



Oregon

Tina Kotek, Governor



550 Capitol St. NE

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: December 19, 2024

TIME: 2:00 – 4:00PM

Oregon Department of Energy – via WebEx

Meeting Attendees

EAWG Members	ODOE Staff	Guests
Annette Price, Pacific Power Bridget Callahan, Sustainable Northwest Fred Heutte, NW Energy Coalition Greg Alderson, Portland General Electric Jana Gastellum, Oregon Environmental Council Jennifer Hill-Hart, Oregon Citizens' Utility Board (alternate for Bob Jenks) Jenny Dresler, Pacific Propane Gas Association Kyle Roadman, Emerald People's Utility District Mary Moerlins, NW Natural Nate Rivera, Hermiston Energy Services Nicole Hughes, Renewable Northwest Tashiana Wangler, Avangrid Tony Schacher, Salem Electric Tom Wolf, bp America	Janine Benner, Director Alan Zelenka, Asst Director Planning & Innovation Christy Splitt, Government Relations Coordinator Edith Bayer, Energy Systems Senior Policy Analyst Jenny Kalez, Communications Director Jessica Reichers, Lauren Rosenstein, Equity and Inclusion Analyst Michael Williams, Asst Director Central Services Ruchi Sadhir, Assoc Director, Strategic Engagement Sarah Moehrke, Community Navigator Stacey Heuberger, Operations Analyst	Alec Shebel Brandon Capps Carra Sahler Danelle Romain Fatma Aouani Genevieve Hall Haley Ellett Jennifer Joly Kevin Duell Leah Navarro Lydia Ivanovic Marianne Seifert Mary Rudolph Megan Garcia Ted Case Theodora (<i>last name unknown</i>) Tucker Billman

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

- The [Governor's Recommended Budget](#) was released earlier in December, and it continues ODOE's Current Service Level and includes some of ODOE's requested policy option packages. The GRB also added \$25 million to continue the [Community Renewable Energy Grant Program](#) into the next biennium. It did not include some of the General Fund policy option packages such as the Climate Action Research position, the Rural Energy Efficiency Fund, Paid Internships, or expanding the Community Navigator Program. The GRB funds two existing Governor's Policy Advisor positions within ODOE's budget, but these positions are funded by grant and Federal Funds and will not impact ESA. ODOE will present this budget to the legislature, likely in February 2025.
- It is too early to say what the impact of the election may have on the grants that ODOE is expecting to receive. ODOE plans to work with federal partners to track any changes that could affect ODOE's federal awards.

Questions and feedback:

Danelle Romain asked if ODOE could break out the Other Funds category to show specifically how the Governor's Policy Advisor positions are funded to ensure that it is not ESA. Michael Williams explained that one of the positions is supported by General Fund and the other position is funded by half federal funds and half US Climate Alliance grant.

Roundtable (All)

Tom Wolf, bp America

- Working with the Federal Aviation Administration on a FAST SAF grant. This \$29 million grant would be to co-process jet fuel into SAF, so approximately 5% of their jet fuel would come from renewable feedstock. bp is in negotiations with the FAA and should decide on whether to accept the grant in the first quarter of 2025.
- Will be watching the legislative session for discussions on Cap and Trade and SAF incentives.

Tony Schacher, Salem Electric

- Salem Electric is finishing underground replacements and will start their vegetation management programs next week.
- Will be working with Ted Case and the Oregon Rural Electric Cooperative Association on legislation this session, specifically regarding wildfire and preservation of the Lower Snake River dams.

Kyle Roadman, Emerald PUD

- Gearing up for outage season.
- Still recovering from the ice storm in January 2024 and working with FEMA to hopefully receive public assistance.
- Will be focused on wildfire reform this legislative session.

Nate Rivera, Hermiston Energy Services

- This will be a heavy infrastructure year.
- Will be watching broadband rollout, joint use, and damage prevention this session.

Annette Price, Pacific Power

- Pacific Power will be monitoring large-load conversations and transmission this session, as well as wildfire and any efforts related to changing the utility compact.

Mary Moerlins, NW Natural

- Launched their Integrated Resource Plan for 2025.
- Will be completing a couple of pilot projects, notably the hydrogen blending pilot within their service center in Sherwood.
- Very pleased with the outcome of their energy burden assessment and are already implementing some of the findings of that study.
- Their low-income programs are getting funds out to those who need them, with the inclusion of more health and safety measures for their customers.
- Will be monitoring a large suite of possible bills and initiatives that relate to energy policy topics this session.

Tashiana Wangler, Avangrid

- Trying to build and focused on repowering and upgrading existing sites.
- Will be supporting efforts related to transmission and permitting reform this session, as well as any tax modifications and wildfire liability.

Jennifer Hill-Hart, CUB

- Had a busy year with four rate cases that will be wrapping up this week.
- Will be watching transmission working groups and bills addressing energy affordability, including one that CUB will be bringing forward, this session.

Nicole Hughes, Renewable Northwest

- Top priority this session is a bill around the development of an Oregon Transmission Authority.
- Supportive of reforms on permitting and will be engaging on those conversations.

Jana Gastellum, Oregon Environmental Council

- Will be tracking transmission, energy affordability, and following up on the building resilience work from last session.
- Heavily involved in the transportation package and will also be involved in the water package.

Bridget Callahan, Sustainable Northwest

- Focused on wildfire and community energy resilience conversations.
- Will continue to participate in ODOE's county resilience planning grant program and hope to get more counties signed up.
- Advocating for ODOE's Community Renewable Energy Grant Program to make sure that program stays strong.

Greg Alderson, Portland General Electric

- PGE filed its distribution system plan that sets the context and vision around developing a virtual power plant.
- A top priority this session will be wildfire, along with making improvements to siting and permitting processes.

2025 Legislative Session (*Christy Splitt, Government Relations Coordinator*)

- The Community Renewable Energy Grant Program is included in the Governor's Recommended Budget. ODOE will have a bill this session that would add a resilience-only pathway to this program. This bill would allow up to 20% of the funds to go to resilience-only projects.
- ODOE will have two bills that make changes to current programs not included in the Governor's Recommended Budget. The first would add a storage-only pathway to the Oregon Solar + Storage Rebate Program, and the other would extend the Oregon Rental Home Heat Pump Program, which is due to expire in early 2026.
- ODOE will have a bill to allow the state to contract with US DOE National Labs. The state's current procurement code does not consider national labs as government agencies and

therefore requires them to participate in the Request for Proposal process. But, due to their own rules, labs are not allowed to participate in RFP processes. This bill would treat national labs like federal agencies and allow them to contract with the state through intergovernmental agreements.

- Another bill would remove duplicative and out-of-date reporting requirements for ODOE.
- ODOE's final bill would create a dedicated fund for the Grid Resilience Program. The program currently requires a state match that has been funded through General Fund, which means it reverts each biennium. Having a dedicated fund would alleviate the uncertainty of available funding between budget cycles.

Questions and feedback:

None.

Strategic Plan *(Janine Benner and Ruchi Sadhir, Associate Director for Strategic Engagement)*

- ODOE is in the process of wrapping up its strategic plan and is in the process of pulling together final documentation on implementation.
- Ruchi reviewed ODOE's timeline from 2019 when ODOE began the planning and outreach phase of the strategic plan, to 2021 when the plan kicked off, to now where the strategic plan has been in place for four years.
- Phase 1 of the Strategic Plan was to provide clarity on ODOE's vision, mission, work, and values.
- ODOE identified five imperatives in Phase 2 of the Strategic Plan. These imperatives are what ODOE wanted to accomplish over the plan's four-year period. Each imperative has measurable objectives and initiatives embedded under each one.
- The final Strategic Plan Implementation Report will be on ODOE's website in January 2025. Ruchi reviewed a few highlights from each imperative.
- Imperative 1 – Expand and Improve Stakeholder Engagement
 - The intent of this imperative was to create a more inclusive and coordinated discussion about energy challenges and solutions.
 - ODOE created the Strategic Engagement Team to work with all ODOE programs to expand and support external engagement and strategy to better understand needs and impacts of energy policies and programs on communities across the state.
 - Media mentions have increased from 97 in 2021 to more than 150 in 2024, and social media followers have increased from 4,790 in 2020 to 8,110 in 2024.
 - An Engagement Framework for ODOE staff, emphasizing consistent and inclusive methods for external engagement, will be finalized in 2025.
- Imperative 2 – Build Practices and Processes to Achieve More Inclusive and Equitable Outcomes
 - This imperative builds on the importance of an equitable energy future and clarifies that ODOE has a role to play in helping to ensure equitable processes and outcomes.
 - ODOE requested, and it has been included in the Governor's Recommended Budget, position authority and funding for a Diversity, Equity, and Inclusion Specialist position and a Training Specialist position that can facilitate more skills development and training to support increased effectiveness and growth of staff.

- Although the Paid Internships policy option package is not moving forward in the Governor’s Recommended Budget, ODOE remains committed to advocating for funding, understanding the importance of offering these opportunities to attract a more diverse pool of applicants.
- ODOE published a DEI Implementation Plan and Strategic Approach which provides a structured and intentional framework and set of goals to guide and prioritize efforts to embed diversity, equity, and inclusion in its work.
- Imperative 3 – Assess and Enhance Organizational Data Capabilities
 - This imperative was focused on the themes heard around interest in ODOE being a central repository of energy data, information, and analysis and a central point of truth
 - ODOE has brought in a Research Analyst and a GIS specialist to help the agency examine energy systems, resources, assets, and usage patterns to develop an analysis of and the relationships between energy systems. GIS training has also been provided to several staff.
 - ODOE has collected and analyzed more and new data sources over the past four years through the Biennial Energy Report and Biennial Zero Emission Vehicle Report, as well as other data-driven projects.
 - ODOE submitted an IT strategic plan to ensure the IT section aligns with ODOE’s strategic plan as well as enterprise-wide initiatives on quality and improving access and availability of data.
- Imperative 4 – Assess and Modernize Agency Programs and Activities
 - With a need to clarify the agency’s role and value, Imperative 4 focused on analyzing existing programs and activities to determine alignment with Oregon’s energy goals and needs.
 - ODOE completed an evaluation of its programs that led to ideas for greater collaboration and efficiency between programs, as well as identifying redundancies. More work on the outcomes of this evaluation will be shared next year.
 - ODOE created a list of Key Energy Indicators to provide insight into progress on collective goals involving affordability, equity, resilience, sustainability, and other areas in the energy nexus, that could be helpful to track and update over time.
- Imperative 5 – Optimize Organizational Efficiency and Impact
 - ODOE conducted internal employee surveys that found that ODOE could increase organizational efficacy and employee satisfaction through improved policies and processes, and greater direction on priorities and goals.
 - Improvements in employee morale, satisfaction, and involvement demonstrated in Gallup score, which increased from 3.79 in 2019 to 4.05 in 2023, on a scale of 1-5.
 - The score for efficient and effective processes and procedures also improved in 2023 to 3.36 from 2.73 in 2019. While this was a marked improvement, it did not meet the goal of a score of 3.5 or higher, so the status of this objective will remain “in progress.”
 - ODOE did not hit the 95% goal on the customer satisfaction survey. While the survey response rate remained low for 2023, at only 10%, there was a 12% increase in satisfaction in all areas compared to the 2019 survey. Since this is a Key Performance Measure for ODOE, and all state agencies, ODOE will continue to work on this.

- Ruchi asked members to contact her with any thoughts or reflections they would like to share.

Questions and feedback:

Jana Gastellum complimented ODOE on how far the agency has come and hopes ODOE will continue to lean into representing the entire diversity of the state.

Nate Rivera asked if ODOE would be seeking external input on the agency's program evaluations. He also asked if there were plans to review the department's mission and values in the next strategic plan to make sure those are still relevant and applicable moving forward. Ruchi said that scoping for the next strategic plan and hearing ideas is the feedback they are looking for and taking a look at the mission and values to see if changes are needed to keep pace with the current circumstances would be included. She also said that ODOE asked if there was interest in providing feedback on the evaluations and didn't receive any responses but is still open to that idea. Janine agreed and offered to reshare the list of programs and to meet with members on any program or area of interest.

Tom Wolf said he loved the idea of ODOE being a central point of truth and to not lose that ambition when looking at the new strategic plan.

Nicole Hughes suggested ODOE look at the next strategic plan as a skeleton and evaluate what key pieces are still needed and where there is flexibility to reevaluate things in this new reality.

Fred Heutte appreciates the time and effort ODOE puts into this process and looks forward to providing feedback as the process continues.

Greg Alderson said that ODOE does not need to reinvent itself through the strategic planning process but rather focus on how it brings value to the public and how it helps the state think through discussions without being duplicative of other state agencies work.

Energy Strategy *(Edith Bayer, Energy Systems Senior Policy Analyst)*

- ODOE will be sharing the Oregon Energy Strategy modeling results on January 31, 2025, and will then begin Phase 2 and start to engage on policy.
- A complementary analysis will be conducted after the modeling is complete and will have five different energy wallets to help show what the effects of different pathways to meet energy and climate policy objectives are on Oregon households.
- ODOE plans to have a number of engagements throughout Phase 2 and will continue ongoing consultation with Tribes and a number of working groups.
- The interagency group and the Energy Strategy Advisory group will continue to meet on a monthly basis. There will also be public listening sessions planned for anyone who is interested in learning about where the Strategy is at in the process and to provide feedback.
- An information session will be held at the end of Phase 2 to present draft recommendations.

Questions and feedback:

Jennifer Hill-Hart asked if the working groups would remain the same for Phase 2. Edith shared that Phase 2 will have five working groups, instead of eight:

1. Environmental Justice and Equity
2. Building Efficiency, Electrification, and Distributed Energy Resources
3. Developing Clean Electricity Generation and Transmission
4. Low-carbon Fuels
5. Transportation Electrification

Biennial Energy Report (*Jessica Reichers, Energy Technology & Policy Manager*)

- ODOE published its 4th Biennial Energy Report (BER) in November. This report is developed every two years to inform energy policy development, planning and investments, and it provides a comprehensive review of energy resources, policy trends, and forecasts and what they mean for Oregon.
- Energy by the Numbers is the first section of the report and it provides facts and figures on Oregon's energy use, production, development, and costs.
- A new addition to this version of the report is the Key Energy Indicator (KEI) symbol. This symbol is used to point readers to potential data ODOE will use to help monitor and assess Oregon's energy landscape.
- The 2024 BER builds on the 2020 and 2022 Resource and Technology Reviews section and includes two new reviews covering Enhanced Geothermal electricity Generation and Fusion Power.
- The Energy 101 section is intended to provide a foundation for those who are new to energy and those who are already steeped in the sector. The BER has 11 new topics included in this latest publication.
- The last section of the report provides updates on two of ODOE's large projects, the Oregon Energy Security Plan and the Oregon Energy Strategy.
- If an organization is interested in a presentation about the report, you can request that on ODOE's website: [BER Public Comment · Customer Self-Service](#).

Questions and feedback:

Fred Huette congratulated ODOE on the BER and finds the information to be presented fairly and very useful.

Closing Comments

- None.