



STATE & COMMUNITY ENERGY PROGRAMS

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

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Introduction

This is an optional document that is not required by the ALRD. A State may use this to submit their ALRD 2 State Application.

This Narrative Document should demonstrate the State's ability and intent to implement the program in accordance with the requirements of the ALRD and the Program Requirements document. The Narrative Document must provide a comprehensive framework and description of all aspects of the proposed rebate program(s). States may use existing programs/infrastructure to implement this work. States may not provide these funds to existing programs to implement non-rebate work.

The Narrative Document must be succinct, self-explanatory, and well-organized so that DOE reviewers can understand program design and delivery. A State must address the following in its application package and corresponding Standard Form 424 Application for Federal Assistance, Standard Form 424A Budget Information, and Budget Justification Workbook. A state may defer some responses to its State Implementation Blueprint, to be provided to DOE after award but prior to program launch. The questions are marked as such, and applicants should check the appropriate box if deferring their response. All other requirements are mandatory within the State application package. If there is no box offering the "Defer response to State Implementation Blueprint" option, then it is required as part of the application package.

Identify whether the application is for a Quick Start program.

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

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* - \$1,000,000

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* - \$786,591

The state plans to support 2 full time staff members (a Program Analyst and Public Service Representative) 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)* - \$1,000,000

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 - \$750,000*

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 - \$750,000*

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) - \$1,000,000*

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) - \$500,000*

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 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) - \$3,955,946*

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 - \$200,000*

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 - \$200,000*

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).

- *Technical Assistance - \$500,000*

Depending on availability of resources, the state's implementation contractors may provide technical assistance either directly or through specialized organizations to assist entities focused on serving DACs and/or other priorities.

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 - \$43,294,452
- Contractor Incentives - \$1,623,300
- DAC Incentives (additional information provided in response to question #2) - \$453,800

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

\$2,660,634

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

\$519,275 or 4.6%

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:

- *DAC Incentives* - \$453,800

Given the state's goal of delivering 40% of rebates to low-income households in DACs, the state may require as much as \$453,800 for installer incentives.

Section 4.1.2 Rebate Conditions and Levels

3. 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.

4. 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.

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.

5. 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 defined in Table A-1 in the Appendix).

6. 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.

7. 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 geo-coded 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, inspections, testing, and/or modeling
- Other project costs (if applicable, e.g., permitting)

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

8. 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 Table A-2 in the Appendix).

9. 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.

10. 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.

11. 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.

12. 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.

13. 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.

Section 4.1.3 Low-Income Households

14. 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.

15. 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.

16. 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.

Oregon will use the DOE-provided definition of disadvantaged communities and use the CEJST map to identify disadvantaged communities.

Oregon's Environmental Justice Council is working on the development of a map of EJ communities in Oregon and, depending on the timing in relation to the program deadlines and whether it conforms to USDOE requirements, the state may request the use of the alternate map.

17. Identify the tool(s) the State will provide for eligible entity representatives to identify households that qualify for the installer incentive available for work in disadvantaged communities.

☒ Defer response to State Implementation Blueprint.

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.

18. 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.

19. 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

20. 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

21. 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.
☒ Defer response to State Implementation Blueprint.

22. 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.

23. 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.

Section 4.1.6 Verify Income Eligibility

24. 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.

Oregon's intent is to provide flexibility in establishing household income to minimize the burden on households applying for rebates.

25. 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 either income level or enrollment in pre-qualifying program

26. 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.

27. Confirm the following:

- Claimant will be required to note the number of individuals who occupy the dwelling unit.
 - Claimant will be required to sign an affidavit 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.

28. 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.

29. 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 at least 50% of those applicants 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.

30. 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 income verification process is intended to provide flexibility to rebate applicants while ensuring adequate protections are in place to prevent fraud, waste, and abuse. By offering three separate channels for verification, as outlined above, and working with ODOE's partners to verify participation in pre-qualifying programs, ODOE is confident it can minimize the barriers to households applying for these rebate programs.

31. 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.

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

☒ Defer response to State Implementation Blueprint.

33. 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.

34. 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.

35. Identify the Federal or other programs by which the State plans to allow categorical eligibility.

☒ Defer response to State Implementation Blueprint.

36. 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.

37. 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.

38. 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

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

- ☒ Defer response to State Implementation Blueprint.

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

☒ Defer response to State Implementation Blueprint.

41. 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.

42. 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.

43. 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 initiated work on utility data sharing agreements and has engaged with Oregon utilities, and expects that the state will require billing data release. ODOE will provide more detail on this in the State Implementation Blueprint.

44. 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.

45. 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

46. 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

47. 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

Oregon will require installers or homeowners, depending on the equipment being installed, to provide documentation verifying the equipment was purchased.

The limited home assessment will document the existing system in the home. The rebate 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.

Installers or homeowners will also be required to document the housing type, which will confirm the home in which the installation is occurring is a single-family home or eligible multi-family building.

48. 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.

49. 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.

Section 4.2.3 Installation Incentives

50. 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.

51. 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.

52. 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.

53. 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

54. 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.

55. 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).

☐ No, the State will not allow remote or virtual assessments.

☒ Defer response to State Implementation Blueprint.

56. 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.

Section 4.2.5 Consumer Protection Through Quality Assurance

57. 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

58. 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

59. 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.

60. 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.

61. 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.

62. 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.

63. 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.

Section 4.3.3 Quick Starts

64. 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