



Oregon

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To: Environmental Justice Council
From: Christy Splitt, Government Relations Coordinator
Date: December 15, 2022
Re: Annual Report to the Environmental Justice Council

With the passage of House Bill 4077 earlier this year, the Oregon Department of Energy was added to the list of natural resource agencies that are part of the Environmental Justice Council and bound to a range of statutory requirements. These requirements include:

- Considering the effects of agency actions on environmental justice issues;
- Holding hearings at times and in locations that are convenient for people in the communities that will be affected by the decisions stemming from the hearings;
- Engaging in public outreach activities in the communities that will be affected by decisions of the agency; and
- Creating a public advocate position that is responsible for encouraging public participation, ensuring that the agency considers environmental justice issues and informing the agency of the effect of its decisions on environmental justice communities.

While these requirements are new to the agency and not reflected in our current budget, the agency has held equity and environmental justice as a priority for some time. This is especially notable in our strategic plan, as well as in work we have done at the direction of the Governor and in the implementation of new and existing programs. This report provides information about our strategic plan, equity-related work directed by the Governor, and programs and their equity considerations, as well as previewing what the agency is working on next to advance existing efforts and ensure that we comply with our new requirements under HB 4077.

STRATEGIC PLAN

Starting in the summer of 2019, ODOE began work on a new [strategic plan](#). Strategic planning enabled our organization to set direction, establish goals, prioritize work, measure progress, and allocate limited time, resources, and attention – all while fostering organizational cohesion, shared purpose, and common values. The agency had been through considerable change and needed to provide clarity about our work and focus on specific pillars to ensure we are meeting our mission on behalf of Oregonians. Developing our new strategic plan involved a focus on equity and input from Tribal partners, the public, stakeholder groups, peer organizations, and our own staff. We revised our agency vision and mission as follows:

- Vision: A safe, equitable, clean, and sustainable future.
- 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.

The strategic plan itself – adopted in late 2021 and now guiding our work through 2024 – includes the following:

- One of the five main plan focus areas is to “Build Practices and Processes to Achieve More Inclusive and Equitable Outcomes”
- Initiatives related to equity and environmental justice include:
 - Conduct assessment of current agency decision-making and advisory bodies to identify opportunities for more diverse representation
 - Develop a communication plan and engagement process collaboratively with historically and currently underserved populations and communities that includes actively listening, being responsive, and incorporating feedback in the development of programs, policies, and other areas of work
 - Build on existing Tribal engagement efforts by expanding internal responsibilities and resources, and reaching out to Tribes to assess and amplify shared interests and priorities
 - Enhance ODOE's internship program to provide benefits to interns, such as paid positions and greater access to educational credits, to help build a more diverse network of ODOE and energy industry employees
 - Develop a Diversity, Equity, and Inclusion Action Plan in partnership with historically and currently underserved populations and communities
 - Create inclusive, multi-lingual communications to increase accessibility of agency program information and services
 - Conduct agency-wide DEI assessment and training to measure and increase employee knowledge, awareness, and skills
 - Collect and analyze demographic data to better inform ODOE's work and to identify barriers to achieving equitable energy outcomes
- Objectives related to equity include:
 - Increase diversity of agency stakeholder groups, rulemaking, oversight, and advisory boards
 - Year-over-year increase in agency engagement with organizations representing historically and currently underserved populations and communities
 - Year-over-year increase in the percent of agency job applicants identifying as Black, Indigenous, and People of Color.
 - Year-over-year increase in the percent of historically and currently underserved populations and communities participating in ODOE programs and services
 - Increase agency Diversity, Equity, and Inclusion awareness and fluency

Work has begun on all these activities and has led to improvement and change already. For example, ODOE started collecting demographic data on incentive program applications. The agency created a new team – the Strategic Engagement Team – that has increased outreach to community-based organizations and has created new approaches to engagement. Our Human Resources team made strides reaching out to diverse communities and is reporting a year-over-year increase in the percent of job applicants identifying as Black, Indigenous, and People of Color.

In order to ensure that the agency makes progress on the initiatives and objectives in the strategic plan, the agency's management team revisits the plan and progress on it each quarter with a robust review process. Also, the [Energy Advisory Work Group](#), which serves as an advisory board for the agency, receives frequent updates and has chances to offer feedback on our strategic plan implementation.

EQUITY WORK DIRECTED BY THE GOVERNOR

All state agencies have received significant direction from Governor Kate Brown regarding equity and social justice. This is most notably reflected in a statewide action plan, but also reflected in direction from the Racial Justice Council and policy staff.

In 2021, Governor Brown released the [State of Oregon Diversity, Equity, and Inclusion Action Plan](#). Co-authored by staff in the Governor's office, state agency heads, and equity and community leaders, the plan includes equity goals for the state:

1. Establish strong leadership to eradicate racial and other forms of disparities in all aspects of state government.
2. Center equity in budgeting, planning, procurement, and policymaking.
3. Strengthen public involvement through transformational community engagement, access to information, and decision-making opportunities.
4. Improve equitable access to services, programs, and resources including education, health, housing, human services, environmental justice, criminal justice, and economic opportunities.
5. Foster an inclusive workplace culture and promote equitable hiring, retention, and promotion practices

The plan also included equity objectives:

- Normalize the concepts of racial justice in the state government enterprise – acknowledge history, prioritize and make urgent efforts to put racial equity at the forefront.
- Organize efforts and build organizational capacity across departments for connected, cohesive, and amplified impacts. Foster both internal and external partnerships.
- Operationalize and embed racial equity into every part of state government putting DEI strategies into practice.
- Guide and direct enterprise-level operationalizing of racial equity and DEI work.
- Inspire expansion of equity by sharing and collaborating to build on what is already happening.

This plan echoes the elements of our strategic plan and so has bolstered our current work around equity, while also encouraging collaboration among state agencies as we all grapple with doing things in new ways.

One example of the state's DEI Action Plan can be seen with ODOE's work with the Racial Justice Council on a community engagement plan to increase the reach of our [Oregon Solar + Storage Rebate Program](#). While the program has so far exceeded goals around serving low- to moderate-income populations, our voluntary demographic surveys show that those receiving the rebates do not match the diversity of the state population. As a result of this community engagement work, we have increased our outreach to community-based organizations serving BIPOC communities and the agency is currently working to hire a bilingual (English and Spanish)

outreach lead for all incentive programs. Further, throughout the development of the community engagement plan, ODOE was able to learn from Racial Justice Council members, equity-focused staff in the Governor's office, and from other agencies crafting their own plans. The agency now uses the template for the community engagement plan to focus and deepen our outreach work as part of our project management planning.

ODOE PROGRAMS AND ENVIRONMENTAL JUSTICE

Weaving together our strategic plan with the State of Oregon Diversity, Equity, and Inclusion Plan, the agency's newest programs have all been implemented with environmental justice principles in mind.

In 2021, the Legislature passed HB 2021 – the Clean Energy for All bill. The crafting of HB 2021 was led by the [Oregon Clean Energy Opportunity Campaign](#), a coalition led by environmental justice groups. The bill directed ODOE to create the [Oregon Community Renewable Energy Grant Program](#), commonly called C-REP. The statute underlying C-REP includes environmental justice principles, reflected in the prioritization of environmental justice communities (defined in the law for the first time in this bill), community benefits, and resilience. The statute also directed the agency to bring together an [advisory committee](#), with diverse membership, to foster deeper engagement with the public in rulemaking and program implementation, and to create an external competitive review process to center community in decisions regarding grant awards. In addition to the equity elements in the statute itself, ODOE has also used C-REP to pilot providing reimbursements to members of the public who served on the external review committee. More information about the Community Renewable Energy Grant Program can be found on [ODOE's website](#), and details on the types of community-based projects awarded grants in the first round of applications can be found on [ODOE's blog](#).

Also in 2021, ODOE was directed by HB 5006 to establish the [Energy Efficient Wildfire Rebuilding Program](#). While HB 2021 came with a lot of direction regarding environmental justice, HB 5006 included none. Instead, relying on direction from our strategic plan and the state DEI action plan, the agency wove equity considerations into the implementation process. The 2020 wildfires had a disproportionate impact on low-income households, as well as a Southern Oregon community that included a large number of Spanish-speaking households. That meant we needed to do deep outreach ahead of rulemaking and ensure that program design would be as accessible and simple as possible for those who lost their homes or structures. The resulting program design included a higher incentive level for Oregonians with low and moderate incomes, two options for incentives for manufactured home residents, and the use of bilingual materials.

In 2022, the agency was directed to establish two new [heat pump programs](#) in SB 1536, a cooling relief bill that also included environmental justice principles in the legislation itself. The Community Heat Pump Deployment Program and the Oregon Rental Home Heat Pump Program are in development now for 2023 launch, and once again, outreach efforts and program design include a focus on environmental justice.

We have also worked to adapt our existing programs. For example, the [Biennial Energy Report](#) is a major undertaking for staff in our Planning and Innovation Division every two years. The [2022 report](#) – over 500 pages this year – includes the latest in data and analysis on Oregon's energy landscape. Prior to drafting each report, the agency reaches out to the public and to stakeholder groups to find out what topics are most of interest. This includes one-on-one

outreach to environmental justice community-based organizations. Out of those conversations for the 2022 report came a request to include information relevant to and about renters, their energy consumption, and their needs related to energy. This led to agency staff focusing on finding that data and including what we could within relevant pieces of the Energy Report – but it also led to the realization that there is a need for more data about renters and energy use. As the process for planning the 2024 Energy Report begins, our staff will keep an eye out for new sources of data and raise the flag that this is a gap in the Oregon energy dataset. The 2022 Report, like the 2020 one before it, also includes articles that are both centered in environmental justice (see the [Oregon Clean Energy Opportunity Campaign Case Study](#)) and environmental justice and equity considerations throughout the document (see the information on energy burden in the [Energy by the Numbers](#) section or the way that equity is a core consideration in the set of policy briefs on [Charting a Course for Oregon’s Energy Future](#)).

Through our strategic plan initiative to conduct a strategic evaluation of each program and activity, ODOE is also systematically working to weave equity into all of our work. We have developed draft evaluation criteria for each program and activity; these criteria include asking of our programs: Who benefits and who is burdened? Is equity advanced? Is information about the program accessible? What are the avenues for public engagement and transparency?

WHAT’S NEXT

Our agency recommended budget reflects our strategic plan and the desire to increase engagement with all communities affected by agency decisions, including Policy Option Packages for our 2023-2025 budget to hire: (1) a public advocate to carry out roles and responsibilities related to the Environmental Justice Council as required by HB 4077, and (2) a “community navigator” to help environmental justice communities apply for state and federal funding for clean energy projects. The community navigator concept, since it would support a new program, will also be introduced as a legislative concept in 2023. In addition, we have requested funding for paid internships to address barriers to equitable access.

The agency will also introduce a legislative concept to extend the sunset on the Oregon Solar + Storage Rebate Program. We are soliciting ideas for any possible changes to the statute that could help the program’s grantees better reflect the demographics of the state and build upon our work with the Racial Justice Council. In addition to our own concept, we will track – and, as appropriate, help shape – legislation directing our agency to do new work with equity and environmental justice in mind.

Finally, in the decade ahead, ODOE will receive at least \$160 million in federal funding from the [Infrastructure Investments and Jobs Act and the Inflation Reduction Act](#). This funding comes with federal direction – called Justice40 – to ensure that at least 40 percent of the funds go to historically underserved communities. This aligns with our strategic plan and with the state’s commitment to equity. Many other agencies will also receive funds from these two bills, and all of them are also bound to these requirements. The state will need to ensure that there are adequate resources provided to agencies to do the sort of deep organizing work to engage with and assist communities in applying for funds and in meeting grant reporting requirements as Oregon puts these federal dollars to work.