

Oregon Building Performance Standard

Building Energy Reduction Incentive Program

Oregon's Building Energy Reduction Incentive (BERI) program provides incentives to building owners to offset costs of compliance with the Building Performance Standard.

Program Background

In 2023, the Oregon Legislature passed House Bill 3409, establishing a Building Performance Standard which requires covered commercial buildings to enhance energy management practices and implement efficiency measures to meet energy use targets. The bill directs the Oregon Department of Energy to establish an early compliance incentive program.

ODOE was awarded \$12 million in federal funding for BPS incentives as part of the Oregon Department of Environmental Quality's Climate Equity and Resilience Through Action program. ODOE created the Building Energy Reduction Incentive program to use this funding to incentivize Tier 1 buildings to exceed performance requirements and reach compliance early, and to incentivize Tier 2 and Tribal buildings to voluntarily comply with the BPS, thereby reducing greenhouse gas emissions from commercial buildings.



Eligibility

- The building must be a Tier 1 or Tier 2 covered commercial building in Oregon (see page 2), OR
- The building owner must be a government body or member of a federally recognized Tribe in Oregon that owns a building with similar size and building activity type as a Tier 1 or Tier 2 covered building.
- The building must have a baseline Energy Use Intensity that exceeds the applicable Energy Use Intensity target.
- Exempt buildings and buildings that will file an exemption application are not eligible for an incentive.
- Incentives must be used for energy efficiency measures (HVAC, lighting, envelope, etc.) that reduce the Energy Use Intensity and GHG emissions of buildings.

Learn more about building tiers, Energy Use Intensity and targets, and more on the BPS website.



Details

- Maximum incentives: \$100,000 for Tier 1 buildings and \$50,000 for Tier 2 buildings.
- An energy audit must be completed and submitted with the application.
- ODOE opened applications in February 2026 for Round 1 and will open round 2 in summer 2026.
- Approximately \$6 million in funding available in Round 1.
- Incentives will be awarded based on a competitive review.
- A building owner may submit a maximum of two applications.



Visit the BPS website for more information on incentives, schedule, and opportunity announcement and application: www.oregon.gov/energy/save-energy/pages/BPS.aspx



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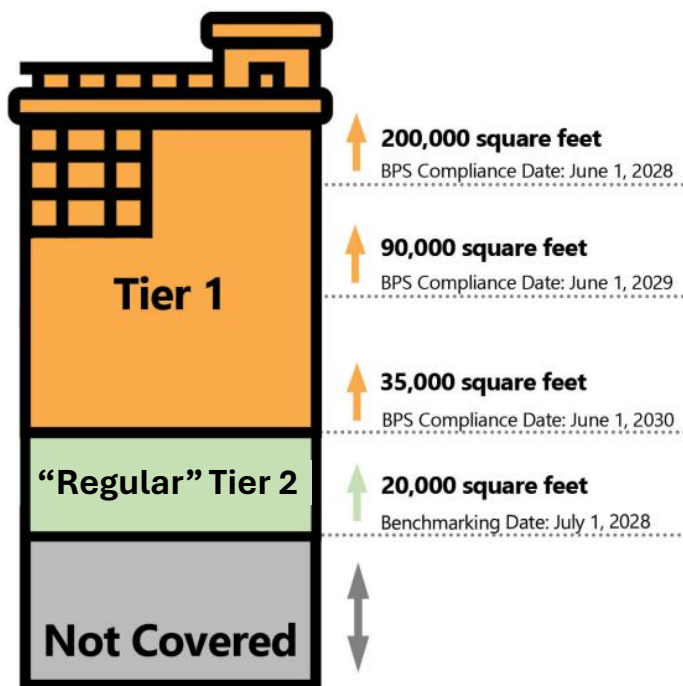
Understanding Your Building's Tier

Tier 1 building means: A building for which the sum of gross floor area for hotel, motel, and nonresidential use equals or exceeds 35,000 square feet, excluding any parking garage.

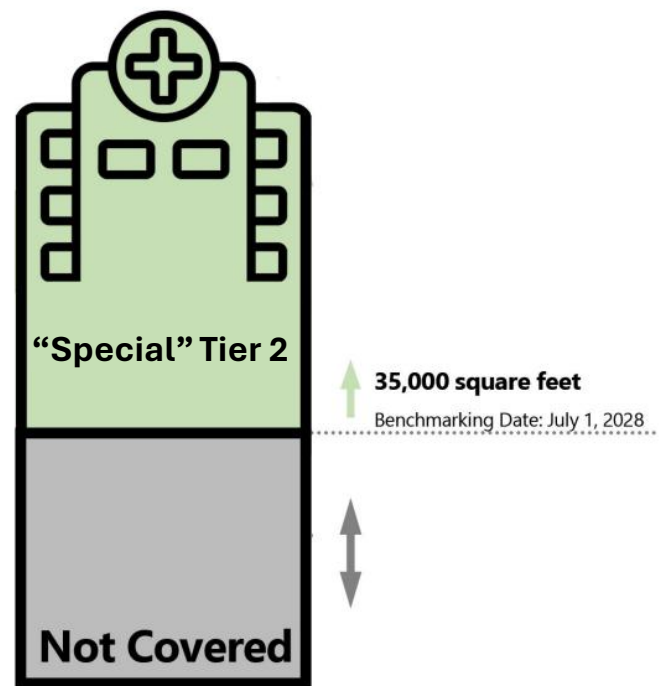
“Regular” Tier 2 building means: A building in which the sum of gross floor area for hotel, motel, and nonresidential use from 20,000 square feet up to 35,000 square feet, excluding any parking garage.

“Special” Tier 2 building means: A building with gross floor area, excluding any parking garage, 35,000 square feet and greater and that is used as a multifamily residential building, hospital, school, dormitory, university building, barracks, prison, or residential/senior care facility.

NON-RESIDENTIAL, HOTEL, and MOTEL *



MULTIFAMILY RESIDENTIAL, HOSPITAL, SCHOOL, UNIVERSITY, DORMITORY, BARRACKS, PRISON, and RESIDENTIAL/SENIOR CARE FACILITY *



***Mixed-use buildings follow more detailed guidelines to determine their Tier**

If you have a mixed-use building or otherwise need assistance in determining your building tier, please contact ODOE for assistance.

Compliance Dates

Tier 1 and Tier 2 Buildings have different compliance requirements and deadlines, beginning June 1, 2028. BPS is mandatory for Tier 1 covered buildings in Oregon. Energy reporting and benchmarking is mandatory for Tier 2 covered buildings in Oregon.

Tier 1 covered buildings reporting schedule:

- June 1, 2028 – Tier 1 Buildings 200,000 square feet and greater
- June 1, 2029 – Tier 1 Buildings from 90,000 square feet up to 200,000 square feet
- June 1, 2030 – Tier 1 Buildings from 35,000 square feet up to 90,000 square feet

Tier 2 covered buildings reporting schedule:

- July 1, 2028 – Tier 2 building owners must report energy data to ODOE
- July 1, 2029 – ODOE to evaluate Tier 2 building data
- October 1, 2030 – ODOE to report on recommendations for an energy performance standard for Tier 2 buildings