

2024 Senate Bill 1525 Statutory Adjustment Package

Senate Committee on Energy and the Environment February 13, 2024

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ENERGY SECURITY PLAN

ODOE's Definition of Energy Security: To ensure a reliable and resilient supply of energy at an affordable price – through efforts to identify, assess, and mitigate risks to energy infrastructure and to plan for, respond to, and recover from events that disrupt energy supply.

- Required by federal law (Infrastructure Investment and Jobs Act of 2021) and SB 1567
- Federal funding provided via IIJA
- Led by ODOE, close coordination with PUC and federal partners, contractors hired
- Stakeholder engagement ongoing
- ESP will identify risks and threats to Oregon's energy systems, and identify actions that can be taken in the future to reduce those risks
- Federal deadline: September 30, 2024

Federal funding for the Energy Security Plan was delayed.
 The federal deadline for the same report was set three months later than the state deadline.

What's the solution?

 Align the two deadlines and make the first Energy Security Plan due on September 30, 2024.





NATURAL AND WORKING LANDS

HB 3409 directed the Oregon Climate Action Commission – staffed by the Department of Energy – to coordinate cross-agency work on natural and working lands, including:

- ▶ \$10 million fund to carry out work promoting carbon sequestration on Oregon's natural and working lands (OWEB, ODA, ODFW, ODF)
- ► A suite of consultant-led studies in collaboration with several listed state agencies to create baselines and metrics around climate solutions on natural and working lands
- Establishment of an advisory committee
- ► Tribal consultation protocols



 Meeting deadlines set in HB 3409 would lead to rushed, lower-quality reporting



- Extend deadlines by one year for the following studies to allow the time it takes to produce quality reports:
 - Carbon Sequestration and Storage Inventory
 - Natural Climate Solutions Workforce
 - Carbon Sequestration Goal Recommendations





COMMUNITY RENEWABLE ENERGY GRANT PROGRAM

HB 2021 Established the Community Renewable Energy Grant Program to:

- Offset costs of planning and developing community renewable energy projects
- Prioritize projects in traditionally underserved communities and that provide a resilience benefit
- Promote small-scale community renewable energy projects
- Provide direct benefits to communities

Eligible Applicants:

Tribes

Public Bodies

Consumer-Owned Utilities



The program encourages partnerships between eligible entities and businesses and nonprofits, which could involve passing through grant funding post-completion. However, reimbursable costs can only be "incurred" by the applicant.



What's the solution?

 Allow costs to be incurred by both applicants and partners so that eventually, those costs can be reimbursed by grant funds after project completion.



 PNGC Power – a cooperative of local cooperative utilities - handles the type of projects envisioned by the Community Renewable Energy Grant Program on behalf of their members. While their members are eligible entities, PNGC Power is not.

What's the solution?

• -4 Amendment: Include cooperatives that generate, purchase, or obtain electric power, energy, transmission services, or ancillary services or represent one or more consumer-owned utilities in meeting rural, environmental, or renewable energy requirements and mandates.





COMMUNITY HEAT PUMP DEPLOYMENT PROGRAM

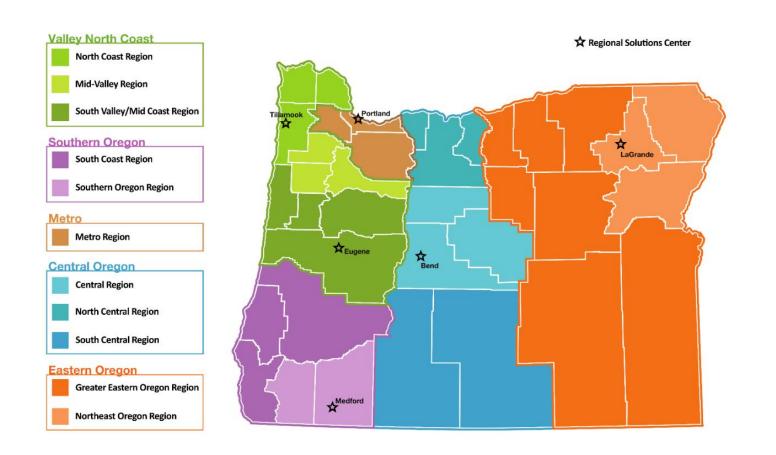
SB 1536 provided financial assistance for the purchase and installation of heat pumps and related upgrades for owner-occupied homes in Oregon

- Eligible entities apply to become fund administrators
- ► Selected administrators design their own programs and fund prioritization parameters
- ► Initial program launched in March 2023
- ▶ Eligible contractors apply to regional and Tribal administrators for funds



PROGRAM REGIONS

ODOE to contract with up to one eligible entity for each region and one eligible entity for each federally recognized Tribe in Oregon.



Eligible entities include:

- Local government
- Local housing authority
- Nonprofit organization
- Federally recognized Tribe in Oregon
- Coordinated care organization
- Community action agency
- Manufactured dwelling park nonprofit cooperative
- Electric utility

COMMUNITY PROGRAM: UPDATES AND NEXT STEPS

Current fund administrators

- Earth Advantage (Metro, Mid-Valley, and South-Valley)
- Mid-Columbia Community Action Council (North Central)
- NeighborImpact (Central Oregon)
- Lake County Resources Initiative (South Central)
- Confederated Tribes of Grand Ronde

Second round opportunity closed in January

- Applications under review for five more regions and for two more Tribes
- *Tribes unserved*: Confederated Tribes of Coos, Lower Umpqua and Siuslaw, Cow Creek Band of Umpqua Tribe of Indians, Klamath Tribes, Confederated Tribes of Siletz Indians, Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes of Warm Springs Reservation

 Most Tribes and perhaps some regions will not have a regional administrator identified to run the Community Heat Pump Deployment Program, leaving funds unspent and those regions and Tribes unserved.



-4 Amendment: Transfer dollars to the
 Oregon Rental Home Heat Pump Program
 and require that they be spent in unserved
 regions and Tribes





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QUESTIONS/COMMENTS?