

Legislative Session Recap: 2021

Oregon
Department of
**Administrative
Services**

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About DAS Sustainability

- Work with all state agencies on operational sustainability
- Support the Oregon Sustainability Board
- Write statewide policy: procurement, energy and resource conservation, sustainable design guidelines (recent)
- Support implementation of executive orders and other legislation affecting agencies
- “Lead by Example” – developing climate action planning tool for agencies now

Overview of 2021 Legislative Session

- Many climate-related bills were brought forward
- Amplified focus on racial justice and equity led to environmental justice being centered in many bills
- Provisions around transportation electrification
- COVID and a catastrophic 2020 wildfire season led to major shifts around emergency response and wildfire response and prevention
- Agencies continue to build out Governor Brown's Executive Order 20-04, directing state agencies to reduce and regulate greenhouse gas emissions

HB 2021: Clean Energy Standard

- Requires retail electricity providers to reduce greenhouse gas emissions associated with electricity sold to Oregon consumers
 - 80 percent below baseline emissions levels by 2030
 - 90 percent below baseline emissions levels by 2035, and 100 percent below baseline emissions levels by 2040
 - For Oregon's two largest utilities: Portland General Electric and Pacific Power
 - Restricts new site certificates for fossil fuel based energy facilities
 - Creates a \$50 million fund at ODOE for grants to plan or develop community renewable energy projects
 - Permits utilities to collaborate with local governments on PUC-approved green electricity rates in alignment with local government renewable or clean (non-emitting) energy goals



HB 2062: Standards for Consumer Products

- Establishes energy efficiency standards for certain appliances sold or offered for sale in this state
 - ODOE estimates that energy efficiency standards represent a greenhouse gas reduction of nearly 50,000 metric tons in 2025 and a reduction of over 100,000 metric tons in 2035
 - Aligns Oregon with California standards

- High CRI fluorescent lamps
- Commercial steam cookers
- Computers and computer monitors
- Residential ventilating fans
- Faucets
- Electric storage water heaters
- Shower heads
- Commercial fryers
- Portable electric spas (update to existing standard)
- Water coolers (update to existing standard)
- Commercial dishwashers

HB 2019: Renewable Energy Facilities

- Modifies definition of "renewable energy facility" for purposes of permitting process for certain energy facilities
 - In 2019, the Oregon Legislature passed HB 2329, which changed the definition of energy facilities by raising the jurisdictional threshold for certain renewable energy projects subject to the Energy Facility Siting Council's siting certificate requirements
 - Legislative fix: An unintended consequence of HB 2329 is that it triggered a requirement for written notification to landowners by the Oregon Department of Land Conservation and Development Commission (DLCD) as required by Measure 56

HB 2165: Transportation Electrification

- Requires electric companies that make sales of electricity to 25,000 or more retail electricity consumers to collect fees to support transportation electrification
 - Almost 36 percent of Oregon's total GHG emissions derive from transportation
 - Can fund charging infrastructure and consumer costs
 - Requires Oregon's two largest investor-owned utilities, PGE and Pacific Power, to collect one quarter of a percent of total revenues to go toward transportation electrification efforts
 - Extends and expands state Clean Vehicle Rebate Program and increases incentives through DEQ



HB 2180: EV Ready Building Codes

- Requires Director of Department of Consumer and Business Services to amend state building code to require that new construction of certain buildings include provisions for electrical service capacity for specified percentage of parking spaces
 - Require certain newly constructed buildings to provide electrical service capacity for charging electric vehicles (EVs) at no less than 20 percent of the vehicle parking spaces
 - Apply only to commercial buildings under private ownership, multifamily buildings with five or more residential dwelling units, and mixed use buildings consisting of privately owned commercial space and five or more residential dwelling units (the code requirements will not apply to townhouses)
 - A municipality may require newly constructed buildings exceed minimum bill requirements

HB 2842: Healthy Homes Program

- Establishes the Healthy Homes Program at the Oregon Health Authority.
 - Provide grants to entities that provide financial assistance to persons in low-income households to repair and rehabilitate residences and to landlords
 - Repair and rehabilitate includes energy efficiency



HB 3141: Public Purpose Charge

- Charge has funded energy efficiency and renewable energy projects in territories served by Oregon's two largest investor-owned utilities since the passage of SB 1149 in 1999.
 - Extends charge for 10 years, through January 1, 2036
 - Reduces the charge from 3 percent to 1.5 percent of revenues collected from ratepayers of PGE and Pacific Power
 - Maintains charge support for renewable energy, low-income weatherization, low-income housing, and energy-related projects in schools
 - Moves most cost-effective energy efficiency work from the charge and funds those programs within the rates paid by PGE and PacifiCorp customers instead
 - Allows funds to be used for distribution system-connected technologies that support reliability, resilience, and integration of renewable energy with the distribution system
 - Adds language for PUC to set rates to collect at least \$20 million a calendar year from all electric companies to go to the Oregon Housing and Community Services Low-Income Electric Bill Payment Assistance Program
 - Requires the PUC to establish equity metrics for environmental justice for charge programs administered by nongovernmental entities

HB 2475: Energy Affordability

- Authorizes PUC to consider differential energy burden and other inequities of affordability in rates
 - About 25 percent of Oregon households are energy burdened – based on numbers from before the COVID-19 pandemic
 - Allows the PUC to provide up to \$500,000 in financial assistance, in aggregate, to organizations that represent residential utility customers that are either low-income or members of environmental justice communities

HB 3375, SB 333: Special Studies

- Establishes goal of planning for development of up to three gigawatts of floating offshore wind energy projects within federal waters off Oregon Coast by 2030
- ODOE to conduct a study of the potential benefits of and barriers to production and use of renewable hydrogen in Oregon



SCR 17: Environmental Justice

- Establishes environmental justice framework of principles for State of Oregon.
 - SCR 17 resolves that all state agencies should consider equity and environmental justice when implementing statutory and regulatory responsibilities and that all state agencies should follow the best practices for public engagement laid out in ORS 182.545
 - Supports ongoing agency environmental justice efforts (e.g., Climate Equity Blueprint)

SB 582: Recycling Modernization Act

- Establishes producer responsibility program for packaging, printing and writing paper, and food service ware
- Generates producer fees from PRO membership, non-recyclable items
- Creates uniform statewide list of what can and can't be recycled
- Expands recycling access to rural areas, apartments using fees
- Creates auditing program of recycling processors
- Ensures truth in labeling of what is really recyclable
- Ensure recyclables reach responsible end markets

GHG Emissions Program Rulemaking

- Proposed Climate Protection Program (DEQ):
 - Requires that covered entities reduce greenhouse gas emissions
 - Prioritizes reduction of greenhouse gases and other air contaminants in environmental justice communities disproportionately burdened by the effects of climate change and air contamination
 - Declining, enforceable limits on greenhouse gas emissions from:
 - Fossil fuels in Oregon
 - Three natural gas utilities that supply nearly all natural gas to end users in Oregon
 - Suppliers of gasoline, diesel, kerosene, and propane with emissions that meet or exceed a threshold for inclusion – 200,000 metric tons of carbon dioxide equivalent (MT CO₂e) threshold declining to 25,000 CO₂e over time
 - <https://www.oregon.gov/deq/Regulations/rulemaking/Pages/rghgcr2021.aspx>

Potential Issues for Future Sessions

- Buy Clean Oregon: require disclosure of “embodied carbon” in construction materials: concrete, steel, asphalt
 - Pilot with state agencies, has industry support
 - Portland already applying low-carbon concrete in projects, some state buildings too
 - State already conducting analysis of embodied carbon for our own purchases of goods and services
- Integrating climate into Oregon’s 16 planning goals
 - Climate and Equitable Communities Rulemaking already underway to reduce GHGs from transportation/land use

Helpful Links

Governor's Carbon Policy Office: EO 20-04

https://www.oregon.gov/gov/Pages/carbonpolicy_climatechange.aspx

ODOE 2021 Legislative Session Report:

<https://www.oregon.gov/energy/Data-and-Reports/Documents/2021-Legislative-Session-Report.pdf>

2021 Legislative Summary Report: Energy & Environment

<https://www.oregonlegislature.gov/lpro/SMLByChapter/2021%20-%20Energy%20and%20Environment.pdf>

Thank you!

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