



Narrative Document for the Oregon Department of Energy IRA SECTION 50122: Home Electrification & Appliance Rebates

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Home Electrification and Appliance Rebates State Programs (50122)

Use of Funds and Rebate Eligibility

Section 4.1.1 Use of Funds

1. Please provide the types of allowable costs the State proposes within each category of administrative funds and rebate funds within those categories.

Note: These responses should correspond with the Standard Form 424, Standard Form 424A, and Budget Justification Workbook.

The Oregon Department of Energy (ODOE) plans to use **administrative funds** to cover the following types of activities:

- *Program Planning and Design* - \$498,132.79

The state will contract with two organizations for rebate implementation. Through a subgrant with Energy Trust of Oregon and a contractor to be identified through a Request for Proposals process, ODOE will partner with organizations with proven success in market uptake, high quality installations, income verification, and delivering benefits to low-income households. Energy Trust administers ratepayer-funded energy efficiency programs under an operating agreement with the Oregon Public Utility Commission serving customers of investor-owned utilities. The state or the state's implementers may subcontract with another organization to address income verification needs; however, this will be determined during the design of the Implementation Blueprint.

- *State Program Staff* - \$1,195,562.66

The state plans to support 2 full time staff members (a Program Analyst and Public Service Representative), 1 limited-duration staff to support workforce outreach/research/coordination (a Program Analyst), and partially support another 2 staff members (Business Operations Manager and Grants Officer), with the intent that their time will be split between the 50121 and 50122 awards. ODOE's accounting systems are able to separately track these different funding sources and internal policies are in place to ensure the time is accurately tracked. Estimate includes fringe benefits.

- *Development of Tools and Systems (including websites, applications, rebate processing, and reporting)* - \$1,123,885.91

The state plans to issue a Request for Proposal to procure a system for rebate tracking with user interfaces and systems for households, contractors, and others to apply for rebates, submit required documentation, etc. (to potentially include income verification, depending on the capability and role of the developer).

- *Program Evaluation and Consumer Satisfaction Surveys* - \$445,632.80

The state's implementers will conduct consumer surveys and, depending on availability of resources, focus groups to assess the effectiveness of program outreach and delivery, and satisfaction with rebates and products. The implementation contractors and other providers (e.g., income verification services, if needed) will also be required to fulfill data reporting and analysis per the contracts.

- *Program Monitoring and Audits - \$595,632.80*

In addition to state staff monitoring program delivery and overseeing the implementation contractors, the state anticipates utilizing an external auditor to supplement fiscal and program compliance, as well as some legal oversight of contracts.

- *Consumer Protection Functions (including resolution procedures, data review, contractor management, installation standards, continuous improvements) - \$534,759.36*

In response to findings from periodic assessments of program performance (as well as any identified problems that arise throughout implementation), the state's implementation contractors will institute changes to address deficiencies in program design and/or delivery. The state's implementers will develop consumer protection guides or one-pagers in multiple languages that will be provided to all rebate applicants as one part of the consumer protection strategy. The state will also dedicate staff to respond to consumer questions and/or complaints, as well as fulfill contractor management needs with regular reviews of program implementer (and other contractor) data submission.

- *Marketing, Education, and Outreach (including the funding of local governments and place-based organizations to assist with these activities) - \$550,542.72*

The state has held four community engagement sessions — which included participation from retailers and product manufacturers and distributors — to better understand community interests and inform the program design. ODOE is committed to transparency and integrating the priorities of Oregonians into program design and will therefore continue to hold community engagement sessions as needed to convey details of the program. The state, with assistance from its implementers, will develop marketing and education information for homeowners, tenants, retailers, contractors, and others as needed. This may include travel to communities for in-person engagement, as well as travel to NASEO, Energy Star Partner Meetings, and/or US DOE conferences, and program education/development.

- *Implementation Contract Cost (not including rebates and costs for activities directly related to delivery of rebates) - \$4,202,921.30*

The implementation contractors will use administrative funds for data review and reporting and to fulfill other programmatic management requirements not otherwise accounted for in other administrative categories.

- *Contractor Training* - \$142,602.47

Contractor training and/or review of a contractor's certifications will be required before a contractor is placed on the qualified contractor list. This training will specifically assist contractors in participating in the rebate program.

- *Activities to Improve Access to Rebates, Facilitating Leverage of Private Funds and Financing Mechanisms Where Beneficial to Efficiency and/or Electrification Projects* - \$0

Depending on availability of resources, the state's implementation contractors will engage financing organizations to assist in making low-cost financing available to rebate applicants and providers (e.g., contractors).

- *Installation Incentives* - \$270,684.00

ODOE intends to utilize administrative funds to support the bulk of required installation incentives. These administrative dollars will cover approximately 1,353 incentives at \$200 each.

- *Technical Assistance* - \$1,782,531.19

Depending on availability of resources, the state's implementation contractors may provide technical assistance either directly or through specialized organizations.

The state certifies that costs will not be duplicated on the 50121 award, or other awards, and are not duplicative of costs captured in the Indirect Rates.

The state plans to use **rebate funds** to cover the following types of activities:

- Rebates for Allowable Products - \$43,565,136
- Contractor Incentives - \$1,623,300
- Installation incentives (additional information provided in response to question #2) - \$183,116

- a. The total amount of estimated administrative funds to be expended annually.

\$2,835,722 = Sum of the administrative funds described above (\$11,342,888), divided by 4 years

- b. The total amount of estimated project-related costs as a portion of the rebate funds to be expended annually.

\$451,604 = Contractor incentives plus installation incentives (\$1,806,416),
divided by 4 years
or 4.1% = Contractor incentives plus installation incentives (\$1,806,416),
divided by amount available for rebates (\$43,565,136)

2. If requesting additional rebate funds for project-related activities, describe and justify each activity and associated budget in the budget justification worksheet.

The state would like to request using rebate funds to cover the following types of project-related activities:

Installation incentives - \$183,116: \$102,800 will be made available by ODOE's subrecipient implementer, Energy Trust of Oregon, while the remaining \$80,316 will be available by our second implementer (yet to be named).

Given the state's goal of delivering 40% of rebates to low-income households, the state may require as much as \$453,800 for installation incentives. This is supplemented by an additional \$270,684 ODOE intends to use for such purposes with administrative funds. ODOE proposes to leverage early administrative funds initially intended for an outreach and engagement contractor (which ODOE ultimately leveraged existing staff resources for) to put toward installation incentives.

3. Confirm that the state will have a process for handling returns of rebated items as applicable in the Consumer Protection Plan.

☒ Yes, the state confirms the above statement.

Section 4.1.2 Rebate Conditions and Levels

4. Describe how the State will manage and ensure that rebate minimums and administrative maximums are adhered to over the duration of the program.

Administrative Efficiencies:

The state will take several steps to reduce the costs of administration and project-related activities. ODOE plans to use the DOE/Pacific Northwest National Laboratory (PNNL) Tracking System's API (available to states, vendors, modeling tools, etc.) to minimize the costs of data tracking and reporting. By making use of the DOE/PNNL Rebate Tracking System the state will dramatically reduce the need for repeated data entry and associated errors, and simultaneously ensure much greater data consistency. ODOE will also investigate systems that can use "smart" technology to automatically read uploaded documents for income verification and/or other purposes. For example, the state would like to use a system (if not cost-prohibitive) that accurately reads the applicant's information, including address, on enrollment

cards from various categorically eligible programs. In terms of ensuring that administrative limits are maintained, the state will closely track and report administrative spending as well as spending on funds that are provided as rebates and as incentives to contractors. The state will also follow Generally Accepted Accounting Principles (GAAP) and conduct audits at least every 5 years through a contractor that is to be determined.

ODOE has experience with federal grant performance reporting and is confident in its established protocols and systems for successful implementation of the HEAR program. Additionally, ODOE's staff possess the necessary expertise and qualifications to deploy funds provided to this program. ODOE intends to leverage the agency's internal structure to manage, oversee, and report on these funds. This structure involves several distinct features with segregated roles and responsibilities. ODOE adheres to and complies with statewide accounting and internal control guidelines.

During program implementation, ongoing review and monitoring is provided by the Grants Officer to ensure expenditures are allocable to the federal award, are necessary and reasonable, and are financially prudent. Monthly and quarterly financial monitoring and reporting documents are prepared by ODOE's Budget Analyst to assist the Grants Officer to ensure expenditures do not exceed the grant award and approved budgets. The Grants Officer also works closely with program staff during the development of quarterly progress reports to ensure accurate information is provided and then enters the quarterly report information into PAGE. This review compares progress and achievements to stated milestones to ensure program targets are achieved.

Rebate Funds Management:

The DOE Rebate Tracking System and its accompanying coupon feature will ensure that rebate amounts comply with program requirements. Rebate applications will only be approved for the rebate amounts associated with their income level (e.g., below 80% AMI; between 80 and 150% AMI) and the product type they intend to purchase (e.g., heat pump water heater, cooktop). The DOE Rebate Tracking System will include a database with records of all previously issued rebates to individual residential dwellings. In order for a coupon to be generated, Oregon's rebate processing system will query the DOE database to ensure that a rebate for that product type has not yet been redeemed for that address, and that rebate funds committed to that address do not exceed the \$14,000 cap. The state will also use the DOE Rebate Tracking System to track the amount of rebate funds committed to date and will only approve new requests for rebates if sufficient funds remain. When Oregon's rebate tracking system issues a coupon, it will simultaneously put into place a "reservation" of funds (equivalent to the maximum value of that coupon) into the DOE Rebate Tracking System that will remain in place until either the coupon is

redeemed at point of sale or the coupon expires, whichever is first. The state also plans to establish allocations within the DOE Rebate Tracking System to ensure that sufficient funds are in place (and maintained) for specific uses (e.g., minimum of 60% of rebate funds for low-income, with at least 20% for low-income multifamily). Each time that the state receives an additional allocation of rebate funds from DOE, the state will work with the DOE/PNNL team to ensure that the Tracking System's accounting system reflects newly available funds.

5. Describe how the State will monitor contractor costs and ensure that costs are not artificially inflated compared with market averages.

ODOE will require Energy Trust of Oregon and the consumer-owned utility service areas implementer to collect and monitor project cost data from contractors or homeowners. Energy Trust has the experience and connections midstream and upstream in the market to help contextualize market fluctuation and cost increases. If artificial inflation is identified, these entities will inform ODOE and contact the contractor to request additional information and justification for costs. If contractors are identified to be consistently artificially inflating prices relative to similar projects in their region, ODOE may temporarily remove them from the qualified contractor list and provide a path for reinstatement.

Energy Trust of Oregon collects project cost information on every downstream project that receives an incentive. This provides an average project cost for each trade ally contractor and a means to identify outliers in the market. Energy Trust also has historical data that can be used to determine a market average for the supported measures. Historically, Energy Trust has monitored pricing but has not enforced pricing requirements on trade ally contractors; one recent exception occurred in the income-qualified Solar Within Reach program, where Energy Trust required a trade ally contractor to abide by a price ceiling in order to remain eligible to serve customers in the program.

Oregon will also rely heavily on consumer education tools that empower consumers to understand factors impacting project costs. Implementers will be responsible for responding to consumer questions about costs and will be able to review proposed projects to indicate to customers if costs are reasonable and in line with comparable projects.

6. Identify the maximum rebate amounts that will be offered to eligible entities and eligible entity representatives if lower than the allowed amounts.

The State will use the maximum rebate amounts allowed by the federal law, as described in the following table:

Upgrade Type	Qualified Product/Measure	Rebate Limit
Appliances	Heat Pump Water Heater	\$1,750

Appliances	Heat Pump for Space Heating and Cooling	\$8,000
Appliances	Electric Heat Pump Clothes Dryer	\$840
Appliances	Electric Stove, Cooktop, Range, or Oven	\$840
Building Materials	Electric Load Service Center	\$4,000
Building Materials	Insulation, Air Sealing, and Ventilation	\$1,600
Building Materials	Electric Wiring	\$2,500
Maximum Rebate Per Project	-	\$14,000

Type	Income Level	Rebate Limit
Single-family	Low-Income*	100% of cost
Single-family	Moderate-Income**	50% of cost
Multifamily	Low-Income***	100% of cost
Multifamily	Moderate-Income****	50% of cost

* A household with income less than 80% AMI.
** A household with income of at least 80% AMI and less than 150% AMI.
*** A building with at least 50% of households with incomes less than 80% AMI.
**** A building with at least 50% of households with incomes of at least 80% AMI and less than 150% AMI.

7. Identify the maximum allowable project costs for determining project cost rebate levels.

Oregon intends to follow the maximum project costs allowed by federal law, as defined in the Program Requirements & Application Instructions. This includes costs associated with purchase and installations of the qualified electrification project. These costs may include labor, modeling, site visits, and quality control efforts, among other costs.

We expect the homeowner cost to be zero for households earning less than 80% AMI (any costs not covered by HEAR would be covered by other programs); we further expect that the out-of-pocket cost to moderate-income homeowners will be low, as our program implementers will prioritize braiding funds together to deliver maximum allowable incentives. Homeowners will be responsible for any costs that exceed the amount of the rebate(s) available to the project through the Home Energy Rebates and any other rebate program(s).

8. Describe the documentation requirements related to project costs from eligible entities and eligible entity representatives.

For each project, the contractor or eligible entity representative (EER) must provide an invoice with the following information:

- Line-item costs of equipment and materials
- Labor costs
- Model numbers for heating, cooling, and hot water systems (if geotagged photos of installations include model numbers, that is acceptable)
- The address where the work was performed
- The name and contact information for the contractor(s) performing the work
- The dates on which the work was performed
- The total project cost prior to the rebate and the rebate amount
- Line-items for all rebates and discounts received, including the Home Energy Rebates
- Line-item costs for any assessments
- Other project costs (if applicable, e.g., permitting)

The invoice must be signed and dated by the homeowner or building owner.

9. List the installation incentives the State will provide eligible entity representatives for each eligible product or service up to \$500 (in total).

Oregon will use the federal maximum incentive amounts allowed for qualifying installation activities, as defined in the program guidance and reproduced here:

Qualifying Activity	Incentive
Substantial installation located within a disadvantaged community, per dwelling unit*	\$200
Installation of one or more electric heat pump water heaters	\$150
Installation of one or more electric heat pumps for space heating and cooling, per dwelling unit – ducted	\$300
Installation of one or more electric heat pumps for space heating and cooling, per dwelling unit – non-ducted	\$200
Installation of one or more electric load service center	\$150
Installation of insulation, per dwelling unit	\$250
Installation of air sealing and materials to improve ventilation, per dwelling unit	\$250
Installation of electric wiring, per dwelling unit	\$250
Maximum Incentive Per Project	\$500

*“Substantial installation” is installation of any eligible upgrade type except installation of electric stoves and electric heat pump dryers. See ODOE’s response to question #17 for the definition of disadvantaged community.

10. Describe the approach for ensuring that eligible entities will not receive Federal rebates or grants for the same QEP.

The state will use the DOE Rebate Tracking System to safeguard against issuing duplicative rebates for the same product and household. When an eligible entity (i.e., homeowner, tenant, building owner, or contractor) or eligible entity representative

(as defined in the statute) applies to reserve a rebate for a product to be used at a specified address, the system will query a database to see if that type of rebate has already been issued for that address. If it has, the rebate request will be rejected, and the applicant will be informed that the applicable rebate has already been used at that address. The state's system will also notify all homeowners or building owners (and others if applicable (e.g., contractor)) that the rebate cannot be combined with other federal grants and rebates, but the household may still be eligible for a federal tax credit per Internal Revenue Service (IRS) guidelines or other state rebates and incentives.

11. Confirm that the State will provide information via API or DOE-provided spreadsheet to the DOE central database to ensure that rebates limited to a single or a combination of products are tracked and managed, and no duplicate rebates are awarded.

- ☒ State will provide information via API.
☐ State will provide information via a DOE-provided spreadsheet.

12. Describe how the State will approach providing rebates to multifamily building owners and qualified households who live in multifamily units.

- ☒ Defer response to State Implementation Blueprint.

The following response is based on Version 1.2 of DOE's sample response published May 23, 2024, and Oregon agrees with all aspects of that approach. Multifamily building owners and tenants are eligible for rebates, and so applications may be submitted by building owners for an entire building or by tenants of individual dwelling units. However, owners will be required to provide authorization for tenant-initiated projects that include:

- Electric heat pump for space heating and cooling
- Electric heat pump water heater
- Insulation
- Electric load service center
- Electric wiring
- Mechanical ventilation

The state will communicate to tenants and emphasize the ability of tenants to apply for some rebates (electric stove, cooktop, range, oven, or heat pump clothes dryer), without prior authorization from property/building owner. However, this does not de-obligate tenants from compliance with their lease agreement(s) and requirements to notify the property/building owner. At multiple steps in the process, renters will be notified that the appliance and equipment must not be removed from the property.

The rebated equipment and appliances are to remain with the unit. Therefore, if a tenant vacates a unit that received a HEAR rebate, the tenant's new dwelling unit would also be eligible for a HEAR rebate if it has not already received one. In

circumstances where rebates do not cover the full cost of the upgrade, program implementers will explore options to leverage other funding, including utility or local incentives, external financing, and property/building owner contributions.

Rebates (and the maximum limits) apply to the dwelling unit and/or multifamily building. Therefore, owners will always be made aware of remaining rebate amounts, even if a tenant initiates a rebate request. Rebate reservations will be cancelled if owners choose to not authorize the work.

When determining the appropriate rebate amount for a multifamily building, the state will first determine whether the multifamily building qualifies as a low-income building (i.e., the building has at least 50% of households with incomes less than 80% AMI) or a moderate-income building (i.e., the building has at least 50% of households with incomes less than 150% AMI).

13. Identify the date after which upgrade projects must be completed for the purposes of being eligible for a rebate under the State program.

☒ Defer response to State Implementation Blueprint.

A rebate may be paid only for a qualified electrification project (QEP) initiated after the state receives DOE authorization and launches the program. Rebates will not be provided retroactively. When a HEAR application is approved, the rebate will be set to expire 180 days after the date of reservation. If the applicant has applied for a HEAR rebate to be used at the point of sale, the expiration date will be clearly written on the coupon provided. If a coupon expires, the rebate funding will be unreserved, and applicants will have to submit a new application.

The homeowner or building owner/manager or their representative (contractor, community-based organization, etc.) applying for a rebate coupon deducted at point of sale must submit the required completion information within 14 days after the coupon is used. When a contractor seeks reimbursement through the implementers, the contractor will need to submit all completion materials after installation and before expiration of the rebate reservation.

Retailers that use the DOE API will submit the used rebate reservation code and required information, either when the purchase is made or in batches. Oregon will develop a process for retailers who do not use the DOE API, whereby retailers remit sales and coupon redemption data to the implementers. The implementers will register project completions with DOE via the state's Rebate Management System.

14. Describe how eligible rebate recipients will be informed of additional program funding available from non-Federal funds and grants.

☒ Defer response to State Implementation Blueprint.

Oregon House Bill 3630 directed ODOE to develop a “one stop shop” for information about residential energy efficiency programs available in the state. Oregon has published this resource – the Energy Hub for Incentive Programs & Projects in Oregon (HIPPO) – and it is now available at <https://incentives.oregon.gov>. The Energy HIPPO enables users to enter basic information about a household (including the household size, income, housing type, and location) and produces a summary of and links to existing rebate programs for which they may qualify. Once established, the Home Energy Rebate programs’ website will direct homeowners and multifamily building owners to the HIPPO. In addition, during the application process, homeowners, multifamily building owners, and contractors will be provided a link to the HIPPO and will be encouraged to explore other funding that may be available for their project. In addition, and most importantly, HEAR will have skilled and knowledgeable program implementers working closely with households and contractors to develop projects, and these staff will be able to help applicants identify and access additional funding opportunities quickly and efficiently.

Section 4.1.3 Low-Income Households

15. Identify the portion of the rebate funds the State will reserve for low-income and low-income multi-family households.

Oregon intends to allocate 60% of 50122 rebate funds toward low-income households (i.e. households at or below 80% AMI). This is greater than the 40% required in the guidance. Oregon also intends to allocate 20% of 50122 rebate funding toward low-income multifamily buildings. This is greater than the 10% required in the guidance. Cumulatively, this approach will allocate 80% of 50122 rebate funds toward low-income households.

16. Provide a brief description of the procedures and penalties the State will provide to ensure that renters are not subject to unjustified rent increases.

☒ Defer response to State Implementation Blueprint.

Before receiving a low-income rebate reservation for a rental property, building owners will be required to agree to the following statements, which will be included in the program’s terms and conditions for their participation:

- For at least two years following the receipt of the rebates, I will continue to rent the dwelling unit to a low-income tenant.
- For at least two years following the receipt of the rebates, I will not evict a tenant to obtain higher-rent tenants based upon the improvements.
- For at least two years following the receipt of the rebates, I will not increase the rent of any tenant of the building as a result of the energy improvements with the exception of increases to recover actual increases in property taxes and/or specified operating expenses and maintenance costs.

- If the property is sold within two years of receipt of the rebates, these conditions will apply to the new owner and will be part of the purchase agreement.
- I understand that tenants have been provided with written notice of their rights and their building owner's obligations. I have received a copy of this notice. I will provide a copy of this notice to any new tenants who move in over the next two years.
- If my tenant(s) file a complaint under the terms of this agreement, I understand that I may be contacted by the program implementers, the Oregon Department of Energy, and/or the Oregon Department of Justice for more information.
- If the Oregon Department of Energy or the Oregon Department of Justice determine that I have not complied with these requirements, I understand that I must refund the rebate and that I may be required to pay damages to tenant(s), or reimburse tenant(s) and/or ODOE for any legal fees.

Homeowners will be able to submit this attestation digitally to our implementers by emailing a scan, completed pdf, or a photo; mail-in or other direct submission to our implementers, who will upload digital copies to the rebate management system; and through an online, fillable form that will be available through the application portal.

The written notification to the tenant(s) will include contact information for complaints of non-compliance. Tenant(s) will be provided information regarding their ability to seek damages and reimbursement of attorney's fees (if applicable) through small claims or civil court, if the building owner is found to be in violation of these rules.

If a tenant submits a complaint to our implementers alleging building owner violation of these rules, our implementers will investigate the complaint with the tenant(s) and homeowner and attempt to resolve the issue. If the building owner is determined to be in violation and an appropriate resolution cannot be found, the implementer will notify the designated contact at ODOE. ODOE will review the case and attempt to negotiate a solution. If these actions are not sufficient to resolve the complaint, ODOE will notify the building owner that they must return the rebate amount to the appropriate implementer. ODOE will also notify any other ODOE-run rebate programs that the building owner should be excluded from eligibility. If the building owner does not return the money within the specified timeframe, ODOE will forward the information to the Oregon Department of Justice (DOJ) for potential enforcement action. Building owners will be required to sign an attestation to their understanding and adherence to these rules and processes.

17. Describe how the State program will define a disadvantaged community. If not using the default disadvantaged community definition of low-income households located in a

disadvantaged community identified by the CEJST, a State must explain how the proposed definition will meet the following three criteria as described in DOE J40 implementation guidance¹:

- The communities of concern identified by the State tool or definition must conform to the definition of communities established in U.S. Office of Management and (OMB) guidance:
 - a group of individuals living in geographic proximity to one another that experiences common conditions.
 - a geographically dispersed set of individuals (such as migrant workers or Native Americans) that experiences common conditions.
- The State tool or definition must consider two or more of the following indicators when identifying communities that should be classified as disadvantaged for the purposes of directing Federal investments under Justice40:
 - Low income, high and/or persistent poverty
 - High unemployment and underemployment
 - Racial and ethnic residential segregation, particularly where the segregation stems from discrimination by government entities
 - Linguistic isolation
 - High housing cost burden and substandard housing
 - Distressed neighborhoods
 - High transportation cost burden and/or low transportation access
 - Disproportionate environmental stressor burden and high cumulative impacts
 - Limited water and sanitation access and affordability
 - Disproportionate impacts from climate change
 - High energy cost burden and low energy access
 - Jobs lost through the energy transition
 - Access to healthcare
- The communities of concern identified by the State tool or definition must be currently mapped in software or must be easily overlaid in GIS so that communities can be easily identified by stakeholders.

To identify projects that qualify for an installation incentive, the state will use the Northwest Clean Energy Atlas (NCEA) map of poverty and energy burden (<https://www.nwceatlas.org/visualization/poverty-and-energy-burden>). The map identifies, by census tract, the percentage of the population who are living at or below 150% of the federal poverty line (below an annual income \$41,625 for a family of four) as well as the estimated average energy burden (the percentage of annual household income spent on energy). Areas that are categorized as at least “high” for either metric, or “medium” for both metrics, will be considered eligible for the installation incentive. Tribal areas will also qualify.

18. Identify the tool(s) the State will provide for eligible entity representatives to identify

¹ See pages 8-9 of <https://www.energy.gov/sites/default/files/2022-07/Final%20DOE%20Justice40%20General%20Guidance%20072522.pdf> for more details.

households that qualify for the installer incentive available for work in disadvantaged communities.

☒ Defer response to State Implementation Blueprint.

To identify projects that qualify for an installation incentive, the state will use the Northwest Clean Energy Atlas (NCEA) map of poverty and energy burden (<https://www.nwceatlas.org/visualization/poverty-and-energy-burden>). The data contained in this map are available to ODOE, and we will incorporate the data into the state's rebate processing system, which will mark projects located in these areas as eligible for the \$200 incentive and notify the contractor that they are eligible for the incentive, to be paid upon project completion. In multifamily buildings receiving in-unit upgrades, rebates are available per unit. For multifamily properties receiving central system upgrades, incentives are available per building. The state will also provide educational materials and do outreach to contractors so that they are aware of this potential incentive. The program website will also provide users a searchable map, which they can use to determine if an address qualifies for the \$200 incentive.

19. Confirm that the State's intake system for users to provide income information will compare household income to 80% and 150% AMI values associated with that household's county and household size to determine rebate levels prior to signing statements regarding their income.

Oregon's system will link to the federally provided API, which will ensure the system can compare household income information with the most up-to-date AMI values based on household size.

20. If the State does NOT intend to use a federally provided web-based tool to determine whether a home is in a disadvantaged community, confirm that the State will provide the ZIP codes or a preferred more granular geography (e.g., census tract) with all disadvantaged communities as defined by the State to the DOE system.

- ☒ Yes, the State confirms the above statement.
☐ N/A. The State will use a federally provided web-based tool to determine whether a home is in a disadvantaged community.

Section 4.1.4 Community Benefits Plan

21. Confirm that the State will develop and submit a Community Benefits Plan prior to program launch.

- ☐ Yes, the State confirms the above statement.

Section 4.1.5 Processing and Delivering Rebate Funds to Eligible Rebate Recipients

22. Describe what types of systems will be put into place to allow effective processing of

rebates, including ensuring the ability to apply rebates at point of sale and/or as part of an invoice. And confirm that the system will link to federally provided systems via API.

☒ Yes, the system will link to federally provided systems via API OR information will be sent as part of DOE-provided spreadsheet.

☒ Defer response to State Implementation Blueprint.

Oregon will be issuing an RFP to procure a single statewide processing system for both Home Energy Rebates programs. This system will connect to the National Rebate Tracking System through PNNL's API. Two implementer organizations will review application materials, issue rebate reservations or coupons to approved projects, and process reimbursements within 30 days of receipt of a rebate reimbursement request. Energy Trust of Oregon will implement the programs in the state's investor-owned utility service areas, and ODOE will procure a second implementer for all other areas of the state.

All applications will begin with income verification. Once eligibility is confirmed, an application for a rebate may be submitted. Applications may be submitted by eligible entities (homeowners, renters, multifamily building owners) or contractors/installers, building managers or CBOs working on behalf of the eligible entity. Any application that includes a heat pump for space heating and cooling will need to be submitted by an approved contractor. Applications will include a field indicating whether the eligible entity wants to receive reimbursement from the implementer or if they want to receive a coupon to be used at the point of sale. If the eligible entity selects point of sale, they will be asked to select a participating vendor or enter a vendor name to reserve a rebate. The issued coupon will include vendor-specific information where applicable to reduce the potential for error or duplication.

The unique rebate reservation codes displayed on rebate coupons will allow qualifying consumers or eligible entity representatives to have the rebate amount deducted at point of purchase of equipment through retailers. For rebates requested by a contractor, the contractor will apply the rebate to the invoice provided to the household. In both types of transactions, the rebate will be applied at point of sale. The coupon will designate the type of qualifying product as well as the maximum rebate amount and percentage (whichever is lower) that can be applied to the purchase. Retailers, vendors, and contractors will be able to submit reimbursement requests via electronic systems (either via an API for those retailers that wish to connect that way OR via a web portal where the contractor, vendor, or retailer may submit all of the required information directly to the rebate processing system).

23. Describe how the State will ensure processing of rebates within 4 weeks of receipt (e.g., through a processing company, through program implementers, or other entities or

methods). Include information on corrective actions that the State will implement in the event of lengthier processing times.

☒ Defer response to State Implementation Blueprint.

Implementers will issue reimbursements within four weeks of receipt of required and acceptable information. Upon completion of a HEAR project, applicants will submit project completion materials to the state rebate processing system. Oregon's two program implementers will use the rebate processing system to review these materials. For projects deemed incomplete, the implementers will work with applicants to correct any errors and ensure the project's records are complete and accurate. Contractors participating in the HOMES and HEAR programs will be asked to enroll in direct deposit as default, but they will be allowed to request reimbursement by check.

Implementers will be required to document the date of payment issuance, and ODOE will monitor the rate of compliance. On a monthly basis, the program's implementers will report to ODOE the number of rebates that were reimbursed more than four weeks after the receipt of all required and appropriate completion materials. Projects that are flagged for missing information or for quality assurance inspection will not be considered completed until the date that all required and correct materials are submitted; this is to ensure that processing times are not determined to be out of compliance if applicants do not respond to implementer requests for correction or completion in a timely fashion. ODOE will regularly review the implementers' processing times in order to ensure payments continue to be issued within the expected timeframe. Implementers will monitor processing metrics on a weekly basis to catch any 'in-month' anomalies in processing so they can be addressed as soon as possible, and they will notify ODOE if more than 5% of rebate reimbursements in a single week exceed the four-week processing time. If processing times exceed four weeks for more than 10% of rebates reimbursed within a month for either implementer, the implementer(s) will provide an explanation, develop a resolution plan, and if necessary, implement new methods or systems to speed up processing within 30 days of notification. If the implementer fails to meet the milestones outlined in the resolution plan, the state will reserve the right to terminate the scope of work and engage another implementation company.

Based on the state's calculations, on average over a five-year period, each program is estimated to issue approximately 90 rebate reimbursements per month. At this rate, the threshold for weekly notification per program is approximately one late payment for both implementers, and corrective action would be needed if either implementer issues more than one late payment in a month for either program. Even if the estimated rate of reimbursement were to double, notification to ODOE would be triggered if either implementer made 1-2 late payments in a week for either program, and 2-3 late payments per month per implementer per program would result in corrective action.

24. Describe how the proposed processing system will be integrated with a system for processing rebates under Section 50121. Note if the State plans to use separate systems.

☒ Defer response to State Implementation Blueprint.

The state will apply workflows based on the DOE/PNNL-provided workflows and will use the DOE Rebate Tracking System API to provide a seamless and integrated approach to both types of rebates.

Section 4.1.6 Verify Income Eligibility

25. Describe how the State will define household income for verification purposes.

Oregon will define household income as combined gross income for all adult household members for the past 12 months. Prior tax year gross earnings will also be an acceptable means for demonstrating household income. This definition aligns with existing programs in the state, including those operated by Energy Trust of Oregon and the Bonneville Power Administration.

Households that demonstrate categorical eligibility, based on documentation of participation within the last year in eligible programs, will not be required to submit household income information.

Energy Trust currently uses the following definition of income for its Savings Within Reach and Solar Within Reach programs: "Income includes all gross wages, tips, rental income, public assistance, social security or pensions, income from self-employment, alimony, interest, or any other sources of income defined by the IRS income tax return for the previous tax year."

Oregon's intent is to provide flexibility (multiple pathways for income verification including categorical eligibility and directly providing documentation) in establishing household income to minimize the burden on households applying for rebates.

26. For single-family households, how will claimants be able to establish their household income for income qualification? States may select from the following options:

- ☒ Documentation of household income (for example, 1040)
- ☒ Documentation of enrollment in a pre-qualifying program
- ☐ Self-attestation of income level
- ☐ Self-attestation of enrollment in a pre-qualifying program

27. For multifamily buildings, describe what combination of methods will be used to verify that at least 50% of dwelling units consist of households with incomes less than 80% AMI.

Enrollment in a pre-qualifying housing program will be the primary mechanism of verifying building eligibility. Eligible programs include:

- Public Housing (housing owned by Public Housing Authorities)
- Privately owned multifamily buildings receiving project-based assistance (Section 8, Section 202, Section 811)
 - Whole building is eligible if 50% of housing units are subsidized through these programs.
- Privately-owned multifamily buildings that house residents receiving tenant-based assistance
 - Whole building is eligible if 50% tenants are receiving this assistance.
- Low Income Housing Tax Credit (LIHTC)
 - Whole building is eligible if 50% of housing units are income restricted.

These programs align with what is outlined in the federal guidance. ODOE may add additional state programs in the Implementation Blueprint. For buildings that are not qualified for a pre-existing program, applicants will have to provide household income documentation for at least 50% of dwelling units impacted by the upgrade. Tenants must be given the option to submit this information directly to the implementer, without having to disclose this information to the building owner or contractor.

- a. For multifamily buildings, describe what combination of methods will be used to verify that at least 50% of dwelling units consist of households with incomes less than 150% AMI (but not less than 80% AMI).

Unless the building pre-qualifies as a low-income property, applicants will be required to have at least 50% of dwelling units impacted by the upgrade submit household income documentation demonstrating incomes of less than 150% AMI.

28. Confirm the following:

- Claimant will be required to note the number of individuals who occupy the dwelling unit.
- Claimant will be required to sign a statement attesting to the validity of all information provided (e.g., enrollment documents, household income, number of full-time occupants) irrespective of the method of income qualification (e.g., categorical eligibility, self-attestation).

☒ Yes, the State confirms the above statements.

29. Describe how the 80% AMI and 150% AMI levels for each location will be kept up-to-date and linked to DOE systems. Provide additional information if proposing NOT to use a federally provided link or API.

☐ Defer response to State Implementation Blueprint.

Confirm that these levels will correspond to:

- The address of the home at which rebates will be applied
- The applicable number of household occupants

☒ Yes, the State confirms the above statements.

The state will link with the DOE-provided API.

30. Confirm that the State will do the following:

- Review information provided to support income eligibility for all applicants applying for rebates;

☒ Yes, the State confirms the above statement.

- Take steps to verify income eligibility for all applications (100%) that use self-attestation to support income eligibility (e.g., confirm enrollment in at least one program that the applicant asserted enrollment in; confirm household income via IVES; calls to employers);

☐ Yes, the State confirms the above statement.

- After 6 months and not longer than 1 year after program launch, report to DOE the percentage and number of applicants that received rebates but were subsequently found to not meet eligibility requirements; and

☒ Yes, the State confirms the above statement.

- Work with the state's DOE project officer to institute additional safeguards or determine if a lesser level of review for applicants using self-attestation is justified depending on the percentage/number of rebates issued without meeting eligibility requirements.

☐ Yes, the State confirms all the statement.

If applicable, propose the types of information that the State will provide to DOE to warrant reducing these requirements (e.g., allowing implementers to verify income of a subset of claimants through random sampling).

☒ N/A. The State will not reduce this requirement.

☐ Defer response to State Implementation Blueprint.

Oregon will verify all income-qualified applicants before approving a rebate reservation.

31. Provide additional information as needed to demonstrate that the proposed approaches for income verification will address all types of households; not create undue burden for claimants; and include safeguards to minimize error and abuse in the process of verifying income.

☒ Defer response to State Implementation Blueprint.

Oregon's HEAR program will provide applicants the following options for income verification:

1. Submission of documentation verifying household income and signing of an attestation to household size. Accepted documentation includes the previous year's tax transcript.
2. Documentation verifying eligibility for pre-qualifying programs. Customers providing documentation of eligibility through WAP or WIC will additionally need to provide an attestation to household size. As detailed in response to question #36, Oregon will allow categorical eligibility for participants in any of the USDOE-approved programs. Customers will have to submit appropriate documentation of participation in at least one of the following programs:
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Medicaid
 - Supplemental Nutrition Assistance Program (SNAP)
 - Head Start
 - Lifeline Support for Affordable Communications (Lifeline)
 - Food Distribution Program on Indian Reservations (FDPIR)
 - National School Lunch Program – Free (NSLP)
 - Housing Improvement Program (HIP)
 - Housing Opportunities for Persons with AIDS
 - Supplemental Social Security Income (SSI)
 - Weatherization Assistance Program (WAP)*
 - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)**

*In 2025, for 2024, households of one to four people, in any county in Oregon, may qualify for categorical eligibility through WAP. Households of any size may qualify in Benton, Clackamas, Columbia, Deschutes, Hood River, Multnomah, Washington, and Yamhill Counties. Households that are not categorically eligible through WAP may still apply for higher rebate amounts through another program or through the income verification method. Customers providing documentation of eligibility through WAP will additionally need to provide an attestation to household size.

**In 2025, for 2024, households of one to five people, in any county in Oregon, may qualify for categorical eligibility through WIC. Households of any size may qualify in Benton, Clackamas, Clatsop, Columbia, Deschutes, Hood River, Multnomah, Washington, and Yamhill Counties. Households that are not categorically eligible through WIC may still apply for higher rebate amounts through another program or through the income verification method. Customers providing documentation of eligibility through WIC will additionally need to provide an attestation to household size.

Oregon's income verification process is intended to provide flexibility (multiple pathways for income verification) to rebate applicants while ensuring adequate protections are in place to prevent fraud, waste, and abuse. Applicants will be provided with detailed guidance for how to access and submit the necessary documentation; this will include clear guidance regarding the types of acceptable documentation for both pathways. Project reviewers will receive detailed guidance and training for reviewing these materials for completeness, appropriateness, and accuracy. ODOE already successfully employs these income verification processes in existing state incentives programs, so we are confident that our HEAR processes will minimize error and abuse.

As a safeguard to discourage applicants from falsifying income information, all applicants, when submitting income verification information, will be required to sign a statement confirming they understand the following:

By signing this form, the household attests that the information contained in this form as well as any eligibility document(s) provided to the Oregon Department of Energy are true, correct, and authentic. Furthermore, the household acknowledges that if the document content has been altered or the household size falsified, the Department may order the revocation of the rebate and may pursue appropriate legal action against the household, as appropriate. If the rebate has already been applied to a purchase or service, the homeowner or building owner will be responsible for repaying the state for the rebated amount.

32. Describe how the State will verify (confirm legitimacy) of income information for all claimants (e.g., verification within 2 days through IRS, cross-check with enrollment databases of approved programs, calls to employers). If applicable, a State may propose the types of information that it will provide to DOE to warrant reducing this requirement (e.g., allowing implementers to verify income of a subset of claimants through random sampling).

☒ Defer response to State Implementation Blueprint.

The tenant(s) of a household requesting a rebate will be required to provide documentation of income or enrollment in a qualifying program. Applicants who choose to submit income documentation must provide documentation for all adult residents, and they will also be required to attest to the number of people living in the household. Applicants who choose to submit proof of enrollment in a qualifying program must only demonstrate participation for one resident; however, applicants seeking categorical eligibility through WAP or WIC must additionally submit an attestation of their household size.

Program implementers will manually review all submitted income documentation to confirm that the household qualifies. Energy Trust of Oregon and Earth Advantage will

train their staff to review documentation using internal guidance documents that will outline the step-by-step procedure for conducting and documenting income review within the state's rebate management system. Implementer staff will have protected access to the Statewide Rebate Management System, where all customer income documentation will be securely collected and stored. If the documentation is incorrect, insufficient, or unclear, implementer staff will contact the submitter for corrections/clarifications. If the customer's income status cannot be verified, the application for a low-income rebate will be rejected. Oregon will not reduce this requirement and will verify all income information is correct before approving a reservation or providing a coupon.

33. Identify how the State will resolve instances when rebates are provided to those who have falsified their incomes.

☒ Defer response to State Implementation Blueprint.

Oregon will verify all income information before approving a reservation or providing a coupon for a low-income HEAR rebate. If the program implementers discover that income documentation has been falsified, the appropriate response will depend on when the fraud is discovered:

- If falsified income documentation is discovered during application review, implementers will reject the application and notify the applicant and/or homeowner that their documentation has been rejected.
- If falsified income documentation is discovered after a rebate has already been reserved, implementers will immediately cancel the reservation and notify all parties (i.e. the homeowner, and – if applicable – the renter and contractor) that the low income rebate no longer applies to their project and that the higher-income limits will apply (and what the new rebate amount is), if they continue with the installation.
- If falsified income documentation is discovered after a rebate has already been issued, implementers will notify the contractor and homeowner that the homeowner is responsible for reimbursing the program within 30 days for the appropriate amount.

The program application will require building owners to agree to a set of terms and conditions that will inform customers that the state will seek rebate reimbursement from customers if submitted income documentation is proven to be falsified post project reimbursement. Customers that have been identified as knowingly providing false information may be disqualified from future participation in any state programs.

Parties will be given an opportunity to contest these rejections and the low-income rebate amounts may be approved or re-approved if appropriate income

documentation can be submitted within 30 days and verified by the program implementers.

34. If proposing to allow self-attestation as a means for initial income qualification, provide a detailed description of how and when this approach will be used. Include statements, language, and detailed information regarding follow-up steps that will be used for this process. Additional topics to address include:
- Describe how those applying for rebates will be warned of potential liability associated with falsifying information.
 - Explain how signed statements of self-attestation will be securely stored.
 - Identify what level of falsified attestations will signal that the system needs to shut down either permanently or be restarted only after sufficient improvements.
- ☐ Defer response to State Implementation Blueprint.
- ☒ N/A. The state has chosen not to allow self-attestation.

35. Describe how the State program will verify, where applicable, that at least one member of a household has been enrolled in a program within the [Federal Programs Approved for Categorical Eligibility](#) document, or other state-proposed program approved by DOE, within the prior 12 months.
- ☒ Defer response to State Implementation Blueprint.

Program implementers will review all income documentation submitted for an income-qualified rebate to verify: 1. That the documentation is acceptable and official (i.e., a tax transcript or an official letter of enrollment in a prequalifying program); 2. The address(es) and at least one name on the documentation matches the project information; and 3. All required household members have submitted the necessary information. If the documentation is insufficient or unclear, implementers will be required to contact the owner or renter for corrections/clarifications. If the issue cannot be adequately resolved, the application for an income-qualified rebate will be denied.

36. Identify the Federal or other programs by which the State plans to allow categorical eligibility.
- ☒ Defer response to State Implementation Blueprint.

Oregon will use all approved programs in the federal guidance. These are:

- Low Income Home Energy Assistance Program (LIHEAP)
- Medicaid
- Supplemental Nutrition Assistance Program (SNAP)
- Head Start

- Lifeline Support for Affordable Communications (Lifeline)
- Food Distribution Program on Indian Reservations (FDPIR)
- National School Lunch Program – Free (NSLP)
- Housing Improvement Program (HIP)
- Housing Opportunities for Persons with AIDS
- Supplemental Social Security Income (SSI)
- Weatherization Assistance Program (WAP)*
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)**

*As specified in USDOE’s program guidance, households are automatically eligible for WAP “ONLY if household is located in an area where 80% AMI (Area Median Income) is greater than 200% Federal Poverty Level (FPL).” According to the AMI & FPL comparison workbook published by Pacific Northwest National Laboratory (PNNL) in 2025, for 2024, households of one to four people, in any county in Oregon, may qualify for categorical eligibility through WAP. Households of any size may qualify in Benton, Clackamas, Columbia, Deschutes, Hood River, Multnomah, Washington, and Yamhill Counties. Households that are not categorically eligible through WAP may still apply for higher rebate amounts through another program or through the income verification method.

** As specified in USDOE’s program guidance, households are automatically eligible for WIC “ONLY if household is located in an area where 80% AMI is greater than 185% FPL.” According to the AMI & FPL comparison workbook published by PNNL in 2025, for 2024, households of one to five people, in any county in Oregon, may qualify for categorical eligibility through WIC. Households of any size may qualify in Benton, Clackamas, Clatsop, Columbia, Deschutes, Hood River, Multnomah, Washington, and Yamhill Counties. Households that are not categorically eligible through WIC may still apply for higher rebate amounts through another program or through the income verification method.

Oregon will also use the housing programs outlined in the federal guidance to qualify multifamily buildings. These include:

- Public Housing (housing owned by Public Housing Authorities)
- Privately owned multifamily buildings receiving project-based assistance (Section 8, Section 202, Section 811)
 - Whole building is eligible if 50% of housing units are subsidized through these programs.
- Privately-owned multifamily buildings that house residents receiving tenant-based assistance
 - Whole building is eligible if 50% of tenants are receiving this assistance.
- Low Income Housing Tax Credit (LIHTC)
 - Whole building is eligible if 50% of housing units are income-restricted.

37. If applicable, propose any additional Federal and other programs to be considered for categorical eligibility. For any programs not already approved, describe how the program's eligibility aligns with the Section 50122 income requirements (Section 4.1.6).

☐ Defer response to State Implementation Blueprint.

☒ N/A. The State will not propose additional Federal or other programs to be considered for categorical eligibility.

38. Identify whether the State requests authorization to allow use of categorical eligibility determinations based on program participation outside of a one-year period (e.g., proof of enrollment within the past 12 months). If so, explain the State's proposal and describe the rationale.

☐ Yes, the State requests authorization to allow use of categorical eligibility determinations based on program participation outside of a one-year period. (Explain the State's proposal and describe the rationale.)

☐ No, the state will follow the categorical eligibility and proof of enrollment timeline requirements followed in our DOE approved WAP.

☒ Defer response to State Implementation Blueprint.

Oregon has heard from some stakeholders, including utilities, that some pre-qualifying programs are not updated every year. Accordingly, ODOE would like to allow conditional verification contingent on participation in a pre-qualifying program during the most recent renewal cycle for the program. We would limit this proof of enrollment to the most recent 2 years. For example, if a program re-confirms eligibility every two years, and an applicant last had their eligibility confirmed 18 months ago, they would pre-qualify on the basis of conditional verification. This is intended to provide flexibility for applicants.

39. Identify whether the State requests authorization to allow categorical eligibility for a program in a way that is not consistent with the "level of categorical eligibility" listed in the document [Federal Programs Approved for Categorical Eligibility](#). For each deviation requested, propose, and provide documentation to justify the requested change. Documentation must demonstrate that the State imposes income requirements equivalent to or less than 80% AMI.

☒ Defer response to State Implementation Blueprint.

☒ N/A. The state will not allow categorical eligibility for a program in a way that is not consistent with the "level of categorical eligibility" listed in the document [Federal Programs Approved for Categorical Eligibility](#).

Section 4.1.7 Data Collection and Evaluation

40. Explain how data will be protected, specifically addressing security measures and privacy measures.

☒ Defer response to State Implementation Blueprint.

The State of Oregon follows stringent regulations and policies to protect Personally Identifiable Information (PII) and consumer privacy. These protections include the following key policies and legal frameworks:

1. Oregon Identity Theft Protection Act (ORS 646A.600 - 628): This law requires state agencies and businesses to implement reasonable security measures to protect PII. PII such as Social Security numbers, driver's license numbers, and financial account numbers must be encrypted when stored electronically or transmitted. In the event of a data breach, entities are required to notify affected individuals promptly and provide information about the breach and the steps being taken to mitigate its impact.
2. Oregon Statewide Information Security Policy (Policy 107-004-020): Oregon Statewide IT Security Policies (Policy 107-004-020) ensure that systems are secured through strong encryption, access control, and monitoring mechanisms. This policy establishes statewide guidelines for protecting the confidentiality, integrity, and availability of sensitive information, including PII. The policy mandates access controls, encryption standards, and the use of secure authentication methods to ensure that only authorized personnel can access PII.
3. Oregon Administrative Rules (OAR) Chapter 125-800: Oregon Administrative Rules (OAR 125-800) enforce standards on encryption, access control, and network security to protect state data from unauthorized access and cyber threats. These rules provide a comprehensive framework for safeguarding electronic information, including PII, within Oregon state agencies. Specifically, OAR 125-800-0100 covers securing PII through encryption, access controls, and regular security audits to ensure data protection. OAR 125-800-0150 sets requirements for network security to prevent unauthorized access and ensure the confidentiality of PII during transmission over state networks.
4. Oregon Data Classification Policy: Oregon's Data Classification Policy ensures that data is classified based on sensitivity, with appropriate measures applied to safeguard confidential and restricted information. PII falls under "confidential" data classification, meaning it is subject to stricter protection measures. The classification policy enforces strict access controls, encryption requirements, and data handling procedures to safeguard PII.
5. Oregon Consumer Information Protection Act (ORS 646A.600 - 628): This act extends protections to consumer privacy by requiring entities to implement security measures to prevent unauthorized access to consumer information, including PII. It mandates that businesses and government entities must follow

strict guidelines regarding data retention, access, and destruction to minimize risks of exposure.

6. Data Breach Notification Requirements (ORS 646A.600 - 628): In the event of a data breach involving PII, the state requires prompt notification to affected individuals and the Attorney General if the breach affects more than 250 Oregon residents. The notification must detail what information was compromised and the steps being taken to address the breach, helping to minimize harm and restore privacy protections.
7. Access Control and Audit Policies: Oregon state agencies implement stringent access control policies to ensure that only authorized personnel can access PII. This includes user authentication protocols, logging and monitoring access to sensitive data, and conducting regular audits to ensure compliance with privacy regulations.
8. Public Records Law (ORS 192): While Oregon's Public Records Law promotes government transparency, it also includes provisions for the protection of PII in public records. Sensitive PII, such as Social Security numbers and health information, are exempt from disclosure to ensure consumer privacy.
9. The Oregon Cybersecurity Framework (OCSF) and NIST SP 800-53 guidelines further enhance security through risk management, regular audits, and incident response protocols.

41. Include documentation of the processes to monitor, identify, and address security and privacy threats.

☒ Defer response to State Implementation Blueprint.

The State of Oregon implements comprehensive processes to monitor, identify, and address security and privacy threats in accordance with its legal and regulatory framework. These processes ensure that Personally Identifiable Information (PII) and other sensitive data are safeguarded against unauthorized access, data breaches, and other security threats.

1. Processes and Procedures for Monitoring Data Security and Identifying Breaches

The State of Oregon follows a continuous and real-time monitoring approach for all state IT systems, networks, and databases that handle sensitive data, including PII. Under the Oregon Statewide Information Security Policy (Policy 107-004-020), all state agencies must utilize security information and event management (SIEM) tools to monitor for suspicious activity and potential security breaches. Monitoring includes the use of intrusion detection systems (IDS), firewalls, encryption technologies, and multi-factor authentication (MFA) protocols to prevent unauthorized access. State systems are continuously monitored 24/7, and logs are regularly reviewed to detect anomalies, unauthorized access attempts, or unusual data movements. Regular

vulnerability assessments and penetration testing are conducted to proactively identify weaknesses in state systems. The Oregon Enterprise Security Office (ESO) performs periodic audits to ensure compliance with state policies.

Oregon state agencies are required to have an incident response plan in place, as per ORS 646A.600 - 646A.628 (Oregon Consumer Information Protection Act). This policy outlines the procedures for identifying, responding to, and mitigating security breaches involving PII. When a breach is identified, the state follows a defined Incident Response Procedure that includes immediate notification to the relevant authorities, including the Oregon Chief Information Security Officer (CISO). Affected systems are isolated and secured to prevent further data exposure. A root cause analysis is conducted to identify the source of the breach and prevent recurrence.

2. Training Contractors and Entities Handling PII in Data Privacy and Security

All contractors and third-party entities that handle state data, including PII, are required to undergo mandatory data security and privacy training before being granted access to state systems. Under the Oregon Statewide Information Security Policy, this training covers:

- Proper handling, storage, and transmission of PII in compliance with state and federal laws.
- Best practices for securing PII, including encryption, access control, and secure data disposal procedures.
- Incident response training to ensure contractors know how to report and handle a data breach.

Contractors are required to adhere to state standards outlined in the Oregon Identity Theft Protection Act and Oregon Consumer Information Protection Act. They must implement data protection measures consistent with state policies, such as encrypted communication channels, secure login protocols, and physical security for devices handling sensitive data.

3. Addressing Privacy or Data Breaches

In the event of a data breach involving PII, the state follows the Oregon Data Breach Notification Law (ORS 646A.600 - 646A.628). This law requires notification to affected individuals within 45 days of discovering the breach, unless law enforcement advises that notification would impede a criminal investigation. Notification must also be provided to the Oregon Attorney General if the breach affects more than 250 Oregon residents. The notification will detail the type of information compromised, the steps taken to mitigate the breach, and recommendations for protecting personal information (e.g., changing passwords, freezing credit reports). The state works to quickly mitigate the impact of a data breach by securing compromised systems and

restoring services with updated security patches and offering identity theft protection services to affected individuals, including credit monitoring and identity theft insurance.

4. Standard Operating Procedures (SOPs) and State-Required Procedures

- Statewide Information Security Policy (Policy 107-004-020): This policy mandates the application of a robust security framework, covering data encryption, access controls, monitoring, and incident response protocols. All state agencies are required to implement these SOPs to ensure data security.
- Data Classification Policy: Oregon uses a data classification policy to categorize information based on its sensitivity, ensuring that PII is labeled as “confidential” and subject to enhanced security measures, such as encryption and restricted access.
- Oregon Administrative Rules (OAR Chapter 125-800): These rules require state agencies to follow defined protocols for securing electronic PII, including physical security for devices, encryption, and secure data destruction processes. SOPs are also in place for reviewing and updating security policies annually to address new risks.
- Audit and Compliance: State agencies must comply with regular security audits and assessments conducted by the Oregon Enterprise Security Office (ESO) to ensure adherence to policies and procedures for protecting sensitive data. Audit findings are used to improve security measures and remediate identified vulnerabilities.

42. Certify that the State will submit a Privacy and Security Risk Assessment in the State Implementation Blueprint.

- ☐ Yes, the State confirms the above statement and will include it with this narrative document.
- ☒ Yes, the State confirms the above statement but defers a response to State Implementation Blueprint.

43. Confirm that the State will collect required data and cooperate in program evaluation processes as listed in section 4.1.7.2.

- ☒ Yes, the State confirms the above statement.

44. Confirm that the State will gain access to billing data when requested by DOE for program requirements and program evaluation.

- ☐ Yes, the State confirms the above statement.

Describe how the state will gain access to billing data when requested by DOE for program evaluation.

ODOE will require rebate applicants to state in their reservation whether they consent for ODOE to access their billing data through data sharing agreements we have established with utilities. However, consent will not be a requirement for program participation. Upon receiving a post-installation energy use data request from USDOE, ODOE will email the households selected for evaluation, requesting that the households' utility ratepayers submit the most recent 12 months of their utility use data to the rebate processing system. Households will be given up to four weeks to respond, and ODOE will send up to two follow-up emails to non-responsive households. After the four-week deadline has passed, ODOE will send the combined dataset to USDOE.

45. Confirm whether the State is planning to conduct its own evaluation, and if so, what type(s) of evaluations.

- ☐ Yes, the State will conduct its own evaluation. (Describe below).
- ☒ No, the state will participate in the DOE-led impact and evaluation process.

If yes, what type(s) of evaluations. If no, leave blank.

If the State plans to conduct evaluations on its programs, confirm that the State will:

- Cooperate with DOE to meet the requirements listed in section 4.1.7.2.
 - ☐ Yes, the State agrees to meet the evaluation requirements.
- Submit an evaluation plan for DOE review within three months of program launch.
 - ☐ Yes, the State will submit an evaluation plan within three months of program launch.
- Provide results to DOE.
 - ☐ Yes, the State will provide results to DOE.

46. If the State plans to conduct evaluations on its programs, describe the evaluation objectives, high level work plan, and timing of the evaluations and whether the State would request to be excluded from DOE-led evaluations.

- ☐ Yes, the State agrees to meet the evaluation requirements.
- ☒ N/A. The State will not conduct its own evaluation.

Consumer Experience

Section 4.2.1: Education and Outreach Strategy

47. Confirm that the State will develop and submit an outreach and education strategy consistent with section 4.2.1.

- ☒ Yes, the State confirms the above statement.
- ☒ Defer response to State Implementation Blueprint.

Section 4.2.2 Qualified Electrification Projects

48. Describe how the State will verify that rebates are provided only for qualified electrification projects, including that each of the following conditions are met for each project:

- Project includes the purchase and installation of a qualifying product, as described in section 4.2.2
- The qualifying product is installed as part of new construction; or to replace a non-electric appliance; or as a first-time purchase with respect to that appliance
- The installation occurs at a single-family home or eligible multifamily building

All HEAR rebate applicants will be required to submit a reservation request, which will include collecting and verifying information about the existing system and proposed upgrades, to confirm household eligibility, project eligibility, and whether a home assessment is required. Applicants will be required to document the housing type, which will confirm the home in which the installation is occurring is a new or existing single-family home or eligible multi-family building. Our rebate processing system will be designed to verify that both the type of equipment being installed, and the existing equipment being replaced, are consistent with the requirements of the program. This, combined with the use of the PNNL Rebate Tracker/Rebate API, will ensure only qualified electrification projects receive rebates.

Oregon will require rebate applicants to provide documentation verifying the equipment that was approved in the reservation was purchased and meets the program requirements. Projects requiring a home assessment will also be required to submit documentation verifying the equipment was installed. The documentation could include information such as model number/nameplate information, photos of installed equipment (when installed by contractors), and other information necessary to ensure quality of installations and compliance with efficiency standards.

49. Describe how the State will collect and retain documentation to demonstrate how each criterion in section 4.2.2 was met for each installation.

- ☒ Defer response to State Implementation Blueprint.

Applications for rebates will be submitted through the state's rebate processing system, which will include a back-end database that stores all required project documentation. This system will be designed to require applicants to submit the

required information at each step before advancing to the next step. Applicants seeking rebates for qualified appliances will be required to submit geotagged photo(s) of the existing equipment that will be replaced to verify that the installation is allowable. The state will also collect post-installation geotagged photo(s) of all rebated appliances to verify installation. Implementers will review the submitted materials to verify the criteria in section 4.2.2 were met for each installation. Contractors will not be required to use the PNNL Quality Install tool to submit information about installations; however, they may still choose to use the tool, and the program website will link to PNNL information about its use.

50. If applicable, identify any additional types of “materials to improve ventilation” that the State plans to make eligible for rebates.

- ☒ Defer response to State Implementation Blueprint.
- ☐ N/A. The State will not include any additional types of “materials to improve ventilation” in the rebates.

For homes that also receive air sealing services or otherwise achieve low air leakage rates, eligible ventilation materials include ENERGY STAR-certified range hoods and in-line (single and multi-port), bathroom, and utility room fans. Products must be installed in the configuration certified by ENERGY STAR. A range hood that is installed such that the exhaust air is recirculated is not eligible for a rebate.

Section 4.2.3 Installation Incentives

51. Describe how eligible entity representatives will be determined to be eligible for installation incentives, and how and when incentives will be paid.

- ☐ Defer response to State Implementation Blueprint.

The state will be using the DOE Rebate Tracking System to issue and track rebate coupons. Based on the product type, the coupon will note the relevant incentive available to the contractor/eligible entity representative (EER) per the table included in response to Question #8. At the same time that the program issues the rebate coupon to be applied to the electrification and appliance rebates project, the program will reserve all incentive amounts for the EERs related to that project. Implementers will issue Incentive payments to the contractor/EER after the implementer confirms the EER has submitted all the required information about the completed project. The state will also provide educational materials and do outreach to contractors/EER so that they are aware of this potential incentive.

52. Confirm that the State program will provide a clear incentive schedule commensurate with the scale of the upgrades installed not to exceed the maximum allowable values.

- ☒ Yes, the State confirms the above statement.

53. Describe what tool(s) the State will provide for eligible entity representatives to identify households that qualify for an installer incentive for substantial installation located within a disadvantaged community.

☒ Defer response to State Implementation Blueprint.

To identify projects that qualify for an installation incentive, the state will use the Northwest Clean Energy Atlas (NCEA) map of poverty and energy burden (<https://www.nwceatlas.org/visualization/poverty-and-energy-burden>). The map identifies, by census tract, the percentage of the population who are living at or below 150% of the federal poverty line (below an annual income \$41,625 for a family of four) as well as the estimated average energy burden (the percentage of annual household income spent on energy). Areas that are categorized as at least “high” for either metric, or “medium” for both metrics, will be considered eligible for the installation incentive.

54. Confirm that the State program will automatically provide the incentive to eligible entity representatives in an amount not to exceed \$500 per dwelling unit or multifamily building in a 12-month period.

☒ Yes, the State confirms the above statement

Section 4.2.4 Home Assessments

55. Determine and describe a pre-defined set of home pre-condition(s) and/or scope of work scenario(s) that will constitute unacceptable risk of raising utility bills.

☒ Defer response to State Implementation Blueprint.

The state will develop a process or tool that will assess utility bill impact risk based on the following criteria:

- The geographic climate and the building age, size, level of insulation, and level of air sealing/duct sealing.
- The existing fuel type and if the home is switching from gas to electric.
- The cost of the existing fuel and the cost of the fuel used after replacement
- The average annual energy use of the home and the anticipated energy use after installation

The state is planning to use the Home Energy Score (HES) tool to complete the limited assessment required for projects that include the installation of a heat pump for space heating and cooling. If the calculation suggests that energy utility bills will increase as a result of the proposed replacement, contractors will be required to inform the resident in writing. Applications will not be denied based on the results of the assessment of potential customer bill impacts. Customers that decide to proceed with an installation despite the risk of increased utility costs will be required to sign a

waiver acknowledging the potential for bill increases and declaring their intention to move forward with the project.

The state will also work with experts (e.g., National Renewable Energy Laboratory (NREL) using ResStock, highly experienced contractors) to establish these guidelines and ensure that all contractors are aware that they should consider the guidelines before installing heat pumps (without other envelope improvements). These guidelines may include a baseline insulation qualification (e.g., all homes with an R-value of 22 or more in exterior walls and attic) for homes to be categorically eligible for heat pump rebates. In this consultation the state will determine whether the HES tool is sufficient to assess the risk of increased utility bill, and if not, develop an alternative assessment or a requirement in addition to HES for certain high-risk scenarios. (For example, when converting from a high efficiency furnace to a heat pump in a high electricity rate service area.)

Project implementers will select a sample of assessments from completed projects for review that will include comparing the assessment to the implemented improvements. This review will inform the Continuous Improvement activities described in the Consumer Protection Plan.

56. Identify if the State will allow remote or virtual assessments in place of field-based assessments in cases of limited home assessments and if so, describe process.

☒ Yes, the State will allow remote or virtual assessments (describe below).

The following response is based on Version 1.2 of DOE's sample response published May 23, 2024, and Oregon agrees with all aspects of that approach. The state will allow virtual limited home assessments prior to installation of any applicable 50122 projects. The state intends to follow the virtual Home Energy Score process developed by Earth Advantage during the COVID-19 pandemic, unless the HES tool is not deemed adequate to assess the risk of utility bill increase, per the previous response. Virtual assessments will be accepted if the following conditions are met:

- Access to a tablet, smart phone, or other device capable of live streaming video using the state's recommended virtual assessment platform is confirmed.
- Willingness and ability to utilize a video streaming device while walking through the home to view relevant systems is confirmed.
- Diagnostic testing is not required based on an initial review of the home's reported systems and components.

Confirmation that these conditions have been met will take place prior to scheduling a virtual assessment. Once eligibility for a virtual assessment is confirmed and an assessment has been scheduled, the state's implementer will issue a link to the

homeowner or building owner to connect to the virtual assessment platform. A virtual assessment guide will be issued to help the participant (e.g., tenant, homeowner, building owner) prepare for the virtual assessment.

During the virtual assessment, the state's implementer will provide guidance on the process of sharing live video of relevant components in the home. The participant will have full control of their audio and visual settings (i.e., can pause at any time).

Virtual limited home assessments will require the collection of the same data and information as the on-site limited home assessments described in the Data & Tools Requirements Guide. This includes but is not limited to address, dwelling type, existing envelope conditions, and existing systems to be replaced.

The state will regularly assess opportunities to refine virtual assessment technology and protocol and will review assessment protocols used by utility programs to inform the final requirements for both on-site and virtual assessments, including information privacy. The state may confer with experts (e.g., national labs, implementers, efficiency organizations) to optimize the efficiency and effectiveness of virtual assessments.

- ☐ No, the State will not allow remote or virtual assessments.
- ☒ Defer response to State Implementation Blueprint.

57. Describe what processes will be put in place for home energy assessments for multifamily buildings, including for energy used by common areas.

- ☒ Defer response to State Implementation Blueprint.

As with single family buildings, prior to launching the program, the state will develop requirements for what must be included at a minimum in all multifamily assessments for the HEAR program. For smaller multifamily complexes, where allowed by the HES tool (each unit has dedicated HVAC systems and separate exterior egresses, etc.), the state will allow the use of the HES tool to meet the assessment requirement, though an assessment will be required for each unit.

For multifamily projects where HES cannot be used – i.e. buildings that have shared equipment and common areas – Oregon will require an ASHRAE Standard Level II energy audit that includes shared equipment and common areas. ASHRAE Level II audits are consistent with DOE's requirements for home assessments and reporting of home assessment data. The state will also review assessment protocols used by utility programs to inform any additional requirements or state level customization to the USDOE-provided audit template and standardized spreadsheet. The state will publish the multifamily building assessment requirements and provide these to all contractors on the enrolled contractor list. The ASHRAE Level II audit data must be reported in

BuildingSync or in a spreadsheet format. All required assessment data will be collected and stored in the state's rebate management system.

Section 4.2.5 Consumer Protection Through Quality Assurance

58. Confirm that the State will prepare and implement a Consumer Protection Plan in accordance with these requirements in section 4.2.5.

☒ Yes, the State confirms the above statement.

Requirements to Maximize Rebate Impact

Section 4.3.1 Supporting the Clean Energy Economy Through Market Transformation

59. Certify that the State will prepare and implement a Market Transformation Plan within the first year after receiving the financial assistance award.

☒ Yes, the State confirms the above statement.

Section 4.3.2 Integrating with Other Programs

60. Identify whether the State plans to take proactive steps to encourage integration with other programs. If so, identify with which programs the State will actively seek to integrate. The State may include letters of support or other indicators of commitment from existing program partners. If the State does not plan to integrate the rebates into any existing programs, note this as "not applicable" within the application. Applications should identify whether programs will be integrated in any or the following areas:

- Integration into existing program administration, website, materials.
- Adoption of existing program standards, quality assurance (QA), workforce standards, or other practices.
- Braiding or co-funding of upgrades within individual households.
- Other integration elements, as applicable.

☐ N/A. The State does not plan to integrate the rebates into any existing programs.

Oregon will use the following channels for informing homeowners and building owners of additional funding opportunities:

1. In investor-owned utility service areas, Energy Trust will be responsible for integrating HEAR with its existing rebate offerings, where applicable. Energy Trust will work with ODOE to develop a workflow that connects investor-owned utility customers with all available efficiency incentives and, to the extent possible, supports data-sharing across programs to simplify the application process for customers.

2. In consumer-owned utility service areas, the implementer, selected by an RFP, will be required to contact the household's utility provider or energy efficiency program administrator to notify them that the household has qualified for a rebate. This will allow the utility/program administrator to inform the implementer of any additional program opportunities in their service area.
3. Oregon will be implementing a one-stop-shop to inform all stakeholders about available funding opportunities. The one-stop-shop will be a web-based resource that uses location and income information to identify energy efficiency programs a household may be eligible for. Homeowners and contractors can use this tool to estimate potential incentives for a household.

61. Describe how the State program will support households, contractors, and other stakeholders in understanding how the State program may leverage other program resources.

☐ Defer response to State Implementation Blueprint.

In 2023, in anticipation of the HOMES and HEAR programs, the Oregon Legislature directed the Oregon Department of Energy to establish a "single resource" to help people understand the various energy efficiency rebates available in Oregon, and to provide education and other information related to energy efficiency and leveraging funding across varied programs. The agency recently hired IT staff to plan for this single resource, and various staff across the agency will work to create informational and educational resources that will be available as part of that resource. ODOE's goal is to launch this collection of tools alongside the launch of HEAR (and/or HOMES) and then continue to enhance the resource over time.

62. Describe the method(s) the State will use to ensure the total combination of all immediate upfront funding sources (Federal grants, Federal loans, and non-Federal funding) provided to a project does not exceed the total project cost.

☒ Defer response to State Implementation Blueprint.

The state will educate contractors and consumers regarding the restriction of applying incentives that exceed total project cost. To be included on the list of enrolled contractors, contractors will be required to participate in a training that explains the restrictions on braiding and the restriction that total upfront incentives cannot exceed the total project cost. In addition, before a rebate reservation is approved, building owners will be required to confirm that they have read and understand the following statement:

A building owner is not eligible to receive HEAR rebate funds that exceed the total project cost after any other rebates or incentives are applied. A building owner must

inform their contractor of all other incentives that they have received or will receive for the project.

Contractors will be instructed to apply HEAR rebates toward any remaining costs that are not covered by the other incentives. The HEAR rebate percentage will apply to the total cost of the project, before other incentives are applied; rebate reservations will only be approved for an amount that does not exceed the total project cost that includes all other incentives. The final customer invoice must list all applied incentives. The invoice – which must be signed by the building owner – must include a statement that says the building owner did not receive funding in excess of the total project costs.

When a HEAR rebate application is submitted, implementers will check to determine whether the address and project scope have already been approved for the same measure(s) through the HOMES program. If a HEAR project has already received a HOMES rebate for the same measure(s), implementers will follow up with the applicant to correct the issue or else deny the application.

Participating retailers will be instructed how to register with DOE/PNNL to confirm access to the DOE Rebate Tracking System API to submit receipts electronically. Oregon will also develop a process for retailers who do not use the DOE API, whereby retailers remit sales and coupon redemption data to implementers. The implementers will register project completions with DOE via the State's Rebate Management System. All retailers must enroll with the program to become a participating retailer and follow instructions on how to validate a coupon and submit all required information for reimbursements of applied rebates. If they do not submit all required information including a copy of the receipt with rebated amount, they will not receive reimbursement from the state.

63. Describe how the State program will support contractors and retailers in preparing acceptable invoices that may be kept as program records. The State must also describe how its implementer(s) will produce this documentation in a timely manner upon request in the event of an audit by DOE, the DOE's inspector general, a State's inspector general, or another entity.

☒ Defer response to State Implementation Blueprint.

Retailers interested in participating in the program will be instructed to register with DOE/PNNL to confirm access to the National Rebate Tracking System API, or to utilize Oregon's process for remitting sales and coupon redemption data to Implementers. Implementers will support retailers by integrating reports generated by unique retailer-specific point-of-sale systems into the statewide process for point-of-sale rebates.

Oregon will create detailed guidance for contractors to use to ensure their invoice has all the required elements. As described in the CPP, contractors will be required to participate in mandatory trainings to be added to the approved contractor list; such trainings will include tutorials on how to prepare acceptable invoices. All these resources will be available on the program's website.

The state's rebate processing system will require contractors to submit invoices as PDFs. In the event of a U.S. DOE audit or a request from a legitimate entity, ODOE will download the requested invoices from the rebate processing system and send them to the entity via email in a zip file.

64. Describe how the State will ensure rebate recipients will be made aware of the portion of the funding received from the DOE Home Electrification and Appliance Rebates.

☒ Defer response to State Implementation Blueprint.

Contractors will be required to provide a line item for "DOE Home Electrification and Appliance Rebates" on both customer invoices and project scopes, which must include the level of rebate applied, including the rebate amount and percentage. Final invoices must be signed by the building owners before contractors may receive reimbursement.

Section 4.3.3 Quick Starts

65. Identify whether the application is for a Quick Start program. For Quick Start programs, identify the timeline for program launch.

☐ Yes, this is for a Quick Start Program (provide timeline below).

☒ No, this is not for a Quick Start Program.

Please add your name, title, signature, and date.

Name (printed)

Organization and Title

Signature

Date

