OFFICE OF SUSTAINABILITY
Oregon Department of Administrative Services

MINUTES

Oregon Sustainability Board

DATE: 03/20/2026

TIME: 9:00 am to 3:30 pm

LOCATION: Hybrid (155 Cottage Street Salem, OR 97301 and via Teams)

ATTENDEES: Board Members: Rex Burkholder, Elin Shephard, Webly Bowles, Josh Proudfoot, Chris Enlow, Mayor Taneea Browning, Cassidy Quistorff, Tom Kelly, Serena Dietrich, Secretary of State Tobias Read (Chair) Staff: Zechariah Heck (Department of Administrative Services - DAS), Steven Markham (DAS), Jeni Hall (DAS), Carol Moreno Cifuentes (Secretary of State Office)

GUESTS: Jessica Popinga-Fleer (DAS), Sophorn Cheang (Business Oregon), Zak Binshaieg (Business Oregon), Kenechi Afediji (Business Oregon), Michael Held (Business Oregon), Marjorie Waniata (Business Oregon), Mandy Standiford (Public Utility Commission - PUC), Caroline Moore (PUC), Janine Benne (Oregon Department of Energy - ODOE) Edith Bayer (ODOE), Ann Gire (Department of Consumer and Business Services - DCBS), Adam Helvey (DAS), Shannon Ryan (DAS), Candice Bullard (DAS)

Welcome and administrative actions

New member welcome

Chair Read congratulated Cassidy Quistorff on her recent Senate confirmation as the board's newest member. Cassidy shared that while she currently works for a rural hospital, her academic and professional background is in environmental and soil sciences and natural resources, and she actively connects sustainability, built environment, and outdoor/mental-health activities (e.g., bird watching) to community health in rural areas. She expressed enthusiasm about contributing to the board's work.

Approval of previous meeting minutes

The board reviewed draft minutes from the OSB meeting on December 5, 2025. The minutes were approved with a minor title correction (Josh Proudfoot moved approval; Tom Kelly seconded).

Selection of vice-chair

Chair Read then raised the need to designate a Vice Chair, noting his potential absences and desire for continuity. Elin Shephard expressed willingness to serve; Rex Burkholder formally nominated Elin, and the motion received a second. With unanimous support, Elin Shephard was elected Vice Chair.

Conflict of interest (COI) guidance and discussion

Sustainability Officer and Board Administrator Zechariah noted the COI training required for all OSB members and requested the following additional best practices are followed:

- If Board member contacts agency and references being OSB member, include Zechariah in email / give heads-up.
- Board members to declare COI – if present – when agenda is shared.
- Board members intending to propose or have submitted proposal to an agency solicitation – asked to recuse themselves if agency is meeting with the Board during time of solicitation.

Chair Read emphasized distinguishing actual vs. potential conflicts and the "member of a large class" concept. Members asked clarifying questions about contacting agencies while wearing multiple hats; the advice given was to state one's OSB role transparently but clarify the contact is not on behalf of OSB. Board member Taneea Browning noted Oregon Government Ethics Commission (OGEC) has resources for conflict questions, and suggested financial impact to household members as a guiding test. Chair Read encouraged robust participation even when conflicts are declared (you may still need to vote; provide expertise while observing recusal where appropriate).

Legislative Session Recap

Presenter: Jessica Popinga-Fleer, DAS Government Relations Director

Jessica provided a summary of the legislative session process and highlights from the recently completed 2025 short session, noting 305 concepts/bills introduced and 153 passed. Approximately 23 bills touched Oregon sustainability topics in some way. The dominant theme was sustainability through housing and real estate/land use, aligning with the Governor's priority on housing production. Board discussion focused on trends (land use, zoning, building) and coordination with board focus areas (procurement, fleet, building operations). Shannon Ryan, Enterprise Asset Management Division Administrator at DAS, added context on HB 4037—the Governor has directed 19 land-owning agencies to identify under-utilized parcels within UGBs to bring transparently to market with an emphasis on affordable/middle housing; an active cross-agency workgroup is running on a fast track. Members asked for follow-up: Zechariah will review Jessica's materials and flag issues that materially affect OSB's work.

Agency presentations

Oregon Public Utility Commission (PUC) — Sustainability Plan Update

Presenter: Mandy Standiford, Chief Operating Officer.

Mandy reaffirmed the PUC's mission—safe, reliable, high-quality service at just and reasonable rates—and described its funding model (primarily utility assessments) and post-COVID hybrid operations, which have reduced the Salem HQ footprint and lowered resource use through LED lighting, rooftop solar, HVAC upgrades, and recycling programs. She emphasized that the PUC's most significant sustainability impact comes through regulatory decisions, not internal operations.

Legislative and Executive Direction

Mandy outlined major laws shaping the PUC's work:

- HB 2021: Clean energy targets and CEP filings; Phase II implementation underway.
- HB 3630: Oregon Energy Strategy; PUC aligning clean electricity and rate planning with ODOE.
- HB 2409: Natural & Working Lands Fund; PUC coordinating electrification and clean-energy roles.

She highlighted 2025 legislation that has a sustainability nexus:

- HB 3179 (Fair Energy Act): Establishes multiyear rate planning to incorporate long-term clean-energy costs.
- SB 688 (Performance-Based Regulation): Allows linking utility earnings to outcomes such as GHG reductions, efficiency, and low-income service—described as a potentially transformative tool.
- Power Act: Addresses load-growth risks for affordability and clean-energy transition.

Staff and consultant capacity building is underway to implement these tools. She also noted three 2025 Governor's Executive Orders: faster siting for wind/solar, a climate-resilience framework for natural/working lands and required alignment with

ODOE's five energy pathways. PUC and DEQ will also coordinate Clean Fuels revenue use for transportation electrification.

Board Q&A and Guidance

Board members asked about time horizons for multiyear rate planning, procurement intersections, and ways OSB can support the PUC's external-impact focus. Mandy will follow up with Energy Program Administrator Caroline Moore on modeling timelines and potential links to statewide power purchasing.

The board recommended that future sustainability reports include regulatory milestones and measurable external outcomes. Additional suggestions included attention to wildfire-mitigation plans, ethical procurement (e.g., solar supply-chain labor conditions), and data-center energy footprints as compute demand grows. Members reiterated that OSB's strategic interest lies in the PUC's system-level impacts—grid performance, affordability, resilience, and decarbonization—beyond internal operational savings.

Mandy welcomed continued coordination and committed to developing meaningful external metrics and more frequent engagement with OSB.

Business Oregon — Sustainability Plan & Program Highlights

Presenters: Director Sophorn Cheang, Michael Held, with support from Marjorie Waniata.

Director Cheang introduced Business Oregon, a ~200 FTE economic development agency headquartered in Salem with a Portland office and statewide regional staff. The agency manages roughly $2B per biennium, with about 70% supporting infrastructure. Programs include business retention/expansion/recruitment, R&D and high-growth sectors, technical assistance via partners, and support for the Oregon Arts Commission and Cultural Trust. She situated the agency's 2027 strategic plan within the Governor's Prosperity Roadmap (Dec 2025) and described Business Oregon's role in developing the statewide Economic Development Strategy in coordination with the Prosperity Council and multiple workgroups.

Following OSB feedback, Business Oregon expanded its sustainability goals from five to seven. Goals combine internal footprint reductions (e.g., ~45% reduction with the Salem office move) with external priorities: sustainable infrastructure investments, expanded brownfields work, clean tech manufacturing support, and sustainability-focused program scoring. New goals align with the Oregon Energy Strategy (e.g., industrial symbiosis work funded in 2026, upcoming 2027 decarbonization concepts) and targeted support for sustainable industry clusters such as mass timber and wine. While the agency often funds entities that procure independently, it is exploring standardized contract language reflecting state sustainability objectives and seeks OSB guidance on consistent definitions and metrics.

Michael Held provided examples across major programs:

- Brownfields Redevelopment—Low-cost financing for assessments/cleanup that converts contaminated sites into community assets.
- Governor's Strategic Reserve Fund—Discretionary financing for job creation and public benefits, including sustainability. Examples included Zena Forest Products' circular wood supply for PDX flooring and Revino's reusable wine bottle system, now used by ~70 wineries with over 1M bottles in circulation.
- Special Public Works Fund—Flexible infrastructure financing supporting resilience. Dallas used $2.2M to upgrade aging water system components, with SPWF frequently supporting FEMA match needs.
- Community Development Block Grant—Funding for LMI communities with sustainability scoring bonuses; Lane County/Oakridge deployed $500K for critical home repairs benefiting 18 households.
- SBIR Support—Early-stage capital; example: Leapfrog Design's natural home water treatment/reuse systems.
- Industrial Lands Readiness—$25M allocated over recent sessions to address industrial land shortages, with applications expected post-bond sale.
- Industrial Symbiosis—HB 4086 (2026) funds $900K for four regional pilot roadmaps and $250K for a statewide roadmap to scale by-product-to-feedstock solutions.

Board members praised the agency's role in market transformation and urged continued focus on equity (e.g., rural/urban distribution, demographic tracking, partner engagement) and consistent sustainability definitions across programs. They recommended using recognized frameworks (e.g., Oregon benefit company standards, B Corp Certification where appropriate) to guide expectations for grantees. OSB offered to help develop standardized agreement language and reporting metrics covering GHG reductions, resource circularity, resilience, and equity impacts. Chair Read also noted that expanding the Strategic Reserve Fund could significantly advance economic development with sustainability co-benefits and encouraged continued discussion as budget proposals evolve.

Oregon Department of Energy – Overview of the Oregon Energy Strategy

Director Janine Benner opened by outlining ODOE's mission and positioning the Oregon Energy Strategy as central to an equitable clean energy transition. Using visuals from the 2024 Biennial Energy Report, she reviewed Oregon's energy flows—highlighting in-state hydropower, solar, and wind; full reliance on imported fossil fuels; and significant system inefficiencies shown as a large waste "black bar." She also clarified Oregon's primary energy consumption patterns and explained that "unspecified" electricity reflects market purchases without defined resource attribution. A follow-up noted the small amount of direct-use solar occurring outside the electricity sector.

Reviewing Oregon's electricity mix, Benner emphasized hydropower's dominant but variable role, small nuclear imports from Washington, persistent coal in the mix due to imports, and a sizeable unspecified share. She restated the state's statutory trajectory—coal removed by 2030 and 100 percent clean electricity by 2040—and noted rising electricity demand driven by electrification and data centers. On data centers, ODOE described very large facilities with high utilization and referenced regional forecasts showing Northwest electricity demand potentially doubling by 2046, prompting board interest in planning for large load increases.

ODOE then outlined statewide energy expenditures, noting transportation accounts for roughly half and fluctuates with global oil markets. In 2022, about $11.2 billion left the state for transportation-related fuel costs, underscoring the greater budget stability of electricity. The agency expects the 2028 Biennial Report to capture recent price spikes.

Benner summarized HB 3630 (2023), which directs ODOE to craft an energy strategy identifying pathways to meet Oregon's policy goals. After consulting agencies and stakeholders, ODOE modeled least-cost pathways and tested variations reflecting different policy choices. All alternatives met climate goals but at higher cost, with delayed efficiency and electrification emerging as the most expensive—about $17 billion more by 2050 than the reference case.

In the reference case, electricity demand rises due to transportation electrification and data centers, while fossil fuel use falls. Total energy demand nonetheless declines about 22 percent by 2050 because electrification is more efficient, such as EVs compared with gasoline vehicles. ODOE's "energy wallet" analysis showed EVs generally reduce household costs, while heat pump savings vary by energy prices, housing characteristics, and installation costs. The analysis suggests prioritizing shifts from electric resistance heat to heat pumps for major energy and cost savings and near-term grid benefits, while preparing for gas-to-heat-pump transitions with affordability and reliability protections.

The Strategy is organized around five pathways: energy efficiency; clean electricity; strategic electrification; low-carbon fuels; and resilience. Implementation applies an equity and justice framework centered on inclusive processes, recognition of lived experience, fair distribution of benefits, and prevention of repeated harms. For buildings—about 36 percent of energy use and 40 percent of expenditures—ODOE recommends stronger efficiency in existing and new structures, prioritization of low- and moderate-income households, alignment with the Building Performance Standard, and strategic electrification. Low-carbon fuels should support a managed transition to avoid stranded assets. Transportation recommendations emphasize multimodal efficiency, robust EV charging, vehicle-to-grid potential, and emergency response planning.

The Strategy includes 42 near-term actions across sectors, shared among ODOE, DEQ, PUC, DLCD, ODOT, utilities, and community partners, with updates planned every four to five years. Near-term emphasis areas include reliability and resilience amid rapid load growth, affordability challenges, and actions with low state budget impact. EO 25-29 directs agencies to prioritize Strategy implementation, and ODOE is developing a public tracking website.

During discussion with Board members, ODOE described interagency coordination, alignment with economic development efforts, and opportunities in emerging technologies such as wave energy and geothermal. The agency acknowledged secondary impacts such as declining road-use revenues, the need for transportation funding alignment, and work on a building decarbonization roadmap. Resilience efforts span supply diversity, redundancy, and distributed resources; ODOE highlighted strong demand for the solar-plus-storage Community Renewable Energy Grant Program. Questions on distributed batteries and demand-side flexibility prompted discussion of utility interest in battery-paired solar and the importance of valuing resilience. On biomass, ODOE noted mixed stakeholder views and reaffirmed the Strategy's environmental justice framing, including the need for improved wildfire smoke analysis. The agency also referenced ongoing examination of utility wildfire liability. ODOE closed by encouraging continued engagement and offering deeper future briefings.

Board Work Session on Focus Areas

Buildings

- Sustainable Design Guidelines (SDGs): Members (Webly, Elin) reported that DAS is developing SDGs in compliance with HB 3409 (2023) for energy/water performance; opportunity exists to evolve it from a DAS tool to a statewide tool and potentially share with local governments and housing authorities. The board requested a preview when available.
- Green Code / Stretch Code Concept: Building Codes Division (Ann Gire, DCBS) is outlining a low-carbon construction guide (embodied carbon). Discussion explored combining the SDGs and other embodied-carbon guidance like DEQ's low-embodied carbon housing program.
- HB 3409 (2023) - Division 118 Revolving Fund: The board revisited the energy-savings reinvestment mechanism, which enables agencies to retain 100% of savings from efficiency projects and reinvest in further upgrades. Members noted the fund historically existed but was underutilized. A recommendation was made for the OSB to send a letter to decision-makers encouraging implementation guidance and cross-agency uptake, including pilot projects (e.g., chiller modernization).

Fleet

- Electrification Barriers & Opportunities: Key hurdles include utility interconnection costs at large fleet yards and the need to right-size charging. The Board endorsed staff to draft a support letter from OSB articulating the need for additional DAS Fleet budget (EVs + charging), emphasizing budget predictability and total cost of ownership benefits versus volatile liquid fuels.

Procurement

- Policies & Training: Adam Helvey (DAS) is updating the Green Chemistry, Sustainable Procurement, and E-waste policies. His approach is to clearly define contract analyst vs. purchaser roles; embed how-to guidance (language for RFPs; "what to avoid"; price agreements to use); and develop training modules (self-help or mandatory) to increase correct use of sustainable price agreements and reduce off-contract purchases. Members stressed barrier-breaking communications and agency awareness.

- Renewable Electricity Procurement (e.g., Direct Access): The Board discussed aggregating meters by utility service territory to exceed load threshold to utilize benefit of Direct Access (procurement of renewable power through bulk contracts outside of utility programs). PUC input suggested administrative aggregation is permissible, not requiring a single meter, though pursuing direct access can take three years and requires coordination. Board recommendation: DAS to inventory meters and identify consolidation opportunities.

Public Comment

There were no public comments.

Other Items

- Staff proposed replacing the traditional two-day fall retreat with a one-day inter-agency Sustainability Summit (invite ISCN members and other boards/commissions), followed by an OSB meeting the next day. Members suggested reviving the OSB Sustainability Awards (e.g., recycled-glass artist awards) to celebrate 25 years of the Board (2001–2026) and align categories to the Strategy/pathways and OSB's three focus areas. Volunteers offered to join a planning committee.
- Sustainability Plan Guidelines and agency presentation template: Webly and Elin will work with Zechariah to propose a streamlined agency sustainability plan guidelines as well as an agency presentation template for board consideration in June.

Action Items

1. Review 2026 short-session bill links from DAS and flag any direct impacts on OSB's focal areas (procurement, fleet, buildings) for the next agenda; coordinate with Jessica Popinga-Fleer for clarifications.
2. Request a preview of the initial SDGs prepared by DAS when ready; OSB and other stakeholders to be given opportunity to inform final version of SDGs.
3. Explore opportunities for OSB to support awareness and utilization of HB 3409 Division 118 – Revolving Fund for energy conservation projects.
4. Prepare a support letter from OSB to encourage decision makers to fund DAS' fleet electrification budget requests (charging + EV procurement).

5. Explore opportunities and challenges associated with bulk renewable energy procurement (e.g., Direct Access).
6. Form a planning group to develop a Sustainability Summit in Fall 2026. Consider inclusion of a sustainability awards program aligned with OSB focus areas.
7. Update the OSB Sustainability Plan Guidance and prepare agency presentation template – share in advance of June 5 meeting to facilitate approval during meeting.

Next Meeting

DATE: June 5, 2026

TIME: TBD

LOCATION: Hybrid (Team and tentatively 155 Cottage Street)