



Salem, OR 97301 Phone: 503-378-4040 Toll Free: 1-800-221-8035

FAX: 503-373-7806 www.oregon.gov/energy

Energy Advisory Work Group

DATE: April 10, 2025 TIME: 2:00 – 4:00 PM

Oregon Department of Energy – via WebEx

Meeting Attendees		
EAWG Members	ODOE Staff	Guests
Alessandra de la Torre, NW Energy Coalition Angela Crowley-Koch, OSEIA (alternate for Nicole Hughes, Renewable Northwest) Jana Gastellum, Oregon Environmental Council Jennifer Hill-Hart, Citizens' Utility Board (alternate for Bob Jenks) Kerry Meade, Building Potential Kyle Roadman, Emerald People's Utility District Lisa Gaines, Oregon State University & Portland State University Mary Moerlins, NW Natural Nate Rivera, Hermiston Energy Services Nicole Hughes, Renewable Northwest Sarah Buchwalter, Portland General Electric (alternate for Greg Alderson) Silvia Tanner, Multnomah County Tashiana Wangler, Avangrid Power Tom Wolf, bp	Janine Benner, Director Alan Zelenka, Asst Director Planning & Innovation Ann Thrall-Nash, US DOE Energy Innovator Fellow Edith Bayer, Energy Systems Sr. Policy Analyst Christy Splitt, Government Relations Coordinator Jenny Kalez, Communications Director Jessica Reichers, Energy Technology & Policy Manager Max Woods, Asst Director Nuclear Safety & Emergency Preparedness Ruchi Sadhir, Assoc Director, Strategic Engagement Stacey Heuberger, Office Operations Analyst Stephanie Kruse, Facilities Engineer	Alec Shebiel Danelle Romain David Heslam Debbie Driscoll Devon Norden Gina Gargano-Amari Jason Heuser Jennifer Joly Jim McKenna Jordan Bice Joy Aldrich Lisa McGarity Michael Burke Tucker Billman Vigilija Klima Vincent Jasso

Welcome and Director's Update (Janine Benner, Director)

- ODOE presented its budget to Ways and Means in February. While there are no changes to numbers right now, ODOE is getting fiscal requests on bills that would have an impact on the budget.
- Federal funding remains a fluid situation but the grants with contracts in place are currently still moving forward. ODOE is monitoring staffing issues at federal agencies.
- ODOE expects to launch the Heat Pump Purchase Program, HP3, later this month or soon after. This is a contractor-based rebate program for heat pumps funded through a \$24 million piece of the Climate Pollution Reduction Grant through the EPA.
- ODOE is in the process of selecting a contractor for the 2025-2028 Strategic Plan
 Update and hopes to have one in place by June 1. It is expected that EAWG will again
 play a role in the next Strategic Plan by providing input, as well as feedback on
 potential goals and priorities.

Questions and feedback:

Nate Rivera asked if ODOE has discussed the approach it would take if current programs were to lose federal funding. Janine responded that ODOE has raised this issue with the

Governor's Office and legislature, and it would depend on what the state's budget situation looks like on whether it could backfill those programs. ODOE would not propose Energy Supplier Assessment as an option to backfill.

EAWG Roundtable

Nicole Hughes, Renewable Northwest

- Transmission is their focus this session. The Transmission Authority bill is not moving forward in Oregon.
- Also watching wildfire bills.

Kyle Rodeman, Emerald People's Utility District

- Wildfire is the main focus this session.
- Still weighing in on whether or not the safety certificate is something that the utility is interested in.
- Filed an Amicus Brief in the PacifiCorp appeal in support of their arguments on class treatment.

Tom Wolf, bp America

• The FFA grant of \$28 million to bp for a co-processed Sustainable Aviation Fuel facility at the Cherry Point Refinery in Washington is currently on a 90-day pause.

Nate Rivera, Hermiston Energy Services

- Tracking wildfire and transmission efforts this session, as well as labor issues related to potential compensation to striking employees.
- In the midst of Bonneville discussions and contract negotiations.

Lisa Gaines, Oregon State University & Portland State University

• Tracking what is happening with public universities' state programs, of which OSU's Institute for Natural Resources is included.

Mary Moerlins, NW Natural

- Closely watching legislation that relates to the Oregon Public Utility Commission.
- Watching a bill focused on hydrogen blending which has yielded valuable discussion and awareness on that topic.
- Engaged in conversations around energy affordability and specifically monitoring two bills related to that.

Jennifer Hill-Hart, Citizens' Utility Board

- Driving three energy affordability bills this session, HB 3179, HB 3546, and HB 3792.
- Also keeping an eye on wildfire bills.

Kerry Meade, Building Potential

• Actively engaged with and supporting HB 3653, which is intended to modernize the energy savings performance contracting program.

Tashina Wangler, Avangrid Power

- Following most of the bills already mentioned by other members.
- Continuing to monitor what is going on at the federal level and the impacts on wind, solar, and carbon markets.

Alessandra de la Torre, NE Energy Coalition

- Supportive of the three energy justice bills that Jennifer Hill-Hart mentioned earlier.
- Tracking transmission bills, as well as the two utility wildfire bills.

Jana Gastellum, Oregon Environmental Council

- Supporting energy affordability bills.
- Supported the conversation around the transmission authority and the grid.
- OEC continues advocacy for incentive programs around the state.
- Also following the transportation package, water issues, and environmental health.

Silvia Tanner, Multnomah County Office of Sustainability

- Main focus this session is HB 3792, which seeks to expand funding for the Oregon Energy Assistance program. This bill is in Ways and Means.
- Multnomah County Office of Sustainability released their draft Climate Justice Plan last week. The plan is open for comments and they will hold a Webinar on April 22.

Sarah Buchwalter, PGE

- PGE is engaged in the major energy and affordability legislation, the FAIR Act, as well as wildfire bills.
- They have been supporting the siting and permitting improvements this session.

Session Update (Christy Splitt, Government Relations Coordinator)

- Six agency bills were introduced, three of which are program adjustments. These bills affect policy but do not include direct funding. These programs would only take effect if additional funding for these programs is included in ODOE's budget:
 - o HB 2566 Community Renewable Energy Grant Program In Ways and Means.
 - SB 827 Oregon Solar and Storage Rebate Program Passed Senate, awaiting House hearing.
 - HB 2567 Heat Pump Program Passed House unanimously, awaiting Senate committee hearing.
- The other three bills are statutory fixes:
 - HB 2565 Contracting with national labs Scheduled for Senate Veterans Committee.
 - o SB 825 Eliminating duplicative reporting In House Committee.
 - SB 828 Dedicated fund for the federal grid resilience program In Ways and Means.
- ODOE has also been tracking 53 bills introduced by legislators that would have given new or different work to the agency. Nineteen of those bills remain active:
 - o 15 in Ways and Means or Revenue.
 - o 3 heading to floor votes.
 - 1 moved to Rules.

• The agency's budget bill, <u>SB 5518</u>, is awaiting the May 14 revenue forecast before any movement is expected.

Questions and feedback:

Danelle Romain asked what the budget impact of the 19 remaining bills would be. Christy answered that many of them have fiscals issued but are minor in cost. One exception is HB 3081, One-Stop Shop 2.0, which would be a substantial new program. None of the bills propose the use of ESA.

Nuclear Bills (Max Woods, Asst Director Nuclear Safety and Emergency Preparedness)

- Nuclear power plants are functionally not allowed to be constructed in Oregon until a
 national, permanent repository for spent nuclear fuel is established. Even then, before
 any plant could be built, a statewide vote would be required. No national repository
 currently exists, and, while there are federal efforts to site and build such a facility, one is
 likely decades away.
- About 3% of Oregon's electricity comes from nuclear power via the Columbia Generating Station in Washington, the sole nuclear power facility in the region.
- There are changes coming to the industry. Advanced reactors, including Small Modular Reactors (SMRs), are receiving federal support, such as funding, technological assistance and land.
- Other states, like Washington, are backing advanced nuclear technology. A proposed SMR project near the Columbia plant has backing from Amazon.
- Multiple bills regarding nuclear power have been proposed this legislative session in Oregon.
- Two bills are still active, HB 2410 and HB 2038, and are currently in Ways and Means:
 - O <u>HB 2410</u> would allow an advanced nuclear power demonstration project in Umatilla County to be considered by the Energy Facility Siting Council if the project uses microgrid technologies and could support community resilience. It would require approval by Umatilla County voters, not a state vote, and the requirements for a permanent federal disposal location would not apply.
 - HB 2038 directs ODOE to lead a study on nuclear power with a long list of items to be analyzed within it.
- Members were presented the following polling questions to gauge their thoughts on nuclear energy:
 - O Do you support the development of nuclear energy in Oregon as a way to generate electricity?
 - O What potential benefits of nuclear energy development in Oregon would you like to understand better?
 - O What potential concerns about nuclear energy development in Oregon would you like to understand better?
 - O What other questions do you have about nuclear energy?
 - O Results from the polls can be viewed here.

Questions and feedback:

Tom Wolf has noticed a renewed interest in Washington and California in potential possibilities for nuclear energy and asked Max if he is hearing the same interest from others.

Max said that the renewed interest in nuclear is evident in Oregon by the two pieces of legislation that are still active. Many other states have invested money in advanced reactors and R&D facilities. Pennsylvania, Michigan, and Iowa are restarting traditional nuclear power plants that were previously closed due to economic reasons.

Energy Strategy Update (Edith Bayer, Energy Systems Senior Analyst)

- Edith reviewed the structure of the Energy Strategy framework and summarized the five policy working groups that have been meeting since early February and will continue to meet through mid-May.
- The modeling identified four key action areas:
 - o Energy Efficiency Reducing consumption is the cleanest approach.
 - o Electrification Transportation, buildings, and industry where possible.
 - Clean Electricity Ensuring that new electricity demands are met with clean sources.
 - o Low-Carbon Fuels to meet demands in hard to electrify sectors.
- Edith reiterated that the results of the modeling are not the Energy Strategy, and do not determine the precise pace, scale, or strategies ODOE will take on pathways.
- Draft policy recommendations for public feedback are expected by late May or early June.
- Working groups are looking at more than just the economy-wide cost, but also feasibility, land use considerations, natural resource impacts, energy burden and affordability, environmental justice, resilience, community benefits, and economic and employment effects.
- All presentations, notes, and recordings from <u>advisory</u> and <u>working group</u> meetings are available online.
- The final report is due to the Governor and legislature on November 1.

Questions and feedback:

Alec Shebiel asked in the chat if the Oregon Energy Strategy modeling included nuclear. Edith confirmed that the modeling included nuclear as one of the technologies that could be built out between now and 2050. The way the model was set up, it had to comply with existing state policies. So while the model technically allowed nuclear to be considered, it wouldn't be located in Oregon. The model looked across the entire Western Interconnection, but even in other states, nuclear didn't end up being selected. Other energy resources outcompeted it based on the data used. That doesn't mean nuclear won't be built in the future, and when you're looking out as far as 2050 especially with emerging technologies, there are still a lot of uncertainties. Janine added that ODOE plans to update the Energy Strategy and modeling every few years and will look again to see how things have changed related to nuclear energy.

Edith clarified for Tom Wolf that facility/energy infrastructure is not specifically addressed in the study, but rather is a discussion within the working groups. Scenarios do show an overall land-use footprint.

Nate Rivera asked if the impacts of mass adoption of EVs, etc, are accounted for in the modeling. Edith said that it does not get granular enough to provide specific insights, but

it does have a cost proxy that's built in that looks at the needed increase in distribution grid build-out as more resources come onto the system. This is still a live conversation being held within the working groups.

Nicole Hughes asked if it would be helpful to have an addendum to the modeling focusing on supply chain issues, especially given the tariffs that have been imposed on other countries. Edith confirmed that the modeling results came in before tariffs were in place, but the Strategy has a budget and timeline that would not support an addendum at this time. But the Energy Strategy is meant to be revisited over time and that may be an area for further study.

Columbia Basin Restoration Initiative Executive Order Update (Anne Thrall-Nash, Clean Energy Innovator Fellow and Jim McKenna, Office of Governor Kotek)

- The <u>Columbia River Basin Restoration Initiative</u> (CBRI) is a collaborative effort of the Six Sovereigns (the states of Oregon and Washington, and the Nez Perce, Yakama, Umatilla, and Warm Spring Tribes) to develop a solution that could replace the years-long litigation related to operation of dams within the Basin, as well as tribal treaty rights to fish in usual and accustomed places.
- The CBRI has six objectives. ODOE is focused on Objective 4, which relates to supporting a clean energy transition that aligns with climate goals, resilience, and community needs.
- The CBRI aligns with the Governor's position that services of the dams must be replaced before any removal could take place. Only Congress, using federal investments, has authority to remove the dams.
- The Six Sovereigns and the US Government came to an agreement, called the <u>Resilient Columbia Basin Agreement</u> (RCBA), in December 2023 to pause litigation over the dams for a period of 5-10 years.
- Governor Kotek issued <u>Executive Order 24-28</u> directing agencies with a nexus to the services of the dams, including ODOE, to take actions to support fulfilling Oregon's commitments to the CBRI and RCBA.
- ODOE has several requirements in EO 24-28 and work is ongoing to fulfill those. ODOE provided a required analysis to the Governor in February on how Objective 4 of the RCBA relates to ODOE's strategic vision and programs. ODOE is required to report on implementation efforts to its boards and advisory groups annually, including EAWG, and twice a year to the Governor's Office. ODOE will also participate in annual meetings of the Six Sovereigns.
- Implementation efforts so far have included participation in the Six Sovereigns Energy Workgroup, participation in the Technical Committee of the Regional Energy Planning Project study undertaken by PNNL, and the development of an educational resource on Columbia Basin developments.
- As part of the compliance with EO 24-28, ODOE is seeking to collaborate with those in the energy sector in a transparent manner. Anne proposed <u>questions</u> for members to consider.
- Jim McKenna provided updates from the federal side. Four dam service replacement studies —energy, transportation, recreation, and water are proceeding.

• While there have been some barriers the last couple of months, especially related to federal funding of fish and wildlife programs, the RCBA is still in place and the federal government is required to report annually on progress.

Questions and feedback:

Nate Rivera asked if the report from ODOE on Objective 4 will be made available. Jim confirmed that after the review is complete, the analyses provided by agencies will be combined into one document and made available.

Energy Hub for Incentive Programs & Projects in Oregon (Stephanie Kruse, Facilities Engineer)

- To comply with legislative direction, ODOE created an Energy Hub for Incentive Programs and Project in Oregon webpage to help navigate people to energy incentive opportunities in the state. ODOE has taken the approach of aggregating the information in one place, but the site will ultimately direct users to the service providers' website for further information.
- Stephanie walked members through the website. Users can input basic household details and it will generate a customized list of eligible programs and incentives. The content can be tailored for homeowners, renters, and contractors.
- The website will be continuously updated.

Questions and feedback:

Nate Rivera suggested a disclaimer be added to the website to indicate that the results may not be a complete list and to contact their local utility for the most up to date information.

New Rulemaking Guidelines (Janine Benner, Director)

• Due to time, Janine will email EAWG members the updated rulemaking guidelines and how ODOE is making improvements to their rulemaking webpages.

Closing Comments/Q&A

None