

**E-mail MEMO:
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MEMO

WX-2017-5

TO: Agency Directors, Fiscal Officers and Weatherization Coordinators
FROM: Steve Divan, Weatherization Program Manager
RE: ECHO Program Modifications
DATE: 8/25/2017

Greetings,

During calendar year 2016, the OHCS weatherization team convened a workgroup to complete a review of the ECHO program and to recommend program operation changes for implementation during the 2017-2019 biennium.

Following are the program changes that have been approved for implementation. Effective immediately, the new ECHO program guidelines will apply to all projects initiated after the release of this memo.

ECHO Program Changes:

- **Audit Protocol:**
 - Deemed Ductless heat pumps: All DHPs installed under the ECHO program are considered “**deemed savings measures**” and are not required to be included in the list of measures within REM/Design. DHPs will be a separate measure outside the REM/Design SIR calculations. This applies even if the DHP is bought down using flexible funding.
 - Ductless heat pumps are deemed cost effective at a cost of \$3,800 and are independent of the SIR calculation.
 - Grouped SIR: One grouped SIR will be utilized for the entire project; energy related repairs *may* be included in the grouping. All non-deemed measures will be included in the grouped SIR.
 - If the grouped SIR drops below a 1.0, flexible funding may be used to buy down the non-cost effective portion.
 - If flexible funding is not available, measures may be dropped by running measures with independent SIRs removing lowest SIR measure(s) until the total package is cost effective.

- Repairs *may* be left outside of the REM/Design model and paid using flexible funds.
- Health & Safety (H&S) is not included in the grouped SIR.

Note: If DOE is used in any amount on an ECHO project, all DOE rules apply. Individual SIRs will apply and DHPs must be included in the SIR calculations.

- **Health & Safety Limit:**
 - Health & Safety limits increase to 20% of allocated program funds.
- **Fuel Switching:**
 - Fuel switching from Oil and wood heating systems is allowed with OHCS approval. A fuel switch request form and associated documentation must be sent to OHCS for approval.
 - Fuel switching must be cost effective to qualify for ECHO funds.
 - Fuel switching is not a priority.

The above modifications to the ECHO program will be added to the ECHO guidelines. Until the updates are completed, this memo may be used as justification to utilize the modifications listed above.

If you have any questions, please contact me at (503) 986-0979.

Best Regards,

Steve Divan
Weatherization Program Manager