

Building Performance Standards Stakeholder Meeting December 13, 2023



OREGON
DEPARTMENT OF
ENERGY

Today's Agenda

- I. House Bill 3409 Legislation Overview
- II. Program Timeline
- III. Other Supporting ODOE Activities
- IV. Rulemaking Overview (including Rulemaking Advisory Committee)
- V. Stakeholder Comments

Notes:

- *Today's meeting is primarily a general overview and listening session to help shape ODOE's implementation. It is still early in the process and many of the program details are to-be-determined.*
- *Today's meeting is being recorded.*



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

HOUSE BILL 3409

82nd OREGON LEGISLATIVE ASSEMBLY--2023 Regular Session

Enrolled House Bill 3409

Sponsored by Representatives RAYFIELD, MARSH, PHAM K, Senators DEMBROW, LIEBER; Representatives ANDERSEN, BOWMAN, CHAICHI, DEXTER, GAMBA, GRAYBER, HARTMAN, HOLVEY, HUDSON, KROPP, LEVY E, MCLAIN, NELSON, NERON, NGUYEN H, NOSSE, REYNOLDS, SOSA, TRAN, WALTERS, Senators CAMPOS, MANNING JR, PATTERSON, SOLLMAN

CHAPTER

AN ACT

Relating to climate; creating new provisions; amending ORS 352.823, 468A.210, 468A.215, 468A.220, 468A.225, 468A.230, 468A.235, 468A.240, 468A.245, 468A.250, 468A.255, 468A.260, 469.754, 469.756 and 530.050 and sections 1 and 5, chapter 655, Oregon Laws 2019, and sections 2, 10, 14, 17, 21, 23, 24 and 29, chapter 86, Oregon Laws 2022; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

DESIGNATED STATE AGENCY PROGRAMS FOR ENERGY EFFICIENCY IN BUILDINGS

SECTION 1. (1) The Legislative Assembly finds that:

(a) Energy consumption in residential and commercial buildings accounted for 34 percent of annual greenhouse gas emissions in this state in 2021, according to the Department of Environmental Quality;

(b) Space and water heating account for 64 percent of an average residential building's energy use;

(c) Heat pumps provide both heating and cooling benefits that keep people safe during extreme weather events that are becoming more frequent and more intense as a consequence of climate change;

(d) Electric heat pumps can provide up to three times more heat energy than the electrical energy the heat pumps consume, which makes heat pumps the most energy efficient space heating option available in the market;

(e) Upgrading space and water heating appliances with contemporary heat pump technologies can help people to save money on household energy bills;

(f) Existing and forthcoming state and federal incentive programs will assist in energy efficiency improvements in homes and buildings, including adoption of energy efficient heating and cooling appliances;

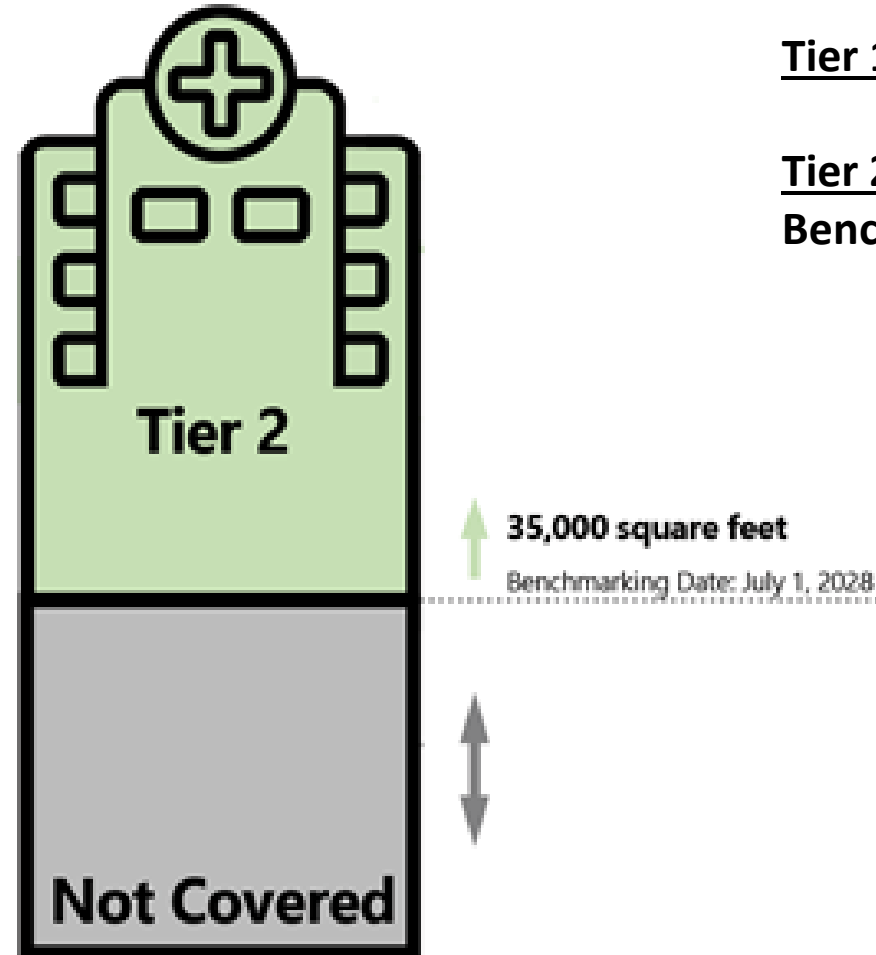
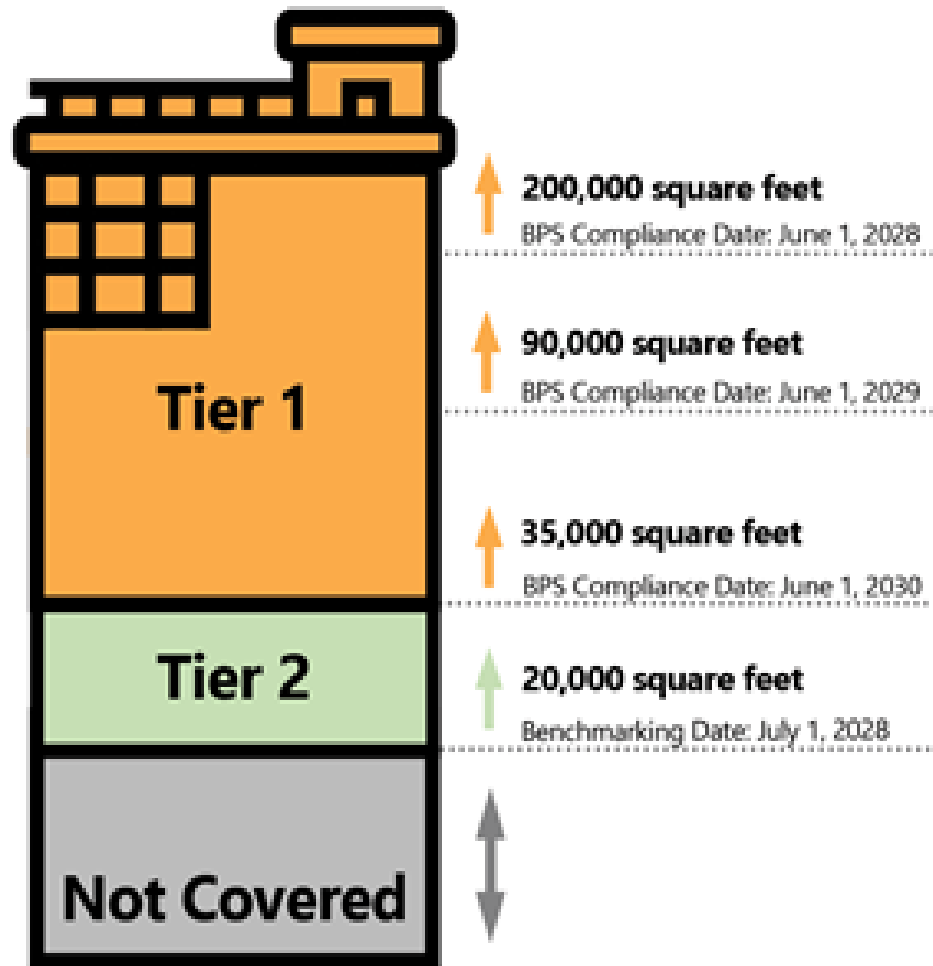
(g) Many residents of this state suffer from disproportionately high energy burdens, and environmental justice communities face greater barriers to purchasing and installing heat pumps and other energy efficient appliances; and

- BPS is part of HB 3409 from the 2023 Legislative Session
- This policy addresses energy use and emissions from existing commercial buildings, which account for nearly 20% of energy use in Oregon.
- It will require many large commercial buildings to enhance energy management practices and implement efficiency measures to meet energy use targets and will be modeled after ASHRAE Standard 100.
- Will be administered by ODOE
- Modeled after Washington state program

BUILDING PERFORMANCE STANDARDS - SCOPE

**Commercial (Non-Residential),
Hotels, and Motels**

**Multifamily Residential, Hospitals, Schools,
Dormitories, and University Buildings**



Tier 1 = BPS Compliance

**Tier 2 = Energy
Benchmarking / Reporting**

BUILDING SIZE REFERENCES



~ 35,000-45,000 square feet

~ 100,000 square feet



ODOE Office



BUILDING PERFORMANCE STANDARDS

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

Tier 2 building means:

1. A building with gross floor area, excluding any parking garage, that equals or exceeds 35,000 square feet and that is used as a multifamily residential building, a hospital, a school, a dormitory or university building; or
2. A building in which the sum of gross floor area for hotel, motel and nonresidential use exceeds 20,000 square feet but does not exceed 35,000 square feet, excluding any parking garage.

Questions?

BUILDING PERFORMANCE STANDARDS

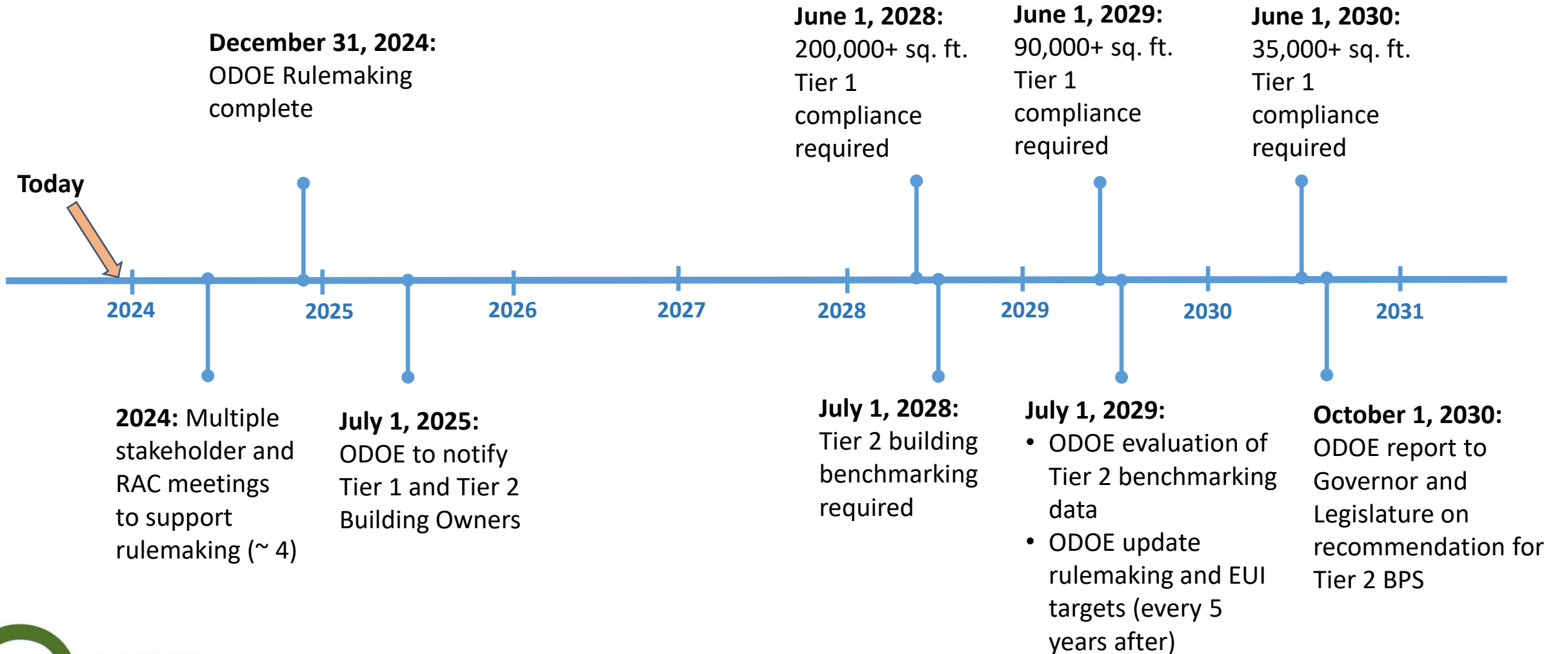
Compliance will generally require either:

- Meeting energy use intensity (EUI) targets;
 - "Develop energy use intensity targets that are not more stringent than the average energy use intensity for each covered commercial building occupancy classification"*
 - "Energy use intensity means a measurement that weather normalizes a building's site energy use relative to the building's size, calculated by dividing the total net energy the building consumes in one year by the building's gross floor area, excluding any parking garage, and that is reported in thousands of British thermal units per square foot per year."*
- Meeting conditional compliance requirements that ODOE establishes (such as energy audits, energy investments, and energy management plans), or;
- Receiving approval for an eligible exemption allowed under HB 3409
 - A. No certificate of occupancy
 - B. Low occupancy ¹
 - C. Total gross floor area, less unconditioned and semiheated spaces, is <35,000 sq. ft. ²
 - D. Primary use is manufacturing or industrial (Factory Group F, High Hazard Group H) ²
 - E. Agricultural buildings ¹
 - F. Financial hardship ¹

¹ Refer to text of HB 3409 for more detail

² Refer to the building code for more detail

BPS PROGRAM TIMELINE – KEY DATES



OTHER ODOE ADMINISTRATIVE ACTIVITIES

- Staff on-boarding
 - Program Manager - 2024
 - Tier 1 Program Analyst – 2024
 - Tier 2 Program Analyst – 2024
 - Incentives Policy Analyst – 2024
 - Customer Service and Education – 2024
 - IT Support – 2024
 - Compliance Specialist – when building compliance starts
- Identification of Covered Buildings
 - RFPs / Consultants to support:
 - Target setting, covered building identification
 - Community-led stakeholder engagement
 - ASHRAE Standard 100 licensing agreement
 - Preliminary identification and evaluation of data and software needs
 - Federal grant support

Questions?

RULEMAKING PROCESS

- ODOE plans to file a public hearing notice, including draft rules, with the Oregon Secretary of State in fall 2024
- Public comment period will run for about four weeks
- Public hearing in October or November (including remote participation)
- ODOE staff will review public comments received and may revise draft rules
- ODOE plans to file the final rules with the Oregon Secretary of State by the end of 2024, with the rules becoming effective January 1, 2025

RULEMAKING ADVISORY COMMITTEE (RAC)

- “Before adopting rules under this section, the department shall establish and consult an advisory committee that includes representatives of
 - eligible building owners,
 - tenants of covered commercial buildings,
 - public utilities,
 - organizations with experience in designing or implementing energy efficiency programs,
 - local governments,
 - organizations that focus on environmental justice, and
 - other stakeholders the department identifies as needing representation.”
- ODOE anticipates a RAC consisting of 10-15 members with a commitment through the end of 2024. RAC members will be expected to attend several meetings during the year, with content to review before and after meetings.

[RAC interest form](#)

RULEMAKING SCOPE

ODOE Rulemaking in 2024 will define:

- Energy performance targets
- Energy management requirements and modification of ASHRAE Standard 100 for Oregon-specific requirements
- Conditional compliance pathway
- Reporting criteria and procedures
- Compliance documentation and enforcement
- Data aggregation
- Incentives structure
- ++ other administrative requirements



OREGON
DEPARTMENT OF
ENERGY

Thank You Questions / Comments?

Blake Shelide, PE
Facilities Engineer

blake.shelide@energy.oregon.gov

Wendy Simons
Rulemaking Coordinator

wendy.simons@energy.oregon.gov

<https://www.oregon.gov/energy/save-energy/Pages/BPS.aspx>

QUESTIONS / COMMENTS

- What are your key items for ODOE to consider, or questions to have answered, during rulemaking?
- Are there any specific people, organizations, or other categories of stakeholders needing representation you would recommend for the RAC?
- If you have been involved in implementation of other jurisdictional BPS programs, are there lessons learned you want to share?