



OREGON  
DEPARTMENT OF  
ENERGY

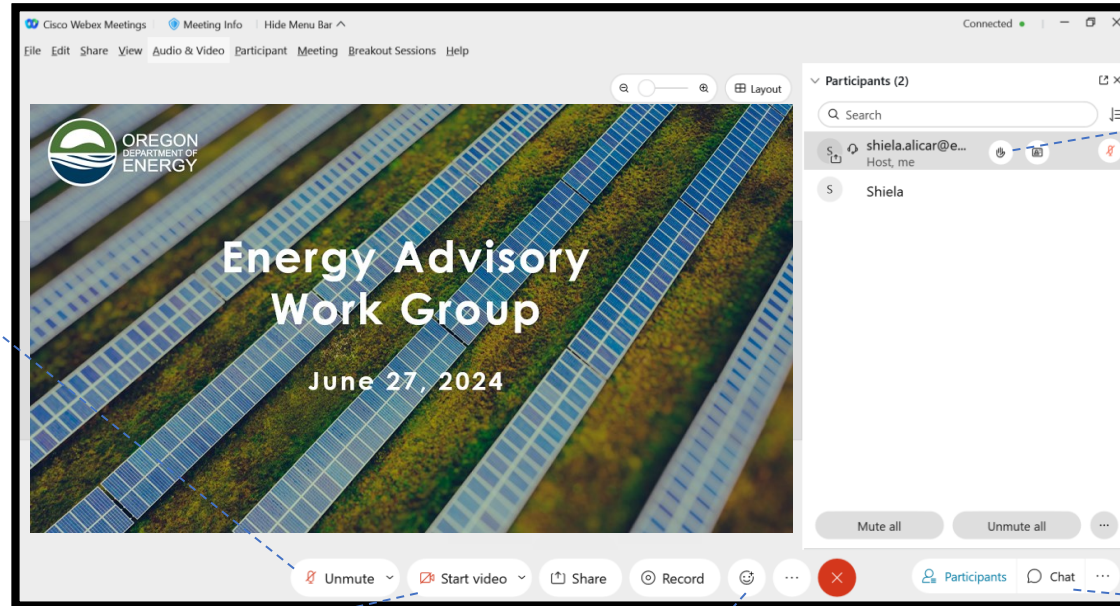
# Energy Advisory Work Group

June 27, 2024

# AGENDA

<b>2:00 p.m.</b>	Director's Welcome	Janine Benner Director
<b>2:05 p.m.</b>	Energy Research Fund Update	Alan Zelenka Assistant Director for Planning and Innovation
<b>2:10 p.m.</b>	ODOE Budget Development Update	Michael Williams Assistant Director for Central Services, Janine Benner Director
<b>2:50 p.m.</b>	Q&A, Discussion	EAWG Members
<b>3:00 p.m.</b>	Adjourn	

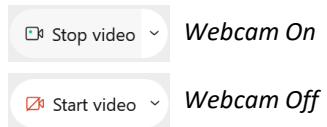
# USING WEBEX



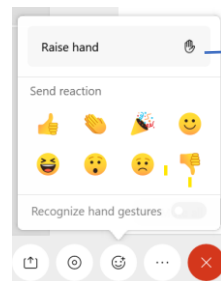
## Audio Options



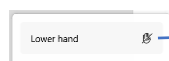
## Video Options



## Reactions



Click to Raise your hand.



Click on Lower hand when you are done.

## Second Raise Hand Option

You can also click on the hand next to your name in the Participant list to raise your hand.

Click on Lower hand when you are done.

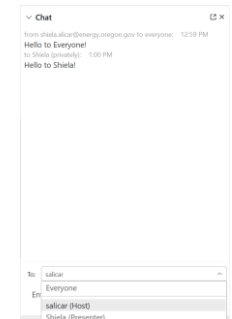


## Chat

You can chat to Everyone in the meeting.



You can send a private message to the Host or Presenter (or all Panelists when there is a Panel).





# Energy Research Fund Update

# Energy Research Fund

- Policy Option Package funded in ODOE's 2023-25 Budget.
- Biennial Budget \$250,000 from USDOE State Energy Program (SEP) grant.
- Contract with outside firms for studies, research, and analysis services – when necessary – to supplement existing department resources.

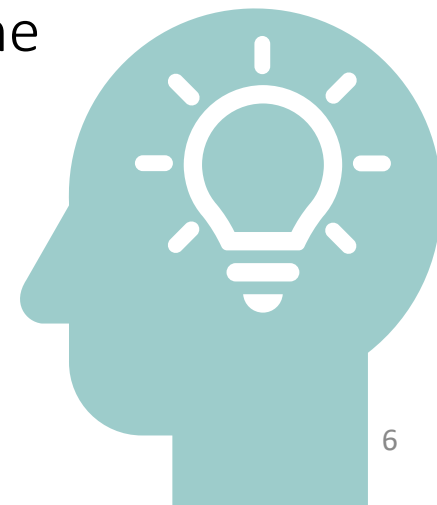


# ENERGY RESEARCH FUND

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**Energy Advisory Work Group Charter:** ODOE will seek review and recommendations from the EAWG on ideas for use of this fund, based on the following criteria:

1. Does the idea address a research need or does it further existing or outdated studies, research, or analysis?
2. Does the idea address a topic of strong relevance in Oregon or in the broader energy policy landscape?
3. Is the idea likely to result in an impartial, data-driven contribution to the body of existing research on this topic?



# POTENTIAL IDEAS

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## Tier 1

1. Energy Transition Jobs and Economics
2. Industrial Sector Decarb and Energy Efficiency Options
3. Non-Energy Benefits of Energy Efficiency
4. Residential Code Cost Analysis
5. EV Awareness Survey for the Biennial Zero Emission Vehicle Report

## Tier 2

6. Grid Electrification Prep
7. Net Zero Code Development
8. Residential Energy Efficiency Options
9. Cooling Needs Part II
10. Vulnerabilities Assessment for Energy Sector Resilience
11. Construction Technical Assistance
12. Transmission – Integration of Renewables



# EAWG FEEDBACK ON POTENTIAL IDEAS

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## Tier 1

1. Energy Transition Jobs and Economics
2. Industrial Sector Decarb and Energy Efficiency Options
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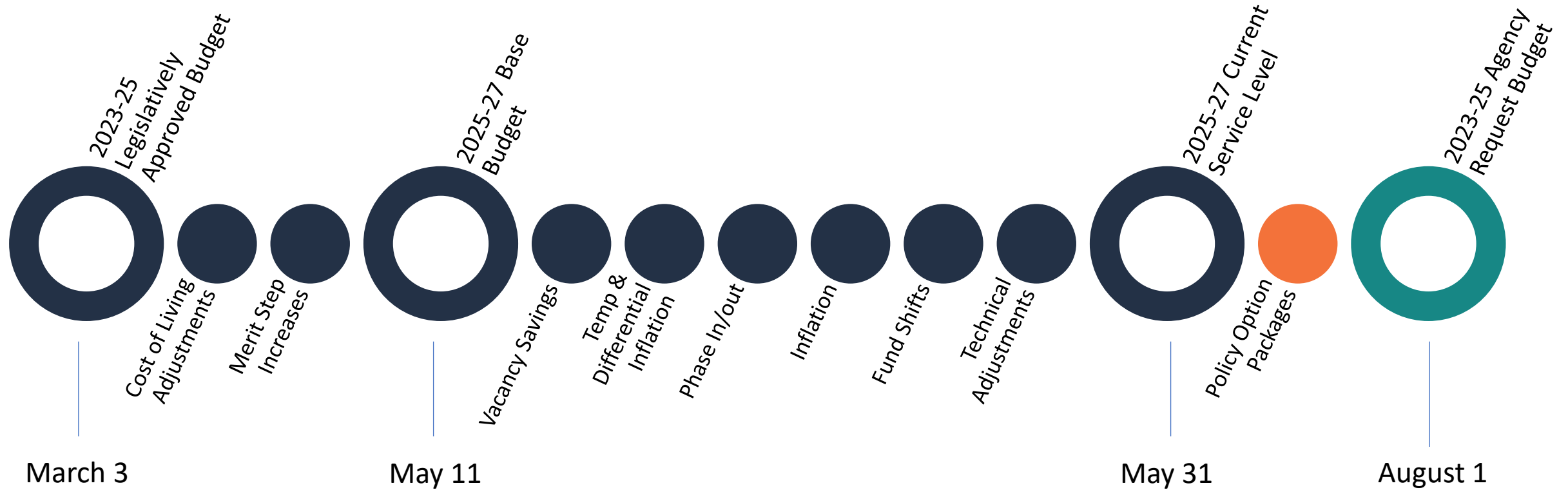


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# Developing ODOE's 2025-27 Agency Request Budget

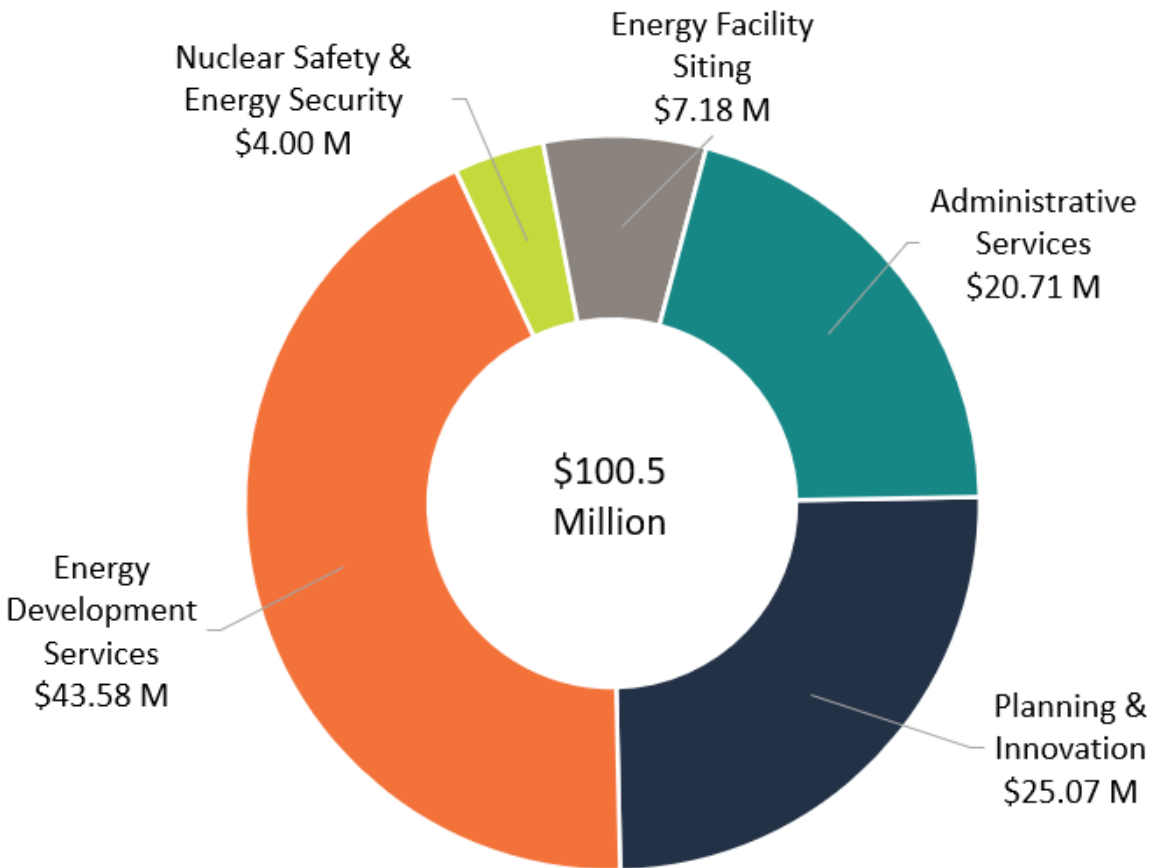
Janine Benner | Michael Williams

# DEVELOPING A STATE AGENCY REQUEST BUDGET

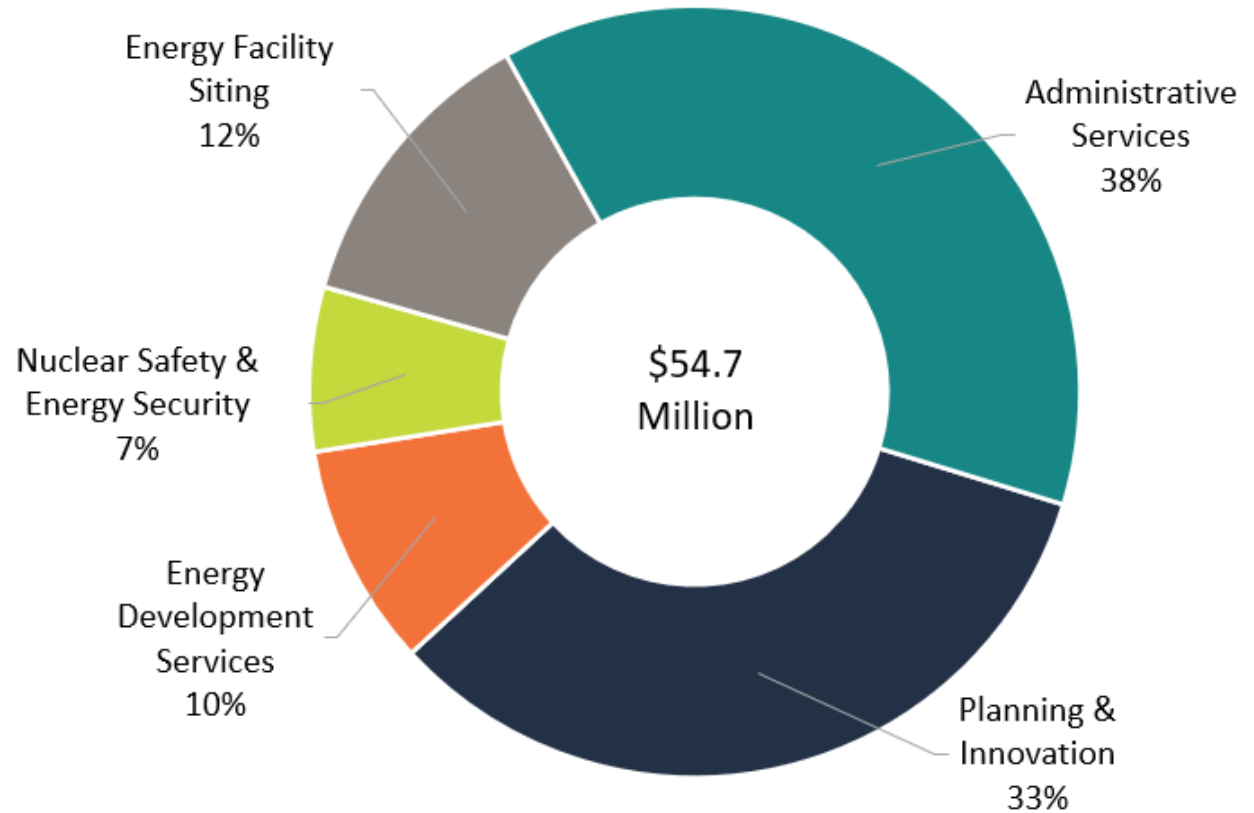


# DEVELOPING ODOE'S 2025-27 BUDGET

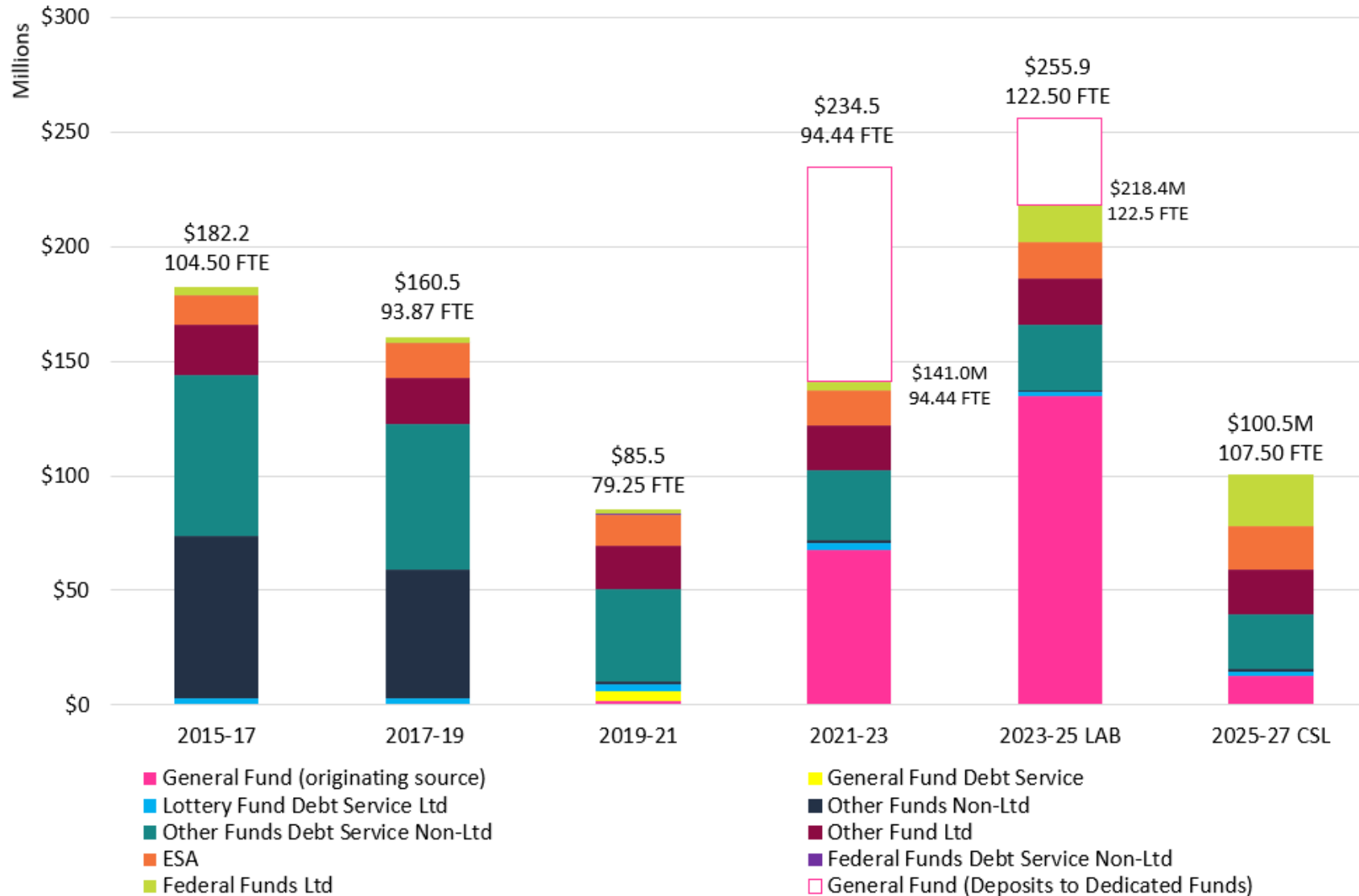
## 2025-27 Draft Agency-Wide CSL



## 2025-27 Draft Agency Operating CSL

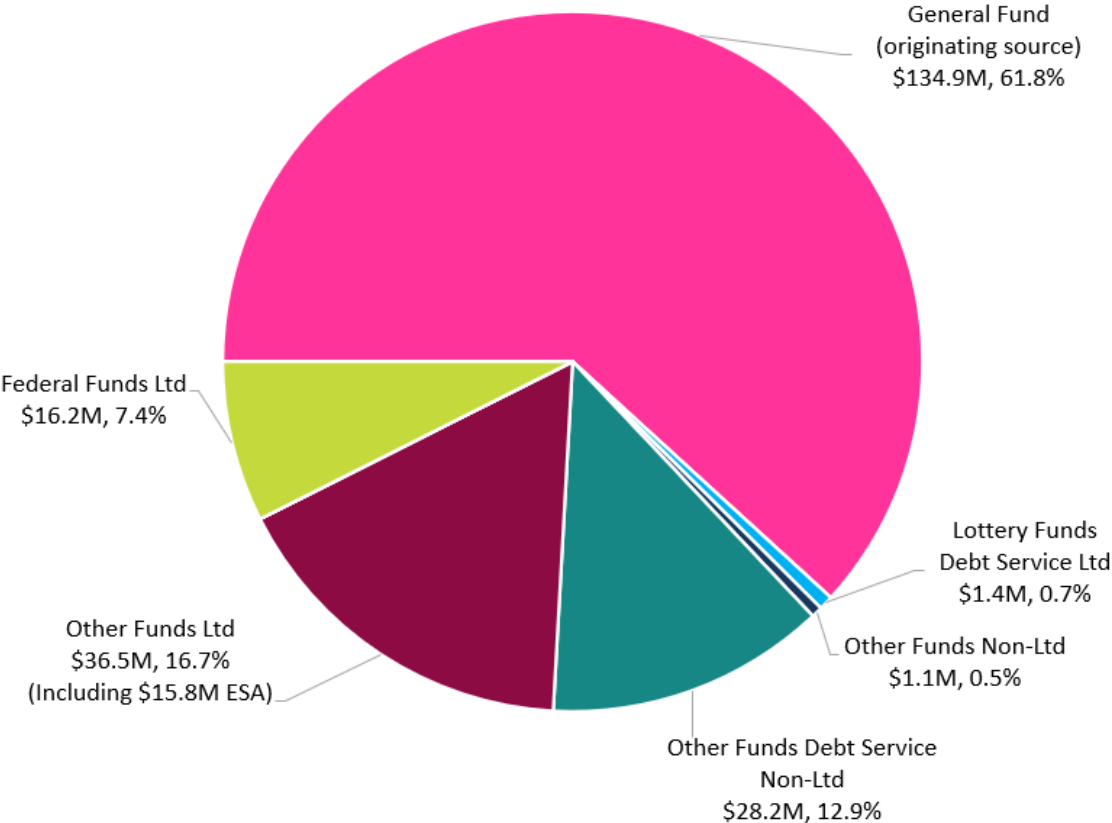


# HISTORY OF ODOE'S BIENNIAL BUDGETS

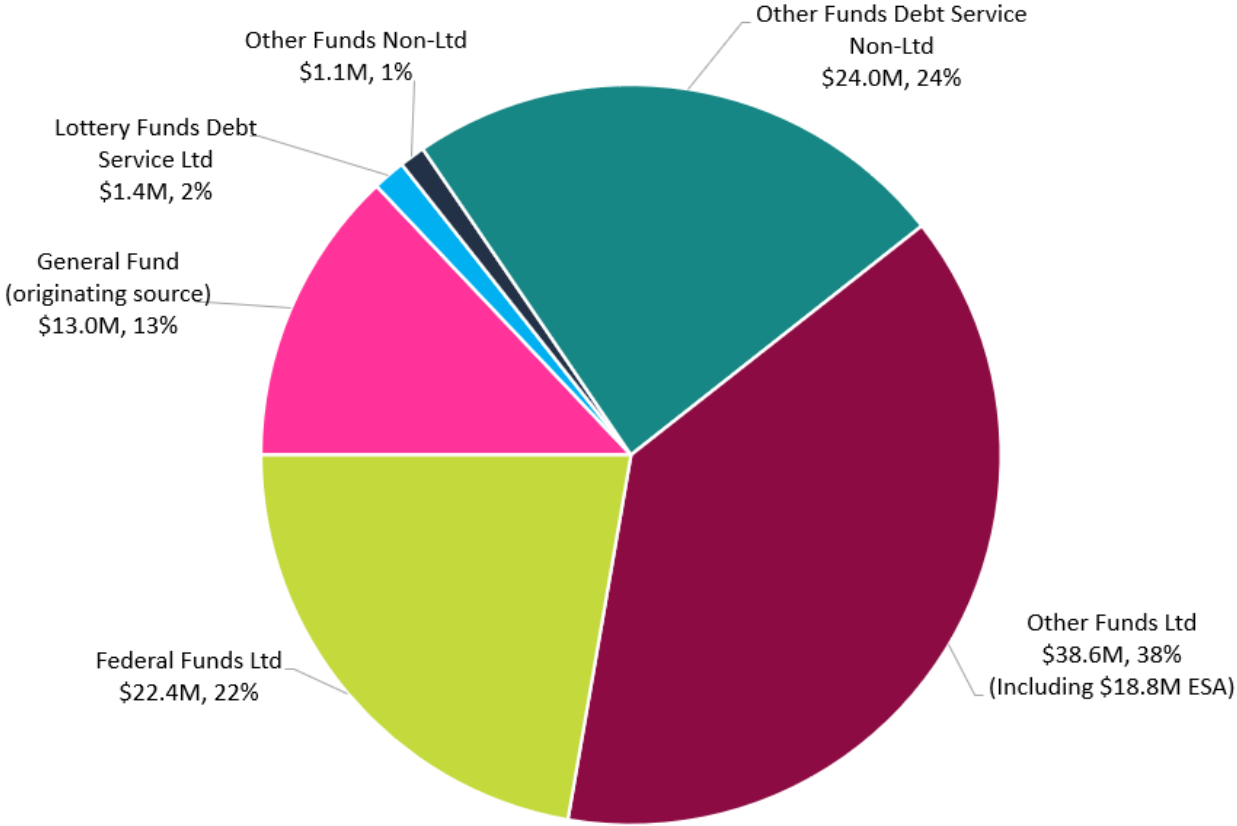


# BIENNIAL BUDGET COMPARISON

2023-2025 LAB



2025-2027 CSL





**Draft 2025-27  
Current Service Level Budget and  
Policy Option Packages  
by ODOE Program Divisions**

# AGENCY PROGRAM DIVISIONS AND STANDING COUNCILS/GROUPS



# ENERGY PLANNING & INNOVATION

Provide information, analysis, technical assistance, and project management to achieve cost-effective energy efficiency, promote an equitable energy transition, expand the use of renewable and alternative energy sources, promote sustainable transportation, and combat climate change.

## Energy Efficiency

- Help state agencies, schools, tribes, businesses, nonprofits, industries, and farmers **improve energy efficiency**.
- Secure Oregon's continued high ranking on the list of **most energy-efficient states**.
- Administer **Oregon Agricultural and Rural Energy Assistance Program**.
- Guide implementation of **Home Energy Scoring**.
- Administer programs for **schools and public buildings**.
- Administer **Energy Efficiency and Conservation Block Grant**.

## Technology and Policy

- Promote the responsible development of **diverse energy resources**.
- Address renewable energy **market challenges and opportunities**.
- Provide research and technical assistance on **emerging technologies**.
- Develop **statewide reports to support decision-making** that advances Oregon's climate and energy goals.
- Advance projects to expand the **supply of and infrastructure for alternative transportation** fuels such as locally-produced biofuels, electricity, and renewable natural gas.

## Energy Codes and Standards

- Create a **database of commercial building energy consumption** to benchmark and track energy performance.
- **Evaluate and inform** policy options for continued performance improvement to support state energy goals.
- Provide energy code **education and outreach** to building owners and operators to help understand the energy code.
- **Administer multiple programs**, including Building Performance Standards, Product Energy Efficiency Standards, and 1.5% Green Energy Technology

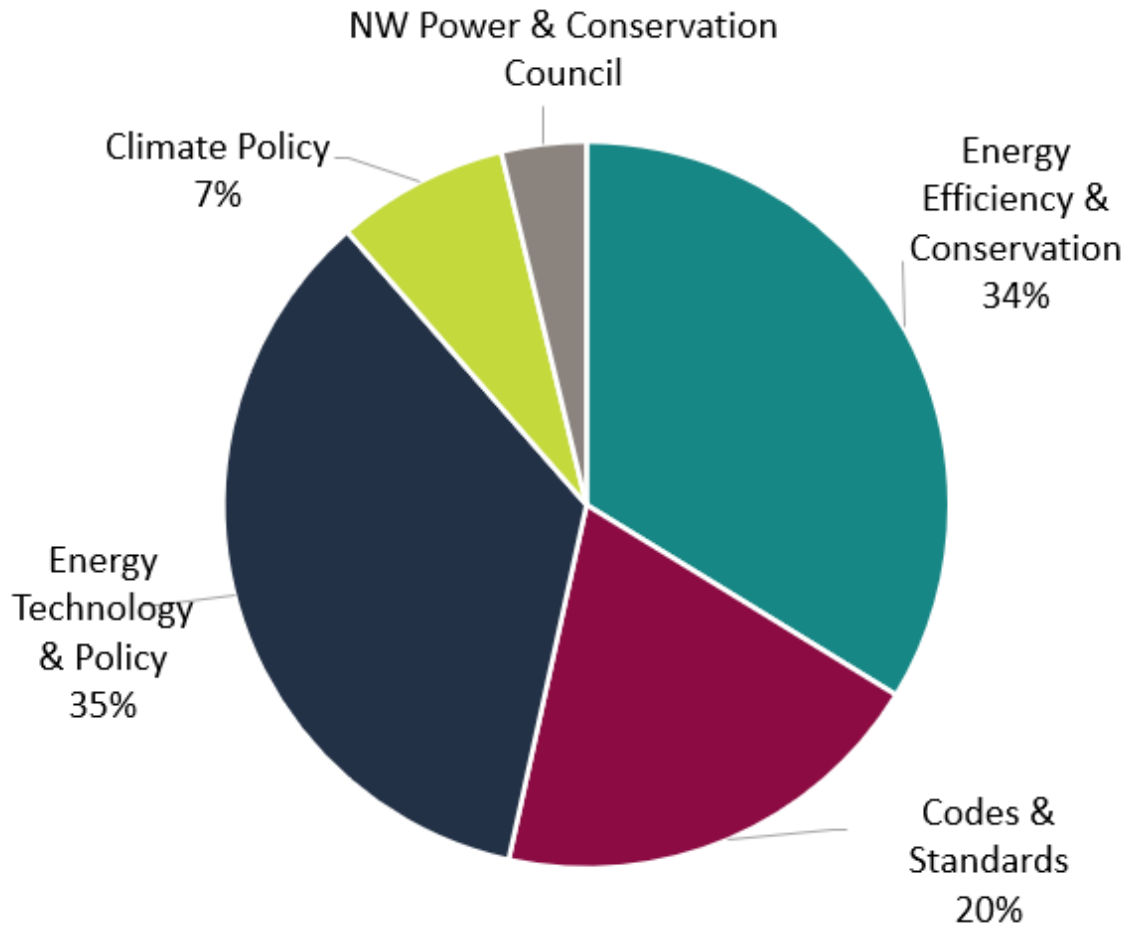
## Climate Change and Resilience

- Staff and provide climate change **policy expertise** and administrative support to the Oregon Climate Action Commission.
- Identify mitigation options and measures and support implementation of the OCAC's **Roadmap to 2035**.
- Support development of a **natural and working lands inventory** and potential climate actions.
- **Provide technical assistance** for municipal climate action planning.
- Work to **improve the resilience** of Oregon's energy sector.

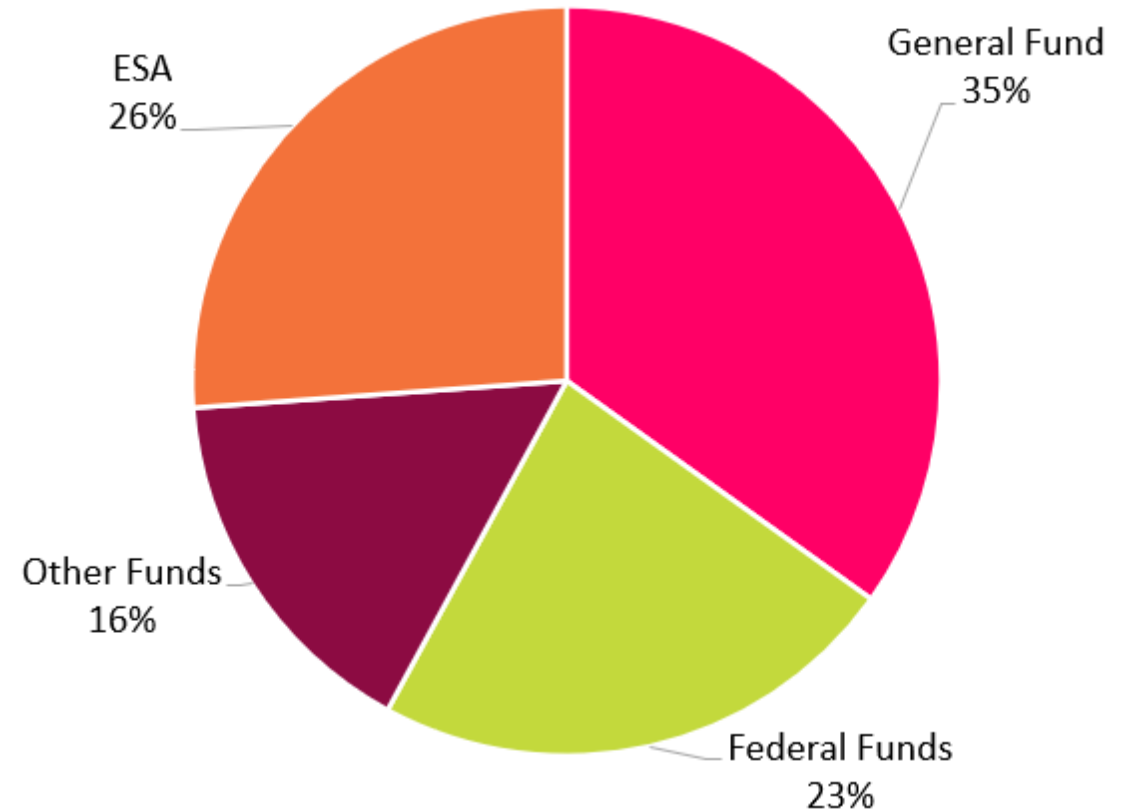


# ENERGY PLANNING & INNOVATION CSL BUDGET AND ESTIMATED FUNDING

## Budget Breakdown



## Funding Sources



# ENERGY PLANNING & INNOVATION PROPOSED POLICY OPTION PACKAGE

## Climate Action Research

- Make the Climate Action Research Analyst a permanent position at the agency.
- During the 2023 Legislative Session, the legislature established a Climate Action Research Analyst 3 to work with the Oregon Climate Action Commission to track ongoing progress toward the state's GHG emission reduction goals and maintain an inventory of existing and proposed climate actions.
- While the work of this position is ongoing, it was originally established and funded as a limited duration position.
- Estimated cost: \$232,425 General Fund



# ENERGY PLANNING & INNOVATION PROPOSED POLICY OPTION PACKAGE

## Rural Energy Efficiency Projects

- Creates a new Rural Energy Efficiency Fund at ODOE that would be incorporated into the existing Oregon Rural and Agricultural Energy Assistance Program to provide direct funding to small rural businesses for energy efficiency projects.
- Companion LC would lay out the process for establishing, implementing, and integrating this new program into our existing program.
- No additional positions anticipated
- \$100,000 in General Fund



# ENERGY DEVELOPMENT SERVICES

State incentives to bring down the consumer cost of clean energy, resilience, and energy efficiency.

## Oregon Solar + Storage Rebates

- Established in **2019 by HB 2618**, launched in 2020 with \$2 million initial budget.
- Provides **rebates for solar and solar with paired storage** for residential customers and low-income service providers.
- Projects have been awarded in **34 of Oregon's 36 counties**.
- Program received a national **State Leadership in Clean Energy Award** in 2022.
- As of May 2024, **program is out of funding** and is no longer accepting rebate reservations.

## Community Renewable Energy Grants

- Established in **2021 by HB 2021**, launched in 2022.
- Provides **grants for planning and constructing** renewable energy and energy resilience projects.
- Available to **Tribes, consumer-owned utilities, and public bodies**.
- Has opened **three opportunity periods** for awarding grants, most recently in Spring 2024.
- **First funded construction project has been completed** – a community solar project in Ontario, OR.

## Energy Efficient Wildfire Rebuilding

- Established in **2021 by HB 5006**, launched in 2022.
- Provides incentives of \$18,000 or more for **energy efficient rebuilding** of structures lost in the 2020 Labor Day wildfires.
- Households with **lower incomes are eligible for higher incentive** amounts.
- Oregonians replacing **manufactured homes** can receive an incentive for an energy efficient model and one for installing a heat pump.
- **Affordable multifamily housing** rebuilds are eligible for higher incentives.

## Heat Pump Programs

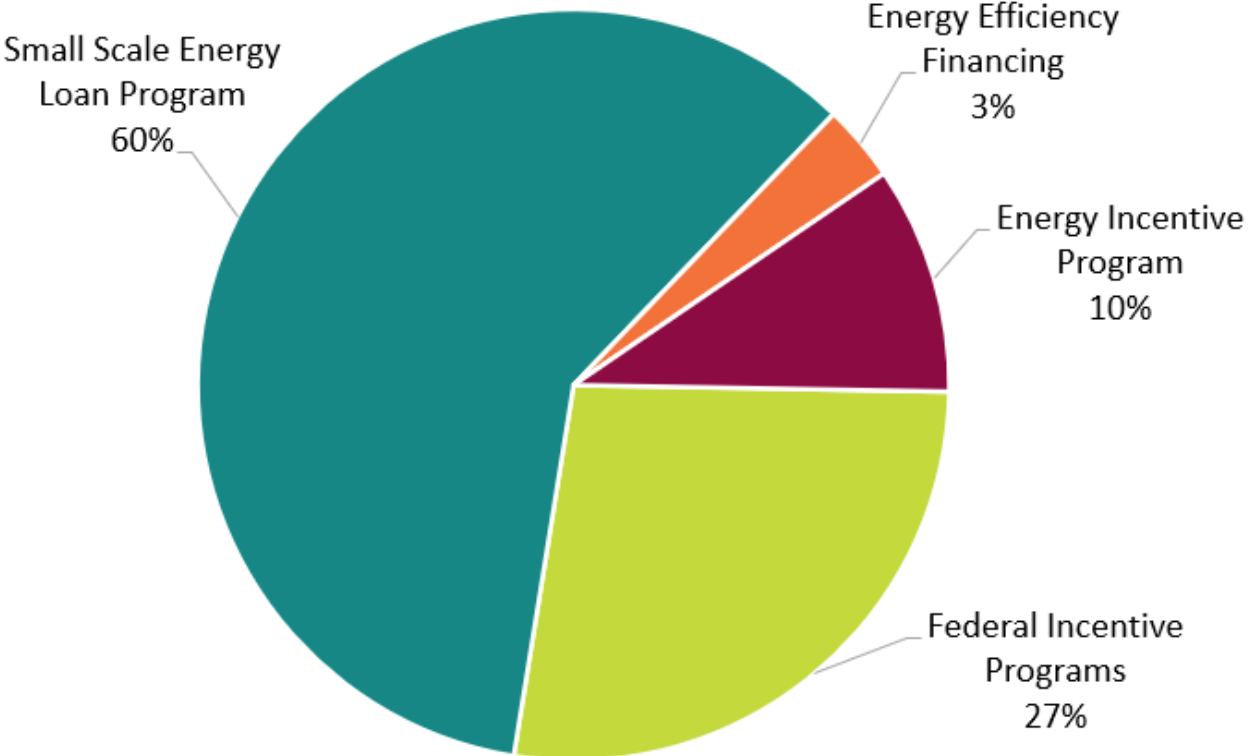
- Established in **2022 by SB 1536**.
- ODOE provided a \$2 million grant to Energy Trust of Oregon for a **Community Cooling Center program**.
- **Community heat pump deployment program** administered by regional partners
- Oregon **rental heat pump program** provides rebates for installation of heat pumps in rented homes/spaces.
- ODOE published a **Cooling Needs Study** that identified existing cooling equipment and barriers to cooling equipment in vulnerable housing.

## Federal Programs

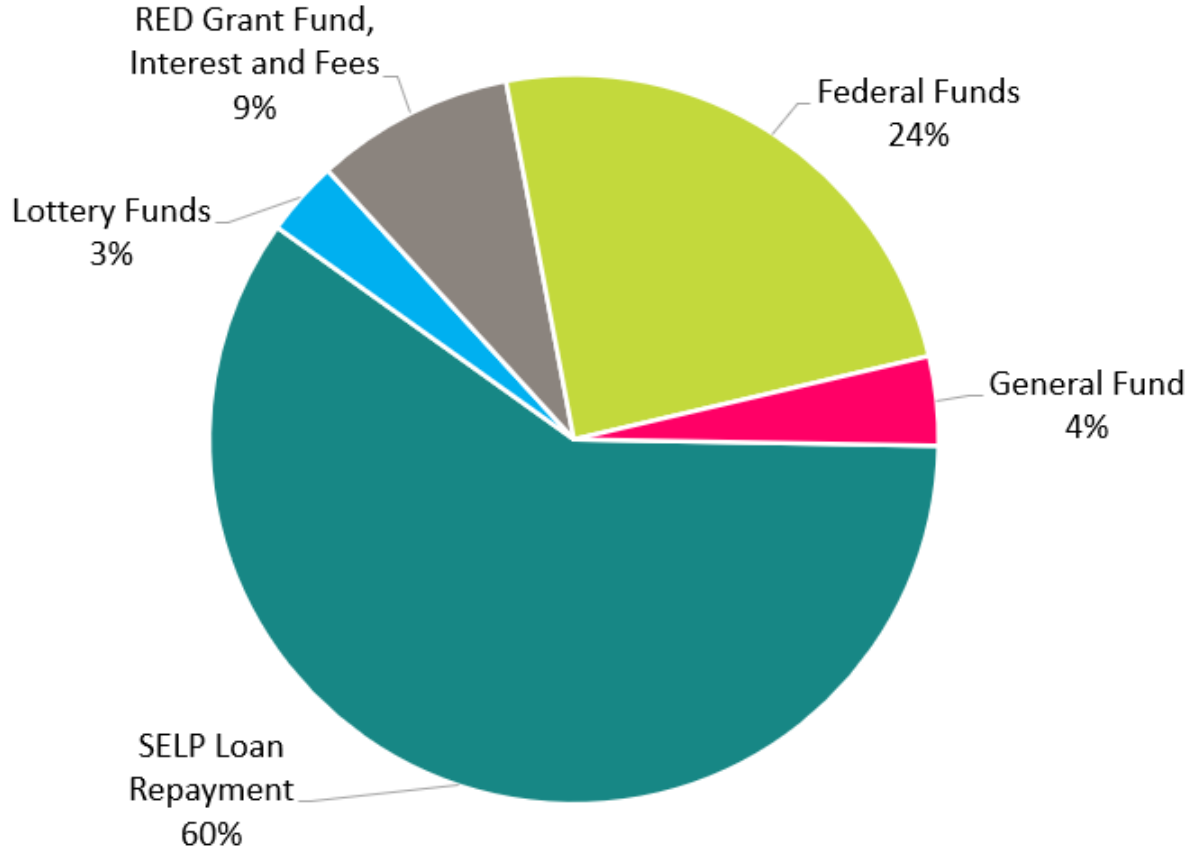
- **Support applications and implementation plans** for federally funded programs through the Inflation Reduction Act and Infrastructure Investment and Jobs Act.
- Administer **\$19+ million Grid Resilience grant program** for Oregon utilities.
- Help implement forthcoming **\$86.6 million Solar For All** allocation to Oregon, including residential rebates.
- Provide support and implementation for federal **Home Energy Rebates**.
- Focus on **equity and Justice40 goals** in programs.

# ENERGY DEVELOPMENT SERVICES CSL BUDGET AND ESTIMATED FUNDING

## Budget Breakdown



## Funding Sources



# ENERGY DEVELOPMENT SERVICES PROPOSED POLICY OPTION PACKAGE

## Incentive Programs

- To gain administrative efficiencies, ODOE is also proposing to make some division staff permanent and align the positions to the type of work (such as processing rebates across programs or conducting administrative rulemaking) rather than have them be program specific.
- This will improve position retention and ensure division staff can provide customer service across programs.



# NUCLEAR SAFETY AND ENERGY SECURITY

Represent Oregon's interests in the Hanford nuclear facility cleanup, manage radioactive waste disposal regulations, prepare for nuclear-related emergencies, prepare for petroleum-supply related emergencies, update Oregon's Energy Security Plan, administer program for county resilience.

## Hanford Cleanup

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

## Safety, Security, and Resilience

- Lead **emergency preparedness** for nuclear and radioactive incidents.
- Conduct **frequent exercises** to test and improve Oregon's emergency preparedness plans.
- Update Oregon's **Energy Security Plan**, an assessment and mitigation approach for threats to Oregon's energy systems.
- Administer **County Energy Resilience Grant Program**, which supports up to \$50,000 per county to develop an energy resilience plan.

## Radioactive Materials

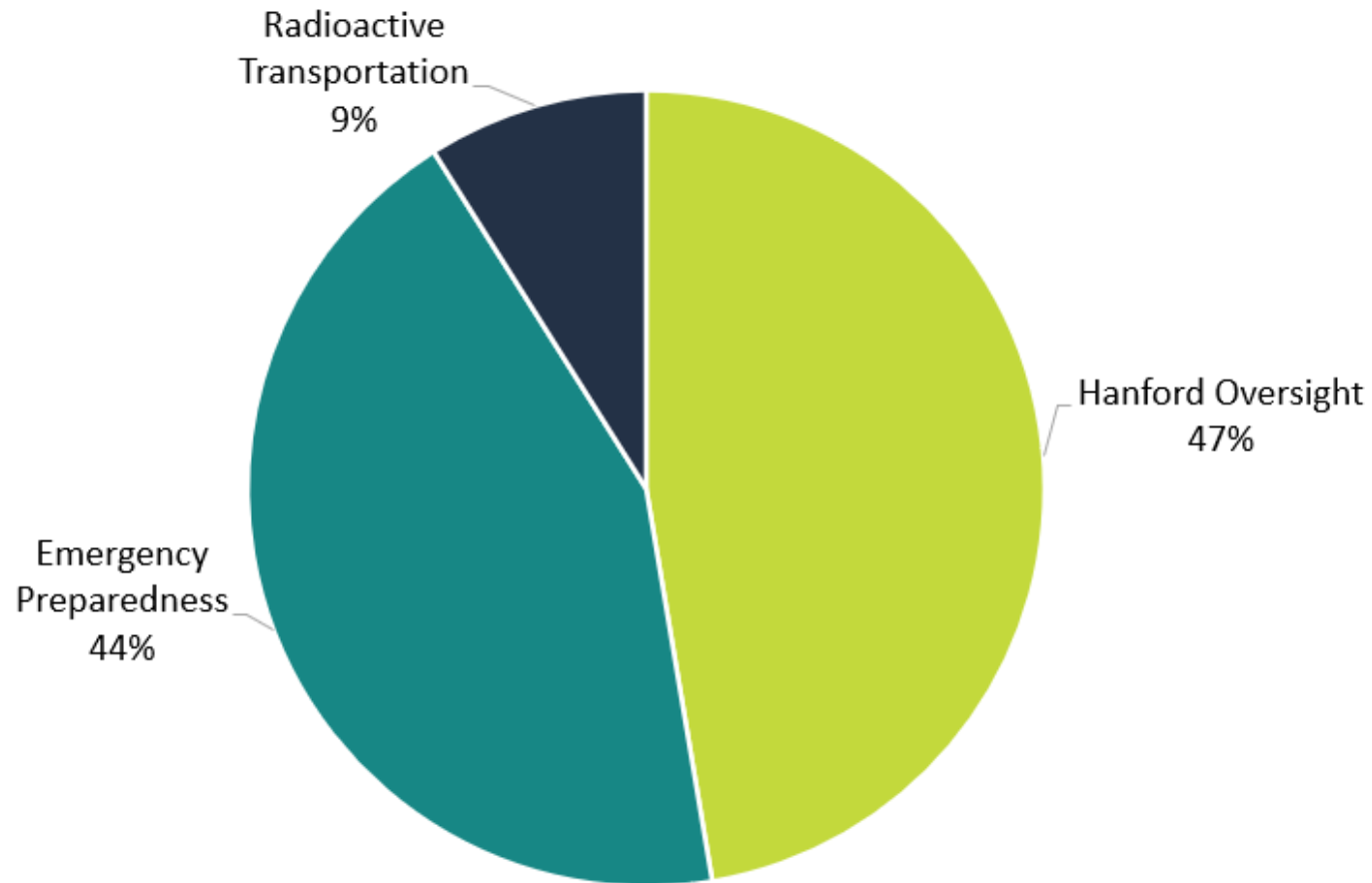
- Implement state rules and regulations regarding disposal of **radioactive waste**.
- Provide funding for **training of emergency responders** throughout the state to ensure a swift, effective response in the event of an accident.
- **Track shipments** of radioactive materials traveling through Oregon.

## Oregon Fuel Action Plan

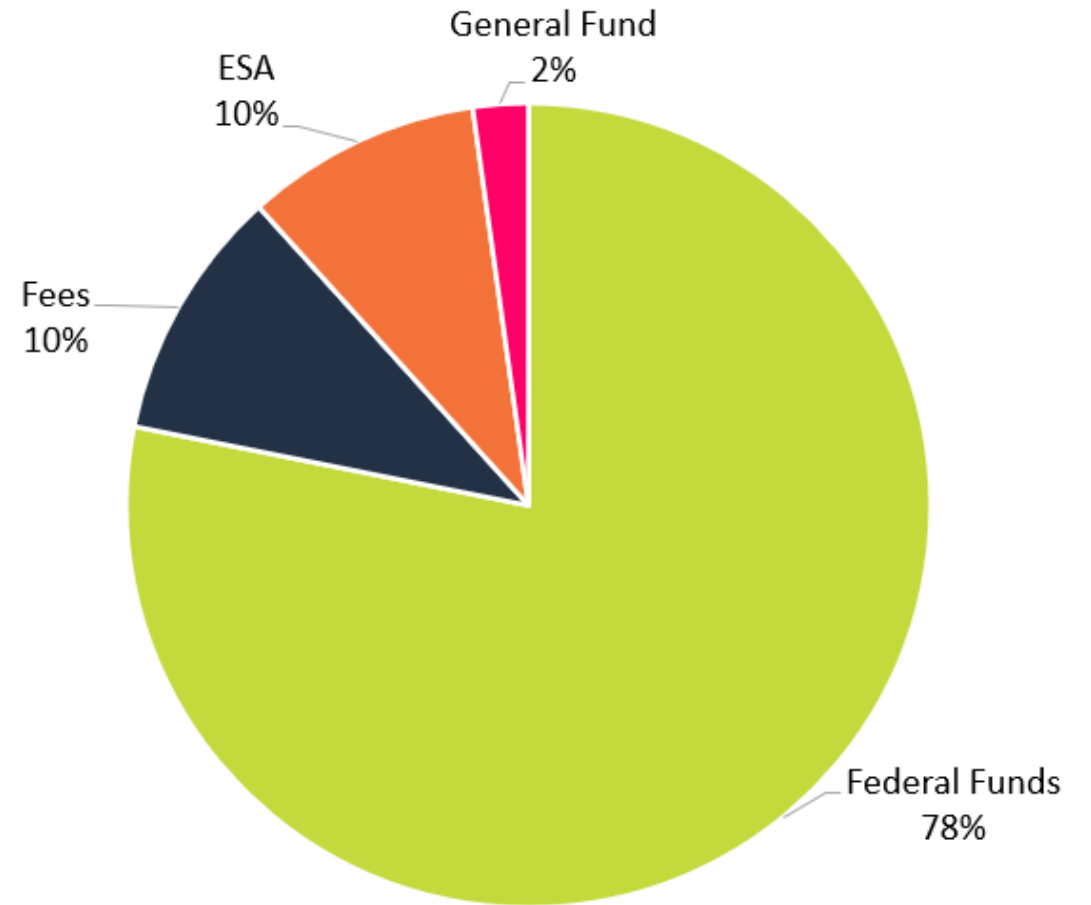
- Implement **Oregon Fuel Action Plan**, which details how ODOE supports emergency services during a fuel shortage.
- Continue to **refine plan**, originally released in 2017, through presentations, conferences, workshops, and trainings.
- Serve as **Emergency Support Function-12 Petroleum** in the state emergency response structure.

# NUCLEAR SAFETY AND ENERGY SECURITY CSL BUDGET AND ESTIMATED FUNDING

## Budget Breakdown



## Funding Sources





# ENERGY FACILITY SITING

Ensure that proposed energy facilities meet specific statewide and local standards and are considered with public input and participation.

## Energy Facility Review

- **Coordinate state review** of proposed and amended energy facilities.
- Division is seeing a **high level** of new applications and amendments that vary in complexity and controversy.
- Number of **amendments** per facility can vary: some facilities have never been amended, while other developers have sought multiple amendments.

## Rulemaking

- **Rulemaking activities** are prioritized and approved by the Energy Facility Siting Council.
- Often involve establishing broadly representative **rulemaking advisory committees** to help division staff draft proposed rules.
- **Recent rulemakings** include reviewing and updating contested case rules and adopting updated rules for standby generator exemptions.

## Compliance

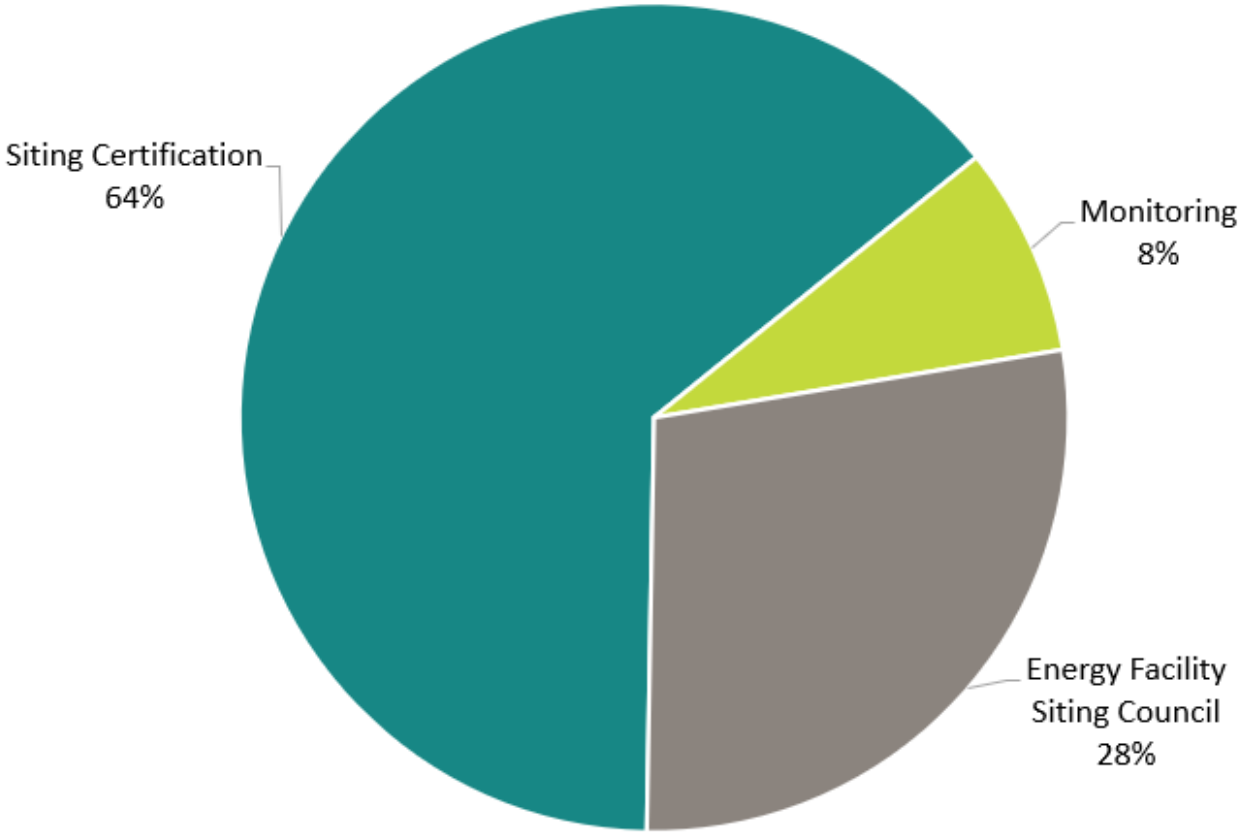
- **Monitor facilities** throughout their lifecycle to ensure site certificate conditions are met.
- **Oversight** activities include:
  - Reviewing annual reports
  - Conducting site inspections
  - Issuing wildlife mitigation reports
  - Ensuring bonds and letters of credit for decommissioning are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

## Energy Facility Siting Council

- **Staff** the Governor-appointed, Senate confirmed Energy Facility Siting Council (decision makers).
- Council meets approximately **10-12 times per year** in communities located near proposed facilities.
- Council meetings include **public engagement and comment opportunities**.

# ENERGY FACILITY SITING CSL BUDGET AND ESTIMATED FUNDING

## Budget Breakdown



## Funding Sources



# ENERGY FACILITY SITING PROPOSED POLICY OPTION PACKAGE

## Facility Siting Positions

- One Siting Analyst to address the increase in compliance work within the program due to increasing numbers of site certificates.
- The positions will be filled only if the Siting Division's workload requires it.
- Estimated cost: \$231,961 including \$46,392 in ESA



# ADMINISTRATIVE SERVICES

Support all agency divisions and functions with high-quality, essential services to meet the agency's business needs.

## Director's Office

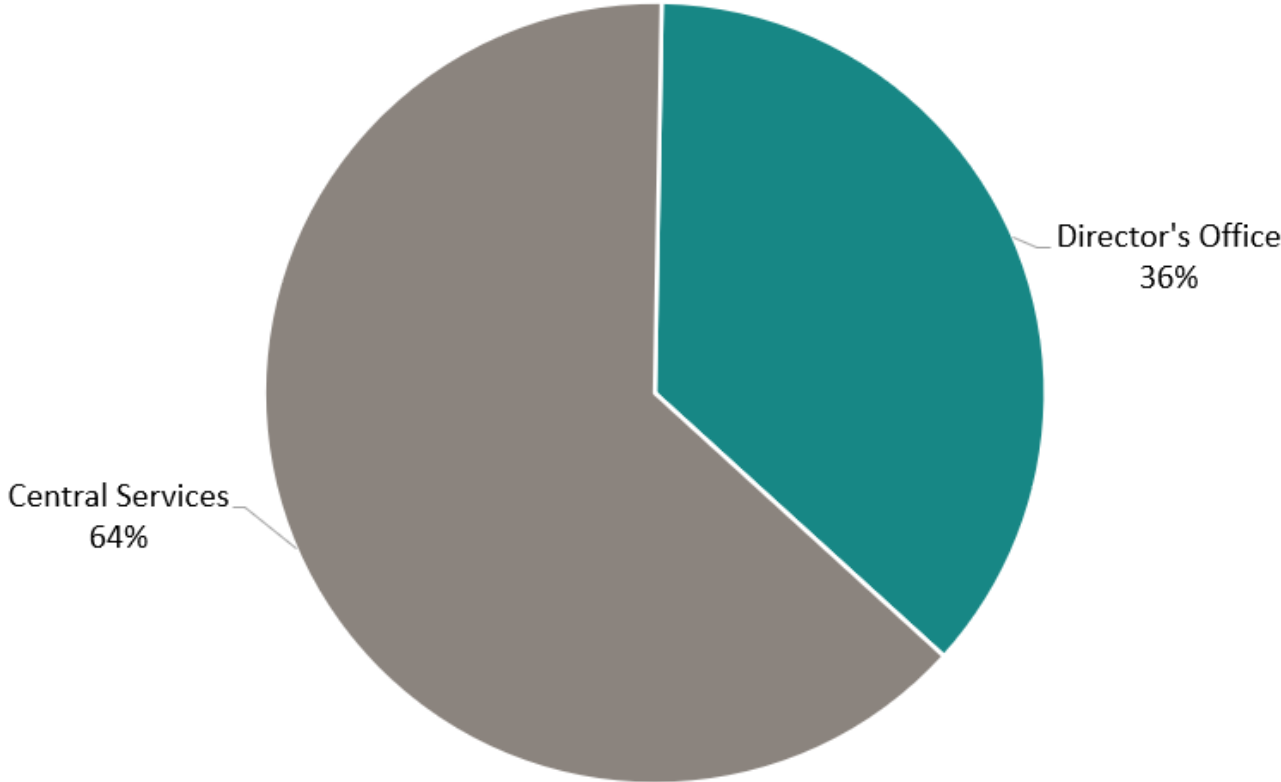
- Communications and outreach work is central to the agency's role in **developing and communicating energy policies and programs.**
- A Strategic Engagement Team, including a Government Relations Coordinator, a Community Navigator, and an Equity and Inclusion Analyst, ensures we are **engaged with our stakeholders**, citizens, and elected officials at all levels.
- An **internal audit function**, which has been identified as a priority in most agencies.

## Central Services

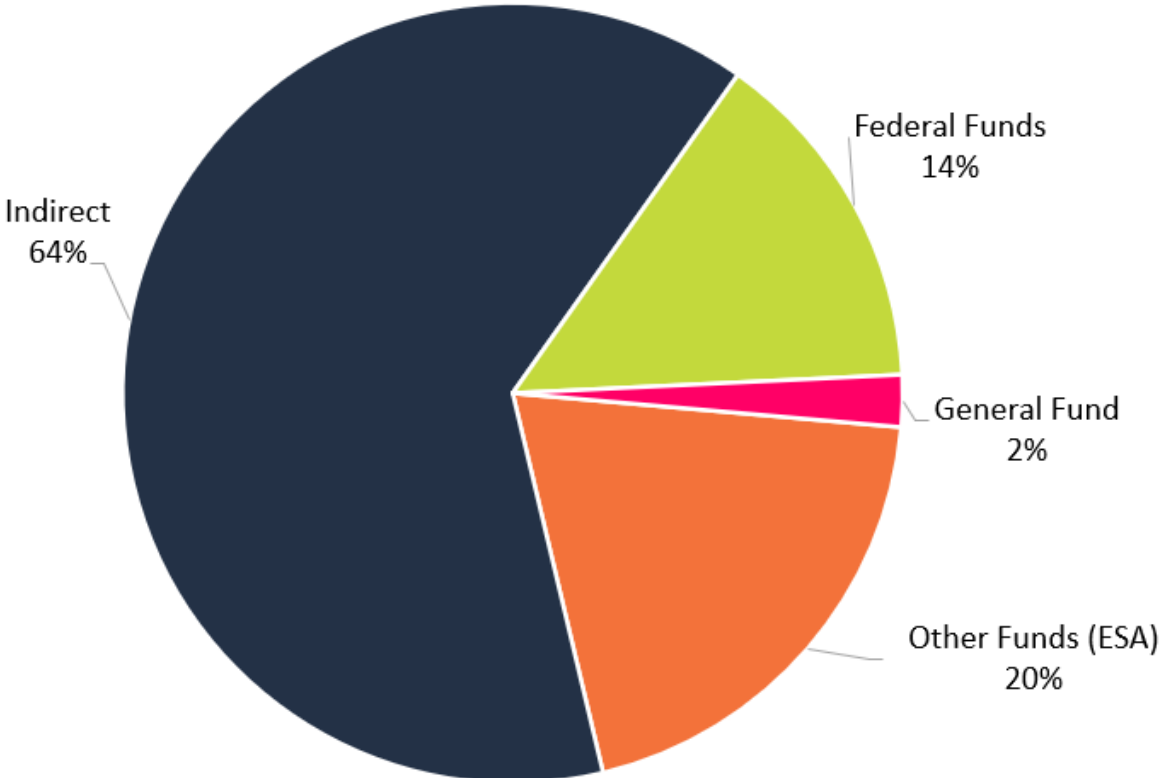
- Provides **business support functions** to efficiently deliver services and ensure the financial integrity of program operations.
- **Develops budget**, monitors cash flow, and is responsible for contract development, grants management, financial services, purchasing, and facilities.
- **Information Technology (IT)** services for both operational and business needs.
- Provides **Human Resources** services for recruitment, retention, training, internal policy development, and more.

# ADMINISTRATIVE SERVICES CSL BUDGET AND ESTIMATED FUNDING

## Budget Breakdown

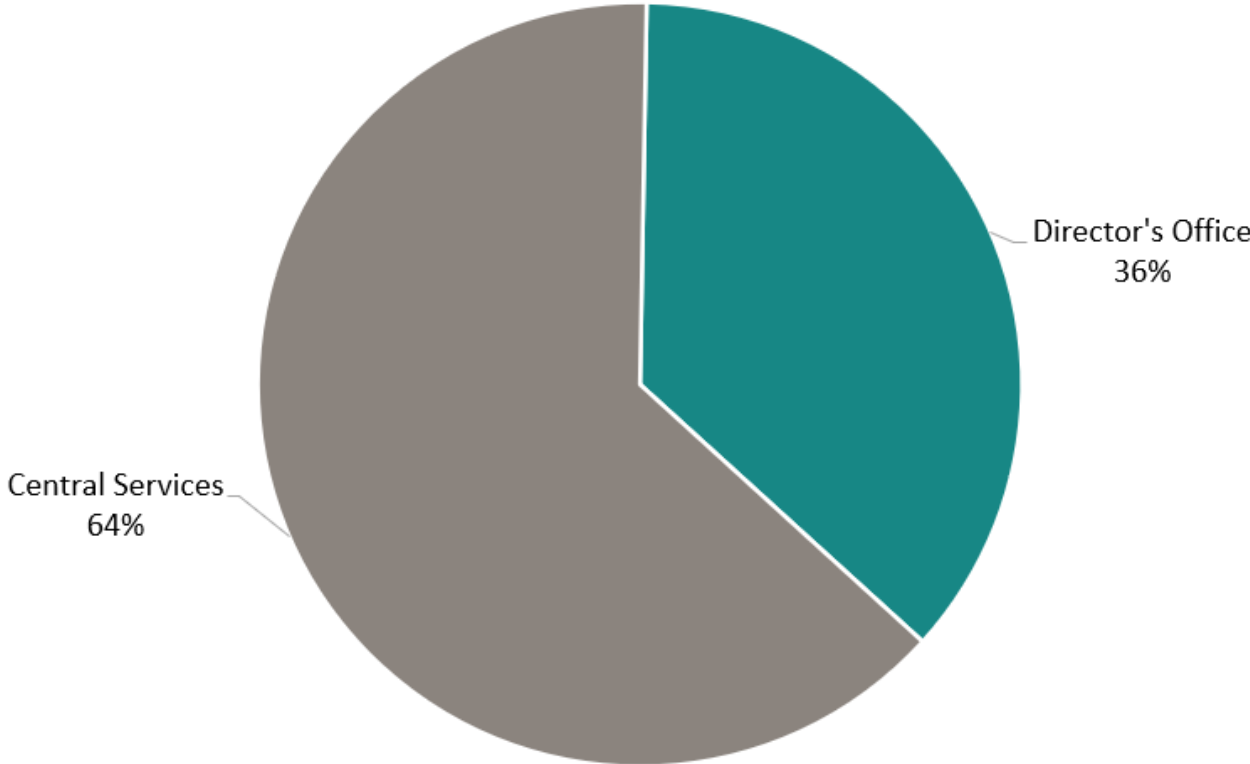


## Funding Sources

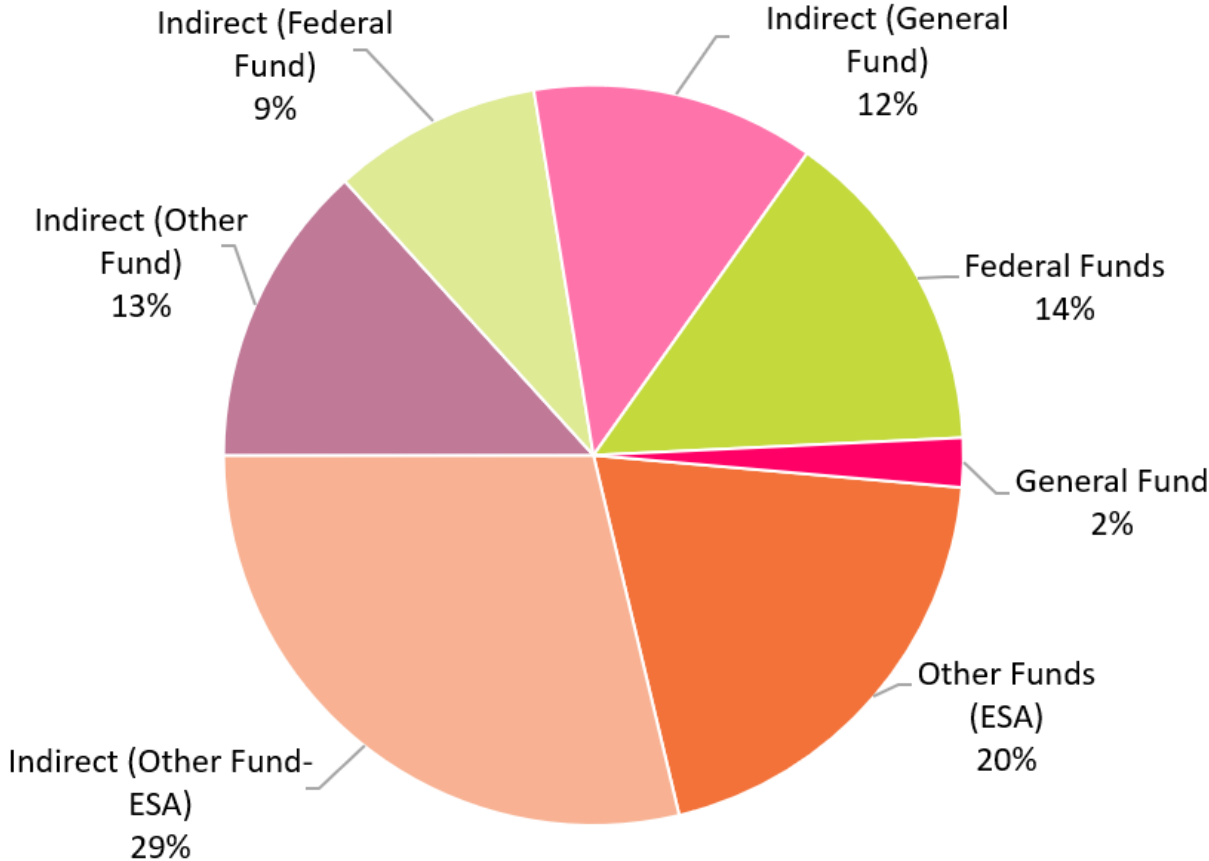


# ADMINISTRATIVE SERVICES CSL BUDGET AND ESTIMATED FUNDING

## Budget Breakdown



## Funding Sources



# ADMINISTRATIVE SERVICES PROPOSED POLICY OPTION PACKAGE

## Paid Internships

- Agency-wide
- POP would help address the social inequality of paid vs. unpaid internships, expanding access to allow all students, regardless of financial status, a valuable internship opportunity
- Funding would support up to 8 part-time paid interns in the biennium
- Estimated Cost: \$148,470 General Fund



# ADMINISTRATIVE SERVICES PROPOSED POLICY OPTION PACKAGE

## Expand Community Navigator Program

- Director's Office
- Additional funds to support at least four community-based contractors to work directly with tribal governments and three community-based contractors to work in rural and frontier local governments.
- No additional positions
- Estimated Cost: \$147,605 General Fund





# ADMINISTRATIVE SERVICES PROPOSED POLICY OPTION PACKAGE

## Employee Services

- Agency-wide
- An Employee Diversity, Equity, and Inclusion Implementation Analyst will lead DEIB initiatives that will ensure that staff are equipped with the expertise to proactively embed DEIB principles into every aspect of their work and working relationships.
- A Learning and Development Specialist will tailor learning experiences to the unique needs of our workforce, bridging skills gaps and fostering a culture of continuous improvement. This targeted approach ensures that each employee receives relevant training that can maximize their potential and contribute to overall organizational excellence.
- 2 FTE
- Estimated Cost: \$494,573 in Indirect Cost Pool, including \$223,584 of ESA



# EFFECT ON ENERGY SUPPLIER ASSESSMENT

- Current Service Level (CSL) Budget estimated to increase ESA by ~19%
- Cost drivers:
  - Statewide: increase in State Government Service Charges
  - Statewide: increase in Personal Service Costs
  - Reduction in ODOE General Funded positions
- ESA implications of Agency Request Budget not yet known
- Final ESA numbers won't be known until Legislature passes ODOE's final budget



# STATE GOVERNMENT SERVICE CHARGE SUMMARY

	2023-25 LAB	2025-27 CSL	% Change
Central Government Service Charge	\$99,789	\$134,094	34.4%
Certification Office for Business Inclusion and Diversity	\$7,344	\$9,719	32.3%
Chief Financial Office	\$38,170	\$45,960	20.4%
Chief Human Resources Office	\$90,327	\$116,789	29.3%
Chief Operating Office	\$23,747	\$18,529	-22.0%
Enterprise Asset Management	\$9,652	\$9,103	-5.7%
Enterprise Goods & Services	\$56,107	\$98,856	76.2%
Enterprise Information Services	\$462,383	\$754,209	63.1%
Strategic Initiatives & Enterprise Accountability	\$0	\$20,168	-
Workday Payroll System	\$40,617	\$31,445	-22.6%
Office of Public Records Advocate	\$2,067	\$4,454	115.5%
Oregon Government Ethics Commission	\$3,188	\$4,933	54.7%
Oregon Law Library	\$7,400	\$11,109	50.1%
Oregon State Police	\$87,442	\$65,836	-24.7%
Oregon State Treasury	\$48,214	\$30,852	-36.0%
Secretary of State	\$239,168	\$139,456	-41.7%
State Library of Oregon	\$20,721	\$34,348	65.8%
<b>Grand Total</b>	<b>\$1,236,336</b>	<b>\$1,529,860</b>	<b>23.7%</b>

# DEVELOPING ODOE'S 2025-27 AGENCY REQUEST BUDGET

## DRAFT 2025-27 AGENCY-WIDE CURRENT SERVICE LEVEL BUDGET

Program	Sub-Program	2021-23 Actuals	2023-25 LAB	2025-27 CSL	Approximate % ESA
<b>Administrative Services</b>	Director's Office	3,212,761	7,312,556	7,554,038	55%
	Central Services	8,019,406	11,107,233	13,160,328	45%
Total Admin Services Program		\$ 11,232,167	\$ 18,419,789	\$ 20,714,366	
FTE		33.13	37.40	41.50	
<b>Energy Development Services</b>	Federal Incentive Programs	-	8,609,524	11,884,286	0%
	Small Scale Energy Loan Program	30,935,879	30,150,685	25,986,479	0%
	Energy Efficiency Financing	3,023,751	1,440,468	1,440,522	0%
	Energy Incentive Programs	21,077,114	120,555,455	4,270,806	0%
Total EDS Program		\$ 55,036,744	\$ 160,756,132	\$ 43,582,093	
FTE		16.51	26.52	8.00	
<b>Nuclear Safety &amp; Energy Security</b>	Hanford/Nuclear Oversight	1,207,713	1,851,659	1,896,023	< 1%
	Emergency Preparedness	869,816	1,649,045	1,750,167	21%
	Radioactive Waste Transportation	228,395	364,283	358,550	0%
	County Energy Resilience Planning	-	2,103,327	-	0%
Total Nuclear Program		\$ 2,305,924	\$ 5,968,314	\$ 4,004,740	
FTE		6.00	6.88	6.00	
<b>Energy Siting</b>	Large-Scale Energy Facility Siting	2,357,410	4,020,141	4,582,326	0%
	Monitoring	947,571	689,599	597,681	0%
	Energy Facility Siting Council & Non Project Specific Costs	2,179,180	1,797,769	2,004,271	99%
Total Siting Program		\$ 5,484,161	\$ 6,507,509	\$ 7,184,278	
FTE		13.00	12.88	13.00	
<b>Energy Planning &amp; Innovation</b>	Energy Efficiency & Conservation	3,352,876	8,804,542	8,463,295	25%
	Codes & Standards	-	5,391,022	4,933,664	0%
	Energy Technology & Policy	3,586,661	9,317,781	8,801,657	51%
	Climate Policy	-	2,301,981	1,923,513	0%
	NW Power Planning Council	829,478	912,882	946,582	0%
Total P&I Program		\$ 7,769,015	\$ 26,728,208	\$ 25,068,711	
FTE		27.00	38.82	39.00	
<b>Agency Total</b>		<b>\$ 81,828,011</b>	<b>\$ 218,379,952</b>	<b>\$ 100,554,188</b>	
<b>FTE</b>		<b>95.64</b>	<b>122.50</b>	<b>107.50</b>	



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## **Questions, Comments, and Discussion**

**Save the Date!**  
**2025-2027 Budget Public Meeting**  
**July 29, 2024**  
**3:30 p.m.**

[www.oregon.gov/energy/About-Us/Pages/Budget.aspx](http://www.oregon.gov/energy/About-Us/Pages/Budget.aspx)