



OREGON
DEPARTMENT OF
ENERGY

Oregon Department of Energy

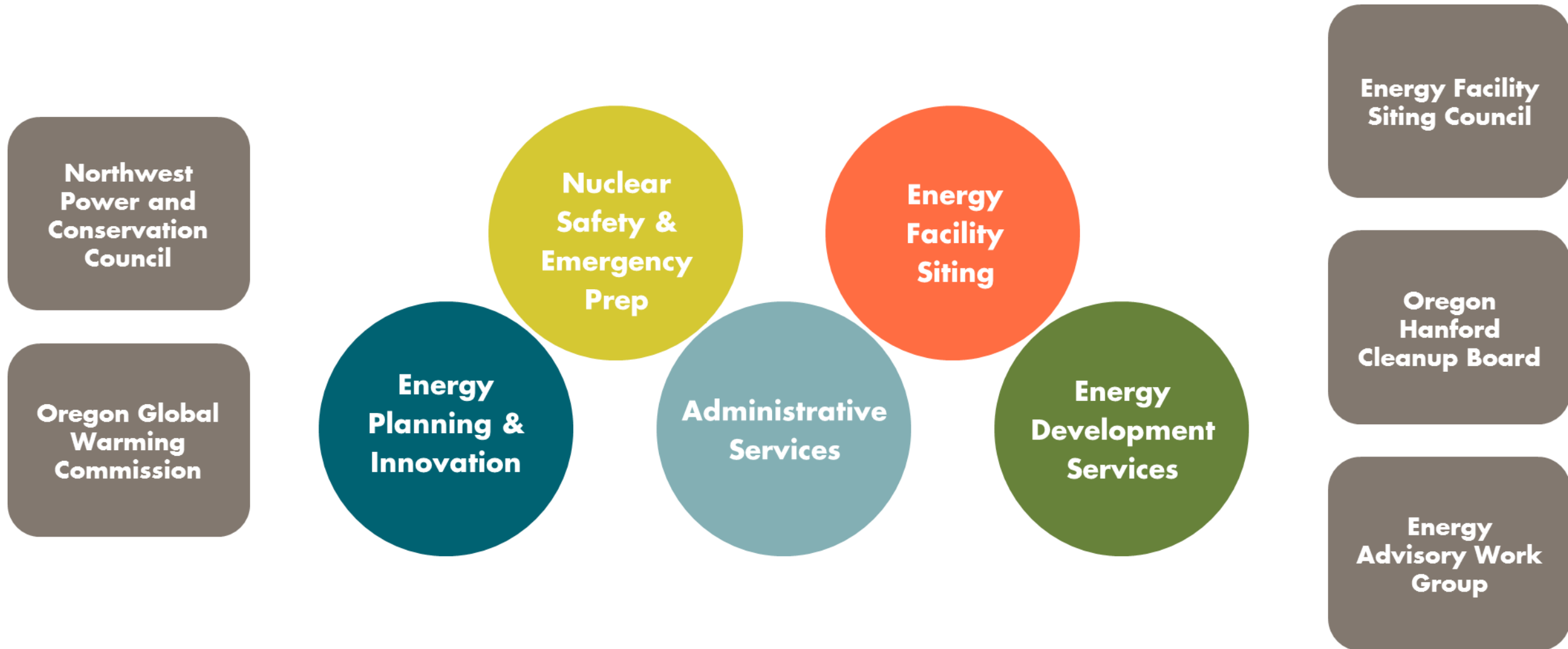
**Mission: Leading Oregon to a safe, clean,
and sustainable energy future.**

**2019-2021 Budget
Joint Ways & Means Subcommittee on Natural Resources
June 12, 2019**

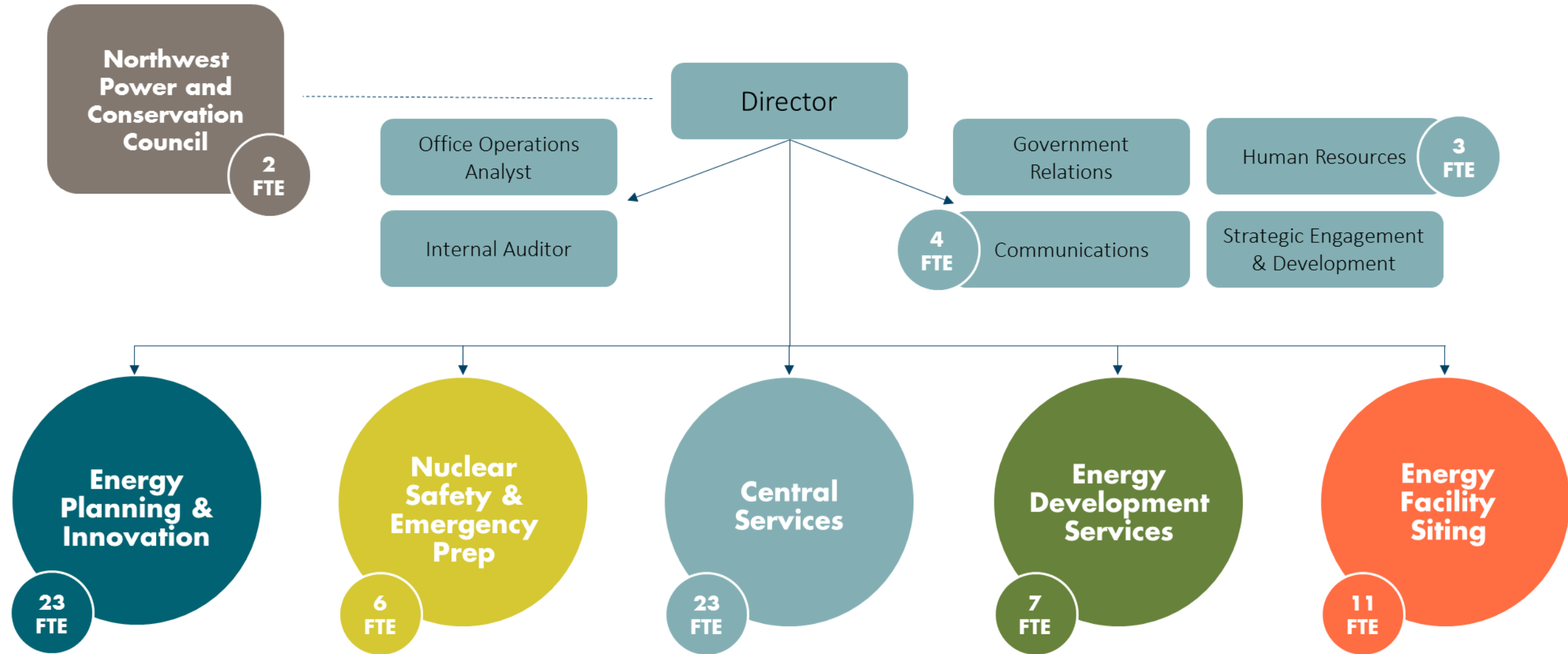
Agenda

- Introduction to the Oregon Department of Energy
- What We Do + Selected Highlights from Agency Program Areas
- ODOE Budget Background
- Next Steps

Agency Program Divisions and Standing Councils/Groups



Agency Organization





Energy Efficiency



Renewable Energy

Sustainable Transportation

Climate Change and Resilience

- Help state agencies, schools, tribes, businesses, nonprofits, industries, and farmers improve energy efficiency
- Secure Oregon's continued high ranking on list of most energy efficient states
- Implement home energy score program
- Staff commercial codes advice hotline
- Implement Executive Order 17-20 – Accelerating Efficiency in Oregon's Built Environment to Reduce GHG Emissions



Energy Efficiency

Renewable Energy



Sustainable Transportation

Climate Change and Resilience

- Promote the responsible development of diverse energy resources
- Address renewable energy market challenges and opportunities
- Provide research and technical assistance on emerging technologies like smart grid, demand response, energy storage
- Review and certify generating facilities as eligible for the Renewable Portfolio Standard



Energy Efficiency

Renewable Energy

Sustainable Transportation

Climate Change and Resilience



- Provide research and analysis on alternative fuels and reducing fuel consumption
- Assist fleet managers with the use of alternative fuel vehicles
- Advance projects to expand the supply of and infrastructure for alternative transportation fuels such as locally produced biofuels, electricity, and renewable natural gas
- Implement Executive Order 17-21 – Accelerating Zero Emission Vehicle Adoption in Oregon to Reduce GHG Emissions



Energy Efficiency

Renewable Energy

Sustainable Transportation

Climate Change and Resilience



- Staff the Oregon Global Warming Commission
- Provide climate change policy expertise to Carbon Policy Office, Oregon Global Warming Commission, and others
- Implement programs across agency that reduce GHG emissions or mitigate the effects of climate change

Climate Change/Resilience

- ODOE programs provide strategies and pathways for reducing greenhouse gas emissions and mitigating the effects of climate change

The Governor's Strategies to Achieving Our Climate and Economic Goals

ONE: Implement a Market-Based Program to Reduce Emissions

Achieve our state climate emissions reduction goals, while protecting our manufacturing sector and mitigating impacts on low-income and rural communities, communities of color, and Tribes

TWO: Add 50,000 Electric Vehicles to Oregon Roads by 2020

Expand electric vehicle infrastructure and incentives to support 50,000 electric vehicles on Oregon roads by 2020

THREE: Decarbonize the Electricity System

Achieve the state's renewable energy targets and encourage grid modernization while maintaining affordable and competitive electricity rates

FOUR: Expand Access to Clean Energy Services

Expand opportunities for residential, municipal, and commercial customers to access clean energy services from their utilities

FIVE: Strengthen Energy Efficiency Investments

Maintain and strengthen energy efficiency investments in residential, commercial, industrial and agricultural sectors, expand the reach of energy efficiency programs to ensure all communities benefit

SIX: Increase Industrial Energy Savings and Competitiveness

Support world-leading industrial efficiency initiatives by Oregon's large industrial utility customers

SEVEN: Invest in Climate Solutions That Foster Resilience

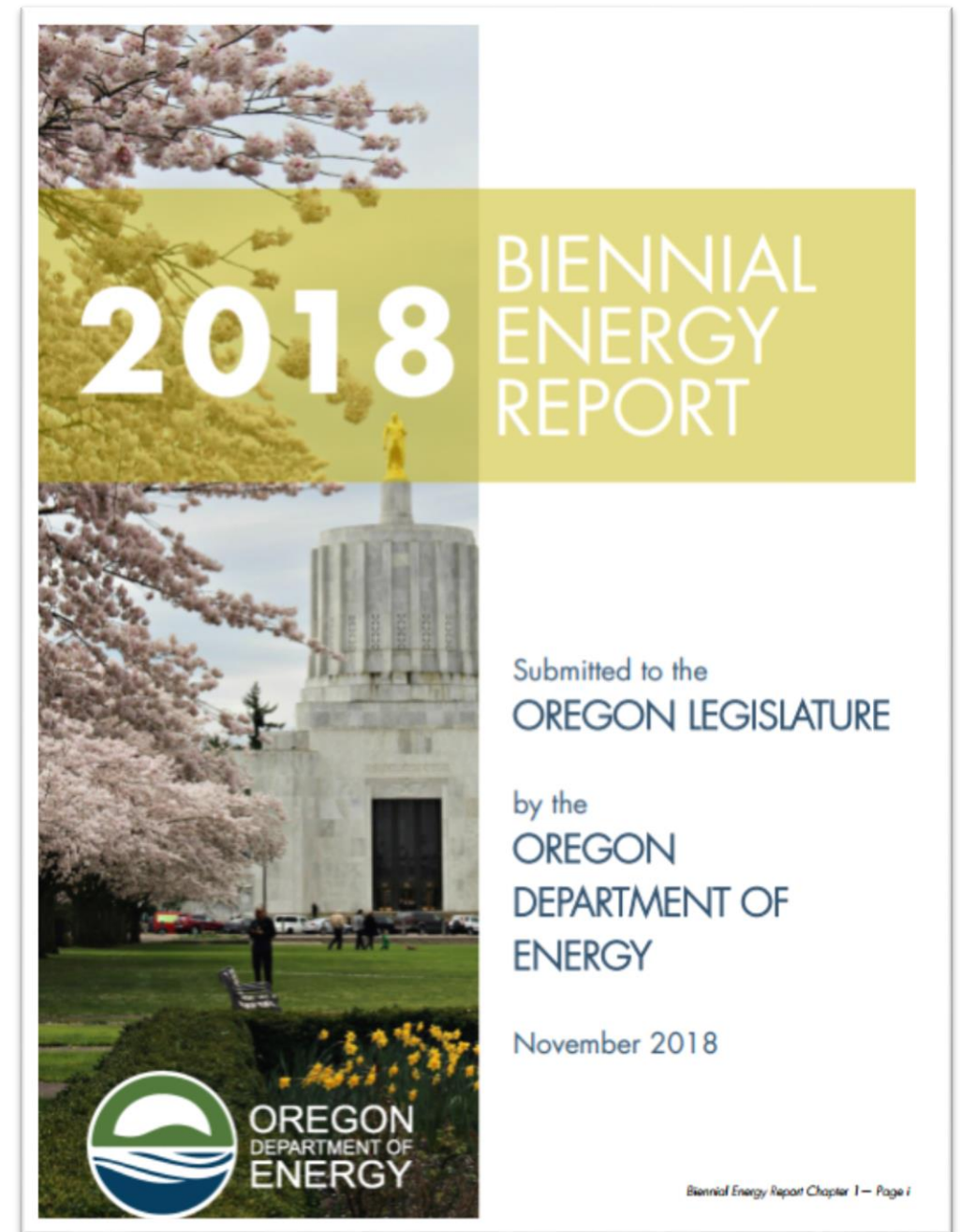
Pursue climate solutions that benefit rural communities and Tribes, support working lands, and foster resilience to climate change

EIGHT: Create the New Oregon Climate Authority

Align state programs and expertise to achieve the state's climate policy goals

Biennial Energy Report

- Inform local, state, regional, and federal energy policy development and energy planning and investments
- Collect and analyze energy data and information
- Review energy resources, policies, trends, and forecasts – and what they mean for Oregon



Biennial Energy Report



Full Report
(large file)



Introduction
Exec. Summary



Chapter 1
Energy Numbers



Chapter 2
Climate Change



Chapter 3
Renewable Energy



Chapter 4
Transportation



Chapter 5
Resilience



Chapter 6
Energy Efficiency



Chapter 7
Consumers



Chapter 8
Recommendations

Renewable Natural Gas Report

- Report found that up to 20 percent of the state's natural gas usage could be replaced by the low-carbon RNG alternative
- Five RNG projects underway in Oregon
- ODOE seeking out opportunities for RNG to continue to grow



Oregon Department of ENERGY

Biogas and Renewable Natural Gas Inventory SB 334 (2017)

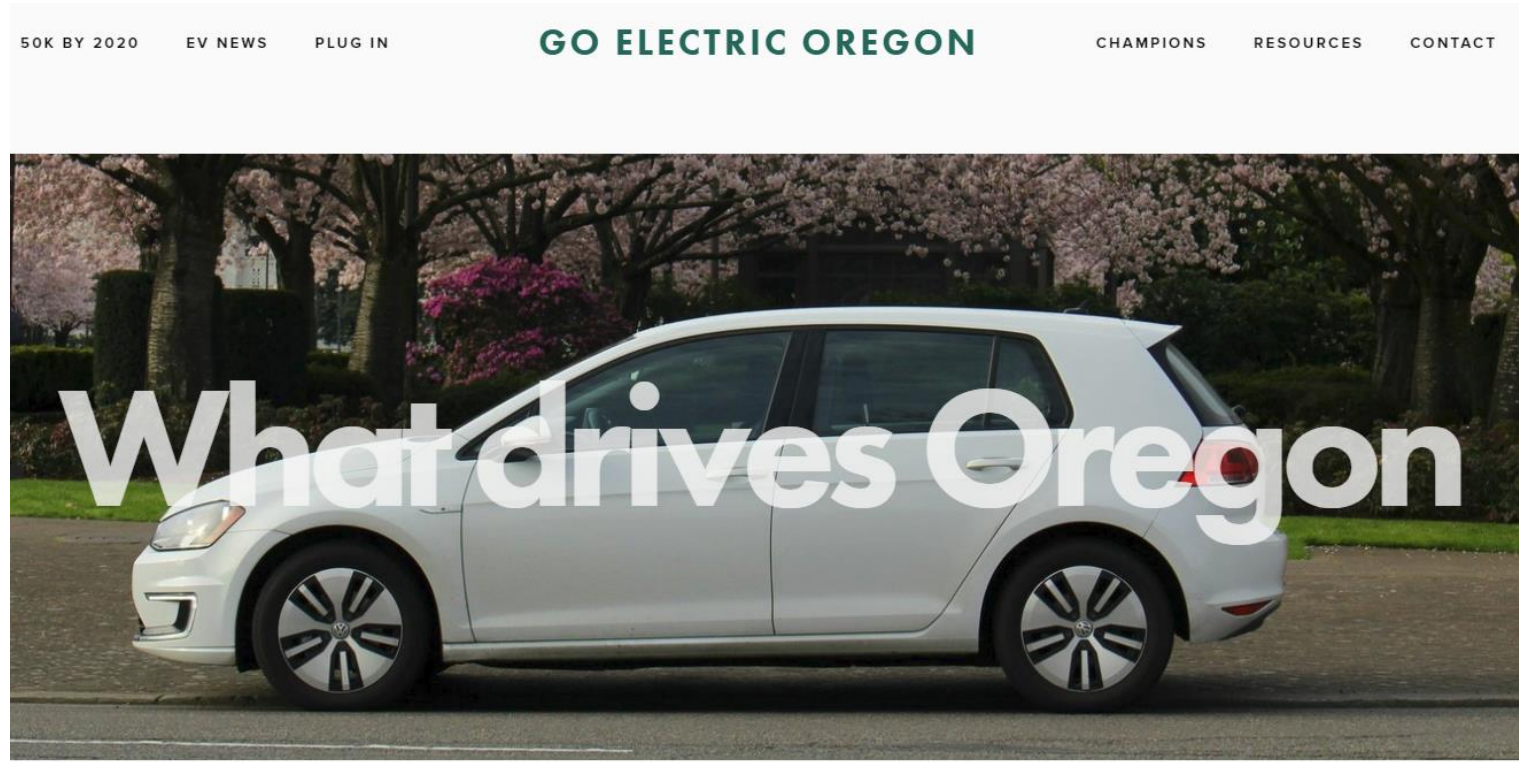
2018 Report to the Oregon Legislature

September 2018

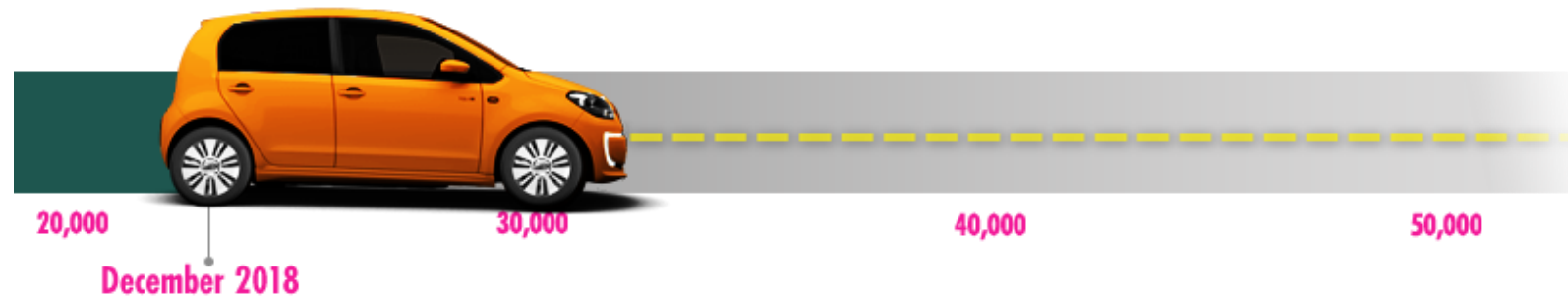


Electric Vehicles

- Promoted electric vehicles to Oregonians, with information on state rebates and utility incentives, new EV models, and new charging infrastructure
- Launched new Go Electric Oregon website
- Developed recognition program for electric vehicle champions
- Coordinated Zero Emission Vehicle Interagency Working Group



goelectric.oregon.gov



Energy Policy

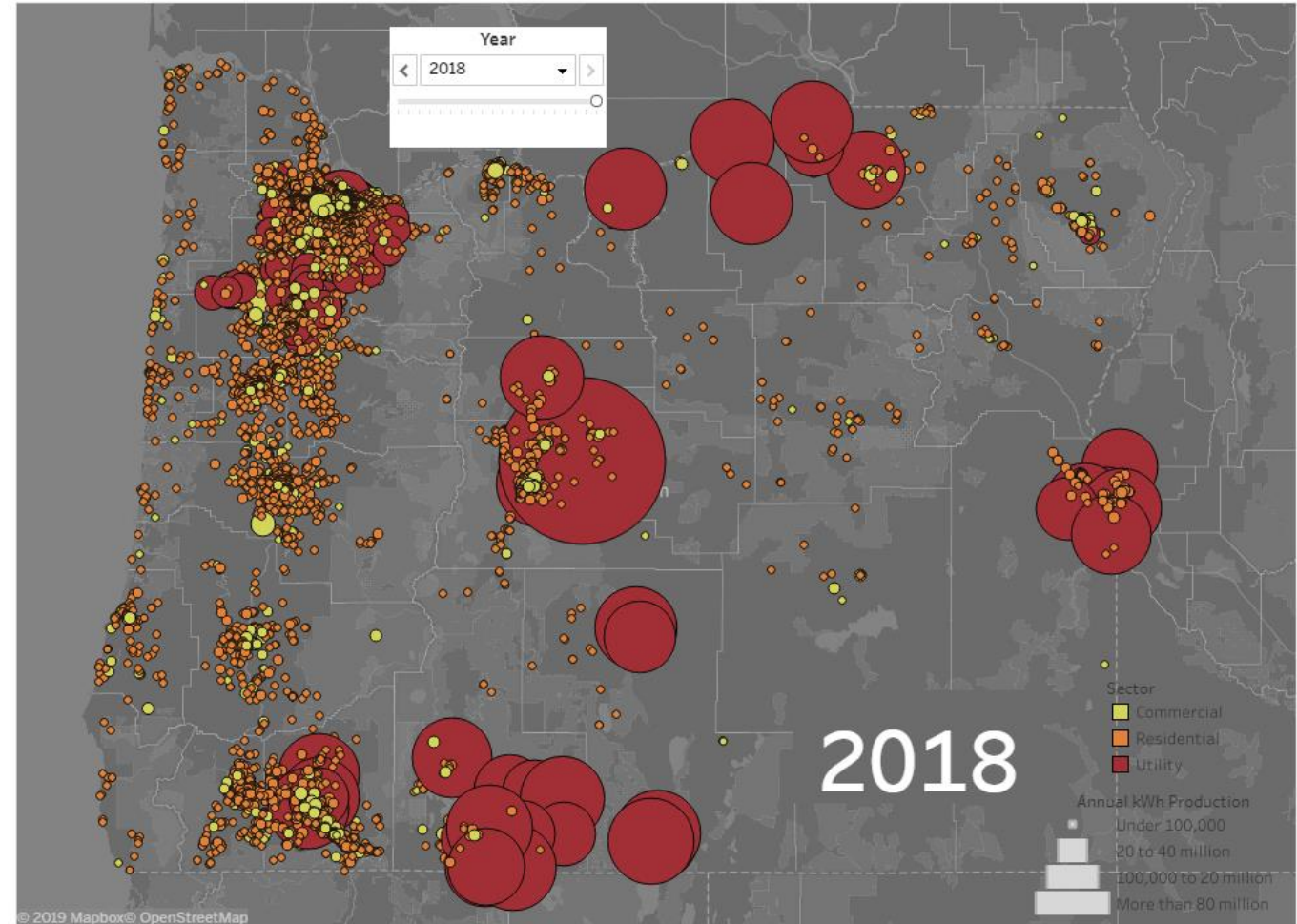
- Developed statewide tools: Energy Resource Mix, Solar Dashboard, Biennial Energy Report
- Added energy generation expertise to conversations about spill at Columbia River dams
- Co-developed strategies for reducing plug load in state buildings
- With state agency partners, released a 10-year plan on energy efficiency in low-income housing
- Created a tool for evaluating lifecycle costs and savings of energy upgrades in state buildings



7th ACEEE has ranked Oregon among the top 10 most energy-efficient states in the country for the last 12 years.

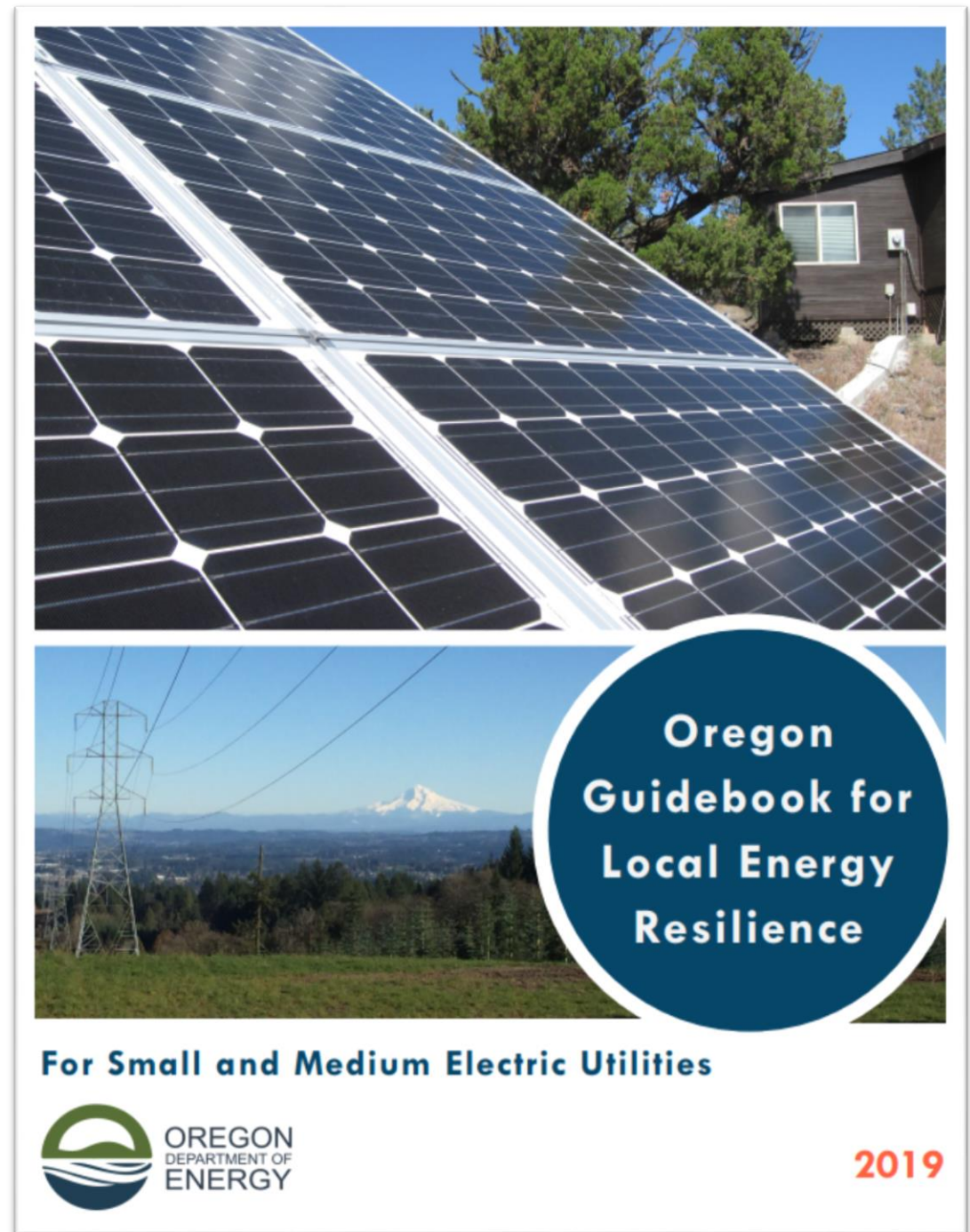
Photovoltaic Projects in Oregon

Press the arrow button or move the slider to change the year.



Emergency Response and Resilience

- Hosted resilience and energy storage workshops for utilities
- Finalized new guidebook and companion website for local energy resilience planning
- Discussed Oregon Fuel Action Plan at conferences, workshops, and trainings and implemented plan during 2017 eclipse and 2019 winter storms in Oakridge and near Brookings





Hanford Cleanup

Emergency Preparedness

Radioactive Materials
Transport

Oregon Fuel Action Plan



- Review and comment on proposed actions and cleanup plans at the country's largest contaminated site
- Monitor and influence cleanup decisions
- Interact with regulators and counterparts in Washington and at the USDOE
- Facilitate Oregon Hanford Cleanup Board meetings



Hanford Cleanup
Emergency Preparedness
Radioactive Materials
Transport
Oregon Fuel Action Plan



- Lead emergency preparedness for nuclear safety, radioactive waste transport, and proposed LNG facilities
- Conduct frequent exercises to test and improve Oregon's emergency preparedness plans
- Train and work with state government to ensure employees are prepared to respond to different types of energy- and climate-related emergencies



Hanford Cleanup

Emergency Preparedness

**Radioactive Materials
Transport**

Oregon Fuel Action Plan



- Oversee safe and uneventful transport of radioactive materials through Oregon
- Manage training of emergency responders throughout the state to ensure a swift, effective response in the event of an accident



Hanford Cleanup

Emergency Preparedness

Radioactive Materials
Transport

Oregon Fuel Action Plan



- Implement Oregon Fuel Action Plan, which details how ODOE supports emergency services during a fuel shortage
- Continue to refine plan, originally released in 2017, through presentations, conferences, workshops, and trainings
- Rely on plan as necessary, such as 2017 eclipse and 2019 winter storms in Oakridge and near Brookings

Hanford Cleanup

- Served as subject matter experts, with an emphasis on the Oregon perspective, in public presentations and to federal government, regulators, and our counterparts in Washington
- Submitted extensive comments on U.S. Department of Energy proposal to reclassify certain high-level wastes at Hanford
- Hosted nuclear emergency response exercises with representatives from OHA, ODA, OSU, and eastern Oregon counties





Energy
Facility
Siting

Energy Facility Review

Rulemaking

Compliance

Staff to Energy Facility
Siting Council



- Coordinate state review of proposed and amended energy facilities
- Division is seeing an increase in the number of new applications and amendments and more complex projects
- Number of amendments per facility can vary: some facilities have never been amended, while other developers have sought multiple amendments



Energy Facility Review
Rulemaking
Compliance
Staff to Energy Facility
Siting Council



- Rulemaking activities are prioritized and approved by the Energy Facility Siting Council
- Usually involve establishing broadly represented rulemaking advisory committees to help division staff draft proposed rules
- Recent rulemakings include siting of solar facilities and updating carbon dioxide standard



Energy
Facility
Siting

Energy Facility Review

Rulemaking

Compliance

Staff to Energy Facility
Siting Council



- Monitor facilities throughout their lifecycle to ensure site certificate conditions are met
- Oversight activities include:
 - Reviewing annual reports
 - Conducting site visits
 - Issuing wildlife mitigation reports
 - Ensuring bonds and letters of credit for decommissioning are adjusted annually for inflation



Energy
Facility
Siting

Energy Facility Review

Rulemaking

Compliance

Staff to Energy Facility
Siting Council



- Staff Governor-appointed, Senate-confirmed Energy Facility Siting Council
- Council meets approximately 10 times per year in communities located near proposed facilities
- Council meetings include public engagement and comment opportunities

Energy Facilities

- January 2018: approved first state-jurisdictional utility-scale solar facility
- May 2019: approved first state-jurisdictional repower project for Stateline wind facility
- June 2019: will host five public hearings on the proposed Boardman to Hemingway transmission line
- Current projects include solar-plus-storage facility applications, Jordan Cove state agency coordination

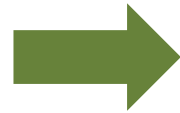




Renewable Energy Development Grants

Legacy Tax Credit Programs

Small-Scale Energy Loan
Program



- Provide grants of up to \$250,000 for businesses, public bodies, schools, nonprofits, and tribes that install and operate a renewable energy system
- Since 2012, ODOE has awarded nearly \$7 million for 73 renewable projects statewide, including solar, hydropower, biogas, biomass, and geothermal
- Current (and final) round closed to applicants on April 22; projects are in competitive review



Renewable Energy
Development Grants

Legacy Tax Credit Programs

Small-Scale Energy Loan
Program



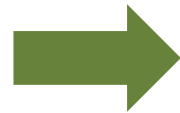
- Tax credit programs that sunset with the end of the 2017 tax year have required careful stewardship to close down
- Agency worked closely with the Secretary of State's Office on a final report on legacy incentive programs that noted the many ways we have improved oversight and performance



Renewable Energy
Development Grants

Legacy Tax Credit Programs

Small-Scale Energy Loan
Program



- Manage existing loan portfolio and continue to reduce SELP's legacy deficit
- Staff the Small-Scale Energy Loan Program Advisory Committee



**Administrative
Services**

Director's Office

Central Services

Northwest Power &
Conservation Council



- Provides operational and policy leadership:
 - Internal Audit
 - Communications and Outreach
 - Human Resources
 - Strategic Engagement and Development
 - Government Relations

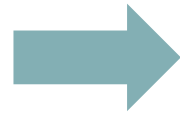


**Administrative
Services**

Director's Office

Central Services

Northwest Power &
Conservation Council



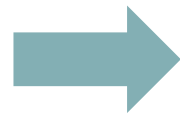
- Provides business support functions to efficiently deliver services and ensure the financial integrity of program operations
- Develops budget, monitors cash flow, and is responsible for contract development, grants management, financial services, purchasing, IT, and facilities



Director's Office

Central Services

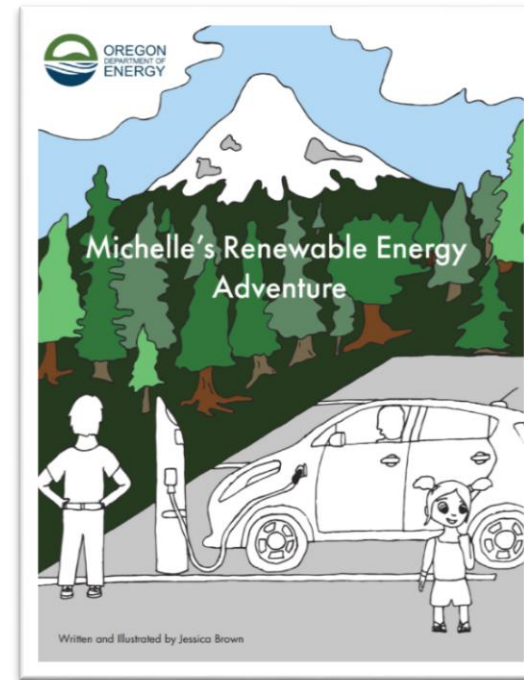
**Northwest Power &
Conservation Council**



- The Northwest Power & Conservation Council develops and adopts a regional energy conservation and electric power plan
- Oregon has two members on the Council
- These positions are included in ODOE's budget and funded with monies from the Bonneville Power Administration

Expanded Outreach

- Redesigned and launched the Oregon Global Warming Commission website
- Created new activities on renewable energy and energy efficiency for kids
- Translated energy-related information and materials to multiple languages
- Continued Oregon state government's first podcast series, *Grounded*



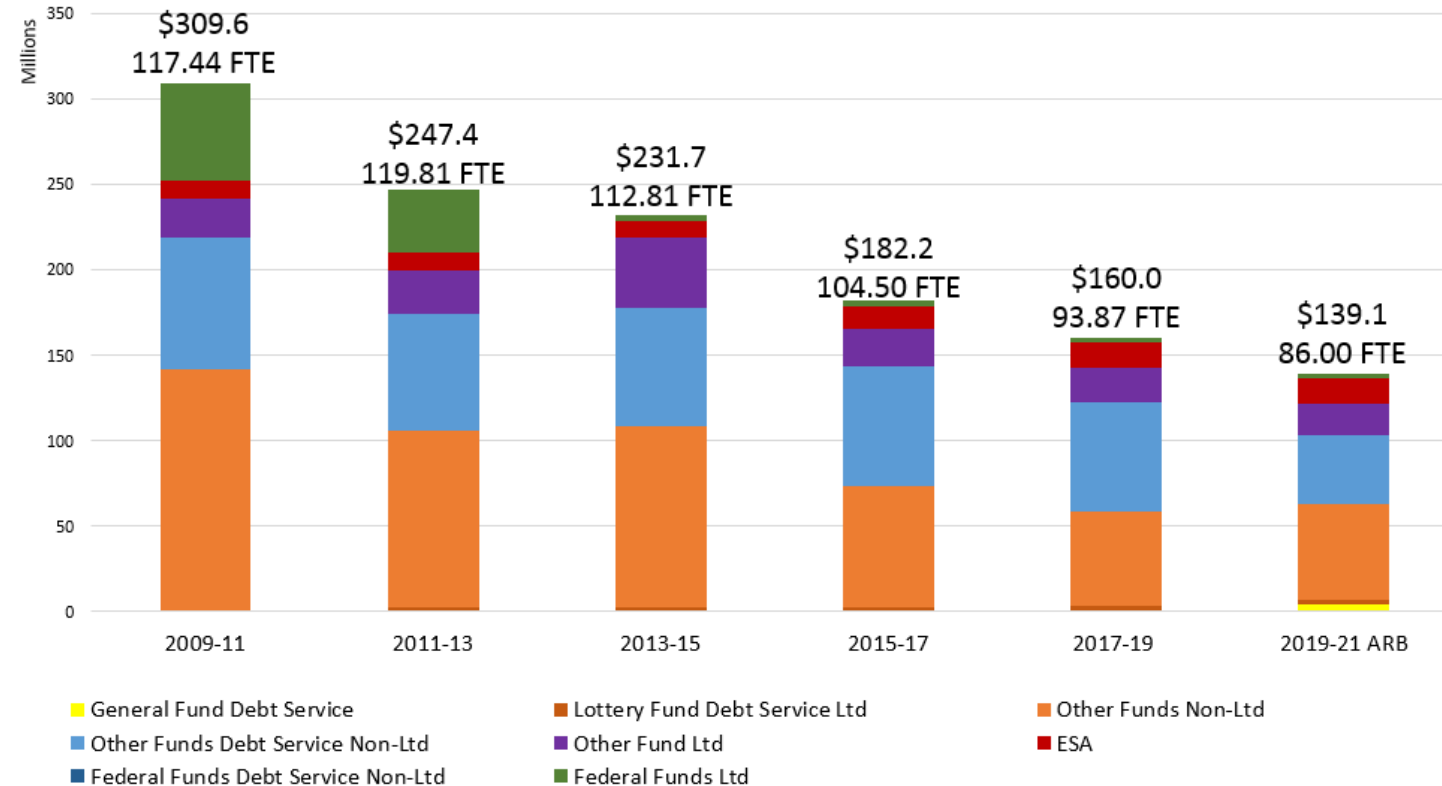
keeporegoncool.org



ODOE Budget History

- Over several biennia, ODOE has enacted deep and broad budget cuts:
 - Reducing staff
 - Closing offices
 - Eliminating positions
 - Finding efficiencies and other savings
- We work closely with stakeholders on how we can continue serving Oregonians in the most cost-effective ways possible

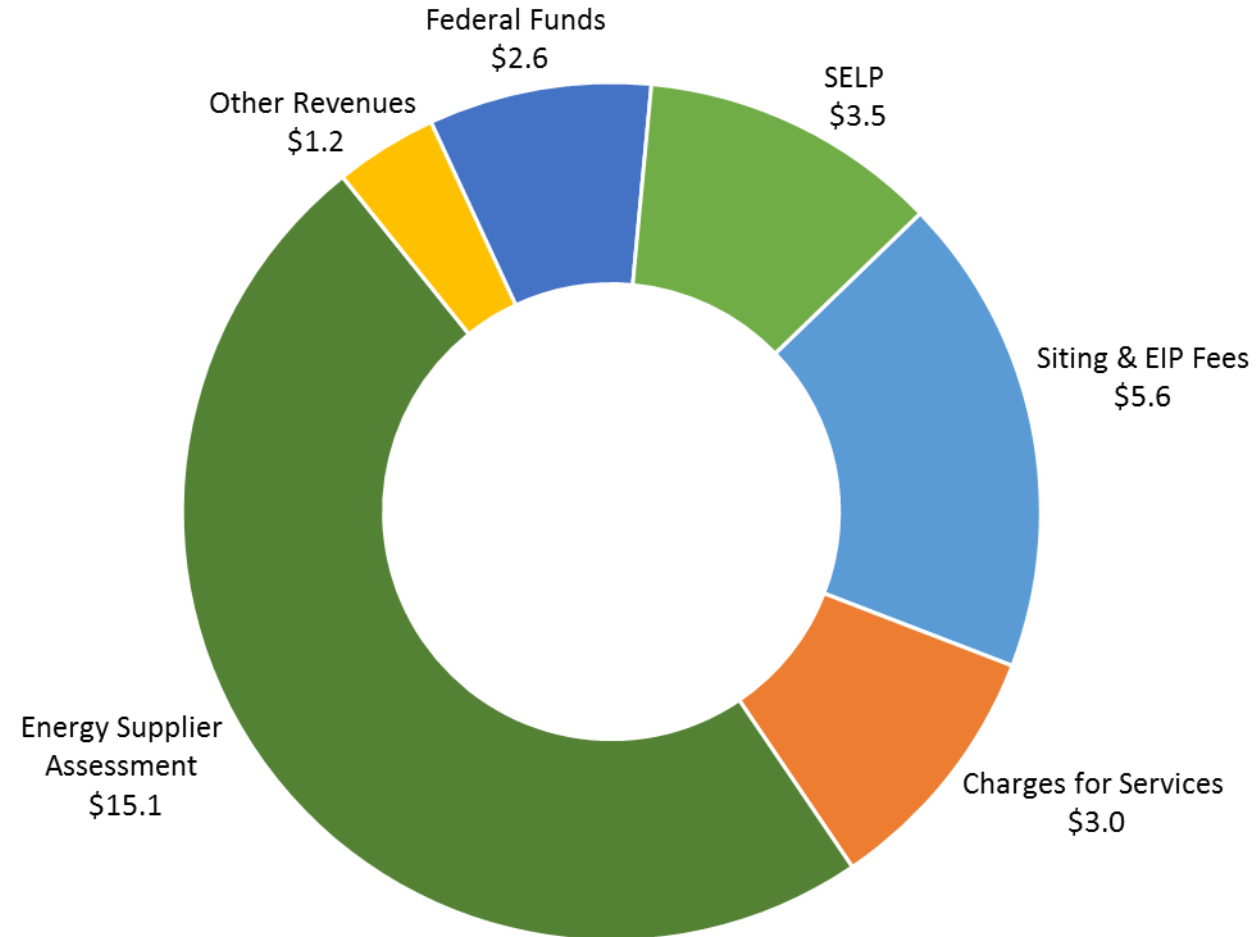
History of ODOE's Biennial Budgets



2019-21 Revenue Sources

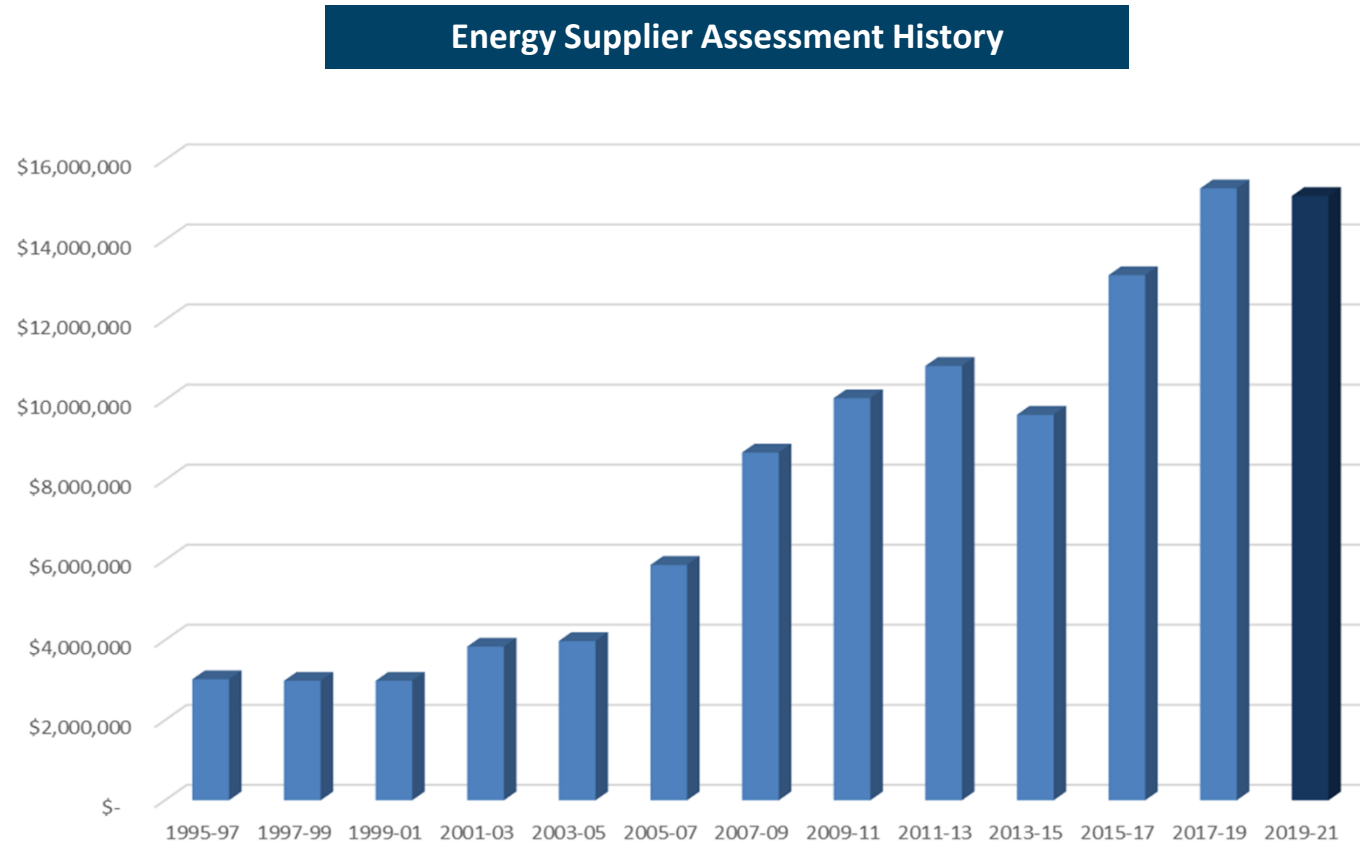
- Fees and charges for services such as Energy Facility Siting, emergency preparedness planning, codes training, etc.
- Energy Supplier Assessment
- General Fund for SELP Debt Service
- SELP borrowers paying off their principal plus interest
- Federal funds/grants such as U.S. Department of Energy State Energy Program
- Other revenues

2019-21 Agency Request Budget Revenue Sources



Energy Supplier Assessment

- Charged to fuel providers and utilities to fund statutorily-required programs that benefit Oregon energy users
- All Oregonians pay for ESA through their utility bills; ESA charged in 2017-19 works out to about \$2 a year for each Oregonian
- The Legislature determines the assessment amount
- FY17-18 ESA was **\$7.57 million** assessed on **\$5.65 billion** of reported Gross Operating Revenues
- FY18-19 ESA was **\$7.72 million** assessed on **\$5.99 billion** of reported Gross Operating Revenues



Amount for 2019-21 assessment above as presented in Agency Request Budget

Strategic Planning

- ODOE was formed in wake of energy crisis – very different environment than the challenges currently facing Oregon
- Spring/Summer 2018: Initial stakeholder outreach
- Fall 2018: Hired facilitator and outlined project goals
- ODOE will pick up strategic planning post-session to strengthen the alignment between agency goals, budget, programs, and performance
- Will include robust stakeholder engagement

