

# COUNTY ENERGY RESILIENCE GRANT PROGRAM

Submitted to the

**OREGON LEGISLATURE** 

by the

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#### **EXECUTIVE SUMMARY**

The Oregon Department of Energy's <u>County Energy Resilience Grant Program</u>, created as part of <u>House Bill 3630</u> during the 2023 Legislative Session, provides up to \$50,000 per Oregon county to develop an energy resilience plan. Plan requirements are stipulated in HB 3630. The program is voluntary and counties must apply to participate in the program.

The one-time program application window was open from May 22, 2024 to February 28, 2025. ODOE conducted outreach directly to each of the 36 counties and provided educational presentations on the program and community energy resilience at events across the state during the application window.

Nineteen of Oregon's counties applied to the program and are now enrolled, with planning efforts underway. Plans were originally due August 1, 2025, but all program participants requested and were granted an extension to complete their plans by December 31, 2025. ODOE continues to engage with counties to support plan development.

There are several opportunities to incorporate county energy resilience plans into aligned state and local planning efforts. At the state level, county planning can be incorporated into the <u>Oregon Energy Security Plan</u>, <u>Oregon Natural Hazard Mitigation Plan</u>, <u>Oregon Emergency Operations Plan ESF-12 Energy Annex</u>, state recovery function procedures, <u>Oregon Fuel Action Plan</u>, and <u>Oregon Energy Strategy</u>. Locally, in addition to counties incorporating their plans into their natural hazard mitigation plans as required by HB 3630, there is also an opportunity for counties to incorporate aspects of their plans — and implemented projects — into their emergency operations plans.

In the future, the County Energy Resilience Grant Program could be adjusted or expanded to continue to bolster energy resilience in Oregon. These opportunities include, among other actions: increasing time for counties to complete their plans, providing additional funding, and offering greater flexibility with plan requirements; reopening the offering for more counties to take part; and allocating funding for the nine federally recognized Tribes in Oregon to participate. There are also opportunities to amplify this investment in planning by supporting programs that fund counties' energy resilience implementation efforts.

This complete report is available on ODOE's website: <a href="https://www.oregon.gov/energy/Data-and-Reports/Pages/Reports-to-the-Legislature.aspx">https://www.oregon.gov/energy/Data-and-Reports/Pages/Reports-to-the-Legislature.aspx</a>

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#### PROGRAM OVERVIEW

Over the last decade, the need to bolster energy resilience in Oregon has been underscored by an increase in extreme weather, including wildfire and other natural disasters, public safety power shutoffs, cyberthreats, and an ever-looming Cascadia Subduction Zone earthquake. In response to this growing need, the Oregon Legislature passed <a href="House Bill 3630">House Bill 3630</a> during the 2023 Legislative Session, which directed the Oregon Department of Energy to create the <a href="County Energy">County Energy</a> Resilience Grant Program to support Oregon counties with energy resilience planning.



Specifically, HB 3630 provided up to \$50,000 per county to develop an energy resilience plan to strengthen community energy resilience. Community energy resilience is "the ability of a specific community to maintain the availability of energy needed to support the provision of energy-dependent critical public services to the community following nonroutine disruptions of severe impact or duration to the state's broader energy systems" (Section 29, Chapter 508, Oregon Laws 2021). Community energy resilience work complements ongoing efforts to bolster resilience across larger energy systems, further strengthening the state.

The County Energy Resilience Grant Program provided non-competitive awards and there was no match funding requirement. Counties also had the opportunity to pool their funds and work together in cohorts to create multi-county energy resilience plans. Counties had to apply, or 'opt in', to the program and agree to meet the HB 3630 requirements when accepting funding.

ODOE also received funding and authority for one limited duration program analyst position to implement the program.

## Plan Requirements

The requirements for county plans are stipulated in HB 3630. Plans must:

- 1. Be based on and plan for short-term, medium-term, and long-term power outages
- 2. Identify and map:
  - a. Existing energy infrastructure in the county, including transmission lines, distribution lines, substations, and energy storage systems
  - b. Natural hazard risks
  - c. Communities that experience social vulnerability
    - i. A county must consult with representatives from local environmental justice communities to identify and map communities that experience social vulnerabilities
- 3. Identify potential locations for community resilience centers and communication zones that the public may use to access electricity services during a power outage

- a. A county must use the locations of communities that experience social vulnerabilities to prioritize the potential locations of community resilience centers
- 4. Inventory the energy consumption needs of critical public services facilities
  - a. A "critical public services facility" includes a facility related to law enforcement, fire protection, health and medical services, sanitation services, fuel and fueling, public works and engineering, public information, and communications and emergency response
- 5. Identify critical public services facilities where the development of alternate energy generation and storage resources will meet local energy resilience needs
- 6. Identify opportunities to coordinate and locate energy infrastructure development to align with and support critical public services facilities
- 7. Identify time schedules, priorities, and potential funding sources for developing energy resilience
- 8. Identify other actions and resources needed to implement the energy resilience plan

Counties must also formally adopt their plans and incorporate them into their natural hazard mitigation plans. Counties may complete these actions outside of the program deadline.

The plan requirements do not stipulate the type of energy resources counties should utilize to bolster energy resilience, allowing counties to craft a plan that suits their community's context and aligns with other energy, emergency management, and community development goals they may have.

#### Allowable Costs

Eligible costs under the program include:

- County staff time
- Contracting with a technical assistance provider
- Outreach
- Travel
- Other costs, as necessary for plan development

## **Program Administration**

ODOE staff crafted program administration to be simple, accessible, and meet county needs to reduce barriers to participation. For instance, ODOE offered a brief application process but long application window, and disbursed funds upfront to counties after completion of the performance agreement – not, as many grants are structured, on a cost reimbursement basis. ODOE sought to be hands-on and approach the program as a trusted partnership between counties and the state. Staff developed resources to support counties in the application and plan development processes and have stayed engaged with counties during both processes.

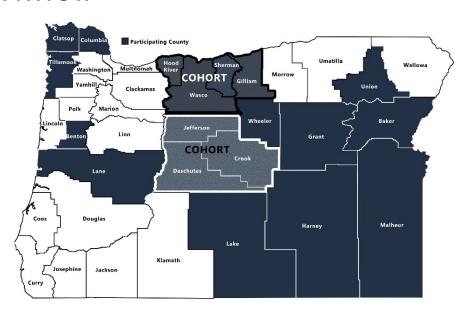
#### Outreach

ODOE opened the application window on May 22, 2024. Representatives from all of Oregon's 36 counties were notified about the program and invited to attend two informational webinars held during June 2024. Twenty-six of the 36 counties attended one or both webinars. Following the launch of the program, ODOE continued outreach, individually contacting the counties to answer questions and

engage in further conversation, as well as providing educational presentations on the program and community energy resilience at events across the state. The application window closed on February 28, 2025.

#### PROGRAM PARTICIPATION

Nineteen counties enrolled in the program, including two cohorts. There was significant participation from Eastern and Central Oregon counties. The 19 counties participating in the program are: Baker, Benton, Clatsop, Columbia, Grant, Harney, Malheur, Lake, Lane, Tillamook, Union, and Wheeler, a cohort of Hood River, Gilliam, Sherman, Wasco, and a cohort of Crook, Deschutes, and Jefferson.



## Status of County Plans

Counties had an initial deadline of August 1, 2025 to submit their plans, with the option to request an extension through December 31, 2025. All 19 counties requested and were granted this extension. Counties' planning progress varies. A few are in the initial phase of plan development due to staff capacity constraints or prolonged contracting processes with technical assistance providers. Many are in the middle of their plan process conducting outreach to residents, community organizations, critical public service facilities, utilities, and local governments, as well as data-gathering, data processing, and drafting. A few counties have initial plans drafted, with final elements still in progress.

ODOE continues to support counties' work by providing resources for plan development, answering questions, providing connections to experts, and reviewing draft materials as requested. ODOE also helps facilitate a monthly Community of Practice meeting, initiated by program participants, during which counties support co-learning for their plan development via facilitated discussions and guest presentations.

#### PLAN INCORPORATION OPPORTUNITIES

There are several opportunities to incorporate county energy resilience plans into aligned state and local planning efforts.

Counties and the state work in partnership for emergency management, which includes preparedness, mitigation, response, and recovery from energy disruptions and other emergencies. To reflect this

partnership, ODOE intends to feature the county energy resilience plans and implemented projects, in addition to other community energy resilience efforts, in future updates to the <u>Oregon Energy Security</u> Plan.

ODOE's recent participation in the <u>Oregon Natural Hazard Mitigation Plan</u> 2025 update process increased the focus on energy resilience in the state's priority mitigation action items. Future updates to Oregon's NHMP present a continued opportunity to ensure the NHMP includes considerations of county energy resilience needs. There are also opportunities to incorporate county energy resilience planning efforts into updates to the state's <u>Emergency Operations Plan ESF-12 Energy Annex</u>, recovery support function procedures, and the <u>Oregon Fuel Action Plan</u>. Lastly, the <u>Oregon Energy Strategy</u> has identified resilience as one of the key pathways for achieving Oregon's clean energy future. Future updates to the Oregon Energy Strategy could incorporate county energy resilience plans as part of strategy development efforts.

Finally, in addition to counties incorporating their energy resilience plans into their natural hazard mitigation plans, as required in HB 3630, there are also opportunities for counties to incorporate aspects of their plans and implemented projects into their emergency operations plans.

#### RECOMMENDATIONS

The recommendations below were generated from lessons learned during program implementation, conversations with energy resilience experts, and feedback from Oregon counties, including those involved in the program and those who did not participate.

## Recommendations for Program Adjustments

#### Increase Time, Funding, and Flexibility

ODOE received consistent feedback that counties found the amount of time and funding available for plan development relative to the robustness of program requirements to be a significant obstacle to participation. This challenge was magnified for counties with larger populations and greater numbers of critical public service facilities – for instance, none of the Metro counties (Multnomah, Clackamas, and Washington), Oregon's three most populous counties, opted into the program. In addition to increasing time or funding, increasing flexibility in program requirements could allow more counties to participate by giving them the ability to tailor their planning efforts to an achievable scope given the resources provided. House Bill 3171, which was introduced in the 2025 Legislative Session but did not pass, would have offered greater flexibility in planning requirements.

#### Reopen the Offering

While 19 of Oregon's 36 counties participated in the program, 17 did not. Many of the counties who did not participate expressed interest in the opportunity to do so if some of the changes suggested above are implemented. Others faced capacity limitations at the time of the offering, e.g. staff turnover and other planning processes underway, and stated they would be interested in pursuing the program in the future. HB 3171 would have also allowed for this by extending the program sunset date.

### **Provide Funding for Tribes**

The nine federally recognized Tribes in Oregon conduct their emergency management planning, such as natural hazard mitigation plan development, separately from county governments. If the County Energy Resilience Program is to reopen in the future, it would be valuable to engage with the Tribes and see if the provision of funding for planning for their Tribes is desired. If so, ODOE recommends providing funding for Tribal governments to create energy resilience plans. This is in alignment with the draft <a href="Oregon Energy Strategy's recommendation">Oregon Energy Strategy's recommendation</a> to engage with Tribes to understand their energy priorities and utilize state resources to support them.

#### **Additional Considerations**

Additional ideas for program adjustments that the Legislature may want to consider include:

- Providing a rolling application window that allows counties to participate in the planning effort
  on the same timeline as their natural hazard mitigation plan update. This would provide the
  opportunity for increased integration of the two plans and efficiency in procurement of technical
  assistance providers. This could also allow counties to utilize state funds as matching dollars for
  NHMP updates, the provision of which can be a significant challenge for some.
- Expand the offering to other local government entities such as municipalities or special districts who may want to develop their own energy resilience plans.
- Provide additional funding opportunities to allow counties to expand on current planning efforts and/or update their plans.
- Provide a set-aside in the funding specifically for environmental justice community engagement to help ensure thorough engagement.
- Require community engagement more broadly on plan content, not just to identify social vulnerability. <u>HB 3171</u> offered a model for a broader engagement requirement.

## Recommendations for Aligned Investments

The County Energy Resilience Program sets counties up to identify priorities and next steps for implementation. Investments in programs that support these next steps would amplify the investment the Legislature has made in this work and make Oregon more energy resilient.

One critical state resource that can support the implementation of county projects is the <u>Community Renewable Energy Grant Program</u>, which provides funding for renewable and resilience project planning and construction. An additional offering that would complement both the County Energy Resilience Program and Community Renewable Energy Grant Program is to provide funding for pre-feasibility assessments of the renewable energy projects counties identify in their plans. Pre-feasibility assessments would enable counties to assess which of their priority projects are most ripe for implementation. After the conclusion of the assessments, counties could proceed into a project-specific planning opportunity under the Community Renewable Energy Grant Program.

Other state programs that support increasing fuel supplies and emergency generators can also support counties' energy resilience needs. These programs include the <u>Department of Human Services'</u>

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Resilience Hubs and Networks Grant Program and the State Preparedness and Incident Response Equipment Grant Program. Additionally, continued support for ODOE's planning and engagement to increase geographic distribution and diversity of fuel supplies across the state can also support counties' efforts.

## FOR MORE INFORMATION

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