# Oregon Department of ENERGY

Stakeholder Meeting: Proposed BPS Incentive Program Overview -CERTA

Andrew Johnson August 21, 2025

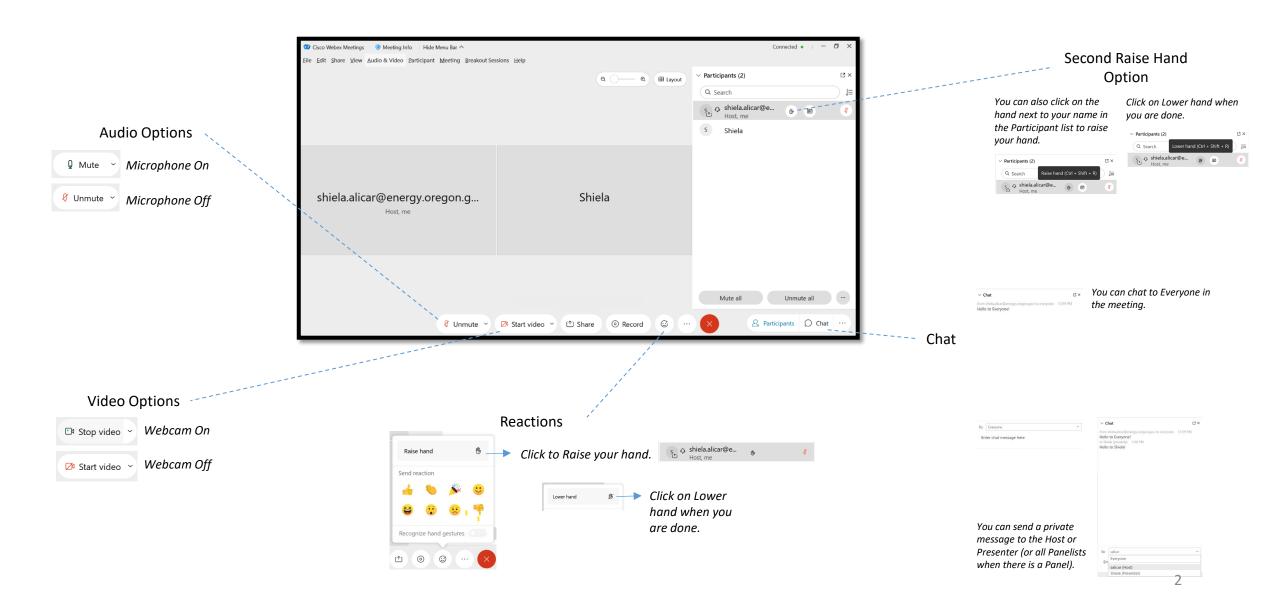








# USING WEBEX





# OREGON DEPARTMENT OF ENERGY

Leading Oregon to a safe, equitable, clean, and sustainable energy future.

Our Mission The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.

What We Do On behalf of Oregonians across the state, the Oregon Department of Energy achieves its mission by providing:

- A Central Repository of Energy Data, Information, and Analysis
- A Venue for Problem-Solving Oregon's Energy Challenges
- Energy Education and Technical Assistance
- Regulation and Oversight
- Energy Programs and Activities

# AGENDA

TIME	TOPIC
11:00 a.m.	ODOE Staff Introductions
11:05 a.m.	Review of Building Performance Standard
11:10 a.m.	Review of Proposed Incentive Program
11:30 a.m.	Stakeholder Feedback
11:50 a.m.	General Questions and Comments

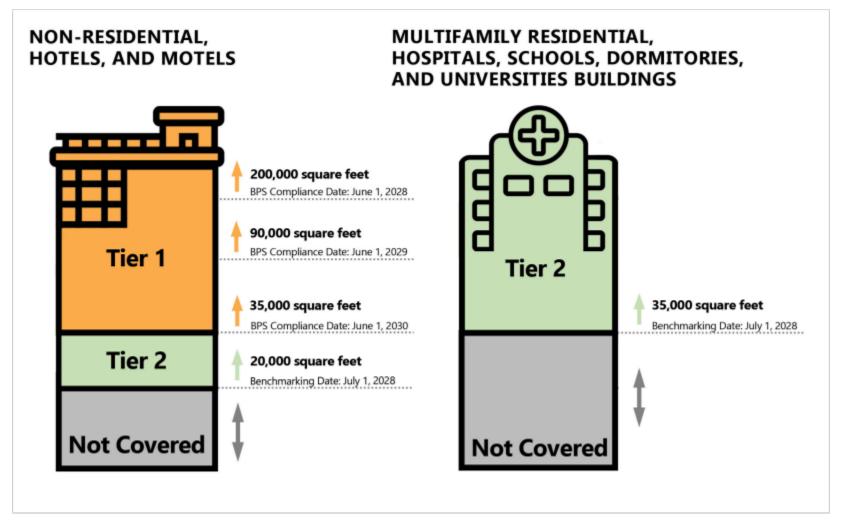


# Oregon Building Performance Standard

- In 2023, Oregon Legislature passed House Bill 3409, establishing Building Performance Standards (BPS) for commercial buildings
- Addresses energy use and emissions from existing commercial buildings in Oregon
- Requires certain commercial buildings to enhance energy management practices and implement efficiency measures to meet energy use targets



# Oregon Building Performance Standard Tiers





# **BPS Incentive Programs**

State-funded program (\$2M) (HB 3409)	Federally-funded program (\$12M) (CERTA)
Incentivizes early compliance	<ul> <li>Incentivizes early compliance and exceeding compliance</li> </ul>
<ul> <li>Incentives for planning activities required for</li> </ul>	
compliance	<ul> <li>Incentives for energy efficiency measures that reduce GHG emissions</li> </ul>
<ul> <li>Tier 1 and Tier 2 buildings</li> </ul>	
<ul> <li>Up to \$0.85 per sq ft (with caps)</li> </ul>	<ul> <li>Tier 1, Tier 2, and Tribal buildings</li> </ul>
	• \$120 per metric ton of GHG reduced
<ul> <li>Incentive awards are competitive</li> </ul>	
	<ul> <li>Incentive awards are competitive</li> </ul>
<ul> <li>2 funding rounds of \$1m each round</li> </ul>	2 2 formalina a marria da
	• 2-3 funding rounds



#### Climate Equity and Resilience Through Action (CERTA)

ODOE was awarded \$12 million in federal funding for BPS incentives as part of the state's Climate Equity and Resilience Through Action (CERTA) program.

Oregon was awarded \$197 million to support programs at various agencies, including this incentive program, that reduce greenhouse gas emissions.



#### **Key Dates**

- Round 1: fall 2025
- Round 2: spring 2026
- Round 3 (if necessary): fall 2026

(Round 1 for state-funded program begins mid-September)



#### Eligibility

- Must be Tier 1 or Tier 2 covered building, or
- Must be Tribal owner of building with similar size and building activity type as a Tier 1 or Tier 2 covered building
- Must have a baseline EUI (Energy Use Intensity) that exceeds EUI target
- Incentives must be used for energy efficiency measures (EEMs) (e.g. HVAC)



#### **Compliance Requirements**

- To receive an incentive, a building must:
  - Install EEMs to achieve compliance by the compliance date (i.e. reduce the building's EUI at or below the EUIt) or;
  - Demonstrate that EEMs have been completed that will result in performance that is better than the building's EUI target after the compliance date

(all incentives must be claimed/requested by June 1, 2028)



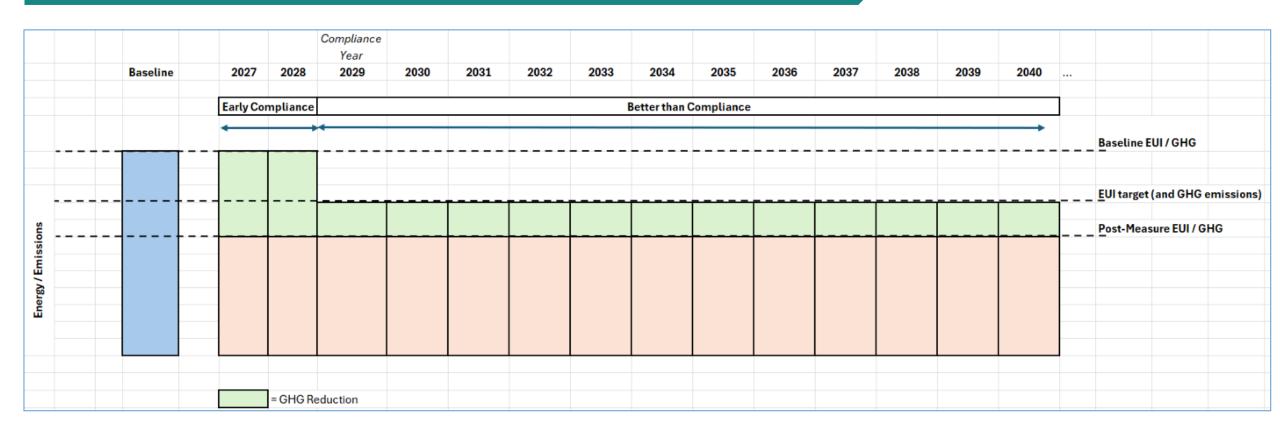
#### **Incentive Amounts**

- \$120 per metric ton of GHG reduced for the lifetime of the project(s)
- Maximum incentives
  - Tier 1: \$100,000
  - Tier 2 and Tribal: \$50,000

In the Opportunity Announcement, we will include guidance for GHG reduction calculations, including emissions factors and measure lifetimes



#### **Simple Example for Proposed GHG Reduction Accounting**





#### **Application Process**

- Applications available in fall 2025
- Opportunity Announcement will be shared before the application window opens with guidance for GHG calculations, evaluation criteria, and scoring
- Applications will be fillable PDF documents requesting:
  - General building, building owner information and incentive amount requested
  - Building EUI, EUIt and evidence of owner's Energy Star Portfolio Manager account
  - A completed level 2 energy audit with decarbonization assessment including the proposed EEMs, cost of EEMs and estimated energy savings and GHG reductions (performed by a Qualified Energy Auditor)

#### **Application Review**

- The department will conduct a competitive review of all submitted applications
- Priority will be given to:
  - Estimated energy savings and GHG reduction from EEMs
  - Strength of project plan (e.g. timeliness, project feasibility)
  - Buildings located in a rural area, multifamily residential, affordable housing



#### **Application Review**

- Building will be evaluated and assigned a score
- Owners will receive written notice within 30 days after application period closes

 Owners will have 30 days to accept terms of the performance agreement



#### **Incentive Payment Process**

To receive an incentive, building owners must submit Part II of the application and provide evidence that the EEMs have been completed before the compliance date



#### **Site Audits**

ODOE will conduct site audits to confirm that the projects have been completed



