees and their partners are in OAR 330-270-0060.

#### **4.5 Advisory Council**

A representative from each grantee shall sit on the Community Heat Pump Deployment Advisory Council as outlined in Section 15 of Chapter 86, Oregon Laws 2022 (Senate Bill 1536). The advisory council shall study and identify best practices for administering grant funds and providing financial assistance; barriers to administering grant funds and providing financial assistance; and opportunities for providing technical assistance.

### **Section 5: Additional Information**

#### **5.1 Public Information, Confidentiality**

The State of Oregon's Public Records Law (ORS 192.311 through 192.478) applies to filings and applications submitted to the Department. The law states every person has a right to inspect any public record of a public body, subject to certain exceptions. Applications are public records, and the Department may be required by law to disclose information in the application to the public on request. An applicant may request confidentiality of certain information in its application by marking the information confidential. Marking information does not guarantee that it will be kept confidential, however, and the Department will make any decisions regarding public disclosure of information contained in this application in accordance with Oregon Public Records Law.

Grant funding from the state of Oregon may be reported on [Oregon Transparency](#), a state agency tool available for Oregonians to learn about how state government works, taxes are used, and more. The data and information on this website are provided to users for general knowledge and information. It excludes data and information that is confidential, protected, or private under state and federal laws, and is unaudited.

The Department may publicly announce awarded grantees under this program. The public announcement may include, but is not limited to: the eligible entity's name, partner's names, region or federally recognized Tribe in Oregon the grant has been awarded for, and the awarded grant amount.

#### **5.2 Reservation of Department Rights**

The Department reserves all rights regarding this opportunity announcement, including, without limitation, the right to:

1. Amend, delay, or cancel the opportunity announcement without liability if the Department finds it is in the best interest of the State of Oregon to do so;

2. Not consider any or all applications received upon finding that it is in the best interest of the State of Oregon to do so;
3. Deem incomplete any application that fails substantially to comply with all prescribed opportunity announcement procedures and requirements; and
4. Allocate a grant amount less than the amount requested by applicant, at its discretion.

### **5.3 No Obligation**

The Department is not obligated as a result of the submission or acceptance of an application to award a grant through a performance agreement to an applicant.

### **5.4 Sunset Information**

If awarded, a grant applicant's performance agreement will outline the timeframe required to receive the grant award.