

Opportunity Announcement for the

Early Compliance Action and Planning Program (ECAPP)

Opportunity Announcement #25-083

Funding to support a Building Performance Standard (BPS) early and voluntary compliance incentive program.

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Schedule

The program schedule for the first opportunity round of the Early Compliance Action and Planning Program (ECAPP) is located on the <u>BPS Incentives webpage</u>.

Find the ECAPP Incentive Application on the **BPS Incentives webpage**.

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Purpose and General Information

Background

In 2023, the Oregon Legislature passed House Bill 3409, establishing a Building Performance Standard (BPS) for commercial buildings. The bill requires covered commercial buildings to enhance energy management practices and implement efficiency measures to meet energy use targets. The bill also directs the Oregon Department of Energy (ODOE) to establish an early compliance incentive program. The \$2 million allocated to the program will be used to help building owners offset costs associated with compliance, such as energy benchmarking and reporting or performing an energy audit.

Program Overview

Oregon's modified version of the ANSI/ASHRAE/IES Standard 100 has multiple components and requires different steps and actions to meet compliance. Incentives are structured to reflect the various compliance requirements and will be offered for different compliance actions, up to \$0.85 per square foot of eligible Gross Floor Area (GFA) as defined by ORS 469.275(9) for Tier 1 and Tier 2 buildings. A building owner can receive a maximum of \$0.85 per square foot of GFA, subject to incentive caps, if all compliance actions are taken, but can also receive partial incentives for individual compliance actions (see incentive table below).

Tier 1 and Tier 2 buildings are eligible for the incentive. Considering the limited funding, and to provide access to more building owners, the maximum incentive per building is \$10,000-\$50,000, depending on building size. Incentives will be awarded based on a competitive review process. One-and-a-half million(\$1.5M) total will be reserved for Tier 1 buildings and \$500,000 total will be reserved for Tier 2 buildings. This funding opportunity (Round 1) will offer \$750,000 in total incentives for Tier 1 buildings.

Eligibility

To be eligible for an incentive, a building must:

- Be a Tier 1 or Tier 2 covered commercial building in Oregon.
- If the covered building is a Tier 1 building, the building must have a calculated Energy Use Intensity (EUI) that is at least 15 units greater than its Energy Use Intensity target (EUIt).

- The covered building must meet the requirements established under OAR 330-300-0010, which refers to the ASHRAE 100 2024 national standards for energy efficiency in existing buildings with additional Oregon amendments as published by ODOE for application in the state of Oregon.
- Exempt buildings and buildings that will file an exemption application are not eligible for an incentive.
- For more information regarding BPS requirements and guidance documents, see the <u>BPS</u> webpage.

To receive an incentive payment, a building owner that has been selected for an incentive must provide evidence that the applicable compliance action has been completed at least one year before the building's compliance date under the BPS program. The following are the dates by which compliance actions must be complete to receive an incentive payment:

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

A building owner may request incentive payments for each completed compliance action separately.

Incentives

The incentive payment structure, based on individual compliance actions, is below.

Incentives for Tier 1 and Tier 2 Buildings

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

The maximum incentive per building is:

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

Application Requirements and Process

See the ECAPP Incentive Application – Part I for detailed requirements

A building owner must submit an ECAPP Incentive Application – Part I for each building by **5 p.m. December 19, 2025**. Submit each application, with required documentation, to the ECAPP application email address at Oregon.BPS.ECAPP@energy.oregon.gov.

The following information about the eligible building must be provided to ODOE on the incentive application:

- Unique Building ID number (UBID).
- Covered building address.
- Building owner name and organization name.
- Building owner mailing address, email address and phone.
- Gross Floor Area (GFA) of the building in square feet, excluding any parking garage area.
- If the building is a Tier 1 building, the building's Energy Use Intensity (EUI) and Energy Use Intensity target (EUIt), including 12 months of energy usage from all applicable utilities during the period no more than 24 months before calculating EUI for the application.
- Electric and gas utility territory.
- If the building is multifamily residential.
- If the building is multifamily affordable housing. Evidence of multifamily affordable
 housing must be provided, if applicable. Multifamily affordable housing means a
 multifamily residential building for which the building owner provides proof of
 qualification under one or more programs administered by Oregon Housing and
 Community Services (OHCS) (see OAR 330-300-0110(7) and application for eligible OHCS
 programs).
- The compliance action(s) for which the building owner is applying.
- Incentive calculation and final incentive requested.

ODOE will provide written notice to the building owner once an incentive application has been received.

A building owner may submit a maximum of two applications (for all funding rounds). ODOE, at its discretion, may increase the maximum number of applications allowed per building owner based upon available funding.

Application Review Process

Overview of Review Process

ODOE will conduct a competitive review of all submitted applications.

Eligibility and Completeness Review

ODOE may review applications after they are submitted to confirm building eligibility and completeness. For applications received five or more business days before the due date, ODOE may notify the building owner if the building is not eligible under the program or the application is incomplete, and the building owner may submit a corrected application before the due date. If an application is received less than five business days before the due date, and the building is not eligible under the program or the application is incomplete, ODOE may not notify the owner if the application is incomplete or ineligible before the due date.

Competitive Review

During the competitive review, to maximize the program's benefits to building owners across the state, applications will be selected based on a scoring system and priority will be given to buildings with the highest Energy Use Intensity (EUI), multi-tenant buildings that are served by a utility that is not a qualified utility, smaller buildings, buildings located in a rural area, multifamily buildings, and multifamily affordable housing. The applications with the highest scores will be selected first, until funding has been exhausted. See the competitive review criteria in the table below.

BPS Incentive Program Competitive Review Criteria: Tier 1 Buildings

Criteria	Points
Building size:	
Equal to or greater than 200,000 sq. ft. of GFA	1
Equal to or greater than 90,000 sq. ft. but less than 200,000 sq. ft. of GFA	2
Equal to or greater than 35,000 sq. ft. but less than 90,000 sq. ft. of GFA	3
EUI percentage over EUIt:	
Less than or equal to 5% over EUIt	1
Greater than 5% and less than or equal to 10% over EUIt	2
Greater than 10% and less than or equal to 20% over EUIt	3
Greater than 20% and less than or equal to 40% over EUIt	4
Greater than 40% over EUIt	5
Qualified utility territory*:	
Multi-tenant building in a qualified utility territory	0
Multi-tenant building not in a qualified utility territory	1
Rural**:	
Not located in a rural area	0
Located in a rural area	2

BPS Incentive Program Competitive Review Criteria: Tier 2 Buildings

Criteria	Points
Building size:	
Equal to or greater than 200,000 sq. ft. of GFA	1
Equal to or greater than 35,000 sq. ft. but less than 200,000 sq. ft. of GFA	2
Equal to or greater than 20,000 sq. ft. but less than 35,000 sq. ft. of GFA	3
Qualified utility territory*:	
Multi-tenant building in a qualified utility territory	0
Multi-tenant building not in a qualified utility territory	1
Multifamily residential***:	
Not a multifamily residential building	0
Multifamily residential building	2
Multifamily affordable housing****:	
Not multifamily affordable housing	0
Multifamily affordable housing	1
Rural**:	
Not located in a rural area	0
Located in a rural area	2

Competitive Review Criteria definitions

Qualified utility territory*

Qualified utility territory means any of the following: a consumer-owned or investor-owned gas utility; a consumer-owned or investor-owned electric utility with greater than 50,000 customers and that makes sales of electricity to retail electricity consumers in an amount that equals three percent or more of all electricity sold to retail electricity consumers in Oregon. For Tier 1 buildings, multi-tenant includes buildings with more than one tenant that has multiple meters that need to be aggregated. For Tier 2 buildings, multi-tenant includes non-residential buildings with more than one tenant that has multiple meters that need to be aggregated.

Rural**

Rural means any geographic areas in Oregon ten or more miles from the centroid of a population center of 40,000 people or more, as defined by the Oregon Office of Rural Health.

Multifamily residential***

Multifamily residential means a covered multifamily building on contiguous property, containing five (5) or more sleeping or dwelling units where occupancy is primarily permanent in nature.

Multifamily affordable housing****

Multifamily affordable housing means a multifamily residential building for which the building owner provides proof of qualification under one or more programs administered by Oregon Housing and Community Services (OHCS) (see OAR 330-300-0110(7) and application for eligible OHCS programs).

Award Process and Payment

ODOE will provide written notice to the building owner once an incentive application has been approved or not approved for an award. Awardees will be announced within 30 days of the application deadline.

Upon selection, each awardee will be required to enter into a performance agreement with ODOE which includes, but is not limited to the following components:

- Identifying information for the building owner and building, including:
 - Unique Building ID Number (UBID).
 - o Building owner name.
 - Building owner mailing address;
 - Covered building address.
- Total incentive amount awarded.
- For building owners awarded incentives for multiple compliance actions, a list of incentive amounts awarded, broken down by compliance action.
- Performance expectations, including deadlines for completion of compliance actions.
- Reporting and documentation requirements to demonstrate compliance action completion. The reporting and documentation requirements will be submitted with the Incentive Application – Part II, after the compliance action(s) have been completed.
 Reporting and documentation requirements include:
 - If the compliance action is Energy Benchmarking and Reporting, the building owner must submit: Form A: Application for Oregon BPS compliance or Form G: Grouped Buildings Application for Oregon BPS Compliance; Form B: Building Activity and Energy Use Intensity Target (EUIt); Form C: Calculation of Energy Use Intensity (EUI) with a copy of the Energy Star Portfolio Manager (ESPM) report, including the building's WN-EUI.
 - If the compliance action is an Energy Management Plan (EMP) and Operations & Maintenance Program (O&M), the building owner must submit EMP and O&M checklists using the format provided on the ODOE's BPS webpage and make EMP and O&M documentation available for ODOE to review upon request.
 - If the compliance action is an Energy Audit, the building owner must submit Form E: Energy Audit using the required format as provided on ODOE's BPS webpage.
 - If the compliance action is achieving compliance, the building owner must submit either: An updated Form C: Calculation of Energy Use Intensity (EUI) demonstrating that EUI is equal to or less than EUIt, or; If the Investment Criteria was followed, an updated Form E: Energy Audit or Form L: Life Cycle Cost

Assessment attesting that all cost-effective energy efficiency measures have been installed.

- Other requirements and expectations to qualify for payment, including copies of utility bills to verify energy consumption data for the covered building, as determined by ODOE.
- Conditions and process in cases of non-conformance by the awardee to the terms of the performance agreement.

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

A building owner may request incentive payments for each completed compliance action separately.

The building owner has 30 days to accept the terms of a performance agreement. If the building owner does not accept the terms within 30 days, the incentive award will no longer be valid, and ODOE may offer an incentive to the applicant with the next highest score, subject to available funding.

Building owners must notify ODOE as soon as practicable of situations which would delay or prevent the completion of a compliance action under a performance agreement.

ODOE may renegotiate a project deadline in a performance agreement at its discretion in cases where awardees have notified ODOE of a delay and have submitted a plan for remedying the causes of the delay. ODOE may grant a 90-day extension beyond the applicable early compliance date upon request from the building owner.

The following may be causes to terminate a performance agreement:

• Failure to notify ODOE of project delays in a timely manner.

- Failure to submit a plan to remedy the causes of project delays.
- Failure to complete one or more compliance actions included in the performance agreement.

Additional Information

- Tax liability: ODOE is not responsible for any tax liability which may be imposed on an
 awardee as a result of any incentive payment. ODOE is not providing tax advice, and any
 communication by ODOE is not intended or written to be used, and cannot be used, for
 the purpose of avoiding penalties under the Internal Revenue Code or Oregon tax laws.
- The Energy Use Intensity provided in this application is for eligibility purposes only and is
 not final. The final Energy Use Intensity will be submitted as part of Compliance Form C.
 ODOE may disqualify or revoke incentive payments due to misrepresentation of a
 building's Energy Use Intensity that affects eligibility.
- A building owner can submit multiple applications for a campus or set of grouped buildings, up to a maximum of two.
- A Tier 1 building that is on a campus or part of a set of grouped buildings classified as Tier 2 is not eligible for Tier 1 incentives.
- Pursuant to the procedures for a contested case under ORS chapter 183, the ODOE
 Director may order the revocation of an incentive or portion of an incentive under the
 program if the Director finds that the incentive was obtained by fraud or
 misrepresentation, or by mistake or miscalculation. As soon as the order of revocation
 becomes final, ODOE shall proceed to recover the incentive, or portion of the incentive
 that is subject to the order of revocation. All moneys provided to a building owner
 attributable to the fraudulently or mistakenly obtained incentive, or portion of the
 incentive, shall be forfeited.

Questions? Email us at Oregon.BPS.ECAPP@energy.oregon.gov