



Oregon

Tina Kotek, Governor



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MEMORANDUM

To: Energy Advisory Work Group Members

From: Janine Benner, Director

Date: March 11, 2024

Re: Materials for March 18, 2024 Meeting

In one-on-one meetings with many of you this winter, I heard feedback that more time and more information to prepare for Energy Advisory Work Group meetings would be helpful. I also heard strong interest in holding an in-person meeting. In response, we have scheduled an in-person EAWG meeting for March 18, 2024, at the [ODOE office in Salem](#). This memo includes background and materials that will hopefully enable you to participate meaningfully in the conversation.

During our last meeting we shared updates on some major activities that ODOE is working on this year: the [Energy Security Plan](#), [State Energy Strategy](#), and the [Biennial Energy Report](#). For our almost-spring meeting, we're excited to dive deeper into a few of these items and we are asking for your help in providing feedback and guidance. Please find the agenda attached and more information below.

After a brief update from ODOE and a debrief of the [2024 legislative session](#), we'll dive right into a discussion of the Energy Strategy. We'll have the key staff at ODOE who are working on the strategy in the room to provide a status update and then lead a whiteboarding exercise to help us scope the Energy Strategy. Please come prepared to answer three questions:

- Imagine the Energy Strategy will be published tomorrow. What headlines would you or your organization like to see on the front page of the paper?
- What are some key questions that you or your organization would like to see addressed in an Energy Strategy?
- What existing data are you aware of that could help inform the Energy Strategy? Are there existing studies, plans, or strategies that we should take into account in drafting the Energy Strategy?

After a discussion of the Energy Strategy, we'll turn to one of our [Strategic Plan initiatives](#) where we'd also appreciate your feedback. You may recall that our Strategic Plan called for us to collaborate with energy stakeholders to develop Key Energy Indicators that will help the state monitor and assess Oregon's energy landscape, progress on energy-related goals, and overall status of Oregon's energy systems. Attached to this memo please find a two-page

document with more information on this initiative, some key considerations, and a list of potential Key Energy Indicators that our team has come up with. Questions we will be asking you at the meeting:

1. Do the draft KEIs cover all existing energy-related statutory targets and goals and executive orders? If not, what is missing?
2. How can Oregon measure equity in its energy transition, e.g., percentage of energy burdened households?
3. What KEIs could help track the safety of Oregon's energy system, such as reliability and resilience?
4. What KEIs could inform the economics of the energy transition, such as affordability, workforce development, or economic health of Oregon communities?

Our final major topic of discussion will be on the Energy Research Fund, which was a Policy Option Package funded in ODOE's 23-25 Budget. As you may recall, our budget included an amount of \$250,000 — funded by our Federal State Energy Program grant from U.S. DOE — that the agency can use to contract with outside firms for studies, research, and analysis services when necessary to supplement existing department resources. As described in the [Energy Advisory Work Group Charter](#), the agency will seek review and recommendations from the EAWG on ideas for use of this fund, based on the following criteria:

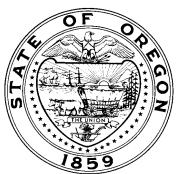
- Does the idea address a research need or does it advance existing or outdated studies, research, or analysis?
- Does the idea address a topic of strong relevance in Oregon or in the broader energy policy landscape?
- Is the idea likely to result in an impartial, data-driven contribution to the body of existing research on this topic?

The ODOE team has identified some ideas for the Energy Research Fund and would like to start a conversation with EAWG about potential topics. Please come with any ideas you or your colleagues may have!

Other ODOE activities we want to make sure you're aware of:

- Our [February newsletter](#) includes updates on ODOE activities, including a new [2023 By the Numbers](#) highlighting how our programs are serving homeowners, renters, businesses, Tribes, and Oregon communities.
- We just revamped our [Federal Funding webpage](#), so make sure to check it out to find the latest on IJA and IRA funding opportunities and grants that ODOE is working on.
- Earlier this month, ODOE joined the OPUC, DEQ, the Washington Utilities and Transportation Commission, Washington Department of Commerce, and Washington Department of Ecology on a letter to BPA regarding BPA's Day-Ahead Market Participation evaluation. The letter is attached.
- Also attached are some recent letters of support, which we're attaching to highlight our collaboration with partners to support federal funding. We hope that you will reach out if you have federal funding application ideas too.

We look forward to seeing you in person on March 18. Please let Stacey know if you plan to be there in person.



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AGENDA

Energy Advisory Work Group

DATE: March 18, 2024

TIME: 1:00PM – 4:00PM

Oregon Department of Energy

550 Capitol St NE

Salem OR 97301

Meitner Conference Room

WebEx: <https://odoe.webex.com/odoe/j.php?MTID=m2e580e2119860b3ee686f43d16339131>

Password: EAWG

Call-in number: 1-408-418-9388 | Code: 2339 814 8031

Time	Topic	Lead
1:00pm	Introductions	All
1:20pm	ODOE Program Updates	Janine Benner, Director
1:30pm	2024 Session Debrief and Discussion	Christy Splitt, Gov't Relations Coordinator
1:50pm	State Energy Strategy Discussion and Feedback	Edith Bayer, Senior Policy Analyst
2:40pm	Break	
2:50pm	Key Energy Indicators Discussion and Feedback	Jessica Reichers, Energy Technology & Policy Manager
3:15pm	Energy Research Fund Update	Janine Benner, Director
3:30pm	Strategic Program Evaluations	Ruchi Sadhir, Assoc Director Strategic Engagement
3:50pm	Q&A/Closing Comments	All



Key Energy Indicator Development Kick-off

In 2020, the Oregon Department of Energy published a five-year [Strategic Plan](#) that set objectives and initiatives to support the agency's mission and vision. These included collaborating with energy stakeholders to develop **Key Energy Indicators** that will help the state monitor and assess Oregon's energy landscape, progress on energy-related goals, and general status of Oregon energy systems. KEIs could include statutory targets and goals and executive orders, but also non-energy goals, such as job creation and economic development.

When building the strategic plan, ODOE heard from the Energy Advisory Work Group and other stakeholders that there are no universally agreed-upon "energy priorities and objectives" in Oregon. Rather, there are many specific statutory, administrative, and agency-specific priorities and objectives that are directly or indirectly related to Oregon's energy systems. KEIs should provide high-level insight into progress on these collective goals, and could also include broader concepts that relate to energy policy, such as equity and sustainability. ODOE is seeking input from Energy Advisory Work Group members on the development of draft KEIs.

Strategic Plan Initiative

Collaborate with energy stakeholders to identify Key Energy Indicators and state priorities and objectives (including statutory targets and goals, executive orders, non-energy goals like job creation, other executive guidance like the Equity Framework).

Considerations for Developing KEIs

- Will the KEI measure progress in Oregon's energy transition? Will it gauge success or identify the need for course correction?
- Will the KEI help Oregonians make informed energy decisions?
- Is the KEI at the right level, i.e., is it too specific or too broad?
- Are there credible, Oregon-specific, and available data to measure the KEI?

During the March 18, 2024 EAWG meeting, ODOE staff will lead the group in a brainstorming exercise to gather input on draft KEIs. Members will also be sent a link to a survey to provide additional feedback by April 19. Below are the questions the agency will bring to the EAWG meeting, followed by a draft list of potential KEIs to help get the creative juices flowing.

Questions for EAWG Brainstorming Activity

1. Do the draft KEIs presented in the table below cover all existing energy-related statutory targets and goals and executive orders? If not, what is missing?
2. How can Oregon measure equity in its energy transition, e.g., percentage of energy burdened households or energy affordability?
3. What KEIs could help track the safety of Oregon's energy system, such as reliability and resilience?
4. What KEIs could inform the economics of the energy transition, such as jobs, workforce development, energy affordability, or economic health of Oregon communities?

Next Steps

ODOE will gather additional input on draft KEIs from other state agencies and during planned stakeholder meetings. Draft KEIs will be posted for public input during the summer, and ODOE will finalize and report a subset of these KEIs in the Biennial Energy Report due November 1, as well as work on an online dashboard. The agency anticipates that KEIs will be reevaluated and updated based on ongoing energy-related policy development in Oregon, which may require new KEIs.

Potential Key Energy Indicator	Policies
Total Energy Savings from Energy Efficiency and Conservation	1980 Northwest Power Act
	2021 Power Plan
	HB 2021
Carbon Intensity of Oregon's Electricity Resource Mix	HB 2021
	EO 20-04
	ORS 468A.205
	Roadmap to 2030/TIGHGER Recommendations
	ORS 469.010
Percent of Electricity Generation from RPS-Eligible Resources	ORS 469A
	ORS 469.010, 469.030
Carbon Intensity of Oregon's Fuels	DEQ Climate Protection Program
	DEQ Clean Fuels Program
	EO 20-04
	ORS 468A.205
	Roadmap to 2030/TIGHGER Recommendations
Per Capita Energy Consumption	ORS 469.010, 469.030
	HB 2021
	2021 Power Plan
	State Energy Efficient Design
	ORS 757.054
Per Capita Energy Expenditures	ORS 469.010
	ORS 757
Percentage of Energy (energy bills & transportation) Burdened Households	ORS 469.010
	ORS 757.695
Total Energy Jobs	ORS 469.010, ORS 469.030
Energy Sector Greenhouse Gas Emissions	HB 2021
	EO 20-04
	ORS 468A.205
	Roadmap to 2030/TIGHGER Recommendations
	DEQ Climate Protection Program
	DEQ Clean Fuels Program
	ORS 469.010, 469.030
	ORS 469A



March 1, 2024

VIA ELECTRONIC FILING

Russ Mantifel
Director of Market Initiatives
Bonneville Power Administration

Re: State Agency Comments on Bonneville Power Administration's Day-Ahead Market Participation Evaluation, Workshop 5 held on February 1, 2024

Dear Mr. Mantifel,

The Oregon Public Utility Commission, Oregon Department of Energy, and Oregon Department of Environmental Quality, Washington Utilities and Transportation Commission, Washington State Department of Ecology, and Washington Energy Office at the Washington State Department of Commerce (State Agencies) appreciate the opportunity to comment on the Bonneville Power Administration's (BPA) day-ahead market (DAM) evaluation. These comments respond to the information presented in BPA's fifth stakeholder workshop on February 1, 2024, in which BPA provided updates on its DAM decision process and timeline and reviewed some stakeholder comments.

The State Agencies greatly appreciate that BPA extended its decision-making timeline as outlined in the February 1 workshop in response to stakeholder input.

In these comments, we provide thirteen specific requests to BPA in four areas:

- A. Incorporate new information in BPA's DAM evaluation;
- B. Conduct additional analysis to augment the Western Markets Exploratory Group (WMEG) study, the results of which were presented to stakeholders at the October 23 workshop;
- C. Consider full costs and benefits of DAM options using a nodal analysis;
- D. Provide explanations in BPA's Policy Letter, currently scheduled to be issued April 4, indicating BPA's initial DAM leaning.

A. Incorporate new information in BPA's DAM evaluation

The State Agencies appreciate the commitment BPA made in the February 1 workshop to continue to re-evaluate its market options as new information becomes available after it issues its DAM Policy Letter on April 4. We specifically ask BPA to incorporate new information resulting from the West-wide Governance Pathways Initiative (Pathways Initiative), as described below.

- 1. At the May 8 workshop, and each workshop thereafter, BPA should describe how it is evaluating progress made in the Pathways Initiative, including the results of the legal analysis currently underway.**

The State Agencies request that BPA stay up to date on the Pathways Initiative status by engaging regularly with its Power Marketing Administration sector representative on the Pathways Initiative Launch Committee, and respond to future requests for comment issued by the Pathways Initiative. We specifically emphasize the importance of considering the results of the legal analysis currently being performed in the Pathways Initiative, which may not be available in time to inform BPA's April 4 DAM Policy Letter.

B. Conduct additional analysis to augment the WMEG study

At the February 1 workshop, BPA stated that it may request additional modeling from its vendor to augment the WMEG study. BPA stated, "We believe that analysis of additional footprint variants may be helpful in augmenting the [cost benefit analysis]."¹ . BPA stated that such supplemental analysis would likely include the following topics:

- Friction between market seams in 2026
- BPA not joining a DAM when other entities do join
- EDAM-specific market benefits beyond 2026
- Below-average hydro generation in low-water years

The State Agencies strongly encourage BPA to perform the additional analysis described below to supplement the WMEG study.

- 2. BPA should consider the indirect market seams issues identified by the study performed by Energy Strategies and Gridwell Consulting for the Western Power Trading Forum (WPTF) and Public Generating Pool (PGP).²**

The State Agencies support BPA's suggestion to further explore the impact of friction between market seams. The recent WPTF/PGP study identified numerous indirect seams issues that are not factored into the seams friction costs assumed in the WMEG study. The WPTF/PGP study concludes, "Along with economic seams issues between two day-ahead markets, there are indirect seams issues that may increase the challenges associated with transmission optimization, policy compliance/resource procurement, GHG design, and competition in markets."³ BPA should consider all of these indirect seams issues in its DAM evaluation.

- 3. BPA should analyze the impact of DAM market footprints on reliability in extreme events.**

The State Agencies are concerned about the impact of introducing market seams that would crosscut interregional transmission paths currently being relied upon for managing reliability across the West during increasingly frequent extreme weather events. While the Western Resource Adequacy Program's operational program will provide important coordination, we observe the

¹ See BPA response to question 7.15 presented in the February 1 workshop presentation, slide 20, available at <https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/dam-workshop-5-presentation-20240201.pdf>.

² "Exploring Potential Seams Issues Between Proposed Western Day-Ahead Electricity Markets", prepared for WPTF and PGP, January 2024, available at: [https://www.wptf.org/files/Western_Day-Ahead_Seams_Exploration_FINAL_240116\(2\).pdf](https://www.wptf.org/files/Western_Day-Ahead_Seams_Exploration_FINAL_240116(2).pdf)

³ *Id.*, p. 60.

growing pressure on the hydro system and regional grid during extreme events has necessitated extensive regional and interregional coordination as new constraints have rapidly emerged. Market footprints, and particularly the seams they could create across high-value/high-volume transmission paths, must take this new operational reality into account to safeguard regional reliability.

4. BPA should publish the WMEG Study results for the EDAM Bookend scenario in 2030 and 2035, including an EDAM RTO scenario on par with the Markets+ RTO scenario.

The State Agencies already made this suggestion in our comments on the WMEG study results. BPA added this suggestion to its Public Comment Tracker as Comment #27.8, but simultaneously issued a response to the comment indicating that our suggestion was answered in detail at the October 23 workshop. The State Agencies' suggestion was not, in fact, answered in the October 23 workshop. Rather, the suggestion resulted from the October 23 workshop. Therefore, the State Agencies restate our original suggestion and its justification in its entirety below and respectfully ask BPA to implement the suggestion or publish a response in the Public Comment Tracker with an explanation of why it will not do so.

The WMEG Study analyzed how the economic benefits to BPA of a split market might change in the future as Markets+ progresses over time from a day-ahead market to a full RTO.⁴ In this analysis, the friction costs across the transmission seam between the Markets+ and EDAM footprints are reduced through improved market-to-market coordination in 2030, and then the Markets+ footprint transitions to a full RTO in 2035.⁵ The economics of these future cases are based on the forecasted load and resource diversity in those future years.

However, in presenting the results of this analysis, BPA compares the economic benefits of improved market coordination in 2030 and a full RTO in the Markets+ footprint in 2035 to the economic benefits of the EDAM Bookend scenario in 2026.⁶ This is not valid comparison because 2026 load and resource data was used in the EDAM Bookend scenario, and the benefits of a full RTO in the EDAM footprint were not shown. BPA should present a valid comparison by using the 2030 and 2035 forecasted load and resource data in both cases and presenting a future RTO in both cases. Even though BPA believes that governance is a barrier to a full West-wide RTO in the EDAM footprint, BPA should model it as a possible future scenario, respecting the efforts of the Pathways Initiative to eliminate that barrier. The State Agencies ask that BPA update the results of its comparative analysis by replacing the 2026 EDAM Bookend data with the economic benefits for the EDAM Bookend scenario in 2030 and a full West-wide RTO in the EDAM Bookend footprint in 2035.

5. BPA should transparently include in its DAM evaluation its share of the implementation costs for EDAM and Markets+, including both initial startup costs and ongoing development costs, such as those seen to date in the Western Energy Imbalance Market (WEIM).

Market implementation costs were not included in the WMEG study, but are real costs that should be considered. Implementation costs should include the cost to transition away from WEIM. The

⁴ This analysis used the "Main Split" scenario, which is described in E3's October 23, 2023, workshop presentation, slide 7, available at <https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/e3-wmeg-benefits-study.pdf>.

⁵ E3's October 23, 2023, workshop presentation, slide 27, available at <https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/e3-wmeg-benefits-study.pdf>.

⁶ BPA's October 23, 2023, workshop presentation, slides 32-33.

State Agencies originally made this suggestion in our comments on the WMEG study, but it was not recorded in the Public Comment Tracker. Other parties have since made similar comments. PacifiCorp and TransAlta have both commented that BPA should transparently discuss how market implementation costs will be allocated between BPA's transmission and power customers and how those costs will affect power and transmission rates.

- 6. BPA should conduct sensitivity analyses to explore the impact of hydro variability – specifically sensitivities that test (i) extreme summer conditions involving coincident low Northwest hydro, high gas price, and high demand, and (ii) fall/winter conditions involving coincident low Northwest hydro, high gas price, and low Northwest wind and solar.**

The State Agencies appreciate that BPA mentioned hydro variability as a likely topic for additional analysis. We originally made this suggestion in our comments on the WMEG study, but it was not recorded in the Public Comment Tracker. Therefore, we reiterate our request that BPA conduct sensitivity analyses, not just for hydro variability, but also certain conditions coincident with low hydro availability.

- 7. BPA should explain how it is (or why it is not) using the transmission costs from the WMEG study in its DAM evaluation. If BPA is not relying on the WMEG study transmission costs, BPA should identify the assumptions it is making about transmission costs in a DAM, and/or clarify the data will it seek from supplemental analysis.**

During the October 23 workshop, BPA indicated that the lost wheeling revenue identified in the WMEG study is likely not accurate and that BPA would perform its own analysis of transmission revenue risk. To our knowledge, BPA has not yet shared the results of its own analysis with stakeholders.

- 8. BPA should describe how BPA's transmission customers will be affected by BPA's DAM decision, including the impact to a BPA transmission customer if BPA joins one DAM and the transmission customer joins a different DAM.**

In previous comments, the State Agencies noted the need for BPA to “assess and consider the transmission cost implications of different market footprints ... and how transmission costs will be passed on to customers.” (See Comment #21.03 in the Public Comment Tracker.) Other stakeholders have similarly asked for clarity about how transmission costs are being considered in BPA's DAM evaluation. PacifiCorp has asked how customer rates would be impacted due to changing transmission usage under a split market footprint.⁷ TransAlta noted that the WMEG study raised uncertainty about a DAM's impact to transmission revenues and asked for clarity on how BPA will consider transmission revenues in its DAM evaluation.⁸ The State Agencies note that the regulated utilities in our states are BPA transmission customers and may or may not end up in the same DAM as BPA.

- 9. BPA should provide stakeholders with the opportunity to understand and comment on the scope of the additional analysis, adding a workshop prior to May 8, if needed, to meet BPA's overall decision timeline.**

⁷ PacifiCorp's comments on BPA's November 29 workshop, available at <https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/pacificorp-comments-on-bpa-workshop-4.pdf>.

⁸ TransAlta's comments on BPA's November 29 workshop, dated January 1, 2024, available at <https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/temus-participation-evaluation-comments-20240105.pdf>.

For any supplemental analysis performed, the State Agencies request that BPA provide stakeholders the opportunity to review and comment on the scope of the analysis.

C. Consider full costs and benefits of DAM options using a nodal analysis

The impact of BPA's DAM decision on the entire West cannot be overstated. BPA's decision must be informed by a complete assessment of the costs and benefits of its DAM options.

10. BPA should perform a nodal analysis, and should consider other benefits, additional to production cost savings, that have been identified in other nodal analyses, including generation capacity benefits and optimized resource procurement, in its evaluation of DAM options.

The State Agencies agree with NW Energy Coalition's (NWECC) assertion that the zonal analysis performed in the WMEG study does not provide a complete accounting picture of all the costs and benefits of a DAM.⁹ The State Agencies point to the WMEG study's own recognition that production cost savings represent just one category of potential benefit from market development, and that other categories, such as generation capacity benefits and optimized resource procurement, have been found to yield cost savings two to ten times greater than dispatch cost savings.

Nodal analyses are best practice and common among entities considering participation in regional electricity markets, both in the Northwest and across the country. In particular, nodal analysis is necessary to better understand how benefits appear to be allocated between entities in different footprints in light of such complex seams that can encumber co-optimization of supply and demand side resources across connected energy systems. The State Agencies believe a nodal analysis is necessary before BPA announces a policy leaning. BPA's decision on a regional electricity market is the biggest energy decision our region has faced in at least the last half-century, and it is imperative that we have the best information possible when announcing a leaning in the April 4 Policy Letter and when BPA makes its final decision. Smaller entities often do these analyses when deciding whether to join a market, and the State Agencies expect the same if not greater level of care be taken by BPA in the completeness of its analysis. The State Agencies request that BPA conduct a nodal analysis and consider these broader benefits and clearly describe how these other potential benefits will be assessed to ensure that BPA's evaluation of DAM options consider the full accounting picture of all costs and benefits.

D. Provide explanations in BPA's April Policy Letter

BPA's April Policy Letter provides an opportunity to explain how various criteria were evaluated and prioritized under BPA's evaluation principles. The State Agencies request that BPA address the following questions in its Policy Letter to ensure a complete analysis of this momentous decision.

11. The Policy Letter should explain how BPA has weighed the potential for each DAM to expand to a full RTO in its initial decision.

The State Agencies note that at the February 1 workshop, BPA said that it will factor into its decision the capability of a DAM to expand to become an RTO, and at the same time reiterated that RTO

⁹ NWECC and CUB comments dated November 20, 2023, available at <https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/20231120-bpa-day-ahead-market-nwec-cub-comments.pdf>.

participation is not in scope for this decision process. We are thus unclear about how *future* RTO participation is being considered in this decision.

12. The Policy Letter should explain how BPA has considered the public interest in its initial decision, in particular the broad economic and greenhouse gas emissions impact on the northwest regional grid.

The State Agencies note that BPA's DAM decision will have broad-reaching effects on the costs borne by customers of load-serving entities across the region and the emissions associated with energy serving those customers.

13. The Policy Letter should clearly state that BPA will consider the legal analysis produced by the Pathways Initiative in its ultimate decision.

The State Agencies reiterate that the Pathways Initiative legal analysis may not be completed prior to the issuance of BPA's Policy Letter. The results of that analysis, as well as other governance developments in the Pathways Initiative, must be considered in BPA's ultimate DAM decision.

The State Agencies reiterate our appreciation for BPA's extension of its decision timeline, and for the opportunity to offer these comments on the February 1 workshop.

Respectfully submitted,



Megan Decker
Chair, Oregon Public Utility Commission



Ann Rendahl
Commissioner, Washington State Utilities and
Transportation Commission



Janine Benner
Director, Oregon Department of Energy



Michael Furze
Assistant Director, Energy Division, Washington
State Department of Commerce



Colin McConnaha
Manager, Office of Greenhouse Gass Programs,
Oregon Department of Environmental Quality



Joel Creswell
Climate Pollution Reduction Program Manager,
Washington State Department of Ecology



Oregon

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November 20, 2023

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Re: Oregon Clean Energy Workforce Coalition's Planning Grant Application | Quality Green Jobs Regional Challenge

Dear Sara and Lucy,

As representatives of the government sector on the Oregon Clean Energy Workforce Coalition (OCEWC), we are excited to support Portland General Electric's application on behalf of the Coalition for Phase II of the Quality Green Jobs Regional Challenge.

ODOE's mission is to help 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. We believe that the clean energy work force of the future is essential to achieving this mission. If the planning grant application submitted by PGE is selected for funding, it is our intent to collaborate throughout the Planning Grant Phase (January – September 2024) of the Quality Green Jobs Regional Challenge. As government representatives with a deep understanding of energy issues, we are committed to sharing our perspective and learning from other regional partners to develop an inclusive and actionable Regional Quality Green Jobs Agenda, which will support the coalition's goal in creating an equitable and inclusive clean energy workforce within our state.

We understand that this planning and development process may include a combination of online and in-person planning meetings, coaching sessions, and learning opportunities. We will participate in these opportunities as appropriate. We strongly encourage the selection of the Oregon Clean Energy Workforce Coalition for Phase II.

Sincerely,

Janine Benner, Director
Oregon Department of Energy



Oregon

Tina Kotek, Governor

Oregon Department of Energy

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503-378-4040

January 17, 2024

U.S. Department of Energy, Grid Deployment Office
Office of Clean Energy Demonstrations
1000 Independence Ave SW
Washington, DC 20585

Oregon Public Utility Commission

201 High St SE Suite 100

Salem, OR 97301

503-373-7394

Subject: Bipartisan Infrastructure Law (BIL) - Grid Deployment Office (GDO) - DOE-FOA-0003126 Letter of Commitment – Western Power Pool (WPP)

Dear Official of the U.S. Department of Energy,

This Letter of Commitment confirms the Oregon Department of Energy (ODOE) and Oregon Public Utility Commission (OPUC) support for and partnership with the WPP in its application for a GDO grant for the Western Transmission Expansion Coalition West-Wide Transmission Plan (Project) under FOA Topic Area 1.5c. The Project is being developed in response to a widely recognized concern that current transmission planning frameworks in the West do not result in sufficient transmission solutions to support the needs of the future energy grid.

ODOE, the state's energy agency, advances solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance Oregon's energy needs and impacts for current and future generations. OPUC regulates Oregon's investor-owned utilities to ensure Oregonians have access to safe, reliable, and fairly priced utility services that advance state policy and the public interest. Our agencies engage actively as stakeholders in local and regional transmission planning processes. ODOE and OPUC commit to provide in-kind advisory support to the Project and to work collaboratively with other states in this effort through the Western Interstate Energy Board's Committee on Regional Electric Power Cooperation.

This Project responds to the urgent need for collaborative, robust, holistic, transparent, and longer-term regional transmission planning to support forecasted needs for unprecedented additions of generating and storage resources across the bulk transmission system of the Western Interconnection. This forecasted need is driven by many factors including rapidly increasing load growth, increased frequency and intensity of extreme weather events exacerbating peak demand and reliability risks across the regional power grid, and clean energy and climate policies adopted by Oregon and other Western states. By identifying the most economic, reliable, and resilient transmission expansion plan for the West, this Project also aligns with efforts supporting collective use of regional resources for collective regional benefits including a Western regional resource adequacy program and expanded regional day-ahead markets. As such, ODOE and OPUC believe the Project will be extremely timely, valuable, and synergistic.

For the avoidance of doubt, this letter may not be construed by WPP or any third party as creating any legally binding obligation by ODOE or OPUC. Our agencies are pleased to support WPP on this Project and thank you for considering WPP's application.

Sincerely,

Janine Benner, Director
Oregon Department of Energy

Megan Decker, Chair
Oregon Public Utility Commission



Oregon

Tina Kotek, Governor



January 18, 2024

Mr. David Terry
Executive Director
National Association of State Energy Officials
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Subject: Letter of Support for NASEO Proposal on *Developing Education on Resilience, Resource Adequacy, and Integrated Resource Planning in States for Various Market Contexts (DERRISC)*

Dear Mr. Terry,

The Oregon Department of Energy is pleased to support the National Association of State Energy Officials on the proposal for the Developing Education on Resilience, Resource Adequacy, and Integrated Resource Planning in States for Various Market Contexts (DERRISC) project in response to the DOE Wholesale Electricity Market Studies and Engagements Funding Opportunity Announcement (FOA Number: DE-FOA-0003126) under Topic Area 2.

ODOE is the state's energy agency with a mission to help 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. On behalf of Oregonians across the state, we achieve our 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; and energy programs and activities that save energy, support the state's decarbonization efforts, make communities more resilient, and position Oregon to lead by example.

The scope and timing of this project align with ODOE's resilience and educational goals and needs, especially considering there are multiple formal and collaborative efforts playing out in 2024 across the Western Interconnection on the same focal topics of this proposal, including: regional resource adequacy (Western Resource Adequacy Program), expanded regional day-ahead markets (CAISO and SPP program offerings), and regional transmission planning (Western Transmission Expansion Coalition). As such, ODOE believes the proposed project would be extremely timely and valuable to prepare states to engage in these overlapping conversations.

The proposed educational project will provide State Energy Offices with information, data analysis, and technical support in understanding how regional coordination among states can enhance the resilience of the electric grid. The project will focus on regional resource adequacy and regional planning, and their interrelationships with state energy goals and in-state utility planning within the spectrum of market constructs. This project would enable states to build their capacity in understanding resilience, resource adequacy, and consensus building in the context of various market structures, enabling them to engage more effectively in regional processes. This will enable them to evaluate proposed market constructs and inform stakeholders on these topics. ODOE may support this project by: working with the project team; facilitating implementation; and participating in the project advisory group and attending other relevant project meetings.

We look forward to working with NASEO on this exciting opportunity.

Sincerely,

Director Janine Benner



Oregon

Tina Kotek, Governor



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January 24, 2024

Margaret Hoffmann, State Director
USDA Rural Development
1220 SW 3rd Ave, Suite 1801
Portland, OR 97204

RE: Support for Wy'East's Application for USDA Rural Development: Rural Energy for America Program Energy Audit and Renewable Energy Development Assistance Grants, Renewable Energy Development Assistance, Fiscal Year 2024

Dear Director Hoffmann,

I am writing this letter to express support for the USDA Rural Development: Rural Energy for America Program Energy Audit and Renewable Energy Development Assistance Grants that Wy'East RC&D is applying for in the REDA Track, Renewable Energy Development Assistance. The Oregon Department of Energy, which was created by the Oregon State Legislature in 1975, 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.

ODOE is currently administering a \$100,000 USDA Energy Efficiency and Renewable Energy Development Assistance (REDA) Grant to fund energy audits for Oregon rural small businesses and agricultural producers. ODOE's grant was originally awarded through May 24, 2023, and has an approved extension to May 24, 2025 to continue this work. Our agency has used the grant dollars to improve the coordination and coverage of energy efficiency programs in rural parts of the state, especially in the agricultural community. ODOE collaborates with the USDA, Wy'East, Lake County Resources Initiative, Energy Trust of Oregon, various non-governmental organizations, and utilities to help meet the energy needs of agricultural producers and rural small businesses. As you know, a critical first step for a REAP grant application is an energy audit. However, smaller businesses need help navigating the REAP application process and compiling necessary documentation. Expanding access to technical assistance for REAP grant applications is important to ensure businesses can successfully complete their applications and gain access to critical federal financial incentives to help fund their projects.

This proposal supports the ongoing rural energy technical assistance provided by Wy'East RC&D in partnership with Lake County Resources Initiative, Sustainable Northwest, and Wallowa Resources. This project has a term of 24 months (July 2024 – June 2026) and a total grant application request of \$100,000 (with a \$50,000 match from Wy'East RC&D) to provide Renewable Energy Development Assistance to Oregon's agricultural producers and small business owners. With the grant, Wy'East will continue delivery of equitable project

development assistance to rural small businesses and producers statewide, continue to leverage a collaborative network-based approach to project development assistance, and serve as a technical resource for USDA Rural Development increasing resilience, cost savings, and climate benefits to empower rural communities.

ODOE supports this grant not only because of the alignment with our ORAEA program, but also because of its mission and strategic vision (excerpted and reformatted from the grant application):

Wy'East's REDA 2024 proposal supports Oregon goals and objectives by providing equitable and accessible energy education and technical assistance for Rural Oregonians allowing for a clean and just energy transition. Services are provided for underserved rural small businesses and small, private agricultural producers. Wy'East (and partner LCRI) provide key support to ORAEA applicants at multiple stages - early in engagement advising on next steps and also with REAP grant applications which are time consuming and difficult but cover to 50% of project costs. This helps more projects get implemented which helps in clean energy transition and helps underserved rural small businesses and small, private ag producers lower their energy bills.

This grant supports Energy Education and Technical Assistance, Energy Programs and Activities, and A Venue for Problem-Solving Oregon's Energy Challenges. We believe this proposal is in alignment with ODOE's vision, mission, and values. It helps Oregonians to make informed decisions leading to a more resilient and affordable energy system. This innovative grant proposal is built upon a foundation of working to achieve the equitable provision of technical assistance to rural Oregon's small business owners and agricultural producers. This proposal seeks to deliver economic, climate, and community benefits to rural Oregonians through the delivery of project support, grant writing and technical assistance further empowering rural economies. Recognizing the vital importance of partnerships and collaboration - this proposal is truly a collaborative approach bringing in a variety of nonprofit and community-based organization partners while leveraging existing statewide resources and programs such as ODOE's existing Rural and Agricultural Energy Audit Program, Community Navigator Position, and RARE AmeriCorps placement.

ODOE is pleased to offer our support for this grant and we look forward to continuing our work with Wy'East on this important program. If you have questions about our work in this space, please don't hesitate to reach out (contact information for program leads is included below).

Sincerely,



Janine Benner, Director

CC: Tom Elliott, Energy Analyst/Program Lead Tom.Elliott@energy.oregon.gov
Wendy Simons, Energy Policy Analyst: Agriculture Wendy.Simons@energy.oregon.gov



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March 5, 2024

Leah Feldon
Director
Oregon Department of Environmental Quality
700 NE Multnomah St.
Portland, Oregon 97232

Subject: Letter of Commitment for Oregon's CPRG Implementation Grant Application

Dear Director Feldon,

The Oregon Department of Energy (ODOE) would like to express our support and commitment to continue partnering with the Oregon Department of Environmental Quality (ODEQ) on the Climate Pollution Reduction Grant implementation grant opportunity and to assist in the design, implementation, and performance of the emissions reduction measures included in our application.

ODOE is the state's energy agency with a mission to help 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. On behalf of Oregonians across the state, we achieve our 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; and energy programs and activities that save energy, support the state's decarbonization efforts, make communities more resilient, and position Oregon to lead by example. We also staff the Oregon Climate Action Commission, a 35-member board that tracks Oregon's progress in addressing climate change and recommends ways to coordinate state and local efforts to reduce greenhouse gas emissions.

The CPRG Implementation Grant opportunity strongly aligns with ODOE's mission to advance solutions to shape an equitable clean energy transition and support Oregon's ongoing efforts to address the climate crisis. ODEQ and ODOE have worked together to identify measures to reduce GHG emissions and support transformational change for a cleaner and healthier Oregon. The measures selected for our application are scalable and ready to implement to provide the greatest benefit possible to Oregonians.

ODOE has supported ODEQ through the design and implementation of Oregon's Climate Pollution Reduction Grant initiative. ODOE worked closely with ODEQ to develop Oregon's Priority Climate Action Plan, and we are actively working on elements of the state's Comprehensive Climate Action Plan. ODOE engaged with several state agencies, local governments, non-profit organizations, and

other stakeholders to inform the design and scope of the state's priority climate action measures, and we will be conducting a robust stakeholder outreach and engagement process to inform and strengthen Oregon's Comprehensive Climate Action Plan.

ODOE is invested in the successful and effective implementation of Oregon's priority climate actions. We are committed to maintain our climate action partnership with ODEQ and will continue to collaborate and provide support in the following ways:

- Assist in tracking and reporting outputs and outcomes of priority climate action measures throughout and beyond the five-year implementation period;
- Collaborate with ODEQ and other administering agencies and subrecipients to support successful implementation of priority climate action measures;
- Evaluate and communicate outcomes and impacts of priority climate action measures; and
- Engage with key stakeholders and policymakers to provide progress updates and gather input on measure design and implementation.

ODOE is excited about the opportunity to grow our partnership with ODEQ through the planning and implementation of Oregon's priority climate action measures. This work is critical to meeting Oregon's climate pollution reduction goals and presents an unprecedented opportunity to advance an equitable clean energy transition that provides meaningful co-benefits to low-income households and disadvantaged communities. We are confident that our work with ODEQ through this grant opportunity can be used as a model for other states looking to implement similar programs. We look forward to strengthening our collaborative approach to address complex climate issues and benefit those most impacted by climate change.

We look forward to working with you on this exciting opportunity.

Sincerely,

A handwritten signature in cursive script that reads "Janine Benner". The signature is written in black ink and is positioned above the typed name and title.

Janine Benner, Director
Oregon Department of Energy