



Oregon

Kate Brown, Governor



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Energy Advisory Work Group

DATE: March 31, 2022

TIME: 2:00-4:00

Oregon Department of Energy – via WebEx

| Meeting Attendees | | |
|---|--|--|
| EAWG Members | ODOE Staff | Guests |
| Bridget Callahan, Sustainable Northwest Brooke Brownlee, PGE (alternate for Sunny Radcliffe) Fred Heutte, NW Energy Coalition Jana Gastellum, Oregon Environmental Council Kerry Meade, NW Energy Efficiency Council Lisa Gaines, Oregon State University Mary Moerlins, NW Natural Nate Rivera, Hermiston Energy Services Nicole Hughes, Renewable Northwest Roger Kline, Northern Wasco County PUD Silvia Tanner, Multnomah County Tony Schacher, Salem Electric | Janine Benner, Director Alan Zelenka, Asst Director Planning & Innovation Andy Cameron, Efficiency & Conservation Manager Christy Splitt, Government Relations Coordinator Jennifer Senner, Grants Officer Jenny Kalez, Communications Director Jessica Reichers, Energy Technology & Policy Manager Mary Knight, Budget Analyst Michael Williams, Assistant Director Central Services Pandian Krishnaswamy, Energy Incentives Manager Ruchi Sathir, Assoc Director, Strategic Engagement Stacey Heuberger, Office Operations Analyst Todd Cornett, Assistant Director Energy Siting | Adam Hutchinson Alec Shebiel Arlene Sherrett Beth Reiley Britni Davidson Danelle Romain David Heslam Haley Ellett Hannah Cruz Ian Casey Kathy Moyd Lari Rupp Laura Tabor Leah Navarro Matt Kirsch Maureen McGee Mike McArthur Ramsey Cox Robert Mullin Roy Sashwat Sarah Buchwalter Ted Case Tiffany Bennett Tucker Billman |

Welcome and Director's Update *(Janine Benner, Director)*

Janine welcomed EAWG members to the 2022 Spring EAWG meeting. She introduced Michael Williams as ODOE's new Assistant Director for Central Services.

State offices will be reopening to the public on May 1, 2022. ODOE will continue working on hybrid remote schedules but look forward to hosting more in-person meetings and events. Conversations continue with DAS on shrinking the office size and reducing rent costs now that fewer staff will be in the office on a regular basis.

The deadline for general input on the 2022 Biennial Energy Report has been extended to April 8. There will likely be follow up with EAWG members on specific topics as ODOE begins the drafting phase.

EAWG Roundtable

Nicole Hughes, Renewable Northwest

- Engaged in offshore wind. They have been trying to bring together developers, stakeholders, and communities that would be impacted by offshore wind and get those conversations started.
- They have been working on how to ensure utilities can meet the new standards under HB 2021.
- Renewable Northwest is hiring for a Stakeholder Outreach Manager.

Mary Moerlins, NW Natural

- NW Natural has contracted 3% of their sales throughput as renewable natural gas. They anticipate continuing to grow that number. This is in alignment with their 2050 plan.
- Supporting regional hydrogen development. They are working with Eugene Water and Electric Board on renewable hydrogen creation.
- Continue to engage on the workforce development front.
- NW Natural is hiring for Low Income Weatherization Program Manager.

Lisa Gaines, Oregon State University Institute for Natural Resources

- They are engaged in HB 4077, which created the Environmental Justice Council and directed the development of an environmental mapping tool. They will be working with a number of organizations to develop the mapping tool, which will be housed on the Institute's Oregon Explorer digital library.

Roger Kline, Northern Wasco County PUD

- Utilities are focused on supply chain issues. Prices have gone up by 40% and delivery has been delayed exponentially.
- Roger shared that he saw a press release from General Electric said that wind turbine blades would soon be recyclable.
- They are partnering with Forth and the American Public Power Association on an electric vehicle ride share.
- Roger announced that this may be his last EAWG meeting after 5 years.

Fred Heutte, NW Energy Coalition

- The Coalition is focused on the Division 21 rules on utility services, consumer rights and protections, shut offs and reinstatements, especially with extreme events like Covid, wildfire, extreme heat and cold.
- They are gearing up for rulemakings on HB 2021.
- They are looking at what the future is for transmission and for regional markets and programs.
- There is a lot of focus on the future of gas.
- BPA is working on their financial strategy and will enter the Western Energy Imbalance Market in May.

Bridget Callahan, Sustainable Northwest

- They worked with Senator Merkley's office and received resources to significantly expand their electric tractor pilot project. There are two electric tractors coming next week and about a dozen more are on the way.

- Sustainable NW's Making Energy Work for Rural Oregon coalition will be launching a policy committee. This committee will help provide perspective on barriers, specifically for community energy. It will also be watching ODOE's Small-Scale Renewable Energy Projects Study and hope to find some opportunities to advocate for recommendations in the study when it is provided to the legislature in September.
- They have been developing technical assistances programs and supporting tribes and counties so that their communities can utilize ODOE's Community Renewable Energy Grant program.

Silvia Tanner, Multnomah County Office of Sustainability

- Working on implementation of HB 2475 and HB 2021.
- They are excited for the rulemaking that PUC is working on relating to disconnections and income.

Nate Rivera, Hermiston Energy Services

- They are tracking the rules for wildfire mitigation and vegetation management.
- They are also watching OSHA rules.
- Workforce development continues to be a challenge.
- Supply chain issues and related cost containment is a real challenge right now.
- Hermiston is building new City Hall.
- Nate wanted to thank Roger Kline for his participation in the Energy Advisory Work Group.

Brooke Brownlee (alternate for Sunny Radcliffe), PGE

- PGE is engaging with stakeholders to start talking about the need for workforce development planning.

ODOE Updates

2023 Legislative Concepts (*Christy Splitt, Government Relations Coordinator*)

Christy reviewed bills that passed during the February 2022 session that affect the agency or direct ODOE to do new work.

- [SB 1536](#) – This bill directs ODOE to establish two separate programs related to heat pumps. One program directs resources to landlords to bring more cooling heat pumps to rental units. The other program allows ODOE to provide grants to 11 regional partners or tribes to allow them to set up heat pump deployment efforts in their own communities.
- [SB 1567](#) – This bill directs ODOE to develop an energy security plan. This will be a security plan across multiple energy sectors, not just liquid fuel.
- [HB 4077](#) – This adds ODOE to the list of agencies that are part of the Environmental Justice Council.
- [HB 4057](#) – HB 4057 adds landscape sprinklers to the energy efficiency standards.
- [HB 4059](#) – This bill will make mostly technical changes to the HB 2021 responsible labor standards for energy projects. ODOE collects an attestation via an online portal for those and will need to update the online portal with new language.
- [HB 5202](#) – HB 5202 provided an additional \$5 million in General Fund to ODOE for the Solar + Storage Rebate program.
- [SB 1518](#) – ODOE is expecting to be asked for data and technical assistance from the Resilient and Efficient Buildings Taskforce, established by SB 1518.

Christy provided a link to [ODOE's end of session report](#).

ODOE Studies Updates *(Alan Zelenka, Asst. Director Energy Planning & Innovation)*

- [Regional Transmission Organization Study](#)

SB 589 (2021) directed ODOE to produce a study that identified the opportunities, challenges, and barriers to Oregon entities participating in a Regional Transmission Organization.

ODOE created a group of diverse stakeholders and held three workshops between September and October. The input from those workshops were compiled and the study was completed and delivered to the legislature in December. The RTO Study can be found on [ODOE's website](#).

- [Floating Offshore Wind Study](#)

HB 3375 (2021) directed ODOE to develop a report that identifies the challenges and benefits of integrating up to 3 GW of floating offshore wind into Oregon's electric grid by 2030.

ODOE completed the draft [literature review](#) for this study in January and held a kickoff meeting to go over the review with stakeholders. The first public meeting was held on March 10, with more than 90 attendees. There will be another virtual public meeting on April 7 and hoping to hold an in-person meeting in Coos Bay in May. This study is due to the legislature by September 15, 2022.

- [Renewable Hydrogen Study](#)

This study was required by SB 333 (2021) and directs ODOE to conduct a study on the potential benefits and barriers of production and use of renewable hydrogen in Oregon.

ODOE held the kickoff meeting on November 16 and will hold a second meeting in June to discuss and comment on initial findings. There will be a third meeting in August to comment on the final findings and draft report. This study is due to the legislature by September 15, 2022.

- [Small-Scale Renewable Energy Projects Study](#)

HB 2021 (2021) required ODOE to convene a workgroup to examine opportunities to encourage development of small-scale and community-based renewable energy projects in Oregon that can contribute to economic development and local energy resilience.

ODOE held the kickoff meeting on December 3 and have four upcoming workshops planned in April, June, and July and will have specific topics of discussion at each. This study is due to the legislature by September 30, 2022.

Incentive Programs Update *(Pandian Krishnaswamy, Energy Incentives Manager)*

- [Oregon Solar + Storage Rebate Program](#)

This program was established in 2019 and provided \$2 million for rebates for solar electric systems and paired solar and storage systems for residential customers and low-

income services providers. ODOE was allocated another \$10 million General Fund during the 2021 session and another \$5 million during the 2022 session.

As of March 22, about \$4.9 million has been requested or reserved and 777 out of 1418 projects are complete. ODOE will release another \$5 million in Spring 2022 for this program.

- [Energy Efficient Wildfire Rebuilding Incentive](#)
HB 5006 (2021) established this program to provide incentives for energy efficient rebuilding of residential and commercial structures that were destroyed during the 2020 Labor Day fires.

ODOE is working on actions to launch this program. A rulemaking was held on March 21, a digital platform to process applications is being built, and outreach activities are in progress.

- [Community Renewable Energy Grant Program](#)
This program will provide grants for planning and developing community renewable energy and energy resilience projects. HB 2021 (2021) provided \$50 million General Fund for this project.

This program launched with four opportunity announcements, totaling \$12 million, on March 7. Rulemaking for this program is complete and outreach and webinars are in progress.

Questions and feedback:

Janine added that ODOE would be happy to speak at events, make presentations, or partner with EAWG members on outreach to their stakeholders to help get the word out on these programs.

Siting Update/Process Overview *(Todd Cornett, Assist. Director Energy Siting)*

Todd shared a [slide](#) providing an overview of what the Siting Division is working on and highlighted two projects.

- **Obsidian Solar Center Project**
This is a 400 MW solar facility with 50 MW of battery storage. This is located near Christmas Valley in Lake County, on approximately 3900 acres. This project is surrounded by fairly high-value organic alfalfa and there are 17 residential properties within one mile. Todd explained the major steps and how issues were mitigated through this project's process. The Energy Facility Siting Council approved this project in February 2022 and is in the final stage, which is the appeal period, where parties to the contested case can raise any of the remaining issues directly to the Oregon Supreme Court.
- **Boardman to Hemingway Transmission Project**
This project is a 300-mile, 500 kV transmission line that crosses five counties in Oregon and one county in Idaho. This project crosses private property, state and federally owned lands, numerous different zoning designations, farm and forest land, high-value natural resource habitats, cultural archaeological resources, waterways, among others. This project is at the contested case phase and there are 36 parties and 79 issues. Contested

case should conclude in August 2022 and Siting anticipates the final order in October. Siting expects the final order will be appealed to the Supreme Court.

Federal Funding: IJJA (*Janine Benner and Jennifer Senner, Federal Grants Officer*)

Janine said that while no money has yet been dispersed, it is expected to start coming this summer. Most of the money will have specific requirements and limitations where ODOE will not have complete discretion. ODOE will be in the position to make decisions about how to spend some of the funds within those boundaries and about which competitive programs to pursue. ODOE will make sure that stakeholders and the public have an opportunity to provide input on how to prioritize those funds. The Biden-Harris administration sent states their priorities for these funds and Governor Brown has made it clear that state agencies should meet these priorities in a way that also addresses climate, equity, and racial justice.

In addition to federal and state guidance and priorities, ODOE, when there is discretion, will prioritize funds that support the [agency's mission, strategic plan](#), and authorizing statutes ([ORS 469.010](#)).

Community engagement has already begun, and Jen Senner shared a recap of a meeting specifically on workforce development, a priority expressed by EAWG members at the January meeting. Jen shared that one of the main themes from that meeting was the need to have a strong focus on equity and diversity as a part of any type of workforce development program that ODOE engages in. ODOE plans to speak with local workforce investment boards to help identify the best areas of opportunities to potentially focus on.

Next steps include continuing to gather feedback from key stakeholders and the public, through a public webinar and online portal, then developing high-level priorities for infrastructure spending. Feedback and priorities will be shared with the EAWG and the Governor's Infrastructure Cabinet. Using those priorities, ODOE will develop specific proposals for specific programs. Janine asked EAWG members for input on the following questions:

1. What high level priorities would you identify?
2. What type of support do you think is needed: Technical assistance? Capital funding for projects? Capacity building? Planning? Data and Research?
3. What topic areas are most important?

Questions and feedback:

Nicole Hughes said that some of the barriers to meeting clean energy goals, like transmission, should not be looked at on a state-by-state basis, but rather regionally. Nicole shared the approach that Nevada has taken by creating a regional transmission task force and then having that task force coordinate with other states.

Silva Tanner shared three priority ideas: the need for technical assistance, a possible C-PACE program where the state could obtain additional private financing, and community resiliency, specifically community hubs.

Mary Moerlins echoed the need for technical assistance.

Attendee Kathy Moyd said that resilience and two-way communication between utilities and communities is important.

2023 Legislative Concepts (Janine Benner, Christy Splitt)

Christy shared that there are two draft concepts that ODOE is considering for the 2023 Legislative Session. Based on feedback from the EAWG and other interested stakeholders, ODOE will decide whether to submit these concepts to DAS by April 15.

- Extending the sunset clause for the Oregon Solar + Storage Rebate Program. This program is popular with solar contractors, homeowners, and the legislature and is scheduled to sunset in January 2024. ODOE is considering this concept to extend the program another 5 years.
- Statewide capacity building. This concept addresses building capacity for environmental justice communities to apply for state or federal energy grants, as well as engage in energy decision making. This will be submitted as a placeholder to allow ODOE more time to work with environmental justice communities to develop the concept.

Questions and feedback:

Janine responded to a question in the chat and confirmed that ODOE would be seeking General Fund for these programs proposed in the legislative concepts.

Brooke Brownlee asked for clarification on the \$5 million fiscal impact for the Solar + Storage concept. Christy replied that ODOE is expecting to continue the program at the same level of service that it is currently and an additional \$5 million could continue that level through the 2023-25 biennium.

Bridget Callahan shared that Sustainable Northwest has been working with communities to get an understanding of what their energy consumption and energy resources are so they can build out a roadmap for the next 5-10 years. She said ODOE would be a great support in this effort with a wider strategic and statewide position.

Silvia Tanner said she appreciates the focus on environmental justice communities and the need to grow capacity. She also asked how the Solar + Storage program is doing with the 25% requirement to serve low- to medium-income people. Janine responded that so far ODOE has exceeded the 25% threshold and will be continue outreach to communities and organizations to ensure that continues with the next batch of funds.

Janine gave a brief overview of the state budget development timeline. ODOE is currently working with DAS on their Current Services Level budget and starting to discuss policy option packages. This will be shared at the next EAWG meeting in late May/early June. ODOE is required to hold a public meeting with representatives of ESA payers and that meeting will be in July. ODOE will submit their budget to DAS on July 29.

Strategic Plan (*Ruchi Sadhir, Associate Director Strategic Engagement*)

Ruchi reviewed progress on the strategic plan's five imperatives since the last EAWG meeting.

1. [Expand and Improve Stakeholder Engagement](#). ODOE is having many conversations with interested stakeholders on outcomes from the 2022 legislative session, BER input, legislative concepts and policy option packages, and

newly established ODOE programs. ODOE has also worked with community organizations to make program materials more accessible and available in different languages.

2. [Build Practices and Processes to Achieve More Inclusive and Equitable Outcomes.](#)
ODOE completed a rulemaking for the Solar + Storage Rebate program to improve the low- and moderate-income portions and have also been working on low-income specific incentives in the Wildfire Rebuilding program. There have been big strides to increase the accessibility of material and meetings by ensuring the Webex platform can do live translations and captioning in multiple languages during meetings and incorporating Google Translate on ODOE's website.
3. [Assess and Enhance Organizational Data Capabilities.](#)
Internal milestones that ODOE has hit include refreshing data standards, management, and structures. ODOE has completed a catalog of internally owned data sets and the new Research Analyst is establishing a data management protocol for the upcoming BER.
4. [Assess and Modernize Agency Programs and Activities.](#)
Internal work to finalize a list of programs to be evaluated is underway. This list will be shared at a future EAWG meeting to help gather feedback.
5. [Optimize Organizational Efficiency and Impact.](#)
Enterprise-level changes in business practices and platforms have provided the opportunity for ODOE to practice change management. ODOE has made enhancements to the KPM Survey to make customer feedback more timely and relevant.

Closing Comments/Q&A

Janine asked EAWG member to respond in the chat if they are interested in an in-person meeting for the next meeting. There was interest in having both in-person and virtual options.