

Oregon Energy Strategy

Policy Working Group breakout sessions – Low-Carbon Fuels

Feb 12, 2025, 11:15am-12:00pm.

Post-Meeting Notes

Meeting Summary

Policy Working Group members introduced themselves. ODOE presented on four key-findings from the modeling pertaining to low-carbon fuels. ODOE responded to several questions about the modeling and scope of the PWG and asked that members prepare for the following meeting scheduled for Feb 19.

In-Meeting Notes

Participants

ODOE	CETI-OES Team	WG Members
Michael Freels	Ruby Moore	Devin McGreal, Cascade Natural Gas
Lauren Rosenstein		Pam Neild, City of Portland
Anne Thrall-Nash		Dave Van't Hof, Climate Solutions
Bilal Jones		Bryan Adams, CoEnergy Propane, LLC
		Kelly Hoell, EWEB
		Pam Barrow, Food Northwest
		Brittany Park, NW Natural
		Sharla Moffett, Oregon Business and Industry
		Tim Miller, Oregon Business for Climate
		John Plaza, SkyNRG
		Cassandra Jackson, Port of Portland
		Rebecca Smith, RHA
		Antonio Machado, Western States Petroleum Association
		Tim Lynch, Multnomah Office of Sustainability

Introductions and expressions of areas of interest

- Michael Freels (ODOE) introduced the group and its purpose
- Devin (Cascade Natural Gas)- Wanting to talk about the role of nat gas in OR's future
- Pam Neild- Interested in talking about renewable fuels (biodiesel)
- Dave Vanthof (Climate solutions)- Interested in accelerating the use of low carbon fuels. Understanding modeling
- Bryan Adams (Coenergy(?) Propane)- Propane's role as a clean fuel and as a (bio)fuel stock

- Kelly Hoell (Eugene Water)- Low Carbon Fuels, renewable hydrogen, renewable nat gas for utilities
- Pam Barrow (Food NW)- Industrial decarbonization
- Brittany Park (NW Natural)- Supportive policies for infrastructure development
- Sharla (Oregon Business)- Barriers to lower use of carbon fuels
- Tim Miller (OR Business for Climate)- Policies to incentivize adoptions for clean energy technology, specifically for industry
- John Plaza- Interplay between hard to decarbonize sectors and competing demands for growth
- Cassandra Jackson (Port of Portland)- Decarbonizing fleet both maritime and aviation
- Rebecca Smith (Renewably Hydo Alliance)- Interest in hydrogen's place in OR Energy Strategy (fuel and electrification)
- Antonio Machado- Interested in low carbon fuels
- Tim Lynch (Multnomah Office of Sust)- Interested in prioritizing high value low carbon fuels in needed sectors

Breakout Group presentation

- Michael went over the Low-Carbon Fuels PWG upcoming meeting schedule, explained that ODOE is planning Office Hours meetings with our modeling expert to allow PWG members to ask questions.
- Michael went over the planned policy discussion and recommendation drafting process. He showed a Washington State Energy Strategy and Net Zero Northwest recommendations as examples of how considering variables like timing (near- or medium-term recommendations) and specificity may be useful to consider when thinking about recommendations.
- Michael went over the process planned for the PWG efforts and planned objectives for the coming three meetings as covering issue statements and barriers; strategies to overcoming those barriers; and proposing policy actions.
- Questions?
 - Dave Van't Hof: Asked if Washington had recommendations regarding clean fuels.
 - Michael: they do.
 - Dave: it would be helpful to have a presentation or discussion with Washington personnel who worked on their Energy Strategy and clean fuels discussions.
 - Sharla Moffett expressed agreement.

Key Findings

- Michael went over the key findings from the modeling.¹

¹ Refer to the [presentation materials](#) for charts presented on by Michael.

- 1) Demand declines but fuels remain a significant component of Oregon's Energy System across all scenarios
- 2) Low-carbon fuels are an increasing proportion of Oregon's energy supply across all scenarios
- 3) Firm dispatchable resources are needed to support the growing electric grid
- 4) Electrification is more cost effective than adopting lowcarbon fuels in many applications

Questions and comments:

- Sharla Moffett: Where is the electricity coming from? Low Carbon fuels are expensive. Conversation for the next meeting.
 - Michael: Cost being more expensive is based on model. Should be seen as just a starting point. Need for a larger conversation about how to reduce costs (tech improvements, in-state production, etc.)
- Dave Van't Hof; would appreciate more granular discussion as to the costs of different low-carbon fuels
 - Michael: the modeling projects the costs for different low-carbon fuel options based on publicly available NREL data
- Kelly Hoell: Electricity costs are going up (will continue to rise). Would like to have a conversation about that in another meeting
- Tim Miller: Does the model factor in the cost of maintaining a plant to run efficiently (power plants not running at full capacity or only for short duration would be expensive)
 - Michael: This might be more a policy discussion in terms of revenue structure

Next Steps

- Michael presented on the proposed agenda for Feb 19 and adjourned the meeting and asked PWG members to begin considering barriers and issue statements