



# Oregon

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OREGON  
DEPARTMENT OF  
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**RE: Request for Information on the Inflation Reduction Act Section 50131 Technical Assistance for Latest and Zero Building Energy Code Adoption (DE-FOA-0003054).**

The Oregon Department of Energy (ODOE), in consultation with the Oregon Building Codes Division (BCD), is pleased to provide the following responses on the U.S. Department of Energy's (USDOE) Office of State and Community Energy Programs (SCEP). We are grateful for the opportunity to provide this feedback.

**Category 1: Selection Criteria & FOA Issues**

***1. Should DOE specify a period within which adoption of a code must be achieved? If so, what timeframe should be required for states to adopt the code (i.e., 2021 IECC/90.1-2019, Zero Energy Code, or other code/standard achieving equivalent or greater energy savings) to be eligible for funding?***

As a general comment, ODOE, in consultation with BCD, encourages USDOE to make funding available (particularly with the larger \$670 million portion of the allocation) for leading states — like Oregon, which already meet or exceed the referenced latest model codes — to pursue projects that could support future adoption of a state-specific zero code or advanced code, but do not necessarily require adoption of the zero code by a specific date. For example, Oregon is interested in a potential project that would use the 2021 IECC Zero Energy Appendix CC as a starting point, but would develop state-specific modifications to building types, energy use intensities, and off-site procurement factors to best align with Oregon's local energy landscape and policies. This could be a significant effort, and Oregon may look to first pilot this approach for a certain subset of buildings, such as state-owned buildings (which have a carbon neutral goal through a state Executive Order), with potential subsequent application to the Oregon Reach Code or other. However, the first step to develop an Oregon-specific zero code

framework would involve significant analysis and stakeholder outreach and is a critical supporting step to inform broader application. ODOE would support US DOE making funding available for these critical supporting framework steps without requiring full compliance or adoption of the zero code by a certain date.

Also as a general comment regarding the two funding areas:

1. \$330 million to help states adopt codes that meet or exceed the most efficient national model codes (2021 IECC for residential and ASHRAE 90.1-2019 for commercial).
2. \$670 million to help states adopt codes that meet or exceed “zero energy provisions” of the 2021 IECC.

Our understanding of these sections is that the first (smaller) funding area could include the potential for leading states (like Oregon, which has already adopted ASHRAE 90.1-2019) to apply for funding to support efforts such as training, enforcement, compliance tracking, etc. However, given that many other states are cycles behind in energy code adoption, we imagine that the intention for this funding is for allocation to lagging states to support bringing energy codes to current model code levels.

The second (larger) funding area is likely intended for leading states to continue to advance their energy codes. However, Oregon has concern that if funding criteria and award is contingent upon adoption and full compliance with a zero energy code by a certain date, then this will be too large of a jump for most jurisdictions, at least in the near term, and it may be very difficult for US DOE to allocate this large \$670 million investment to states and jurisdictions. It could be a very challenging criterion to meet. Oregon would support making some of this funding available to address foundational development and groundwork that would help support incremental progress toward zero energy codes, on a path to potential state application of zero energy codes.

As an early adopter of Standard 90.1-2019 as our statewide energy code, Oregon encourages clarification from USDOE with regard to the referenced IECC zero energy provisions that funding will be potentially available to allow the use of 90.1-2019 as a prescriptive code path using an EUI table and equation CC-1, without the requirement for energy modeling for each subject building. This is of great concern, as the IECC appendix seems to allow 90.1-2019 as a pathway, but with the costly requirement that each building’s energy is determined through energy simulations.

***2. What guidance should DOE provide applicants around “equivalent or greater energy savings,” including both timeframe over which savings must be achieved, and scope of where savings occur? How should emissions reductions be considered?***

USDOE should make funding available for supporting “path to zero” state-specific frameworks and pilot projects that may apply to smaller scopes than full statewide zero code adoption. US

DOE should also provide guidance for how “equivalent or greater energy savings” applies to the IECC Zero Code Appendix CC, since this appendix does not actually require any additional energy savings measures or efficiency beyond model code levels; rather, it simply requires building energy use to be offset with on-site or off-site renewables.

***6. Should eligible entities include authorities having jurisdiction (AHJs) (e.g., certain city governments, State Energy Offices, etc.) in addition to state and local government agencies?***

Yes, Oregon would support setting aside a portion of the funding to allow local jurisdictions to apply, with state energy office support as beneficial but not necessary for application. This could allow for more applications for high-quality, innovative projects at the local level, and could also encourage and enable application by local AHJs that may not have a supportive state government through which to receive funding. Also, some state energy offices may be constrained by limited staff resources to manage the applications and procurement associated with grant administration, particularly given all the recent federal and state energy-related funding. Allowing for direct application for local jurisdictions could help distribute the work and create opportunities for more high-quality projects and energy savings.

**Category 2: Other Funding Sources**

***3. How can DOE encourage coordination between BIL and IRA codes funding and aid States and localities in developing a holistic plan for adoption, implementation, and compliance?***

Oregon supports dividing the allocation of funding between “formula” grants to state energy offices and “competitive” funding for state agencies and local jurisdictions. To support coordination between BIL and IRA, particularly where states and partners have an agreement with US DOE for grant funding for a project under the BIL, the “formula” portions of the IRA grant application and approval could be streamlined if it represents a continuation or next phase of work that was started in a successful, already-approved BIL project.

***4. Should DOE prioritize projects that leverage other funding sources?***

There could be some consideration for projects that leverage other funding, but there needs to be caution to avoid situations where “the rich get richer.” Prioritization and weighting should not discourage interested states and jurisdictions that do not have other funding sources.

**Category 3: Compliance Plan**

***1. The IRA requires each jurisdiction receiving funds to implement a plan to achieve full compliance. Emphasizing that full compliance refers to 100% of buildings subject to the energy code/standard meeting all aspects of that code or standard***

***a) How should DOE require jurisdictions to demonstrate full compliance? Through audits of completed buildings? Through design evaluations at permitting? Through demonstrated reductions in energy consumption in the relevant building stock? Through another approach? In what scenarios would different approaches be appropriate?***

"Full compliance" as defined above is very likely unachievable and nearly impossible (and very costly) to track and measure. For commercial buildings, there is no full compliance confirmation method that has been developed and successfully implemented nationally. Oregon supports requirements for state or jurisdictional plans that seek to achieve full compliance, but if demonstration of "full compliance" achievement is required, we have concerns that USDOE will not be able to allocate any funding.

Similar to comments for Category 1 that encourage available funding for more limited project scopes that provide supporting frameworks for items like zero energy codes, Oregon encourages USDOE to make funding available for projects that provide development for critical pieces of code compliance, but may not seek to address full energy code compliance. For example, Oregon has identified a potential need to enhance workforce development for critical elements of code compliance (such as HERS raters and whole-building air leakage / blower door testing). Oregon encourages allowance of IRA funding for the projects that focus on compliance for targeted, specific code elements (including workforce development and development of testing standards) without requirement for demonstrating full energy code compliance by a certain date.

***2. The compliance plan must include "measurement of the rate of compliance each year."***

***b) What approach(es) to measuring the annual rate of compliance should DOE accept and why?***

Oregon recognizes that measuring energy code compliance is challenging, particularly in the commercial sector across many different building types, with an increasingly complex energy code with various pathways for compliance. Good frameworks have been developed for measuring energy code compliance (such as those used by the Northwest Energy Efficiency Alliance in our region), but Oregon is not aware of any established, comprehensive national method for evaluating and measuring commercial energy code compliance. We are supportive of US DOE allowing this funding to address the need for developing a robust commercial energy code compliance method.

**Category 4: Existing-Building Opportunities**

***1. What types of existing-building codes or standards (e.g., building performance standards) should be considered? Should these existing-building codes or standards be encouraged to focus on particular types of buildings?***

Oregon is supportive of making funding available to support jurisdictional development and adoption of building performance standards to address energy use of the existing building sector.

***2. How should DOE think about calculating equivalent energy savings for existing-building codes or standards? How should emissions savings be considered?***

Equivalent savings should generally consider site-based energy usage, as this is the energy

usage that is within the scope of energy code and standard regulation and within control of building owners and occupants. Greenhouse gas (GHG) emissions can be considered and incorporated into savings calculations, but with caution as these can be a moving target over time and across jurisdictions with different emissions factors. Oregon recommends considering GHG emissions within a jurisdiction, but not to use them to competitively compare projects across jurisdictions.

***3. Stakeholder and community engagement are critical components for designing an inclusive existing-building policy driving toward equitable outcomes. What critical considerations should be included when evaluating community impacts for equitable outcomes and workforce opportunities under an existing-building code or standard?***

Affordability continues to be a critical consideration in energy code and standard development. Oregon supports USDOE using this funding to encourage cost offsets for affected communities, in particular disadvantaged and environmental justice communities, and also to use the funding to allow for workforce development that supports achievement of the specified energy code performance levels.

Thank you for the opportunity to provide this information and response. The Oregon Building Codes Division and Oregon Department of Energy are available to answer any follow-up questions.

Sincerely,



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