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MEMO

WX-2023-5

TO: Agency Directors, Fiscal Officers, and Weatherization Managers
FROM: Danielle Safford, Weatherization Program Coordinator
RE: Bonneville Power Administration 2024 Grant Highlights
DATE: 11/15/23

Greetings,

The 2024 Bonneville Power Administration Oregon Low-Income Weatherization State Grant has been finalized. It is vital that funds are expended within the fiscal year they are allocated (10/1-9/30). OHCS will be tracking spend down rates and if necessary, will reallocate funds to ensure funds are expended in a timely manner.

The highlights of this grant are as follows:

- 1) Program
 - a. The period of performance for this contract is October 1, 2023, through September 30, 2025. The total amount awarded for year one of the grant is \$1,706,741.10.
 - b. Sub-grantees must incur all authorized expenditures within the grant performance period. (Oct.1, 2023 – Sept 30, 2025).
 - c. Total administrative costs for the Recipient and Sub-recipients shall not exceed 15 percent.
 - d. Authorized expenditures include the cost of all “cost-effective” measures. Cost-effective measures are determined to be equal to or greater than 1.0 savings-to-investment ratio (SIR). All SIR criteria apply only where SIR is explicitly calculated. Other allowable measures as defined in Sections 4,5, & 6 are not required to pass the SIR cost-effective test as described in 10 CFR 440 unless otherwise indicated.
 - e. When calculating SIR, the utilization of either actual utility rates, or EIA (Energy Information Administration) average utility rates, are permitted. The higher of the

two rates shall be utilized when calculating SIR within the audit tool. OHCS will provide the EIA rates on an annual basis.

- f. BPA will not restrict the amount of funds to any residence if the measures meet either the SIR of 1.0 and/or deemed measures are installed.
- g. Funds from a BPA Utility Customer, which were derived from BPA either from credits, power purchase contracts, or as administrative support, shall not be used in combination with funds from the BPA Low-Income Weatherization Assistance Program on individual measures, but may be blended with any funds within a single weatherization dwelling.
- h. Buy down of non-cost-effective BPA measures may be performed utilizing LIHEAP WX funds.

2) Environmental Indoor Air Quality

The Recipient shall maintain air quality in weatherized homes by conforming to the DOE WAP standards and/or the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) standards or to applicable state or local code, whichever achieves the highest level of required ventilation.

When providing only energy education and/or baseload services, ASHRAE 62.2 ventilation standards are optional. However, the required moisture or mold assessment must be completed, and if any moisture-related air quality issues are identified, ASHRAE 62.2 ventilation standards shall be followed.

If levels of radon are tested and determined to be higher than the recommended levels established by the EPA, radon mitigation costs are allowable but must be included and limited to the allowable limit of health and safety costs.

3) Low-Income Weatherization

The specifications and procedures required in the US DOE Weatherization Assistance Program, 10 CFR Part 440, shall be adhered to for Eligible Dwelling Units treated under this program unless otherwise identified specifically within this Grant.

- a. Health and safety repairs are an authorized expenditure. The cost shall not exceed 30 percent per total dwelling cost on average.
- b. Local Service Providers may create a separate BPA waiting list rather than require the Weatherization applicant in BPA service territory to remain on any other waiting list.



- c. Eligible Dwelling Units (EDU) may be weatherized regardless of if the Eligible Low- Income Participants or Eligible Dwelling Unit received weatherization program services in the past.
- d. Weatherization-related repairs are an authorized expenditure. The cost shall not exceed 30 percent per total dwelling cost on average.
- e. An authorized expenditure is a repair or replacement of electrical heaters or furnaces if they are no longer working or fail to heat the dwelling properly. The repair or replacement of electric heaters or furnaces in an Eligible Dwelling Unit must be accompanied by additional cost-effective major weatherization measures, ensuring maximum energy efficiency of the electricity used by the repaired or replaced heaters or furnaces.

4) Appliances Covered under this Grant.

a. Refrigerator Replacements

- i) Energy Efficient Refrigerators are an authorized expenditure under this grant. This program shall be implemented consistently with the current DOE requirements for implementation of these same measures.
- ii) Authorized expenditures for the cost of the replacement refrigerator are at 100 percent of the refrigerator cost.

a) Clothes Washer Replacements

- i) Clothes washers which are “Energy Star” rated may replace existing clothes washers if the existing clothes washer is not Energy Star rated.
- ii) All Energy Star rated clothes washers are deemed to be cost effective under this program.
- iii) The size and model of the appliance shall be standard, and reasonably priced. Clothes washer replacements must be supported by three quotes for the selected model.
- iv) The maximum reimbursement is \$800.00.

b) Clothes Dryer Replacements

- i) Clothes dryers that are “Energy Star” rated may replace existing clothes dryers if the existing clothes dryer is not Energy Star rated.
- ii) All Energy Star rated clothes dryers are deemed to be cost effective under this program.
- iii) The size and model of the appliance shall be standard, and reasonably priced. Clothes dryer replacements must be supported by three quotes for the selected model.
- iv) The maximum reimbursement is \$800.00.



- c) Microwave Ovens
 - a. A new microwave oven may be provided if:
 - i) electric cooking exists and there is no working microwave oven available, or
 - ii) The existing microwave oven may be replaced with a new microwave oven if the existing microwave oven is not functional. The existing nonfunctional microwave oven shall be removed and taken to a facility for recycling.
 - iii) Authorized expenditures for the cost of the replacement microwave ovens are at 100 percent of the microwave oven cost.

- d) PTCS Conventional (Unitary) Air Source Heat Pump Replacements or Upgrade
 - i) Ducted heat pump to Non-Variable Speed Conversion up to \$9,000.
 - ii) Ducted Heat Pump to Variable Speed Conversion or Upgrade up to \$9,000.
 - iii) Deemed installations of this measure must not exceed \$9,000 and cannot be combined with any other BPA utility funding source and may be installed independent of the SIR calculation. If the total cost exceeds \$9,000, the entire amount may be included in the SIR calculation via the audit tool to determine cost-effectiveness or the costs more than \$9,000 may be bought down using appropriate funds.
 - iv) Find more information on installation specifications on the BPA Residential HVAC page [here](#).
 - v) HSPF2 and SEER2 equipment must meet federal minimum standards at the time of install.

- e) Ductless Heat Pumps (DHP)
 - i) Installation of one DHP per existing residence is allowed in homes with zonal electric heat and electric forced air furnaces.
 - ii) The DHP must be a split system heat pump employing inverter-driven outdoor compressor, with inverter-driven or variable-speed indoor blowers
 - iii) Equipment must be AHRI-rated with an HSPF2 that meets or exceeds federal minimum standards.
 - iv) Homes where plug-in electric heaters are the primary heating system in the home also qualify for BPA DHP payment.
 - v) Deemed DHPs may be installed independent of the SIR calculation. Reimbursement for this measure is dollar-for-dollar up to a maximum of \$6,000.
 - vi) DHPs that are more than \$6,000 may have the entire cost run through the audit tool or the costs more than \$6,000 maybe bought down using appropriate funds.

- f) Heat Pump Water heaters
 - i) 40 Gallon Heat Pump Water Heater incentive up to \$2,800.
 - ii) Tier 3, & 4 Heat Pump Water Heaters incentive up to \$3,000.
 - iii) Products must be on BPA's qualified products list or approved by the BPA program manager. Product list can be found in the [IM Document Library](#)

- c. Line Voltage Thermostats up to \$85.
 - d. Door Sweeps up to \$35.
- 5) New Deemed Measures in Multifamily/shared common areas only
- a. Connected Thermostats up to \$400.
 - b. Ductless Heat Pump Retrofit & Upgrade up to \$2,000/ton.
 - c. Ducted Heat Pump Retrofit & Upgrade up to \$1,400/ton.
- 6) Low-Income Energy Efficiency Education
- a. The scope of the Low-Income Weatherization Program shall be expanded to include certain electrical measures beyond those related to heating loads. These additional measures shall be those contained under the Energy Efficiency Education program described below.
 - b. The Recipient may provide Low-Income Energy Efficiency Education to clients consistent with the program approved by US DOE for this endeavor.
 - i) The Recipient can spend up to 20 percent of the funds available through this grant to pay for Low-Income Energy Efficiency Education.
 - ii) The Recipient shall provide the Eligible Low-Income Participants with written information which informs them that the program is funded by BPA.
 - iii) The Recipient shall obtain signed documentation from the head of household for each visit (should a visit occur) verifying that the education occurred.
- 5) Efficient Lighting
- a. LEDs-Solid state lighting, also known as light emitting diodes (LED) bulbs, must be ENERGY STAR qualified or listed on the Lighting Design Lab (LDL) Qualified LED Lamp List as integral omnidirectional, directional, or decorative.
- 6) Replacement of Pre-1976 Manufactured Home with New Northwest Energy Efficient Manufactured Housing (NEEM) Certified Home

Note: Mobile home replacement is considered a special project. Prior to moving forward with a mobile home replacement project, contact the OHCS program manager for guidance.

- a. Requirements and Specifications
 - i. A full audit of the house must be conducted, and calculated expenses to weatherize the house must meet or exceed \$7,500 (including any approved healthy and safety or repair expenses).
 - ii. Existing manufactured homes must have been built prior to 1976, be electrically heated, and be occupied as a residence. The existing pre-1976 home must be



decommissioned and disposed of and cannot be used as a dwelling unit once the new NEEM home is sited.

- iii. Replacement manufactured homes must be electrically heated, new, and certified by the Northwest Energy Efficient Manufactured Housing (NEEM) program as a New NEEM 1.1 or 2.0 Home.
- iv. NEEM has an online tracking and certification system operated by Northwest Energy Works. Contact Northwest Energy Works (888) 370-3277, ext. 102 for current information.
- v. Sub-contractors may replace Pre-1976 Manufactured Homes with a new NEEM Certified Home themselves, or through a third-party, but must retain responsibility for compliance with measure requirements.
- vi. Customers must utilize the BPA Manufactured Home Replacement Documentation Form found in the [IM Document Library](#) to document the pre- and post-condition and related cost data for this measure, and maintain the Project Information Form in the customer file

b. Documentation Requirements

- i. End-user identifying information including unique site ID and address.
- ii. NEEM 1.0 or 2.0 certificate of compliance.
- iii. Completed BPA Manufactured Home Replacement Documentation Form found in the [IM Document Library](#), which documents project information, that the original home was constructed prior to 1976 and that the original manufactured home was decommissioned.

c. Payment

- i. BPA will pay up to \$7,500 for replacement of a pre-1976 manufactured home with a new NEEM Certified Home on a per-replacement home basis. This amount is based on the cost per-house limit set annually through the DOE WAP program.
- ii. Customers may claim high efficiency heating and thermostat measures in addition to this measure but may not claim residential UES measures or BPA grant measures that could be found within the [NEEM 1.1 or NEEM 2.0 specifications](#).

If you have any questions, please contact me at (503) 569-2528.

Best regards,

Danielle Safford
Weatherization Program Manager