



Oregon

Kate Brown, Governor



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MEMORANDUM

To: Energy Advisory Work Group Members

From: Janine Benner, Director

Date: May 26, 2021

Re: Materials for June 2, 2021 Meeting

Thanks in advance to members who are able to join us next week in the midst of a busy legislative session. I am really looking forward to seeing your faces and getting a chance to connect. In particular, I'm hoping you'll be able to share any updates from how your legislative session is going – including what bills are you working on and tracking.

Like last time, we'll hold this meeting using the WebEx platform, and all EAWG members or alternates will be “panelists” and therefore able to turn on your cameras and unmute yourselves to participate in the conversation.

As you'll see from the agenda, we have set aside the majority of the time for the EAWG roundtable so we can hear from you about your priorities. We will also plan to provide a brief update on our legislative priorities, ODOE's budget, and our strategic plan, which we finalized earlier this spring. Finally, there are a few items on which we'd appreciate your feedback:

- **Energy Audits for Agricultural Producers and Rural Small Businesses:** ODOE recently received a \$100,000 grant from the USDA to support energy audits for rural small businesses and farmers (see attached program flyer and [our website](#) for more information). ODOE will be standing up the program this spring and summer, and we'll share more information about it at next Wednesday's meeting. We would appreciate your feedback on avenues to help spread the word on this program to make sure it reaches the people who need it the most. Also, we will be looking for partnerships to help support complimentary activities in the future and would welcome your thoughts.
- **Biennial Zero-Emission Vehicle Report:** In 2019, the legislature passed SB 1044, directing ODOE to develop a report every two years on how the state is doing on zero emission vehicles. The report is due in September 2021, and ODOE staff have developed a draft table of contents (attached). The table of contents covers the statutorily required reporting requirements, which are described in more detail below. We'd appreciate any feedback you might have on whether there are any charts and graphs or particular information that you would like to see in the

report to help tell the whole story of ZEV adoption in Oregon and the state's progress toward achieving its ZEV goals.

- Biennial Energy Report Presentations and Materials: We won't be making a presentation on this topic at the meeting, but we appreciate those of you who have attended the various webinars we've put on so far. At the most [recent webinar](#) on May 13, we asked attendees a series of questions about their priorities on energy and climate, and we hope to host further discussions with Oregonians to better understand their opinions. What we'd love to know from you is whether there are particular topics that you think would be worth covering during future webinars. Are there materials or information from the report that we can prepare that would help you in your work? Are there venues where you think it would help to have a presentation from one of our experts?

Here are some additional materials that might be helpful to review before next week's meeting.

- [ODOE's new Strategic Plan](#)
- An updated version of ODOE's [Legislative Priorities](#) for the 2021 Session
- [Information on ODOE's budget](#), including our [Agency Request Budget](#) and the [Governor's Recommended Budget](#) for the agency. On Monday, the Ways and Means Natural Resources Subcommittee held a work session and unanimously passed [SB 5515-1](#), which is the Legislature's version of our budget.
- Information on the Renewable Energy Development Assistance Grant that ODOE received from the U.S. Department of Agriculture. (Attached)
- One pager on the Biennial Zero-Emission Vehicle report and the draft Table of Contents. (Attached)

Rural & Agricultural Energy Audit Program

REDUCE 
operating costs

IMPROVE 
energy efficiency

Energy is critical to the operations of Oregon’s agricultural producers and rural small businesses – from powering irrigation and dryers to buildings and cold storage. The energy to run operations is often a major expense, so improving equipment and operational efficiency can lead to significant monthly utility savings.

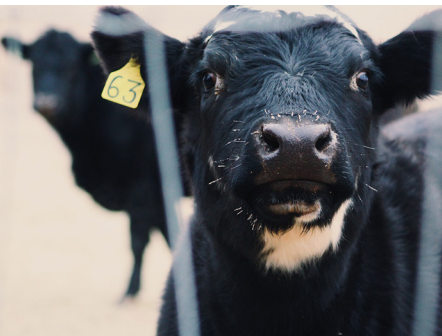
An energy audit can help identify potential areas of improvement and prioritize energy projects based on cost, savings, and payback period. But the cost of the energy audit – between \$4,000 and \$20,000 – can be a barrier.

The Oregon Department of Energy has \$100,000 available through a USDA Renewable Energy Development Assistance grant to help fund energy audits for Oregon farms and ranches and rural small businesses. ODOE will use the grant funding to pay for 75 percent of the cost of the energy audit, payable to the auditor conducting the audit. The agricultural producer or rural business will pay for the remaining 25 percent.

ASSISTANCE
available 



Whether you’re looking to save energy but don’t know where to start or you already have ideas about potential projects for your farm or rural business, you may want to consider an energy audit to better understand your overall energy use and identify equipment or projects that will be most cost-effective for you. An audit is also often the first step required for federal, local, or utility energy grants or other types of funding.



Interested participants are encouraged to contact ODOE and provide some basic information. The agency will follow up and work with applicants to determine if the energy audit program is a good fit, and will help schedule participants for an audit with an experienced energy auditor based on the auditor’s expertise, geographic area, and availability.

More information – including how to sign up for program updates and responses to Frequently Asked Questions about the program – is available on ODOE’s website.



<https://tinyurl.com/ODOE-Rural-Audit-Program>

email: AskEnergy@oregon.gov
phone: 503-378-4040

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Oregon Department of Energy Biennial Zero Emission Vehicle Report

In 2019, Oregon passed a law (SB 1044) requiring the Oregon Department of Energy to develop a report on zero-emission vehicle adoption and the state's progress toward achieving its ZEV adoption goals.

ODOE's Reports Will Include:

1. Whether the transportation sector is on course to reduce the share of greenhouse gas emissions commensurate with state GHG reduction goals
2. Sales figures and progress toward Oregon's new ZEV adoption targets
3. Distribution of ZEVs by demographic groups
3. Availability and reliability of ZEV charging infrastructure
4. Cost differences between ZEVs and fossil-fueled vehicles
5. ZEV platforms available in all sectors
6. Oregonians' awareness of ZEV options and benefits
7. Carbon intensity of Oregon's transportation emissions
8. General state of electrification for all transportation modes
9. Opportunities to manage impacts to the electrical grid
10. Assessment of impacts on revenues to the Highway Trust Fund

Oregon's ZEV Adoption Targets

- ⚡ **50,000** registered ZEVs on Oregon roads by 2020
- ⚡ **250,000** registered ZEVs on Oregon roads by 2025
- ⚡ At least **25 percent** of registered vehicles and at least **50 percent** of new vehicles sold annually are ZEVs by 2030
- ⚡ At least **90 percent** of new vehicles sold annually are ZEVs by 2035

If the state is not on target to achieve the ZEV adoption goals, ODOE is required to include recommendations in the report that will help promote and reduce barriers to ZEV adoption, including recommendations for legislation.

2021 Report

The inaugural report is due on September 15, 2021, and every odd year thereafter. ODOE has collected most of the data necessary to inform the 2021 report and is currently drafting. Because Oregon did not meet the 50,000 ZEV goal in 2020, and because the data indicates we are not on track to meet the 2025 or 2030 goals, ODOE is identifying potential recommendations as the report is being drafted. We will be seeking stakeholders input on recommendations in July or August.



Report Development Schedule:



Phase 1 - Bill Implementation Development (July – August 2019)

Developed a project plan and budget to accomplish the report. **COMPLETED**

Phase 2 - Data Source Identification (July 2019 – April 2020)

Conducted outreach with stakeholders to identify and assess data resources. **COMPLETED**

Phase 3 - Research and Data Collection (September 2019 – June 2021)

Research, physical collection of data, internal analysis, and stakeholder engagement. **IN PROGRESS**

Phase 4 - Data Governance and Validation (September 2019 – July 2021)

Review data sets, ensure data completeness and accuracy, and ensure data storage and security protocols are followed. **IN PROGRESS**

Phase 5 - Report Drafting and Review (December 2020 – August 2021)

Report drafting, internal review, peer review, and stakeholder engagement. **IN PROGRESS**

Phase 6 - Recommendations Drafting and Review (November 2020 – August 2021)

Internal assessment of report findings and development of key recommendations including external engagement and input. **IN PROGRESS**

Phase 7 - Report Publication (July – September 2021)

Internal finalization, reviews, publication.

Contact Us:

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<https://www.oregon.gov/energy/energy-oregon/Pages/Zero-Emissions-Vehicles.aspx>



Background

- Summary of Legislation
- Overview of state transportation data (use BER)
 - Fuel use and costs
 - Greenhouse Gas Emissions and other air pollutants
- Scope of report development and assessment

Reporting Requirements

Current State of EV Adoption

- How many EVs are there and who is driving them?
 - EV market and progress on specific EV adoption targets
 - distribution of EVs by demographic groups
 - equitable access to ZEVs
- What EVs exist for people to buy and drive/use?
 - ZEV platforms available in all sectors and General state of electrification for all transportation modes
- What is Oregonians' awareness of ZEV options and benefits?

Benefits of EV Adoption

- Short intro on the overarching benefits of EV adoption, including lower GHGs, lower fuel and maintenance costs, lower air pollutants, more energy independence, and more retention of fuel dollars in state
- Lower Costs
 - cost differences between ZEVs and fossil-fueled vehicles (focus on lower costs for operation and maintenance)
 - GHG reductions
 - carbon intensity of Oregon's transportation emissions
 - whether the transportation sector is on course to reduce the share of greenhouse gas emissions commensurate with state GHG reduction goals

Challenges to Increased EV Adoption

- cost differences between ZEVs and fossil-fueled vehicles (focus on higher costs for purchase)
- availability and reliability of ZEV charging infrastructure
- opportunities to manage impacts to the electrical grid
- assessment of impacts on revenues to the Highway Trust Fund

Conclusions

- overall assessment of SB 1044 legislative goals and whether the state is on track for the following:
 - transformation of the motor vehicle market by 2035,
 - programs and support necessary to accelerate Oregonians' purchase and use of ZEVs until greenhouse gas emissions from vehicles are declining at a rate consistent with the state GHG emissions reduction goals in ORS 468A.205,
 - regular evaluation of ZEV adoption to determine if current EV adoption and use put the state is on track to meet state GHG emissions reduction goals.

Recommendations

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