

Department of Energy

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March 17, 2015

The Honorable Richard Devlin, Co-Chair The Honorable Peter Buckley, Co-Chair Joint Committee on Ways and Means 900 Court Street NE H-178 State Capitol Salem, OR 97301-4048

Dear Co-Chairpersons:

Nature of the Request

The Oregon Department of Energy (ODOE) requests approval to apply for a grant with the United States Department of Energy (US DOE) via Funding Opportunity Announcement DE-FOA-0001222, State Energy Program 2015 Competitive Awards, issued on January 20, 2015. The deadline for application submission is March 31, 2015.

Per FOA requirements, applications must be submitted by the State Energy Office (SEO) or other agency responsible for administering the State Energy Program pursuant to 10 CFR 420, although states may work in collaboration with non-state entities. Non-state entities interested in collaborating with their respective State Energy Office (SEO) must contact their respective SEO.

Drive Oregon, a non-profit whose mission is to promote, support and grow the electric mobility industry in Oregon, contacted ODOE in early March 2015, and requested ODOE's support and application for an electric vehicle (EV) proposal to develop and demonstrate advanced policies to accelerate the deployment of electric vehicles.

This opportunity and proposal aligns with the Department's mission: to reduce the cost of energy to Oregonians. This will be accomplished by promoting efficient electric vehicle (EV) transportation and the use of in-state generated energy instead of imported fossil fuels. The project will enable the Department, working with Drive Oregon as well as the state of Utah, to strategically aid the development of local government policies and programs that will support EV deployment in Oregon as well as the West Coast and Utah.

This project will also supplement and complement existing efforts by the Department and the Oregon Department of Transportation to support adoption of low/no-emission, high-efficiency electric vehicles in Oregon.

Agency Action

The Department requests approval to submit one SEP Competitive 2015 application in response to this opportunity.

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Energy Efficient Infrastructure Integration: Advancing Local Government Programs

The rapid advance of vehicle electrification over the past few years at the state and federal levels has left many local governments falling behind in local policy development. Even in states with aggressive plans for electric vehicles and relatively high adoption rates, such as the West Coast and Zero Electric Vehicle states, local policies have not always kept up with state and federal policy goals and the emerging business models and current technology.

Local governments have responded in a variety of ways, and some have emerged as leaders in specific areas such as civic fleet electrification. However, a significant amount of work remains to be done. This project will engage a collaborative with states, local governments, and other partners to develop and demonstrate advanced policies to accelerate the adoption of electric vehicles, thus dramatically reducing energy consumption and emissions in the transportation sector.

This project will focus on the following key strategies:

- Integrate EV charging into parking
- Integrate EV charging into street lighting
- Integrate EV charging in public rights of way
- EV charging for "garage orphans"
- EV charging in public affordable housing projects

The project will include a number of specific pilot projects grounded in particular communities. However, these pilots are intended to develop programs and policies that are transferable to many other communities. To ensure this is the case, Drive Oregon plans to include a diverse range of other local governments in regular conference calls, and to hold an annual in-person meeting at the one year mark (Summer/Fall 2016) and again near project conclusion (Summer/Fall 2017) in conjunction with EV Roadmap Conference in Portland, OR, or another industry event. The project will also include production of specific reports in each area, an overall project summary report, and presentations in key regional and national conferences and journals.

The Department is seeking \$425,000 in federal grant funds to provide management and oversight for the collaborative as well as meet federal compliance requirements. Drive Oregon will coordinate efforts with the state of Utah and other key partners.

Partners

US DOE encourages multi-state coordination for this opportunity. Therefore, the Utah Office of Energy Development will also be a sub-recipient and collaborate with the Department and Drive Oregon.

The Department will work closely with Drive Oregon to effectively administer and manage this multistate collaborative.

Drive Oregon will be the lead sub-recipient to develop advanced local government electric vehicle policies and programs. This project will ultimately lead to reduced energy consumption and emissions in the transportation sector. In addition, Drive Oregon will provide key coordination for outreach to local governments in Oregon. The state of Utah will also provide crucial coordination for outreach to local governments in their respective states.

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The Utah Office of Energy Development will work to develop model programs to integrate charging stations into new community building development in coordination with the county of Salt Lake. This project will use a comprehensive net zero energy pilot community being developed in the Salt Lake City area to create policy and program guidance that makes it easy to replicate systems in multiple communities and states.

A key strategy of this proposal is to improve local government policies and programs to facilitate the adoption and deployment for efficient electric vehicles in Oregon and West Coast. To do so, the Department anticipates the following local governments will participate:

- City of Portland
- City of Hillsboro
- Portland Metro
- City of Beaverton

In addition, the Department seeks to utilize the knowledge of other partners outside of Oregon including:

- City of Berkeley
- City of San Francisco
- County of Salt Lake
- Mast Collaborative
- California Energy Commission

The project also expects to build on and support local EV industry providers such as OpConnect. OpConnect is an Oregon company that has established a network of suppliers and partners to develop, produce and support the OpConnect Electric Vehicle Charging Station.

State Energy Offices will be asked to help identify, coordinate and assist local governments to ensure that pilots and model programs effectively leverage existing state policy and incentive programs. For example, ensuring that efforts to promote efficient street lights also encourage charging-ready lighting.

Local governments will be invited to participate in pilot projects, to provide input and feedback on model policies and programs, to participate in regular conference calls about these programs, and to attend meetings in person at the middle and conclusion of the project.

The proposed budget for this project requests approximately \$425,000 over two years. There is a 20 percent match requirement based on federal funds awarded. Partners providing match for this project are:

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Drive Oregon: \$50,000

• California Energy Commission: \$100,000

OpConnect: \$25,000

Utah Office of Energy Development: \$20,000

The Department will utilize existing staff to meet federal requirements and assist in program oversight and delivery. The Department will have no further commitment after the project is completed.

The anticipated announcement and selection notification is July 20, 2015, with anticipated awards to be executed by October 31, 2015.

Agency Request

The Department requests approval to apply for the one grant under the 2015 Competitive Funding Opportunity. If awarded, the Department will most likely need to seek additional federal funds limitation authority for the 2015-17 Biennium.

Sincerely,

Mike Kaplan

Director

Cc: Ken Rocco, Legislative Fiscal Officer

George Naughton, DAS Chief Financial Officer

Julie Neburka, Legislative Fiscal Office Cathy Connolly, DAS Chief Financial Office