

OREGON CLIMATE ACTION PLAN ONE-YEAR PROGRESS REPORT

March 2021



Clean Energy



Cap & Reduce

Clean Buildings

Natural and Working Lands



Transportation

Public Health



Governor Brown,

One year ago, you signed EO 20-04, the Oregon Climate Action Plan (OCAP), laying out the most sweeping action in state history to equitably transition Oregon to a clean energy economy. We applaud this bold leadership and vision to commit the power of the state to creating clean energy jobs and protecting Oregon's current and future generations from the worst impacts of the climate crisis. OCAP has the potential to be a climate leadership legacy for years to come. If carried out according to the ambition with which it was intended, our state will reap many benefits. As you rightly said on signing day:

"...regarding climate change, I have been very clear. Immediate efforts and bold action are needed to tackle this scourge that is devastating the Oregon we know and love. And a smart approach can both protect the environment and continue to grow our economy."

On behalf of the Oregon Climate Action Plan coalition, a diverse group of stakeholders representing Oregon's environmental justice, youth, labor, business, advocacy and culturally-specific communities, we thank you and are pleased to present this progress report on the one-year anniversary of the Oregon Climate Action Plan.

Our coalition has consistently shown up as OCAP proceeds and advocated on core values: climate, equity and public engagement. In a May 13, 2020 letter, our coalition urged you and all sixteen state agencies, boards, and commissions charged with implementing OCAP to "make decisions based on the best science and provide a structure for public engagement that is transparent, enables input and engagement from Oregonians representing a broad and diverse demographic, and involves robust monitoring and oversight to ensure the most climate-protective and equitable outcomes for Oregon's families and future."

We celebrate the progress so far and the good it will do for Oregonians. This is deeply appreciated during an incredibly challenging year navigating multiple crises, from COVID to wildfires. At the same time, not all agencies, boards, and commissions are living up to the ambition of OCAP yet. Many final outcomes for rulemakings and other actions are still to be determined in the coming year.

The OCAP Progress Report provides our assessment of what is going well, areas for improvement, and major opportunities in the year ahead to ensure OCAP implementation reduces pollution and maximizes benefits for all Oregonians. One year into the ongoing process, we assess six main areas of work: transportation, cap and reduce, clean buildings, clean energy, natural and working lands, and public health.

A year after your leadership with this bold step forward on climate protection, here are some opportunities where your engagement and leadership could be decisive:

- Step in where OCAP's intent is not being met and lead the way to a more ambitious outcome with your agencies.

- Appoint new, diverse voices to open seats on boards and commissions-- people who will prioritize equity, public health, livable communities, and climate protection.
- Encourage and help facilitate cross-agency collaboration so as to best utilize agency expertise and resources to inform policies and programs.
- Provide ongoing accounting via the Oregon Global Warming Commission of how the elements of OCAP will help our state achieve overall targets for lowering climate pollution based on the best available science, more equitable outcomes for Oregonians suffering on the front lines of the climate crisis, and an innovative clean economy.
- Continue to work with legislative leaders to adequately fund all state agencies charged with OCAP implementation, and with agency leaders to ensure funding allocations prioritize climate-related processes and rulemakings.

The many-faceted work to help Oregon achieve a prosperous, healthy future powered by clean energy is far from done, and that responsibility does not solely rest on the executive branch. Legislators have not delivered a major climate protection law in five years, while pollution in Oregon is increasing and impacts are harming our state. With less than a decade remaining to cut greenhouse gas pollution in half, there is an urgent need for additional legislative action, as well.

Given the difficulties that persist legislatively, we deeply appreciate your approach of maximizing existing authority through OCAP to address the climate crisis equitably. Now Oregonians expect and deserve to see follow-through by all agencies tasked with meeting the intent of OCAP: engaging the full power of the state of Oregon in taking responsibility for our part in the climate crisis, protecting the people who live here, and building the equitable, healthy, and clean future we deserve.

We look forward to continuing to work with you and your agencies to ensure a healthy future and stable climate for all Oregonians through strong realization of the Oregon Climate Action Plan.

Sincerely,



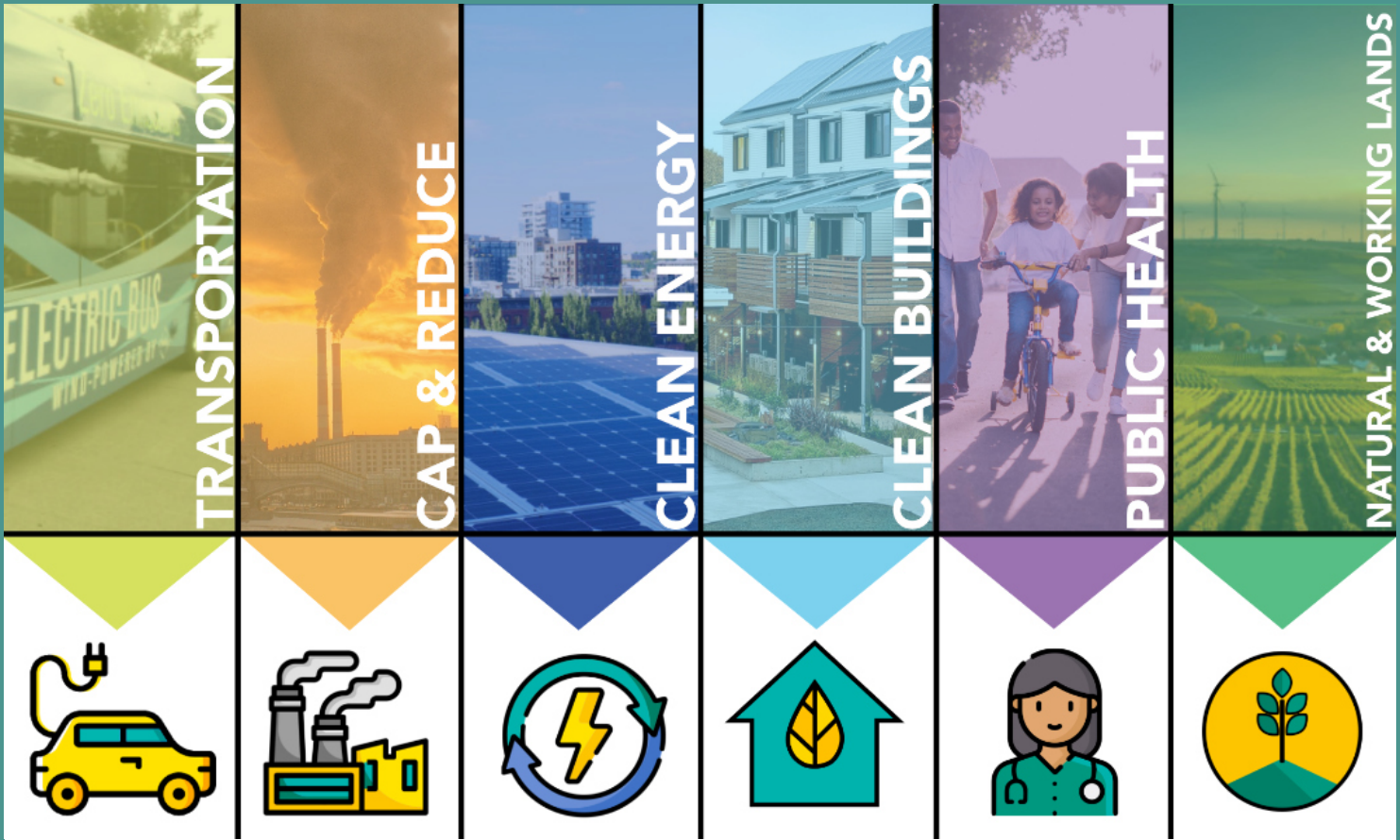


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Assessment Criteria:

Metrics: How is the agency doing in its work to maximize climate/greenhouse gas (GHG) emissions reductions, center the needs of frontline communities and ensure an equitable transition to a clean energy future, and ensure robust stakeholder and public engagement opportunities.

- **Climate:** Has the agency prioritized climate mitigation and emissions reductions and/or carbon sequestration in decision-making? Has the agency based policy decisions based on the best available science, with emissions reductions timelines that reflect the urgency of the crisis? Has the agency made funding decisions that prioritize investments in clean energy and clean technology innovation and/or sequestration?
- **Equity:** Has the agency demonstrated commitment to centering equity and remedying impacts to vulnerable and impacted communities? Facilitated outreach/incorporated input from frontline communities? Integrated equity implications in decision-making?
- **Public Engagement:** Has the agency provided a structure for public engagement that is transparent and enables input and engagement from Oregonians representing a broad and diverse demographic (including ample opportunities for public input via formal public comment periods/meetings)? Incorporated feedback? Rulemaking Advisory Committee (RAC) formation?





TRANSPORTATION



DECISION-MAKERS

Oregon Dept. of Transportation (ODOT) | Oregon Transportation Commission (OTC) | Dept. of Land Conservation & Development (DLCD)
Oregon Dept. of Energy (ODOE) | Dept. of Environmental Quality (DEQ) | Environmental Quality Commission (EQC) |
Land Conservation & Development Commission (LCDC)

 WHAT'S GOING WELL	 AREAS FOR IMPROVEMENT
<p>ODOT formed a new Climate Office.</p> <p>ODOT moving forward with Transportation Electrification Infrastructure Needs Analysis as scheduled.</p> <p>DEQ completed Clean Fuels rulemaking to accelerate transportation electrification.</p> <p>DLCD provided stipends for rulemaking participants representing underserved communities.</p> <p>Agencies (ODOT, DEQ, DLCD, ODOE) are setting high standards for community engagement processes for their STS implementation, through Every Mile Counts.</p>	<p>Need for commitment from ODOT/OTC to prioritize climate and equity outcomes in decision-making.</p> <p>OTC did not choose the highest ranking scenario for equitable, climate-smart transportation options.</p> <p>ODOT continues to invest in projects that add road capacity that encourage more driving instead of managing demand.</p> <p>Not all agency processes have adopted best practices for community engagement in a standardized way.</p>

OPPORTUNITIES FOR PROGRESS

EQC adopts new standards to increase electrification and reduce pollution from medium & heavy-duty trucks.

DEQ kicks off Clean Fuels Program rulemaking to expand fuel choices, which cut climate and air pollution throughout Oregon. Rulemaking includes diverse perspectives and equitable stakeholder engagement.

ODOT prioritizes equity and pollution reductions in all major decisions, including large projects (e.g. new I-5 Bridge) and revenue decisions such as congestion pricing and road user charges.

ODOT releases a mid-term Statewide Transportation Strategy (STS) workplan with commitments to meaningful next steps on climate pollution reduction.

DLCD Climate Friendly and Equitable Communities rulemaking delivers strong, actionable rules tied to funding.

The strong community engagement approaches in the Every Mile Counts processes are incorporated into all agency (ODOT, DEQ, DLCD, ODOE) activities to comprehensively deliver bold GHG reduction and social equity outcomes.





CAP & REDUCE



DECISION-MAKERS

Department of Environmental Quality (DEQ) | Environmental Quality Commission (EQC)

 WHAT'S GOING WELL	 AREAS FOR IMPROVEMENT
<p>Extensive public process for Climate Protection Program (CPP) rulemaking.</p> <p>Acknowledged the deep public support for reducing pollution and prioritizing equity.</p> <p>Provided funding to facilitate engagement of environmental justice communities in the rulemaking process.</p> <p>DEQ was provided initial resources to develop the program and is pursuing continued funding for implementation.</p>	<p>Considering adopting weaker pollution reduction targets that do not track best available science.</p> <p>Considering exemptions for industry and oil companies, including the largest stationary sources of pollution- gas power plants.</p> <p>Oil and gas interests collectively hold more seats on the Rulemaking Advisory Committee than other interests.</p> <p>Tribes are being engaged late in the process. Only one tribal consultation has occurred to date, though DEQ has committed to conduct consultations with all 9 Oregon Tribes.</p>

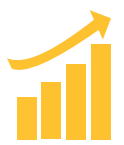
OPPORTUNITIES FOR PROGRESS

DEQ designs an ambitious program to reduce pollution according to best available science, doesn't excuse any large polluters from their responsibility, and centers equity. Program makes meaningful cuts to pollution while benefiting Oregon communities throughout the state.

Environmental Quality Commission approves a strong program before 2022.

Legislature fully funds DEQ for implementation work.

DEQ immediately schedules and conducts formal government to government consultations with the 9 Tribes and provides technical support to each Tribe so they can fully understand and evaluate the effectiveness of DEQ's implementation of the program.





CLEAN ENERGY



DECISION-MAKERS

Public Utility Commission (PUC) | Oregon Department of Energy (ODOE)

 WHAT'S GOING WELL	 AREAS FOR IMPROVEMENT
<p>PUC committed to strong public process and transparency.</p> <p>PUC hired a Director of Diversity, Equity and Inclusion.</p> <p>PUC published detailed work plans for advancing equitable outcomes and supporting emissions reductions.</p> <p>PUC extended utility shutoff moratorium during COVID.</p> <p>PUC adopted distribution system planning guidelines, a good first step in promoting a more accessible distribution grid.</p> <p>ODOE updated the amount new power plants must pay under the EFSC Carbon Standard.</p>	<p>While PUC is making progress in important ways that advance the EO, they are delayed from meeting many anticipated timelines and processes laid out in the work plan.</p> <p>Due to a necessary focus on COVID duties, the PUC has not yet prioritized energy burden issues specific to OCAP.</p>

OPPORTUNITIES FOR PROGRESS

PUC commits to systematically incorporating the social cost of carbon; expanding funding to support community-based organizations; and providing timely, accessible information.

PUC opens proceeding to assess future role of fossil "natural" gas in Oregon.

PUC continues to monitor and act on preventing utility shutoffs to protect low-income customers as COVID continues.

PUC commits to clearer steps to provide data access for distributed resources and energy usage in a timely fashion.



CLEAN BUILDINGS



DECISION-MAKERS

Oregon Department of Energy (ODOE) | Building Codes Division (BCD)



WHAT'S GOING WELL

ODOE completed rulemaking to increase energy efficiency standards on 11 appliances. Pursuing a bill in the 2021 legislature to enact those standards.

BCD acknowledged the minimum requirement for a new-building energy efficiency target for 2030: 60% reduction in energy use compared to 2006 Oregon residential and commercial codes.

BCD is working to update the commercial code and the Reach Code.

The new Acting BCD Director is working to bring about needed process changes for developing building codes.



AREAS FOR IMPROVEMENT

BCD and its advisory boards passed up opportunities to set a strong foundation for achieving 2030 target, moving a residential code forward (after significant delay) which is unlikely to save more energy than the version prior to OCAP. As a result, code updates in 2023, 2026, and 2029 must be even more ambitious to meet the 2030 target.

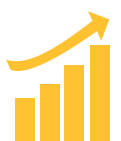
More process changes are still needed to address a media investigation publicly exposing how BCD's former Director delayed progress for years on building codes updates by stacking advisory boards with industry insiders.

OPPORTUNITIES FOR PROGRESS

Legislature passes ODOE's appliance standards (HB 2062), to enact efficiency gains and streamline processes for future updates.

BCD ensures residential, commercial, and Reach codes adopted in 2021 lay strong foundation for achieving the 2030 efficiency target.

BCD improves the public process for developing codes, and the Governor helps ensure more diverse advisory boards.





PUBLIC HEALTH



DECISION-MAKERS

Oregon Health Authority (OHA)

Oregon Occupational Safety and Health Authority (Oregon OSHA)

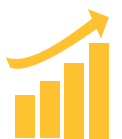
 WHAT'S GOING WELL	 AREAS FOR IMPROVEMENT
<p>Impressive response by OHA to OCAP directives, amidst multiple public health crises. Demonstrated a commitment to public engagement, seeking and integrating input from impacted communities.</p> <p>OHA's Climate + Health report conveyed strong intersection between climate, COVID, and systemic racism; identified several climate policy solutions with health co-benefits.</p> <p>Agencies have initiated work on formal rulemakings on proposed worker protection standards.</p>	<p>Oregon OSHA did not provide transparent timeline or proactively engage frontline workers ahead of initiating the rulemaking process for proposed standards to protect workers from wildfire smoke and extreme heat. Initial Rulemaking Advisory Committee included an overrepresentation of industry interests and inadequate frontline workers representation. Oregon OSHA has indicated that some indoor workers may be excluded from the heat rulemaking.</p> <p>OHA's Climate + Health report could be strengthened by additional Oregon-specific data points, more recent data, examination of specific climate pollutants/sectors, and associated health impacts.</p>

OPPORTUNITIES FOR PROGRESS

Agencies complete rulemaking and implement maximum worker protection from wildfire smoke and excessive heat, including indoor workers. Process is transparent. Impacted workers, labor stakeholders are actively consulted to inform standards.

OHA actively consults Oregon youth to inform report about climate impacts on youth mental health and depression. Continues cross-agency collaboration in support of climate policies that improve public health.

Legislature adequately funds OHA and Oregon OSHA to support agency capacity to advance climate-health policy work.





NATURAL & WORKING LANDS



DECISION-MAKERS

Oregon Department of Forestry (ODF), Oregon Watershed Enhancement Board (OWEB), Oregon Water Resources Department (OWRD), Oregon Department of Agriculture (ODA), Oregon Global Warming Commission (OGWC), Board of Forestry (BOF)

 WHAT'S GOING WELL	 AREAS FOR IMPROVEMENT
<p>OGWC provided a robust plan for stakeholder engagement and feedback and has begun implementing it</p> <p>Good collaboration on a Natural & Working Lands survey (OGWC, OWEB, ODA ODF).</p> <p>ODA seeking additional funding to advance climate goals.</p> <p>OWEB developed a new Climate Committee and is implementing climate strategies within existing programs. New position focused on water & climate proposed by the Governor will advance OCAP priorities within the agency.</p> <p>OWRD is putting together a Diversity, Equity, and Inclusion team to look at policies and programs, and apply an equity lens to decision-making</p>	<p>ODF has not yet adequately responded to climate and equity directives.</p> <p>BOF failed to consider carbon impacts in post-fire salvage logging, one of its first major decisions after OCAP was signed.</p> <p>Insufficient public engagement opportunities across ODF and ODA.</p> <p>OGWC's 2020 biennial report policy recommendations didn't account for many climate-smart forest policy opportunities.</p> <p>ODA's implementation plan does not reflect the necessary urgency of the climate crisis and its intersection with Oregon agricultural practices.</p>

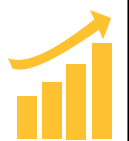
OPPORTUNITIES FOR PROGRESS

OGWC establishes an advisory committee made up of stakeholders to advise and recommend climate-smart policy for increasing carbon sequestration on natural and working lands – forests, working lands, and waterways (blue carbon).

ODF establishes a Diversity, Equity and Inclusion office. ODF amends forestry practices to maximize carbon sequestration.

The legislature provides funding for requested positions and programs at ODA, ODF, OGWC and OWEB which will support OCAP directives to reduce emissions, increase sequestration, and elevate equity and justice within the policy making process.

OGWC produces report with strong recommendations for goals, policies, programs and practices to increase carbon sequestration and storage on natural and working lands.



TRANSPORTATION

WHAT'S GOING WELL



Soon after OCAP was signed, the Oregon Department of Transportation (ODOT) formed a new Climate Office to oversee implementation of the agency's OCAP directives. ODOT also convened a Transportation Electrification Infrastructure Needs Analysis (TEINA) advisory group following the timeline directed under OCAP.

We were pleased to see the Department of Land Conservation and Development (DLCD) form a Rulemaking Advisory Committee for its "Climate Friendly and Equitable Communities" rulemaking that is diverse and includes representatives from a wide variety of perspectives. Importantly, the agency is providing stipends (funded by the ODOT Climate Office) to participants representing underserved communities.

The Department of Environmental Quality (DEQ), which is part of the multi-agency workgroup tasked with incorporating and prioritizing greenhouse gas emissions reduction performance metrics in the implementation of the Statewide Transportation Strategy (STS), is working to advance a strategy for reducing emissions from medium and heavy duty trucks. The plan includes replacing and retiring the oldest diesel engines; adopting new and cleaner technologies; and supporting owners and operators to transition their fleets.

DEQ has also completed a rulemaking to accelerate transportation electrification through the Clean Fuels Program. Accelerating the generation of Clean Fuels credits means more opportunities to invest in transportation electrification around the state, which will help Oregon reach the goal of ensuring that at least 250,000 registered motor vehicles in Oregon are zero-emission by 2025, and that at least 50% of the new motor vehicles sold annually in the state are zero-emission vehicles by 2030.

Lastly, we commend ODOT, DLCD, DEQ and the Department of Energy (ODOE) for advancing strong community engagement processes in their Every Mile Counts activities and are hopeful that this approach will ultimately become standard practice for community engagement across all agencies.

ROOM FOR IMPROVEMENT



Despite the above progress on individual directives within OCAP, the primary authorities charged with transportation decisions--ODOT leadership and the Oregon Transportation Commission (OTC)--have not yet demonstrated a commitment to making the big, structural changes needed to maximize positive effects on equity and air quality and effectively reduce emissions from our largest polluting sector.

While ODOT's Climate Office has produced helpful analysis to inform ODOT and OTC policy and funding decisions, climate and emissions reductions are merely being considered--rather than prioritized--in decision-making on high-level revenue and investment decisions. ODOT has not demonstrated willingness to make investment and policy decisions that fully prioritize climate and equity outcomes.

An example of where the OTC had a decision point that could have reflected this new prioritization of climate and equity was in the 2024-2027 Statewide Transportation Improvement Program (STIP) funding allocation decision on December 15, 2020.

Despite robust oral testimony and hundreds of pages of comments in support of the funding scenario that ODOT ranked highest for creating more equitable, climate-smart transportation options (e.g. public transit, biking and walking projects), the OTC voted to adopt a funding scenario that--while improved from previous allocations--does not go nearly far enough to shift transportation investments through 2027. Moreover, ODOT continues to invest in projects that add road capacity, which encourages more driving rather than managing demand.

Further, in the Department of Land Conservation and Development (DLCD)'s "Climate Friendly and Equitable Communities" rulemaking, there is concern that DLCD and ODOT may be punting responsibility to local governments to address GHG emissions, without providing clear and sufficiently bold performance metrics or resources to do so. DLCD is missing the opportunity to lead with a vision of compact, walkable neighborhoods with equitable, affordable, and accessible housing and transportation choices.

In its 2021 transportation electrification rulemaking, DEQ proposed draft rules that will encourage and accelerate transportation electrification. While there were a variety of groups and interests represented in the Rulemaking Advisory Committee, we would like to see greater capacity-building with community stakeholders ahead of future rulemakings. Advance engagement can help ensure that community stakeholders have the necessary background to fully participate in rulemaking or other processes that support transportation electrification and other benefits in their communities.

Moreover, while the above agencies have made important progress in prioritizing strong community engagement processes, these practices are not yet being applied in a standardized way. For example, not all agencies have committed to adopting best practices such as compensating community members for their time. Many agencies also still tend to rely on the same handful of people as "equity" representatives, which limits the perspectives at the table and overburdens those few people. Since a single "equity" representative cannot represent all underserved communities, it is important to ensure that agencies are reaching out to and building capacity in a variety of communities to achieve a more equitable engagement process. OCAP coalition advocates stand ready to partner with the agencies on this important work.





OPPORTUNITIES FOR PROGRESS

With a number of transportation-focused rulemaking processes and decision-points upcoming in 2021, there are many near-term opportunities for our state decision-makers to demonstrate their commitment to prioritizing equitable outcomes and reducing emissions from our biggest polluting sector. In the coming months, we will be prioritizing our advocacy engagement to ensure that:

- ODOT demonstrates a commitment to prioritizing climate and equity outcomes in decision-making, including through:
 - Choosing in any of its investment opportunities (STIP categories, spending of COVID relief funding, major projects such as the I-5 Bridge Replacement, etc.) to prioritize (instead of just consider) climate and equity.
 - Meaningfully incorporating climate and equity into major changes to revenue and pricing decisions such as congestion pricing and road user charges.
- ODOT and partner agencies release a mid-term Statewide Transportation Strategy report with meaningful next steps on climate pollution reduction and equitable solutions that expand transportation options for all Oregonians.
- EQC adopts new standards to increase electrification and reduce pollution from medium and heavy-duty trucks by the end of this year, if not sooner.
- DEQ implements an equitable and actionable Medium- and Heavy-Duty ZEV Action Plan.
- DLCD Climate Friendly and Equitable Communities rulemaking delivers strong, actionable rules tied to funding that clearly push jurisdictions to reduce Vehicle Miles Traveled through integrated land use and transportation planning that emphasizes equitable outcomes.
- As part of the Equity Advisory Committee proposed in its Clean Fuels Program transportation electrification draft rules, DEQ creates an opportunity for compensated capacity-building for community groups who have not been able to participate in the Clean Fuels Program processes or credit expenditures. This will require new resources for the agency and/or partnerships with participating stakeholders, such as utilities.
- DEQ kicks off Clean Fuels Program rulemaking to expand fuel choices that cut climate and air pollution throughout Oregon, with a Rulemaking Advisory Committee that includes diverse perspectives and equitable stakeholder engagement.
- The strong community engagement approaches in the Every Mile Counts processes are incorporated into all agency (ODOT, DEQ, DLCD, ODOE) activities to comprehensively deliver bold GHG reduction and social equity outcomes.

Agencies, Commissions, Boards Involved:

Oregon Department of Transportation (ODOT)/Oregon Transportation Commission (OTC); Department of Land Conservation and Development (DLCD)/Land Conservation and Development Commission (LCDC); Department of Environmental Quality (DEQ)/Environmental Quality Commission (EQC)

CAP & REDUCE

WHAT'S GOING WELL

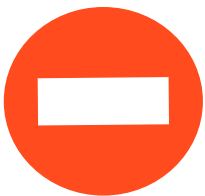


DEQ is working to meet the deadline for having a cap and reduce program - the "Climate Protection Program" - in place by the date outlined in the Oregon Climate Action Plan. As part of this work, DEQ developed and is executing an extensive public process. This included a pre-rulemaking scoping phase consisting of 6 technical workshops and 3 town halls, as well as other public meetings. DEQ kicked off the formal rulemaking phase in January 2021. A draft rule for public comment is expected by August, and a vote on the proposed rule at the Environmental Quality Commission meeting is expected in December.

DEQ has provided a substantial number of opportunities for public input through virtual public meetings and soliciting written comments. In addition, throughout the process, DEQ has acknowledged the importance of reducing emissions and developing a program that prioritizes equity. DEQ has also provided funding to help facilitate participation of environmental justice communities in the rulemaking process.

DEQ was provided initial resources to develop the program and is pursuing continued funding for program implementation.

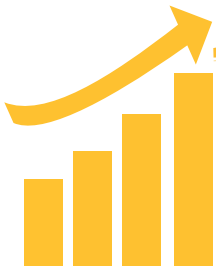
ROOM FOR IMPROVEMENT



Despite acknowledging the importance of reducing emissions, as well as a majority of commenters calling for ambitious reductions, DEQ is considering adopting weaker pollution reduction targets that do not track best available science, nor the minimum state goals outlined in the Oregon Climate Action Plan. This is counter to the best available science which says that we need to reduce our emissions further and faster than what OCAP is even requiring. In a nod to public comment, DEQ is now modeling one program design scenario (out of three) that would actually go above and beyond the state goals.

Despite calls for an ambitious program, DEQ is proposing exempting the largest stationary sources of emissions - gas power plants. It is also considering other exemptions for industry and oil companies. Providing free passes to polluters is antithetical to a strong program.

Although DEQ has acknowledged that equity is a key goal of the program and has been trying to provide more of an opportunity for diverse voices to engage in the process, including funding to support participation, there continues to be room to improve. DEQ is way behind on consulting with Oregon's nine federally recognized Tribes. In addition, while DEQ did propose a more diverse Rulemaking Advisory Committee (RAC) to provide input on the Climate Protection Program rulemaking than previous DEQ RACs, it still proposed an industry-heavy RAC that included more seats for oil and gas companies than those for environmental organizations, public health, and frontline communities including Tribes and environmental justice organizations. The Environmental Quality Commission (EQC) exacerbated this imbalance by adding even more industry seats when it approved the RAC make-up.



OPPORTUNITIES FOR PROGRESS

OCAP directs that the Climate Protection Program must be ready to go by January 1, 2022, which means that the rulemaking needs to be wrapped up by the end of this year. The Rulemaking Advisory Committee is meeting monthly through June to advise DEQ on the proposal. DEQ will then publish a draft rule with a public comment period from August to October, including public hearings in September.

After incorporating public feedback, DEQ will submit the proposed rule to the Environmental Quality Commission in November and the Environmental Quality Commission is scheduled to vote on the proposed rules in December. Each of these steps provides opportunities to improve public process and program design. For example, we hope that DEQ recommends emission reduction targets that track best available science or the goals outlined in OCAP at a minimum.

Given that DEQ is already behind on tribal consultation, one step would be to immediately schedule and conduct formal government to government consultations with Oregon's nine federally recognized Tribes and provide technical support to each Tribe so they can fully understand and evaluate the effectiveness of DEQ's implementation of the program.

Over the coming months, DEQ must keep the work on track to meet the timeline and design an ambitious program that reduces emissions consistent with the best available science, does not give free passes to polluters, and centers equity. Furthermore, it is up to the Environmental Quality Commission to approve it and the Legislature to provide the resources necessary for DEQ to implement it.

Agencies, Boards, Commissions Involved: Department of Environmental Quality (DEQ); Environmental Quality Commission (EQC)



CLEAN ENERGY

WHAT'S GOING WELL



The Public Utility Commission (PUC) published a very thorough work plan outlining its OCAP implementation, which included proposals related to greenhouse gas reduction, impacted communities, wildfire and process and public engagement.

In developing the work plan, the PUC demonstrated a commitment to facilitating a robust, transparent public engagement process. The PUC provided ample opportunity for public comment, and--importantly--incorporated the public input it received to inform its proposal. For example, the PUC has committed to examining resource adequacy and the future role of natural gas as part of new dockets--both actions that stakeholders pushed for which were not included in the PUC's preliminary work plan.

The PUC's OCAP implementation work plan identified a commitment to enhancing equitable outcomes and increasing collaboration with advisory groups focused on equity and environmental justice. These activities will be developed and implemented under the direction of the PUC's Director for Diversity, Equity and Inclusion-- a new position the PUC created as part of its efforts to prioritize equitable outcomes under OCAP.

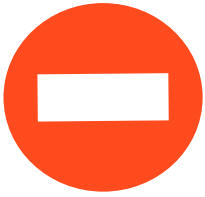
The PUC also included in its work plan a number of proposed actions to support GHG reduction, including:

- Expanded use of the social cost of carbon in integrated resource plan (IRP) guidelines and across PUC activities;
- Initiatives to reduce life-cycle greenhouse gas emissions from natural gas;
- Community-wide green tariffs targeting utilities' greenhouse gas emission reductions; and
- Prioritization of clean resources and appropriate valuation of their system contributions, especially when deployed to support low-and moderate-income customers.

The PUC also adopted distribution system planning guidelines, an important first step in promoting a more accessible distribution grid. Separate from the work plan, our coalition was pleased that the PUC decided to extend the moratorium on utility shut-offs for customers unable to pay their bills to June 2021.

Finally, as part of its work to prioritize climate and greenhouse gas emissions reductions in decision-making, the Oregon Department of Energy (ODOE) updated the rate new energy facilities must contribute under the Energy Facility Siting Council's Carbon Standard on climate pollution for new power plants.

ROOM FOR IMPROVEMENT



move beyond “pilot mentality” to comprehensive programs that prioritize greenhouse gas emissions reductions.

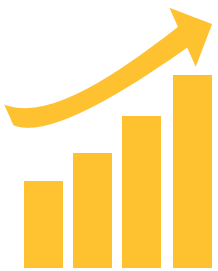
The PUC has not indicated a commitment to prioritizing proposed actions to reach OCAP targets and reduce climate emissions and advance equitable outcomes. After the strong work plan, most of the actions identified have been delayed for months and/or don’t have identified start dates, and most work on emissions reduction has happened internally. The longer it takes to go through the necessary, deliberative processes, the longer it will be before the PUC to

Unfortunately, the PUC has also pushed back a number of timelines for various OCAP implementation work. Our groups recognize that the PUC has needed to allocate resources and staff capacity to carrying out its COVID-19 stipulation, and that there have been significant delays due to wildfires and ice storms. We commend the PUC for hiring a Director of Diversity, Equity and Inclusion, which we understand has affected timelines for OCAP implementation, including related to energy burden issues.

Further, we were disappointed that the PUC did not include local generation—including solar, storage, and microgrids—as an appropriate response to improve community resilience or respond to wildfires. We will continue to push for local generation and resilience, as well as meaningful engagement with affected communities, in the context of the PUC’s wildfire mitigation plans.

Last but not least, we are concerned that the PUC has not committed to a start date for a Future of Gas proceeding that should explore, among other things, how to achieve our state’s greenhouse gas goals, and how best to protect consumers from stranded assets of existing fossil fuel infrastructure. As Oregon transitions off fossil fuels, gas utilities—along with their regulators and customers—will continue to face rising infrastructure costs of an aging gas system. The PUC should prioritize assessing the future of fossil gas to avoid stranded costs and cost effectively protect remaining gas customers—and specifically low-income ratepayers—from increasing rate impacts.

OPPORTUNITIES FOR PROGRESS



With a number of ongoing dockets and proceedings upcoming in 2021, there are many opportunities to advance equitable outcomes and emissions reductions from Oregon’s utilities. In the coming months, our coalition will continue to push the PUC to:

- Prioritize processes identified in the EO work plan to start and complete without further delay.
- Open a proceeding to specifically assess the future role of fossil gas in Oregon.
- Further commit to systematically incorporating the social cost of carbon through a public process.
- Expand an intervenor funding system to support community-based organizations that will be involved in implementing adopted work plans.
- Better illustrate how the public could engage on data and Integrated Resource Planning (IRP)-related implementation.

- Help expand clean, affordable and equitable access to transportation electrification (TE), and identify barriers to TE and methods to provide benefits to low-income, BIPOC and underserved customers.
- Publish explanatory briefings and other public-facing documents in a timely and accessible fashion.
- Provide timely, accessible data for distributed resources and energy usage in a timely fashion.

Agencies, Commissions, Boards Involved:

Public Utility Commission (PUC); Oregon Department of Energy (ODOE)



CLEAN BUILDINGS

WHAT'S GOING WELL



Oregon Dept. of Energy (ODOE) is pursuing appliance standards that will align the west coast from California to British Columbia on minimum standards. ODOE completed its rulemaking in August 2020 to update the ten appliance standards listed in OCAP as well as one additional product. And, it is pursuing a bill in the 2021 legislative session to enshrine those appliance standards. In addition to reducing emissions, ODOE estimates that the appliance efficiency standards will save Oregonians \$35 million per year by 2030 and over \$100 million per year by 2035.

As part of the 2021 legislative effort, ODOE is also working to make sure they can more easily update standards consistent with other West Coast jurisdictions moving forward without requiring subsequent legislation. Future appliance standard updates will lead to energy and emissions reductions, while also lowering the cost to consumers. Aligning with regional players also helps accelerate the overall market adoption of efficiency technologies.

As required by OCAP, Building Codes Division (BCD) acknowledged the minimum building energy efficiency goal for 2030 of a 60 percent reduction in new building annual site consumption of energy as compared to the 2006 Oregon residential and commercial codes - essentially meaning that by 2030, new buildings should be built to zero energy ready standards.

BCD is working on an update to the commercial code as well as the Reach Code. The commercial code appears to be on track to be updated to the latest national version available.

The new Acting BCD Director is taking much needed actions to improve the process around building codes development. For example, an opportunity was provided for the public to submit proposals on what the updated Reach Code should include and steps have been taken to align the Reach Code development process with the timeline for the adoption of the residential and commercial codes.

ROOM FOR IMPROVEMENT



BCD had the opportunity to set a strong foundation for achieving the 2030 goal with the current 2021 code update (which BCD delayed from 2020). Unfortunately, the agency and its advisory boards are passing up the opportunity and deciding to move forward with a 2021 residential code that is unlikely to achieve more energy savings than the previous one. As a result, the code updates in 2023, 2026, and 2029 will have to be even more ambitious to meet the 2030 goal.

A series of Street Roots articles in the Fall of 2020 documented a long-term, concerted effort by the past BCD Director to delay progress on building codes by stacking their advisory boards with industry interests and actively working to hold back local governments from moving further and faster*. Vestiges of those efforts remain and more process changes need to be made.

While ODOE has moved forward with the required appliance standard updates listed in OCAP, there were more appliances that ODOE could have included in the first rulemaking. In addition, ODOE has not yet outlined a plan and timeline for how and when they plan to periodically update appliance efficiency standards moving forward. In addition, ODOE could put more attention towards ensuring the more energy efficient appliances get to those who need them the most.

*Street Roots. Homebuilders Stall Oregon Climate Goals.

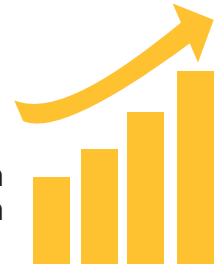
<https://www.streetroots.org/news/2020/11/11/homebuilders-stall-oregon-climate-goals>

OPPORTUNITIES FOR PROGRESS

It's up to the Legislature to pass HB 2062, which would enshrine ODOE's current appliance efficiency standards updates and provide more administrative flexibility to make further updates in the future.

BCD should ensure the residential code, commercial code, and Reach Code that are scheduled to be adopted this year, lay a strong foundation for achieving the 2030 goal.

BCD and the Governor can work together to further address the past BCD Director's systematic efforts to hold back building code improvements by improving the public process around development of the building codes, including appointing more diverse advisory boards.



Agencies, Boards, Commissions Involved:

Oregon Department of Energy (ODOE); Building Codes Division (BCD)



PUBLIC HEALTH

WHAT'S GOING WELL

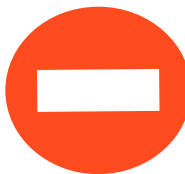


OHA has done an impressive job in responding to OCAP's directives amidst multiple public health crises, underscoring the critical intersection between the ongoing crises of COVID-19, systemic racism and economic inequality and climate change. OHA has demonstrated a commitment to robust stakeholder engagement, publishing a voluntary preliminary report outlining its OCAP implementation plans, seeking input from the public, and conducting a formal tribal consultation process to inform its work.

OHA completed its first deliverable under OCAP in December 2020, publishing a report on the public health impacts of climate change in Oregon. The report focused on the risks faced by vulnerable communities, highlighting historic racial disparities exacerbated by climate change, and focusing on impacts to BIPOC, low-income communities, rural communities and frontline workers. The report also identified many cross-cutting policy solutions to mitigate climate change while providing health co-benefits, such as investing in active transportation options that increase physical activity and reduce harmful co-pollutants.

Lastly, we are pleased that Oregon OSHA and OHA have initiated work on two rulemakings to develop new standards to protect workers from exposure to excessive heat and wildfire smoke.

ROOM FOR IMPROVEMENT

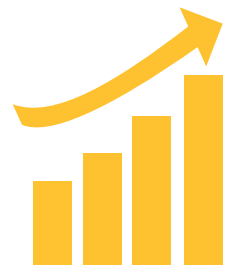


While Oregon Health Authority (OHA)'s Climate + Health report did an excellent job of underscoring the relationship between climate change, public health and equity, the 2021 report could be strengthened by including additional Oregon-specific data points and examination of specific climate pollutants/sectors and associated health impacts.

In addition, we were disappointed that Oregon Occupational Safety and Health Administration (OSHA) did not provide transparent a timeline nor proactively engage frontline workers ahead of initiating the rulemaking processes for proposed standards to protect workers from wildfire smoke and extreme heat. The first Rulemaking Advisory Committee meeting was scheduled on short notice, and included a concerning overrepresentation of industry interests and extremely inadequate frontline workers representation. Oregon OSHA has also indicated that some indoor workers may be excluded from the heat rulemaking. Moving forward, we will continue to advocate for greater public outreach and proactive engagement with affected worker communities to inform the proposed rules.

OPPORTUNITIES FOR PROGRESS

As we look toward the next year of OCAP implementation, our coalition will continue to engage with Oregon's public health authorities to secure policies that advance equitable outcomes, protect frontline workers and support healthy communities. Here are some key outcomes that our advocates will be working to secure in the coming months:



- Oregon OSHA Rules Advisory Committee for proposed standards to protect workers from wildfire smoke and extreme heat includes at least equal representation of workers with employer or industry representatives.
- Oregon OSHA provides transparency around the timeline and decision-points in the rulemaking process, and proactively consults with impacted workers and labor stakeholders to inform proposed standards to protect workers from exposure to wildfire smoke and excessive heat.
- Agencies adopt workplace standards that maximize protections for all impacted workers, including those affected by indoor heat stress caused by excessive weather-related heat.
- OHA conducts active consultation with Oregon youth to inform the report on climate impacts on youth mental health and depression.
- Legislature provides funding for OHA's Public Health Modernization, which will support agency efforts to advance climate resilience.
- Cross-agency collaboration in support of climate mitigation policies that advance health co-benefits.
- PUC continues to monitor and act on preventing utility shutoffs to protect low-income customers as COVID continues.

Agencies, Commissions, Boards Involved:

Oregon Health Authority (OHA), Oregon Occupational Safety and Health Authority (Oregon OSHA)



NATURAL & WORKING LANDS

WHAT'S GOING WELL



The Oregon Global Warming Commission (OGWC) has made important progress in developing proposed policies, programs, and practices to advance carbon sequestration and storage on natural and working lands, and has outlined a robust plan for stakeholder engagement and feedback on the proposed goals. In collaboration with the Oregon Department of Agriculture (ODA), Oregon Watershed Enhancement Board (OWEB), and the Oregon Department of Forestry (ODF), the OGWC developed a natural and working lands survey. The survey will help find ways to increase support for the implementation of climate-friendly practices that can enhance sequestration, reduce emissions, and increase climate resilience on Oregon's natural and working lands.

We appreciate that OWEB is taking the lead on stakeholder engagement for the OGWC's work on carbon sequestration on natural and working lands. OWEB has demonstrated a commitment to prioritizing climate in decision-making, and regularly discusses climate and equity strategies as part of its quarterly meetings. In October 2020, OWEB established a special committee on climate to identify ways to incorporate climate change into its grant programs. The committee's work plan for the coming months commits to implementing OCAP's directives through collaboration with other agencies and stakeholders. The Governor's 2021-2023 proposed budget recommends a new position for OWEB that would be focused on the Water Vision program and climate, and would add capacity to help advance OCAP directives.

We are also pleased that ODF has begun to develop a Climate Change Carbon Plan as requested by the Governor's Office. This plan seeks to elevate climate-smart forestry within ODF, and to position Oregon as a national leader in this space. There are numerous studies that demonstrate near-term opportunities to reduce emissions from logging and increase carbon sequestration in forests, and we hope to see these recommendations highlighted within the plan moving forward.

Lastly, the Oregon Water Resources Department (OWRD) is putting together a Diversity Equity and Inclusion team to look at policies, programs, and enforcement through an equity lens. While it is only in the beginning stages, OWRD has identified this work as a high priority for the department. Further, OWRD has indicated interest in providing planning assistance and technical support to help county governments plan for climate impacts on water resources.

ROOM FOR IMPROVEMENT



While we recognize that the Board of Forestry is currently limited by delays in the appointment process for new members, that does not excuse their continuous failure to develop and implement climate-smart forestry as part of their oversight of ODF. For example, there has been a total failure to consider carbon impacts in post-fire salvage logging in the Santiam State Forest.

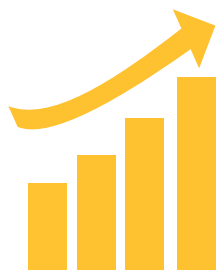
Further, challenging cultural barriers within ODF leadership—including the agency's historic emphasis on maximizing logging revenues—have hindered the agency from prioritizing climate and equity in decision-making.

ODF must evolve to adequately meet its climate and carbon sequestration directives under OCAP. Unfortunately, the agency continues to be limited in staff capacity, making it difficult for ODF to prioritize OCAP in its existing work. The legislature must provide funding for ODF to ensure the agency is adequately resourced to fulfill its directives under OCAP.

In addition, the Oregon Global Warming Commission's 2021 biennial report to the legislature did not account for many climate-smart forest policy opportunities. In future reports, we would encourage OGWC to include recommendations that support science-based practices for reducing carbon emissions, increasing carbon storage, and improving other environmental co-benefits.

Lastly, the Oregon Department of Agriculture did not provide a clear process for stakeholder engagement and public input on its OCAP implementation plan. It also did not specify how the agency will prioritize equity and impacted communities. We appreciate that ODA acknowledges the importance of climate work for Oregon's agricultural future, but the implementation plan does not reflect the urgency that the crisis demands. While the scope of the agency's regulatory authority to address production practices on private lands is limited, the agency's work with partners is a significant aspect of their ability to contribute effort to address the climate crisis. That work requires funding and personnel, such as the ongoing state-wide mapping of carbon sequestration potential being done in partnership with Oregon State University. Because the agency's budget is so restricted, these partnerships may go unfunded and new partnerships may not be developed.

OPPORTUNITIES FOR PROGRESS



As we look toward the next year of OCAP implementation, our coalition will continue to engage with Oregon's natural resource agencies and the Oregon Global Warming Commission to secure policies that advance carbon sequestration and storage on Oregon's natural and working landscapes. Here are some key outcomes that our advocates will be working to secure in the coming months:

- ODA ensures their stakeholder advisory committees include expertise related to carbon sequestration and GHG reduction.
- ODA ensures all agency staff are aware of the OCAP directives and understand how they apply to their programs.
- OGWC continues to improve their surveys and public engagement opportunities so that meaningful input can be given by Oregon's farmworkers and non-industrial forest owners.
- OGWC continues to play a leadership role in coordinating the state natural resource agencies' efforts to advance carbon sequestration and climate mitigation on our natural and working lands.
- OGWC establishes an advisory committee made up of stakeholders for climate-smart policy on natural and working lands.
- OGWC conducts outreach to DEQ and provides consultation for alternative compliance mechanisms related to natural and working lands.

- OGWC develops robust monitoring and oversight criteria to ensure the state and relevant agencies achieve the goals for carbon sequestration and storage by Oregon's natural and working landscapes.
- ODF establishes a Diversity, Equity and Inclusion (DEI) office to ensure equity is prioritized in decision-making. This requires additional funding from the legislature.
- ODF, with support from the Board of Forestry, seeks near-term opportunities to implement climate-smart forestry (reduce emissions from logging and increase carbon sequestration in state and private forests). This includes:
 - Updating Goal G within the agency's strategic plan so that it more accurately reflects the priorities of OCAP.
 - Seeking public engagement in developing its Climate Change Carbon Plan.
 - Completing its "Climate Change Carbon Plan" in a manner that reflects the best available science.
 - Climate-smart forestry practices and policies should also incorporate equity and justice considerations, and ensure an inclusive decision making process. Leadership within ODF must make more of an effort to prioritize these initiatives moving forward.
- Additional funding for all natural resource agencies to ensure adequate staffing and resources to support work on emissions reductions, carbon sequestration, and equity and justice priorities.
- Cross-agency collaboration for policies and practices that reduce emissions from agency operations and advance carbon sequestration and storage on Oregon's natural and working landscapes.

Agencies, Commissions, Boards Involved:

Oregon Department of Forestry (ODF), Oregon Watershed Enhancement Board (OWEB), Oregon Water Resources Department (OWRD), Oregon Department of Agriculture (ODA), Oregon Global Warming Commission (OGWC), Board of Forestry (BOF)





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