



# Oregon

Kate Brown, Governor



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## MEETING NOTES

### Energy Advisory Work Group

Wednesday, October 3, 2019

1:00 p.m. to 2:10 p.m.

Meitner Conference Room

Meeting Attendees		
EAWG MEMBERS	GUESTS	ODOE STAFF
Kerry Meade, Northwest Energy Efficiency Council	Kristen Sheeran, Governor's Office	Janine Benner
Lana Butterfield, Pacific Propane Gas Association	Alec Shebiel, Umatilla Electric Co-op	Ruchi Sadhir
Bridget Callahan, Sustainable Northwest	Ali Webb, DAS, CFO	Robin Freeman
Annette Price, Pacific Power	Cathy Connolly, ODOE Budget Director as of 10/14	Warren Cook
Bill Edmonds, NW Natural	John Terpening, Legislative Fiscal Office	John Hobbs
Fred Heutte, NW Energy	Taylor Lucey, Oregon Forest & Industries Council	Jennifer Kalez
Rebecca Carey-Smith, Portland General Electric	Danielle Romain, Romain Group	M Miller Harrington
Morgan Gratz-Weiser, Oregon Environmental Council	Elizabeth Howe, PacifiCorp lobbyist	Jessica Reichers
Nicole Hughes, Renewable Northwest (via phone)	Jim McCawley, League of Oregon Cities	
Nate Riviera, Hermiston Energy Services	Connor Reiten, NW Gas Association	
Janice Thompson, Oregon Citizens Utility Board	Jennifer Joly, Oregon Municipal Electric Utilities	
	Zach Baker, Climate Solutions - phone	
	Hannah Cruz, Energy Trust of Oregon - phone	
<i>Note: this reflects those who signed in to the meeting and not necessarily all present.</i>		

### Meeting Materials:

[Uploaded to website here.](#)

### Welcome and Agency Update: ODOE Director Janine Benner

- Janine indicated this would be a short meeting, followed by a strategic planning focus group with EAWG members and ODOE's consultant, the Coraggio Group.
- Janine welcomed new EAWG members: Nicole Hughes (Renewable NW) and Morgan Gratz-Weiser (Oregon Environmental Council) as Jana Gastellum's alternate.
- Janine provided the following updates:
- This summer ODOE announced the final round of Renewable Energy Development (RED) Grant awardees for projects less than 300 kW. Applicants earned extra points for geographic diversity and for projects in communities with high unemployment rates.
- Last month Governor Brown sent a letter to ODOT, DEQ, ODOE, and DLCD encouraging cooperative work on implementation of the Sustainable Transportation Strategy to reduce greenhouse gas emissions in the transportation sector.

- Oregon has surpassed the halfway mark to our goal of at least 50,000 registered electric vehicles on our roads by the end of 2020. As of the end of September, Oregon has 27,237 registered EVs.
- ACEEE released its 2019 state scorecard for energy efficiency. Oregon came in at #9, marking 13 years in a row in the top 10.
- Senior Policy Analyst/COU liaison Adam Schultz has been visiting utilities around the state, hearing about issues and looking for opportunities for collaboration. He has met with 29 COU representatives in 21 offices, discussing the [Oregon Guidebook for Local Energy Resilience](#), among other topics. Wildfires have been a topic of concern, as well as support for ODOE's active engagement with the Governor's office and ODFW on protecting fish and supporting clean energy.
- Janine and Robin Freeman, ODOE's Associate Director for Government Relations, recently traveled to Washington, DC and met with the entire Oregon Congressional delegation and others. They shared information about energy in Oregon – including the Biennial Energy Report – and offered ODOE as a resource. Janine provided highlights from their trip:
  - Congressman Blumenauer has been working on the electric vehicle tax credit, aiming to lift the cap for auto companies that have sold more than 250,000 EVs.
  - Representative Bonamici invited Oregon's feedback on climate policies and indicated an interest in working on regional energy innovation.
  - Congressman DeFazio has been working on an infrastructure bill that will include policies to advance clean energy.
  - Senator Merkley is working on a bill dealing with water infrastructure and clean energy.
  - The Oregon delegation is interested in what Oregon is doing on renewable natural gas.
  - Janine and Robin met separately with staff with the House Select Committee on Climate Crisis and the House Energy and Commerce Committee, which are making recommendations for legislation on climate change and clean energy. They sent out a survey to stakeholders and will give recommendations to the full House by March. Rep. Bonamici would love feedback from this group and the state. Janine will follow up with an email on that survey to EAWG members.
  - Janine and Robin also met with offices within the U.S. Dept of Energy, including the Office of Energy Efficiency and Renewable Energy; Office of Electricity; Office of Cybersecurity, Energy Security, and Emergency Response (CESER); and the Office of Environmental Management. She reported that it was heartening to see that many of these programs are continuing to do good work with strong levels of funding from Congress despite lack of support from the Administration. The Office of Electricity is excited about the Resilience Guidebook as an example for other states.
- ODOE was selected for a grant from the U.S. Department of Defense to assess renewable energy facilities and their effects on military infrastructure. More information about the grant can be found in the meeting materials.
- The Energy Facility Siting Council is seeking new members. EAWG members who are interested in energy siting may contact Todd Cornett or Janine Benner. Fred Heutte asked

about criteria for EFSC members, number of seats on the council, and who to contact to make a recommendation? Kristen Sheeran from the Governor's office responded that the criteria is open – and that ideally, membership will reflect the geographic, racial, and economic diversity of Oregon. Kristen noted that recommendations should go to Todd Cornett, and representatives will be appointed by the Governor's office. Candidates need to be identified within the next 2-3 weeks for a November Senate approval.

- Lana Butterfield inquired about whether the DOD grant would include renewable propane. Janine indicated that the grant looks at electricity infrastructure that could affect military facilities – such as the siting of wind turbines or transmission lines that might be in military training routes. Facilities with a smaller footprint, such as a renewable propane facility, would be less likely to affect military readiness.

### **Update from the Governor's Office**

- Kristen Sheeran from the Governor's office delivered an update regarding energy and climate policy, indicating that climate change is a priority for the 2020 session. The Cap and Trade bill will likely return in the February 2020 session, starting with the basic framework of HB 2020 and adjusting as necessary. While the Governor's preference is a legislative route, she is working with agencies to explore regulatory actions to ensure the state is working to meet its climate goals.
- Kristen addressed ODOE's strategic planning process, thanking the participants for their willingness to take part in this process to shape energy moving forward. Kristen addressed the Oregon Climate Authority legislation from last session, and indicated that due to the short session, a legislative proposal for this will not be brought back at this time, but it is still part of the Governor's vision for the future.
- Annette Price inquired about the Governor's Council for wildfire response. Kristen responded that the council is critically important, and they are looking forward to recommendations out later this month; including policy recommendations, budget priorities, and identifications of need, which will result in budget proposals and proposed policy changes for the 2020 legislative session. She indicated there is an energy component in terms of infrastructure at risk, and there are implications for energy generation in terms of continuity of service in an era of climate change.

### **EAWG Roundtable and Updates**

- Kerry Meade: Northwest Energy Efficiency Council is focused on energy efficiency as a resource with more flexibility behind the meter. They are working on building coalitions and educating peers.
- Lana Butterfield: Pacific Propane Gas Association is tracking a bill that affects fleets. Six years ago, a bill passed which allowed fleets to do a decal program paying tax directly to the state, rather than having it collected at the pump. Propane dealers sell directly to the vehicle, allowing fleets to travel farther. This came up for renewal but didn't pass because of the walkout. Next session, PPGA will try to bring it to the table again.
- Bridget Callahan: Sustainable NW will hold a Fall Energy Symposium covering climate policy and new initiatives to bring transportation electrification benefits to rural commuters.

- Annette Price: Provided an overview of Pacific Power's 2019 draft integrated resource plan, which is focused on renewable transition and stepping away from coal. There is concern for affected communities, which Pacific Power is working to help.
- Bill Edmonds: NW Natural worked on SB 98, one of the most progressive renewable natural gas bills in the country, which is getting noticed by other states. The bill created goals and sets spending purchasing limits for distribution companies, with rulemaking starting this month. NW Natural is interconnecting three projects to waste water treatment plants and a large food waste agricultural residue plant by end of this coming year. The company is looking to European local distribution companies who are two to four years in front of the U.S. in terms of pivoting with renewable gas. France, UK, Germany, and the Netherlands are trying to figure out how to heat homes in a carbon-constrained world (power to gas and hydrogen). The company is looking at a pilot project with the Eugene Water & Electric Board and is seeking federal dollars.
- Fred Huetten: Northwest Energy Coalition now has three staff working in Oregon and 100+ members. Looking forward to the progeny of HB 2020, they are also involved with Northwest Natural, PacifiCorp, and PGE IRPs, PGE's electrification plan, tracking B2H, community solar, rulemaking for HB 2618 solar + storage, and the 2021 NWPPCC regional power plan. They chair the environmental data group at WECC, looking at offshore wind. Offshore wind will be in California by 2025, and Fred expects Oregon to follow. Janine mentioned that offshore is a priority with the head of USDOE's renewable power program. The NW Power Pool has started a new planning concept initiative in resource adequacy to meet needs, an important topic with renewables and retirement of coal plants. An initial rollout with assessment, and advisory committee start-up, and workshops will happen over the next few months. ODOE staff have been involved in the conversation as well.
- Rebecca Carey Smith: PGE's transportation electrification plan was filed on Monday at PUC with ways to promote electric transportation online. She offered to either come talk about it or send it to anyone with an interest.
- Morgan Gratz Weiser: Morgan is the legislative director for Oregon Environmental Council and an alternate for Jana Gastellum, who has been named Deputy Director. OEC is hiring for the Climate Director role and has a new hire in environmental health. They continue to work on Cap and Trade and were excited about the passage of SB 1044 on transportation electrification.
- Nate Rivera: Hermiston Energy Services has a new contract with Bonneville Power Administration. Cost containment continues to be a topic of discussion, and there's optimism with a flex-spill agreement.
- Nicole Hughes (*by phone*): Renewable NW is a nonprofit that advocates for clean energy in OR, WA, ID, and MT. The group's Oregon priorities include supporting the new version of HB 2020 by sharing the economic benefits of renewables and de-carbonization in Oregon, should it go forward. They are engaging in discussions related to land use, and interactions of wind turbines and military training routes, and are hoping to engage with the Energy Facility Siting Council on solar specific siting standards to streamline the permitting process and remove barriers. They are publishing a dual-use solar report. They are also engaged around regional market expansion in the West, including as a stakeholder in the NW Power

Pool's process. They are working in Washington on implementation of the Clean Energy Transformation Act which will have implications on markets in which Oregon participates.

#### **Update: Oregon Solar Rebate Program - John Hobbs**

- John Hobbs discussed SB 2618. Currently, the agency is in the information-gathering phase and held a public stakeholder meeting on October 1. The agency is in the process of developing draft rules and hopes to have them out to stakeholders by close of business on October 9. There are two meetings planned on Oct 14 (Portland) and 15 (Salem) to gather feedback on the draft rules. Proposed rules will be filed with the Secretary of State at the end of October, which will start the formal public comment period. ODOE expects to hold a public hearing on the rules on December 3, 2019. This process allows the agency to have rules in force by January 1, 2020.
- Jennifer Joly asked what the key takeaways were about the remaining issues? John responded that there are questions about low- and moderate-income components of the bill and how the agency will verify eligibility, understanding that the customer is the contractor, not the consumer. An additional challenging factor is the effort to create multiple tiers for different types of projects.

#### **Biennial Energy Report Review**

- Janine indicated that with the next [Biennial Energy Report](#) due in a year, the agency is starting to plan for it. There is now a framework in place with the last report, for which facts and figures will need updating. She asked EAWG members for their perspective on a series of questions about the report (located in the meeting materials online). She mentioned that Congressman Blumenauer opened the 330 pages, leafed through it and asked where was the section on agriculture? She wondered whether this is a topic that others are interested in.
- Nate Rivera asked about the difference between this report and the Joint Committee Ways and Means report, which Janine clarified. The BER is statutorily required every two years, based on a bill passed in the 2017 legislative session and involves reporting on energy facts in the state. The report to Ways and Means is in response to a budget note, and the agency reports on specific budget questions and existing programs within ODOE. Janine indicated that the BER would be a topic of conversation with Ways and Means.
- Nate added that for his constituency, he would like to see ODOE be a leader in setting a forward path to help the state meet its challenges and goals.
- Janine clarified that if the BER is the landscape, the strategic planning process will help narrow where ODOE and its programs can add value, and how we can shift the landscape to where we would like it (within the constraints of our budget).
- Bridget Callahan stated that she's used the report, but rural stakeholders they work with have not. She suggested a chapter on irrigation modernization or helping communities building their own energy plans.
- Bill Edmonds suggested that the BER's renewable energy chapter should be broader than just electricity. There should be more on renewable natural gas. He also referenced the Biennial Energy Plan and questioned ODOE's role in energy planning. Janine responded that

ODOE used to be involved in energy planning, however the Biennial Energy Plan transitioned to the Biennial Energy Report. She encouraged EAWG members to discuss this topic in the strategic planning focus group.

- Fred Huetten mentioned that he appreciates the new approach to the BER and compared it to the Oregon Blue Book as a go-to resource for questions about energy in Oregon. He suggested that in the event a successor to HB 2020 passes, the BER could contain a section laying out what it will look like, and that it will be a premier focus of energy policy in Oregon. He also mentioned resilience in connection to wildfires, which is a hot topic in Oregon.
- Rebecca Carey-Smith mentioned that PGE's CEO had ordered 50 copies of the BER for their team. She noted that perhaps more could be done to draw the separate chapters back together to show a more cohesive big picture. She referenced the energy burden report and the importance of including that data in the BER.
- Janine acknowledged that developing a cohesive narrative is a challenge and suggested a brainstorming session for this group to decide how to bring it together cohesively. Nate Rivera offered to participate, acknowledging the diverse perspectives in the room. Janine wondered whether there would be interest in looking at different geographic areas around the state in terms of the different resources and challenges facing those areas. Nate noted that regional issues are not homogenous either, and even residents living across the street from each other may have different energy issues.
- Annette Price suggested that less is more, and that the report should contain facts, not advocacy.