

Healthy Heating and Cooling for All SB 868

SB 868 (Healthy Heating and Cooling for All) aligns energy efficiency programs with state climate goals, sets a heat pump target for the state, supports workforce development, and improves navigation of federal and state incentives for energy efficiency and retrofits of homes and businesses.

Problem:

- Too many Oregonians are living with outdated, inefficient and carbon-intensive heat sources. Further, too many Oregonians are living without access to cooling in their homes, despite increasing risks of fire, smoke, and devastating heat.
- Space and water heating make up 64% of an average residential building's energy use.
- Environmental Justice Communities, including rural, low-income, and BIPOC Oregonians are more likely to be without cooling, without efficient heating, and facing disproportionate energy cost burdens.
- While efficiency upgrades are available on the open market, they are out of reach for many Oregonians due to costs, tenancy, and other factors
- Oregon has many disparate programs dedicated to energy efficiency upgrades, home health and safety improvements, and more, however the goals and qualifications for these programs do not always align with each other or with our state's climate goals.

Solution:

- Align new and existing programs related to the resilience, energy efficiency and greenhouse gas emissions of homes and buildings with state climate goals
- Align state incentives and other programs related to home upgrades and efficiency with new Federal incentives, to maximize Oregon's allocation and make best use of state funds.
- Set a state heat pump deployment target of 500,000 new heat pumps installed by 2030, with a priority for low-income and environmental justice communities throughout the state. With reports to the legislature on progress, barriers, and market factors.
- Improve navigation systems for Oregonians (building owners, renters, builders and developers) who may access incentives and programs, with the goal of streamlining processes and creating a One-Stop-Shop for Oregonians. (See also, <u>HB 3166</u>)
- Improve workforce and contractor training, education and awareness of incentives, programs, rebates and installation needs of heat pumps and other energy efficiency upgrades.



Healthy Heating and Cooling for All SB 868

What are Heat Pumps?

Energy-efficient alternative to furnaces and air conditioners. Like your refrigerator, heat
pumps use electricity to transfer heat from a cool space to a warm space, making the
cool space cooler and the warm space warmer. Because they transfer heat, heat pumps
can efficiently provide comfortable temperatures using less energy and lowering energy
bills. (US Department of Energy)

Rebuilding Task Force Background:

Energy consumption in buildings is responsible for nearly 35 percent of annual Oregon greenhouse gas emissions. The Resilient Efficient Buildings Task Force was created in 2022 by Senate Bill 1518 to identify and evaluate policies related to building codes and building decarbonization for new and existing buildings that would enable the state to meet its greenhouse gas emissions reduction goals while maximizing additional benefits such as increasing energy efficiency, improving climate resilience, improving public health and air quality, and reducing the percentage of household income that is spent on energy costs. Co-Chairs Lieber and Marsh identified policy areas that would have significant impact on emissions reductions and community resilience. Those areas will be contained in four bills, SB 668, SB 669, SB 670 and SB 671. Legislative Counsel is still working on initial language.

Sponsors: Senator Kate Lieber and Representative Pam Marsh