

State Energy Strategy Informational Hearing

Senate Committee on Energy and Environment April 20, 2023

Amy Schlusser, Senior Clean Energy Policy Analyst Christy Splitt, Government Relations Coordinator

State Energy Strategy Examples

- Washington
- <u>Utah</u>

OREGON DEPARTMENT OF ENERGY

- Wyoming
- <u>New Hampshire</u>
- <u>Minnesota</u>
 - ...and more









Charting a Course

- What will it take to achieve economywide deep decarbonization and 100% clean energy?
- ODOE reviewed 20 technical studies from across the country (mostly the west)

Key Findings:

- Oregon can achieve its climate and clean energy targets
- Four pillars of decarbonization identified:
 - o Increase energy efficiency
 - Electrify end uses (e.g. transportation, buildings)
 - Transition to 100% clean electricity
 - o Develop low-carbon fuels for hard-to-electrify sectors
- There are multiple pathways to achieve policies by mid-century, each with its own opportunities and challenges



2022 Biennial Energy Report Recommendation

The state would benefit from an **energy strategy** to align policy development, regulation, financial investment, and technical assistance in support of an intentional transition to a clean energy economy. This strategy could identify specific pathways to meet the state's policy goals that maintain affordability and reliability, strengthen the economy, and prioritize equity while balancing tradeoffs to maximize benefits and minimize harms. Ultimately, this strategy could be used to make informed decisions and motivate action.





HB 2534: COMPREHENSIVE STATE ENERGY STRATEGY FOR OREGON

- Directs ODOE to develop a comprehensive state energy strategy identifying optimized pathways to achieve Oregon's energy policy objectives
 - Must be informed by stakeholder perspectives
 - Must draw from existing resource plans, energy-related studies, and data analyses
- State energy strategy must account for a variety of factors, such as:
 - Costs, efficiencies, feasibility, and availability of energy resources and technologies
 - Economic and employment impacts
 - Energy burden, affordability, environmental justice, and community impacts and benefits
 - Land use and natural resource impacts and considerations
 - Energy resilience, security, and market implications



HB 2534: COMPREHENSIVE STATE ENERGY STRATEGY FOR OREGON

Stakeholder Input, Coordination, and Engagement

- Directs ODOE to engage with state agencies, Tribes, and stakeholders representing a diverse range of interests, perspectives, expertise, education, socioeconomic backgrounds, and communities from across the state
- Authorizes ODOE to convene an advisory work group to inform the development of the state energy strategy and stakeholder engagement
- Requires strategy to be informed by stakeholder perspectives





STATE ENERGY STRATEGY TECHNICAL IMPLEMENTATION

- Technical scenario modeling
- Cost and benefits analysis
- Coordination and engagement
- Pathway refinement
- Report and recommendations





What are the likely **costs and benefits** from this transition? What is the scale and pace of change needed to achieve an economy-wide clean energy transition in Oregon by mid-century?

WHAT DO WE WANT OUR CLEAN ENERGY FUTURE TO LOOK LIKE, AND HOW DO WE WANT TO GET THERE?

How can we balance important considerations around land use and wildlife impacts, community energy resilience, affordability, and the need for new transmission? How can we ensure that the transition does not hurt our most



vulnerable communities, and find ways to **share benefits statewide**?



Questions/Comments?

Contacts: Amy Schlusser, Senior Clean Energy Policy Analyst amy.r.schlusser@energy.oregon.gov

Christy Splitt, Government Relations Coordinator christy.splitt@energy.oregon.gov