



Oregon Clean Fuels Program

CFP Equity Advisory Committee

Implementing the Clean Fuels Program Electricity 2021 Rulemaking

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Background

The Equity Advisory Committee is one of the most important additions to the Clean Fuels Program. The document titled “Incremental Credits and the CFP Equity Advisory Committee” introduces the Equity Advisory Committee and the Incremental Aggregator and the critical role it plays in directing funds to programs and projects that benefit environmental justice communities. This document provides more detail about the work of the the committee and how members will be recruited and selected. The rules governing the committee can be found in Oregon Administrative Rules 340-253-0330(11)¹.

Incremental Aggregator

The committee will work closely with DEQ and the Incremental Aggregator. At a very high level, the Incremental Aggregator is envisioned to be the primary manager of a portfolio of programs and projects that encourage electrification to benefit environmental justice communities. The Incremental Aggregator will also be responsible to purchase and retire Renewable Energy Certificates, sell the incremental credits, report out on the outcomes of the investments.

Committee responsibilities

Assist DEQ in implementing the new requirements for the Incremental Aggregator including:

- establishment of priorities that guide that work
- propose programs or projects that align with the established priorities
- selection of the qualified aggregator
- development and review of its annual work plan

Assist DEQ in implementing new requirements for electric utilities including:

- identification of programmatic areas that should be prioritized by utility program investments
- review of the annual utility reports on how they spent proceeds from the sale of credits they generate on behalf of their customers who charge electric vehicles at home

Timeline

There are three primary phases of work:

- 1) Selection of the Incremental Aggregator. DEQ estimates that committee members would spend approximately eight hours in June and July 2021 developing the Request for

¹ <https://secure.sos.state.or.us/oard/viewSingleRule.action?ruleVrsnRsn=277331>

Proposal to solicit for an Incremental Aggregator, consider applications, and recommend a successful applicant. This is a one-time task.

- 2) Workplan development. Once the Incremental Aggregator is selected and proposals are gathered, DEQ estimates that committee members would spend approximately eight hours evaluating and recommending proposals to include in the annual workplan. DEQ anticipates this work to be in Q4 2021 for projects to be implemented in 2022. This will be an annual task.

The Incremental Aggregator's budget will vary from year to year and thus the work of the EAC will vary accordingly. Using 2020 data, DEQ estimates that approximately 10,000 credits might be allocated to the Incremental Aggregator in 2021. If those credits were monetized at the current average credit price of \$125, that would result in approximately \$1.25 million in revenue. Of that, a portion would be set aside for administration and a portion would be set aside for compensating EAC members, if needed. As the budget increases, the time commitment from committee members would likely increase.

- 3) Review utility annual reports. Approximately 30 electric utilities participate in the CFP. Their first annual reports are due April 30, 2022 for revenue spent in 2021. DEQ estimates that committee members would spend approximately eight hours in May 2022 reviewing them. This will be an annual task.

Committee composition

Applicants must be a resident of Oregon and either:

- have experience, engagement, organizing, or interest in or around transportation or transportation electrification issues
- represent the interests of environmental justice communities including communities of color, communities experiencing lower incomes, tribal communities, rural communities, coastal communities, communities with limited infrastructure, and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including but not limited to seniors, youth and persons with disabilities.

Application process

DEQ will reach out to environmental justice, equity, and community-based organizations to encourage participation. DEQ will encourage members of the CFP Electricity 2021 rulemaking advisory committee to distribute this document to their members and constituents. An email notification will also be sent to the Clean Fuels Program GovDelivery list. Interested applicants should contact OregonCleanFuels@deq.state.or.us for assistance.

The application process will be conducted using a SurveyMonkey form that will be posted on the [CFP web page](https://www.oregon.gov/deq/ghgp/cfp/Pages/default.aspx) at: <https://www.oregon.gov/deq/ghgp/cfp/Pages/default.aspx>. The application form will be available starting May 14, 2021, and must be submitted by June 4, 2021. The applicant will need to provide information about their background, years of experience, areas of expertise and involvement, which of the environmental justice communities they represent, and any relevant organizations with which they are currently working. Applicants will also be asked

to indicate any potential conflict of interest (personal activity, financial interest, or relationship) between the applicant and another entity acting in an official or unofficial capacity in any aspect of the committee.

Selection criteria

DEQ will review applicants for their ability to meet the requirements stated above. We will strive to maximize the number and diversity of environmental justice communities that are represented. The experience and background of the applicants will dictate how many members are appointed.

Other considerations:

- members may be appointed to serve up to three years
- DEQ may annually solicit applications and make additional selections to serve on the EAC
- the Incremental Aggregator cannot also serve on the EAC

Compensation

Compensation may be available to members, if needed. A portion of the funds that go to the Incremental Aggregator may be held aside to provide opportunities for community members to participate and enhance their involvement in this process.

Alternate formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.