

Oregon Department of **ENERGY**

Stakeholder Meeting: Proposed BPS Incentive Program Overview

Andrew Johnson
May 21, 2025

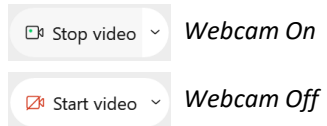


USING WEBEX

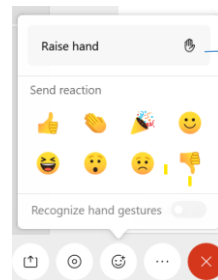
Audio Options



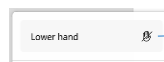
Video Options



Reactions



Click to Raise your hand.

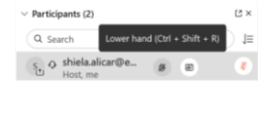


Click on Lower hand when you are done.

Second Raise Hand Option

You can also click on the hand next to your name in the Participant list to raise your hand.

Click on Lower hand when you are done.

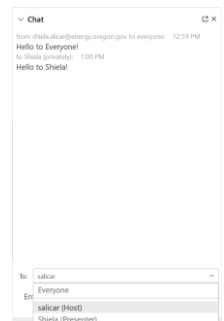


Chat

You can chat to Everyone in the meeting.



You can send a private message to the Host or Presenter (or all Panelists when there is a Panel).



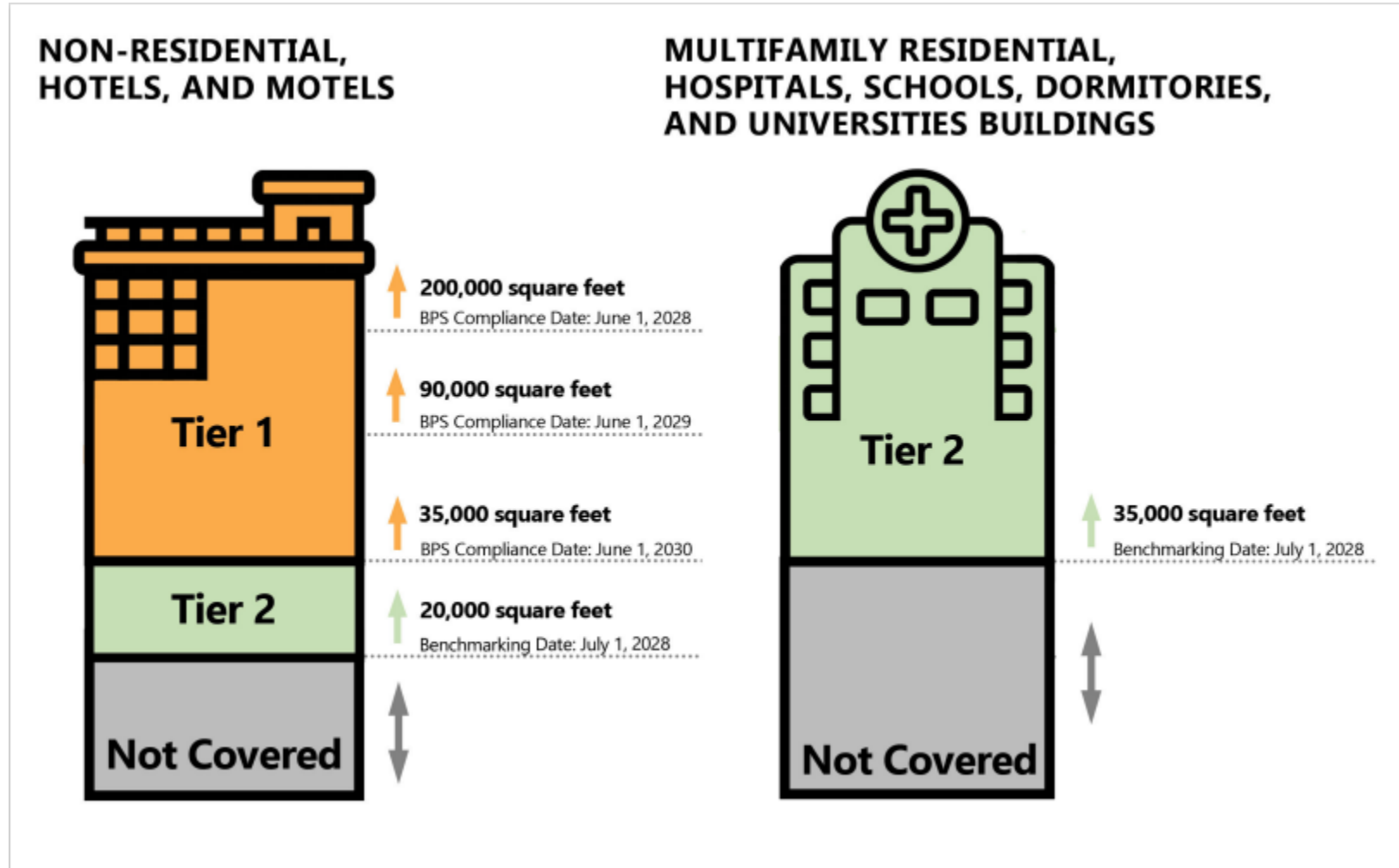
AGENDA

| | |
|------------|--|
| 11:00 a.m. | ODOE Staff Introductions |
| 11:05 a.m. | Review of Building Performance Standards |
| 11:10 a.m. | Review of HB 3409 |
| 11:15 a.m. | Review of Proposed Incentive Program |
| 11:30 a.m. | Stakeholder Feedback |
| 11:50 a.m. | General Questions and Comments |

Oregon Building Performance Standards

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

Oregon Building Performance Standards



Review of HB 3409

Section (14) (2)

The department may offer incentives for eligible building owners to voluntarily comply with, or for early compliance with, ANSI/ASHRAE/IES Standard 100 or the energy performance standard the department establishes under section 9 of this 2023 Act.

Review of HB 3409

Section (17) (2) (b)

If the covered commercial building is a tier 1 building, the tier 1 building must have a baseline energy use intensity that exceeds an applicable energy use intensity target by at least 15 energy use intensity units.

Review of HB 3409

Section (17) (3)

An eligible building owner of a tier 2 building may receive an incentive payment of 35 cents per square foot of gross floor area, excluding any parking garage, unconditioned space or semiheated space if the eligible building owner has submitted to the department, or has agreed to submit to the department in advance of an established deadline, the data described in section 15 of this 2023 Act.

Review of HB 3409

Section (17) (4) (a)

Subject to paragraph (c) of this subsection, an eligible building owner that applies and qualifies for an incentive payment under subsection (2) or (3) of this section may receive for meeting the energy performance standard described in section 9 of this 2023 Act early or voluntarily an incentive payment of 85 cents per square foot of gross floor area of the eligible building owner's covered commercial building, excluding any parking garage, unconditioned space or semiheated space.

Previous Stakeholder Feedback

Proposed rules came out of our discussions with ODOE BPS Advisory Committees, along with two Incentive Workshops, where stakeholders proposed that a more critical need and valuable use of limited incentive funding (\$2 million) would be to support energy coaching and assistance.

Early Compliance Incentive Program

Key Dates

- June 2 – Open Public Comment Period
- July 1 – Public Hearing
- Early August – Rules Effective

Early Compliance Incentive Program

Program Overview

- \$2 million available
- \$1 million available in first round
- \$750k for Tier 1 buildings, \$250k for Tier 2 buildings
- Incentives awarded on a competitive basis
- Start accepting applications early August

Early Compliance Incentive Program

Covered Commercial Building Eligibility

- Must be Tier 1 or Tier 2 covered commercial building
- Tier 1: Must have EUI that exceeds the EUI_t by at least 15 EUI units
- To receive an incentive payment, a building owner must demonstrate completion of the early compliance action at least one year before the building's compliance date

Early Compliance Incentive Program

Early Compliance Dates

- Tier 1 buildings:
 - Before June 1, 2027, for buildings equal to or greater than 200,000 square feet
 - Before June 1, 2028, for buildings equal to or greater than 90,000 square feet but less than 200,000 square feet
 - Before June 1, 2029, for buildings equal to or greater than 35,000 square feet but less than 90,000 square feet
- Tier 2 buildings:
 - Before July 1, 2027, for all Tier 2 buildings

Early Compliance Incentive Program

Incentive Amounts

| Compliance Action | Incentive per Square Foot |
|-----------------------------------|---------------------------|
| Energy Benchmarking and Reporting | \$0.35 |
| EMP and O&M Program | \$0.05 |
| Energy Audit | \$0.35 |
| Achieving Compliance | \$0.10 |
| Maximum Incentive | \$0.85 |

Early Compliance Incentive Program

Maximum Incentive Amounts

- \$50,000 for Tier 1 buildings equal to or greater than 200,000 square feet
- \$35,000 for Tier 1 buildings equal to or greater than 35,000 square feet but less than 200,000 square feet
- \$10,000 for all Tier 2 buildings

Early Compliance Incentive Program

Application Process

- Applications available in early August
- Applications will be simple, fillable PDF documents requesting:
 - General building and building owner information
 - Which compliance action building owner is applying
 - Incentive calculation and final incentive requested
- Applications submitted through BPS online portal

Early Compliance Incentive Program

Application Review

- The department will conduct a competitive review of all submitted applications
- Priority will be given to:
 - Highest EUI percentage over EUI_t (Tier 1)
 - Outside an ETO electric utility territory
 - Located in a rural area
 - Smaller buildings (Tier 2)
 - Multifamily (Tier 2)

Early Compliance Incentive Program

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 incentive
- The points associated with the scoring criteria will be announced prior to the date in which the department begins accepting applications.

Early Compliance Incentive Program

Incentive Payment Process

- To receive an incentive, building owners must provide evidence that the applicable compliance action has been completed before the early compliance date
- A building owner may request incentive payments for each compliance action separately

Early Compliance Incentive Program

Incentive Payment Process

| Compliance Action | Evidence |
|-----------------------------------|---|
| Energy Benchmarking and Reporting | Application for Oregon compliance or grouped buildings application for compliance, form for building activity and EUI, and form for calculation of EUI |
| EMP and O&M Program | EMP and O&M checklists using the format provided on the Department's Building Performance Standard webpage and make EMP and O&M documentation available for ODOE to review upon request |
| Energy Audit | Energy Audit using the required form as provided on the Department's Building Performance Standard webpage |
| Achieving Compliance | Updated forms demonstrating that either $EUI \leq EUI_t$ or that all cost-effective energy efficiency measures have been installed |

Stakeholder Feedback



General Feedback



Thank you

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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