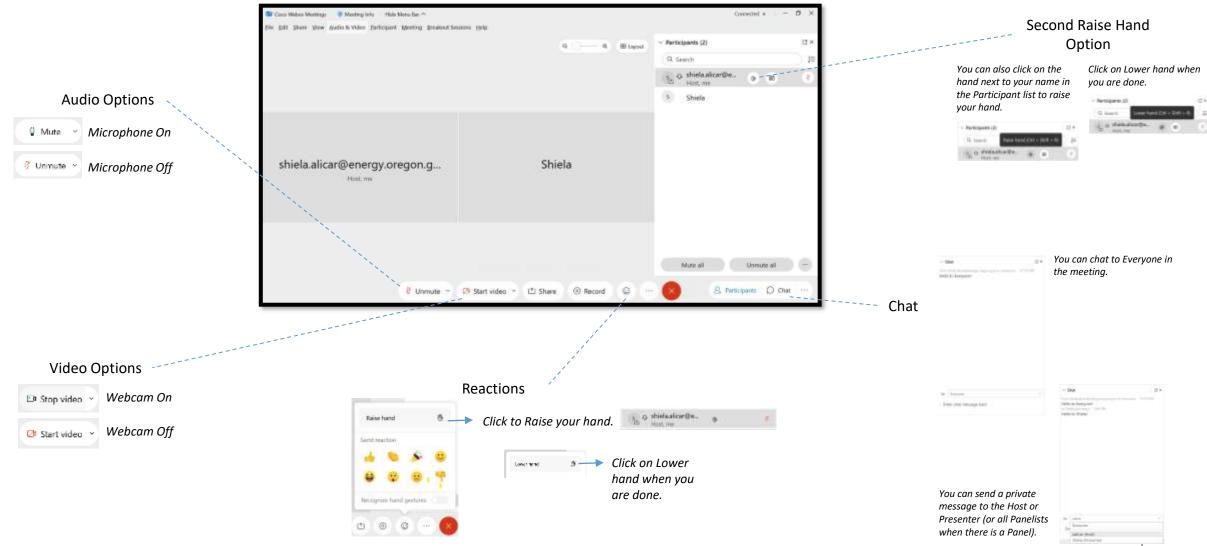
Oregon Climate Action Commission January 26, 2024



Cregon Global Warming Commission

USING WEBEX



AGENDA

10:00 a.m.	Opening Remarks and Commissioner Updates	Catherine Macdonald, Chair, Oregon Climate Action Commission
10:15 a.m.	Draft Workplan Status Updates	Alan Zelenka, Assistant Director, Oregon Department of Energy
10:25 a.m.	Public Comment	
10:55 a.m.	Natural & Working Lands Fund Proposal	Debbie Colbert, Natural Resource Policy Advisor, Office of Governor Tina Kotek
11:50 a.m.	Climate Pollution Reduction Grant – Draft Priority Climate Action Plan Update	Colin McConnaha & Morgan Schafer, Oregon Department of Environmental Quality Office of Greenhouse Gas Programs
12:20 p.m.	Fifth National Climate Assessment and COP 28 Update	Erica Fleishman, Director, Oregon Climate Change Research Institute, Oregon State University
12:40 p.m.	Legislative Update	Christy Splitt, Government Relations Coordinator, Oregon Dept. of Energy
1:00 p.m.	Next Steps	Catherine Macdonald, Chair, Oregon Climate Action Commission

Commissioner Updates



KEY STATUS UPDATES

- New Climate Lead
- Continuing Work on Position Descriptions
- New Natural and Working Lands Timelines
- New Board Member Recruitment
 - Five voting member seats: Environmental Justice, youth, fishing industry, manufacturing, atlarge
 - Three non-voting at-large member seats: State agencies or academic institutions
- Welcoming and Orienting New OCAC Members
- Developing 2024 Meeting Schedule



Public Comment





Natural & Working Lands Fund

- Ambitious, cohesive proposal across the four eligible agencies 13 areas of investment
- Consistent with statutory direction
 - Coordinated proposal
 - Largely based in existing programs
 - Leverages federal funds
 - Supports environmental justice communities, tribes, landowners and land managers

January 26, 2024 Oregon Climate Action Commission

Proposed Spend Plan

13 Investment Areas Opportunity to adjust annually Collective Proposal

FY2024	FY2025	FY2026	FY2027	FY2028	Total
Budget	Budget	Budget	Budget	Budget	
\$4,197,670	\$5,017,600	\$255,000	\$130,000	\$80,000	\$9,680,270



Collective Package

- Distributes funds across natural and working lands
- Focus on immediate actions to sequester and store carbon while supporting forward-looking needs and solutions
- Funds a combination of on-the-ground projects, technical assistance, incentives
- Largely based on existing programs
 - Not business as usual
 - Encourage new practices



13 Investment Areas Spend Across Priority Areas

Collective Proposal

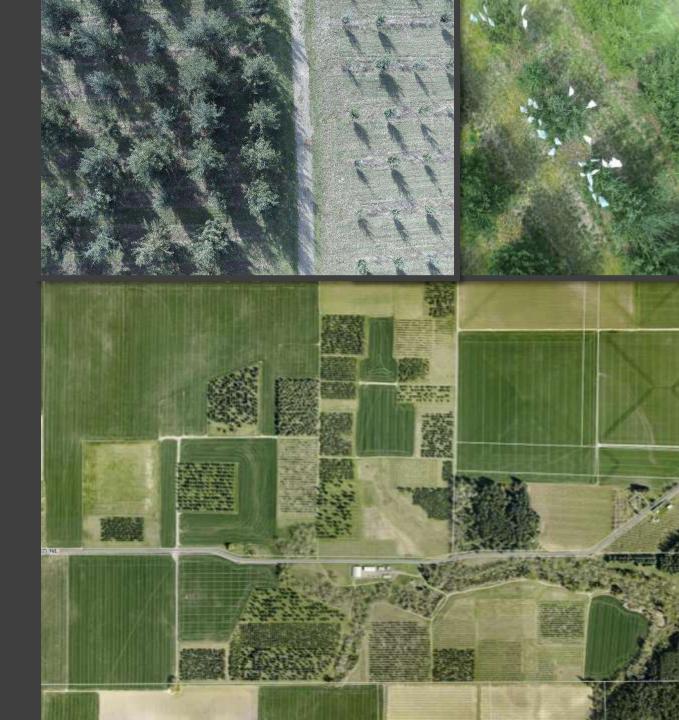
Connection to EJ & Tribal Communities	11 of 13 investment areas
Natural Lands	11 of 13 investment areas
Ag & Range Lands	8 of 13 investment areas
Forest Lands	8 of 13 investment areas
Federal Fund Leverage (>\$25M estimated)	12 of 13 investment areas



Adjustments

Based on Dec 2023 OCAC discussion & further stakeholder engagement

- All agencies Built out metrics that can be converted once OCAC completes its work
- OWEB Additional engagement to engage EJ communities prior to issuing solicitations
- OWEB Removed conservation easements and covenants from OAHP



Balancing Act

Many expectations for \$10M investment

- Direct to landowners and land managers vs local place-based orgs, SWCDs, Watershed Councils
- Carbon sequestration calculated before OCAC completes that work vs outcomes reported
- Prescriptive standards (soil carbon baselines) vs flexibility
- Reliance on existing programs per statutory direction vs existing programs without a direct link to carbon goals



Balancing Act

- ✤ More TA less TA
- TA vs direct incentives and payment for practices
- More focus on one type of land vs others (crop vs range; farms vs forest; natural vs working lands)
- Maxing federal dollars
- What's doable, getting the money out



Factors for Determining Allocations

- The expected ability of each agency to carry out programs or other activities and
- The degree to which moneys allocated to the agency may be used to secure federal funding or other sources of funding



BREAK



EPA's Climate Pollution Reduction Grant Program: Oregon's Draft Priority Climate Action Plan Oregon Department of Environmental Quality Oregon Department of Energy

Morgan Schafer (she/her) Climate Pollution Investments Coordinator, ODEQ, <u>Morgan.Schafer@deq.Oregon.gov</u> Whitney Dorer (she/her) Climate Policy Community Engagement Coordinator, ODEQ, <u>Whitney.Dorer@deq.Oregon.gov</u> Colin McConnaha (he/him) Office of Greenhouse Gas Programs Manager, ODEQ, <u>Colin.McConnaha@deq.Oregon.gov</u>

January 26, 2024





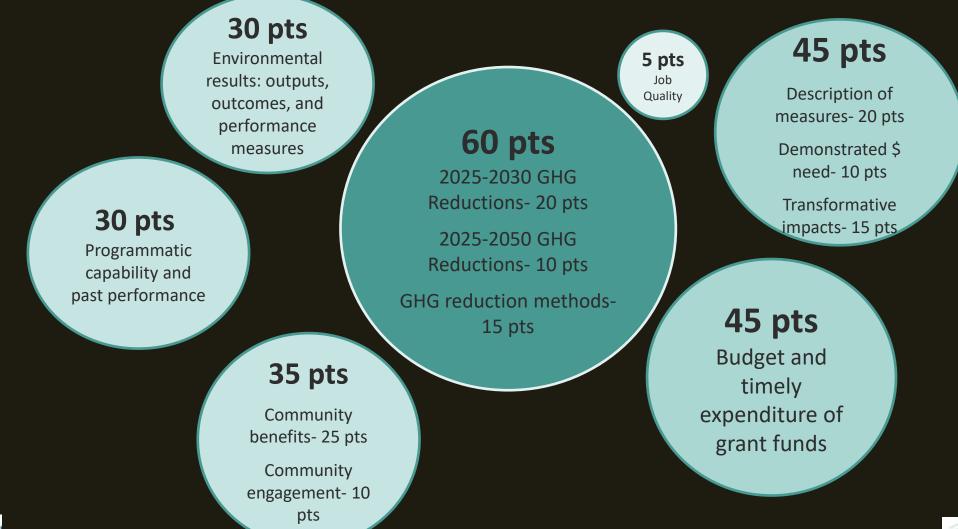
Oregon's PCAP Approach

- Build on existing analyses, policies, and programs
- PCAP grant application
- Actions chosen to align with EPA's grant criteria
- Collaborative
- One state application with multiple measures
 - In alignment with EPA's guidance
 - Represents local and statewide actions
 - Streamlined implementation through IGAs and MOUs





Grant Scoring Considerations







Slide based on Washington Department of Commerce

PCAP: Focus Areas

• Transportation

 Commercial and Residential Buildings



 Waste and Materials Management







Transportation Measures



Priority Measures

Light-duty vehicle incentives for low- and moderate-income households

Medium- and heavy-duty vehicle and infrastructure incentives





Residential & Commercial Buildings Measures

Priority Measures

Incentives to build more energy-efficient housing

Incentives for residential heat pump installation

Weatherization assistance

Incentives for early or voluntary adoption of Building Performance Standard





Materials Management Measures



Priority Measures

Food waste recovery grants, infrastructure, and replacements

Landfill Methane Reduction

Grants to reduce embodied carbon in buildings





PCAP: Tribal Nations

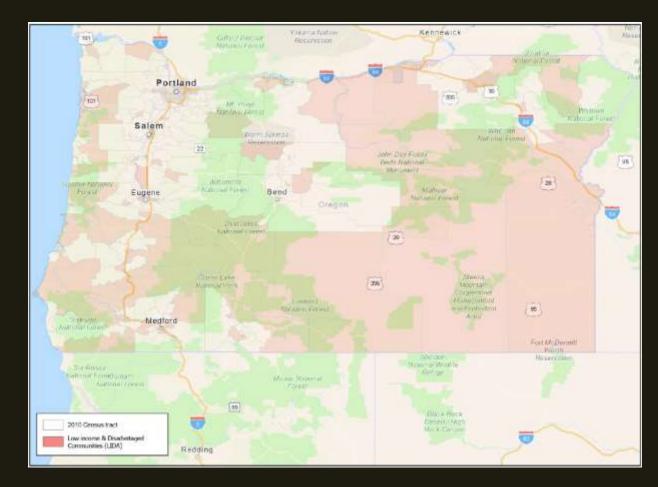
- 9 federally recognized Tribes in Oregon can point to the State's PCAP to apply for implementation funds
- Affiliated Tribes of Northwest Indians is also developing a PCAP that can support Tribes
- Engagement with interested Tribes in Oregon has guided actions for inclusion for Tribal priorities





LIDAC Benefits Analysis

 Low-income and disadvantaged communities (LIDAC) benefits analysis done using the federal <u>Climate and Economic</u> <u>Justice Screening Tool</u>







Oregon's CPRG webpage

Air Quality + Land Quality + Water Quality + Recycling and Waste Prevention + Action on Climate Change + Resources + About DEQ +

OREGON CLEAN FUELS	~	Wha
OREGON THIRD PARTY VERIFICATION PROGRAM	÷	The Clin and run bibes, a
GREENHOUSE GAS	•	Through Climate Hitsbor The sec
Landfill Methane Emissions Reduction Oregon Clean Energy Targets	0	0
SUSTAINABLE TRANSPORTATION STRATE	GY~	Th pla ide
CLIMATE PROTECTION PROGRAM	÷	On ap ga
Climate Pollution Reduction		an

OREGO

/hat is Oregon's Climate Pollution Reduction Planning Grant?

te Climate Pollution Reduction Grant Program is one of many federal funding opportunities created through the Inflation Reduction Act of run through the U.S. Environmental Protoction Agency. The first round of grants is being provided to states, local governments, bee, and territories to develop plans for reducing greenhouse gas enviroints and other harmful air pollution.

Imough this grant, the state of Oregon will create a Priority Climate Action Plan (due to EPA March 1, 2024) and a Comprehensive Simale Action Plan (due to EPA tail of 2025) to highlight opportunities to reduce climate pollution. In addition to the state, the Partland-Blabors-Vancouver region, led by Mehn, and federally recognized tobes in Oregon are eligible for planning grant funds.

The second round of Climate Pollution Reduction Grants will be to implement actions outlined in the Priority Climate Action Plan. More internation is expected to be released by EPA later this year related to the second phase of funding.

Oregon's Priority Climate Action Plan

The Priority Climate Action Plan is guided by the extensive work that Oregon, local jurisdictions, and Tribes have done to date on lanning for and implementing climate pollution reduction actions. DEQ is collaborating with these agencies. Tribes and the public to dentify actions that reduce climate pollution in Oregon in ways that most benefit local communities.

Oregon's approach to the PCAP is to include measures that will qualify for the Climate Pollution Reduction Implementation Grant application. The goal is to submit a single large state grant application to the EPA that encompasses actions to reduce greenhouse gases across the state and in local jurisdictions. The PCAP focuses on measures to reduce emissions from transportation, residential and commercial buildings, and food waste and landfills. Detailed actions will be evaluated based on the criteria set by the EPA for the mplementation grant Notice Of Funding Opportunity.

The Oregon Department of Environmental Quality and Department of Energy have developed a Draft Priority Climate Action Plan as part of an Environmental Protection Agency Climate Pollution Reduction Grant Planning Phase.

The measures to reduce greenhouse gas emissions included in this draft PCAP were selected to meet the specific EPA criteria provided in the implementation grant notice guidance. These measures have been identified as "priority measures" for the purposes of pursuing this funding. These measures do not represent a comprehensive list of Oregon's priorities for climate action. These measures also do not represent all the necessary and needed actions for emission reductions in Oregon. Instead, the selected measures included in this draft PCAP meet the following criteria:

that achieve maximum reductions in greenhouse gas emissions while driving benefits to surrounding communities, and
 to invest in measures that are ready to receive funds to use over the next several years.

The draft PCAP has been developed to achieve the most reductions in the short term so that longer term planning, engagement,

Oregon's Climate Pollution Reduction Grant Program: Priority Climate Action Plan Draft

Public involvement

- Please submit comments regarding the Oregon Draft PCAP by Jan. 26, 2024, using this feedback survey.
- Envie comentarios sobre el Borrador del PCAP de Oregon antes del 7 de febrero de 2024 mediante este formulario de



development can



https://www.oregon.gov/deq/ghgp/pages/climate-pollution-reduction-planning-grant.aspx

Draft PCAP Feedback

- Most meaningful measures to reduce GHGs in Oregon from:
 - Transportation
 - Residential and Commercial Buildings
 - Waste and Materials
 - Overall climate priorities
- Please submit comments regarding the Oregon Draft PCAP by Jan. 26, 2024, using this <u>feedback survey</u>.
- Envíe comentarios sobre el Borrador del PCAP de Oregon antes del 7 de febrero de 2024 mediante este <u>formulario de comentarios</u>.
- Final PCAP due to EPA March 1, 2024













Current Feedback Received

- Transportation measures feedback
 - Electrification of vehicles
 - Improved public transportation
 - Public charging
 - Reduce miles in vehicles
 - Alternatives to vehicles
- Building measures feedback ullet
 - Weatherization
 - Energy efficiency/ alternative energy (solar)
 - Clean energy homes and buildings, improved codes
 - Replace gas appliances with electric heat pumps and water heaters

- Waste measures feedback
 - Methane capture for landfills/ farm waste
 - Food waste reduction
 - Reduce plastic use
 - Sustainable materials/ Reduce environmental Impact
- Other themes \bullet
 - Education and outreach
 - Single points of information or hubs
 Focus on low-income owners and renters

 - Use of cleaner fuels/ cleaner energy sources
 - Local level changes





Beyond the PCAP

- Applications for CPRG Implementation Grants due to EPA Apr 1, 2024
- Applications for CPRG Tribal Grants due May 1, 2024
- Oregon's Comprehensive Climate Action Plan due to EPA Winter 2025
- Stay connected by signing up for <u>Oregon's CPRG list serve</u>



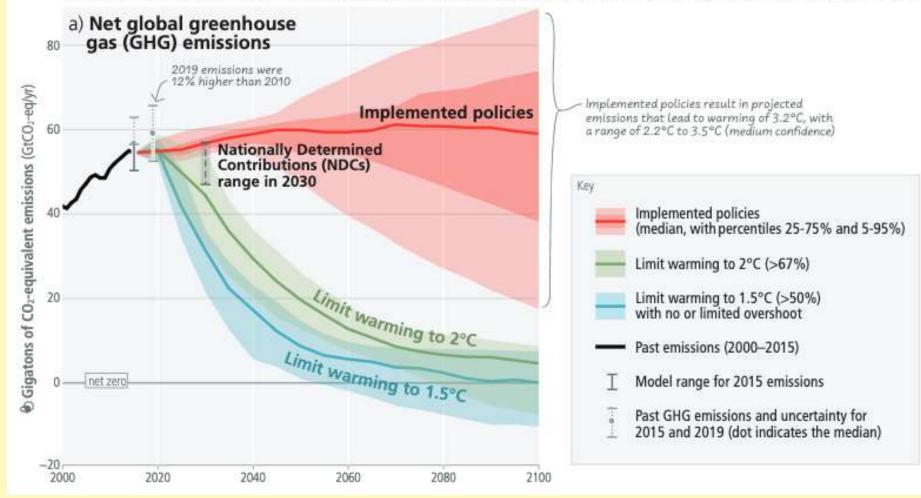


Fifth National Climate Assessment and COP 28 Updates

Erica Fleishman Director, Oregon Climate Change Research Institute Professor, College of Earth, Ocean, and Atmospheric Sciences, Oregon State University

Limiting warming to 1.5°C and 2°C involves rapid, deep and in most cases immediate greenhouse gas emission reductions

Net zero CO₂ and net zero GHG emissions can be achieved through strong reductions across all sectors

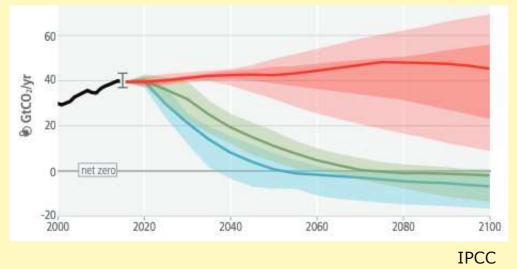


IPCC Sixth Assessment Report, Summary for Policymakers

2023 UN Climate Change Conference

- Aim: net zero CO₂ emissions by 2050
- Just, orderly, equitable transition away from fossil fuels in energy systems
- Funds to reduce methane emissions ≥30% by 2030
- IPCC: limiting warming to 1.5°C requires reduction of emissions to 40% of 2019 levels by 2035

Net global carbon dioxide emissions



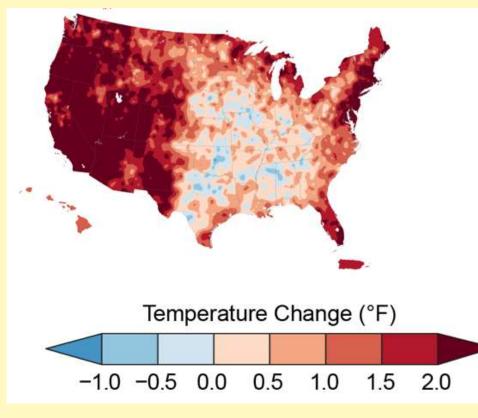
National Climate Assessments



Dudley Chelton

- U.S. Global Change Research Program established in 1990
- Analyzes the effects of global change on diverse sectors ~quadrennially
- Physical science, nationally relevant topics, regions
- Extensive review process

Observed temperature change

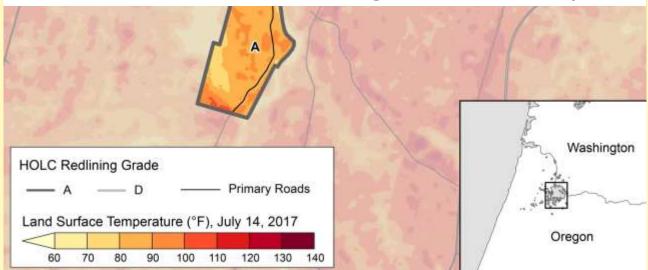


Observed summer temperature 2002–2021 compared to 1901–1960

- Annual average temperature in Oregon increased by >2°F since 1895
- Greatest seasonal increase during summer
- Warmer nights

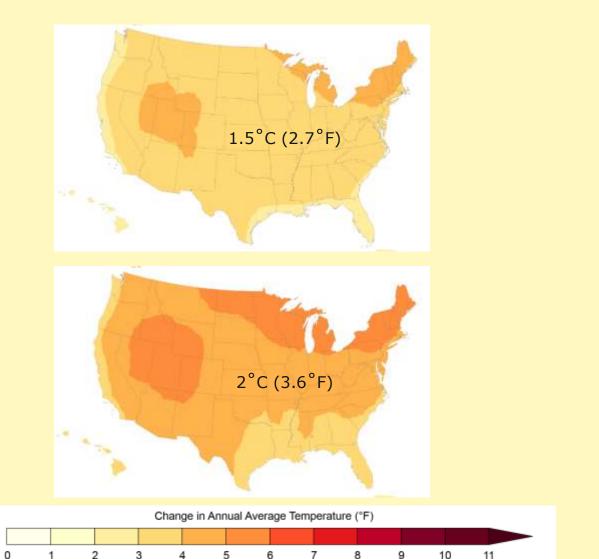


Surface temperature in formerly redlined areas can be $\leq 13^{\circ}$ F warmer than average across the city



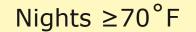
Projected temperature change

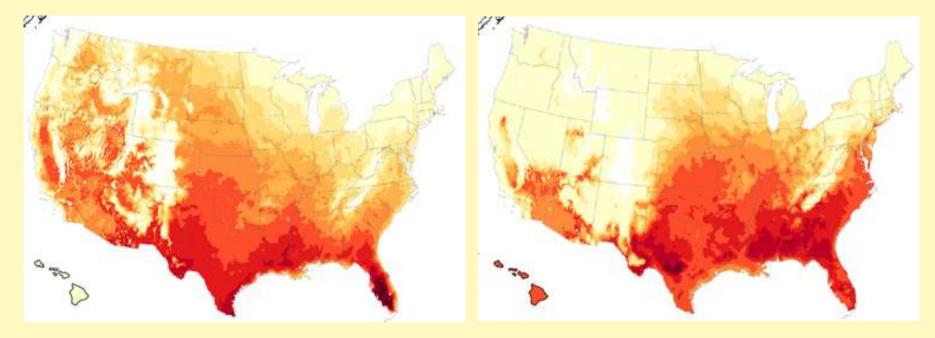
- Inevitable global increase of ≥1.1°F, compared to recent decades, by 2100
- Major reduction by 2040, net zero by 2100 to stay below 3.6°F relative to 1851–1900

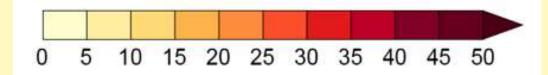


Extreme temperatures at 2°C

Days ≥95°F

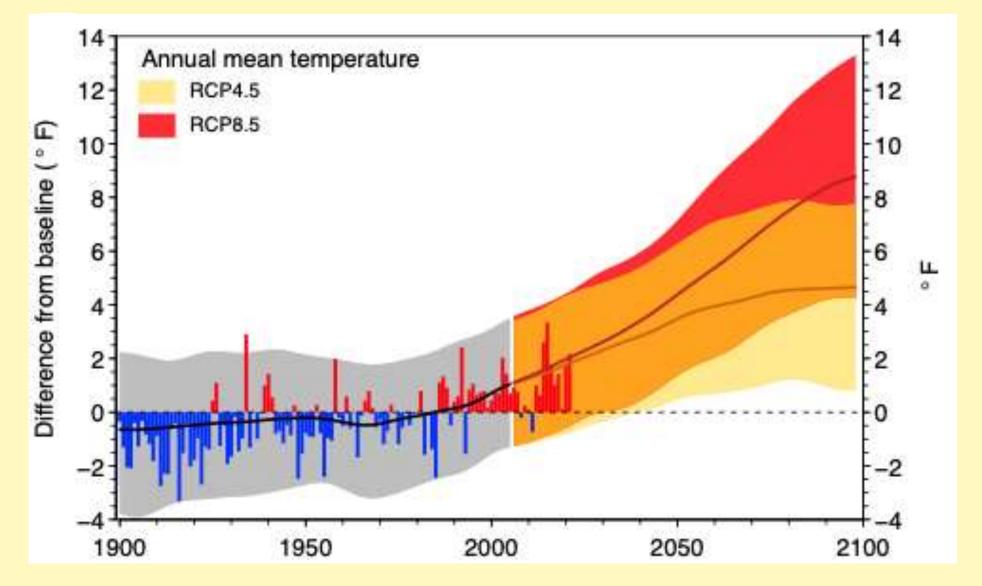






Relative to 1851–1900

Projected Oregon temperature

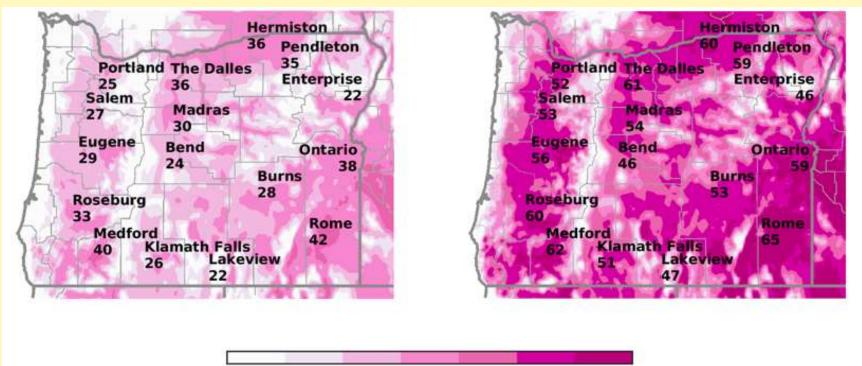


Baseline: 1970-1999

Projected extreme heat index

2040-2069

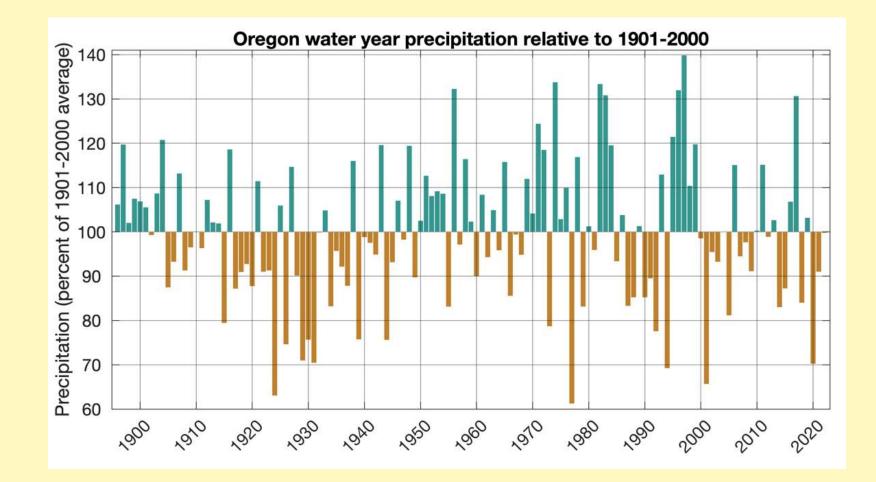
2070-2099



0 10 20 30 40 50 60 70 Change in number of days per year relative to 1971-2000

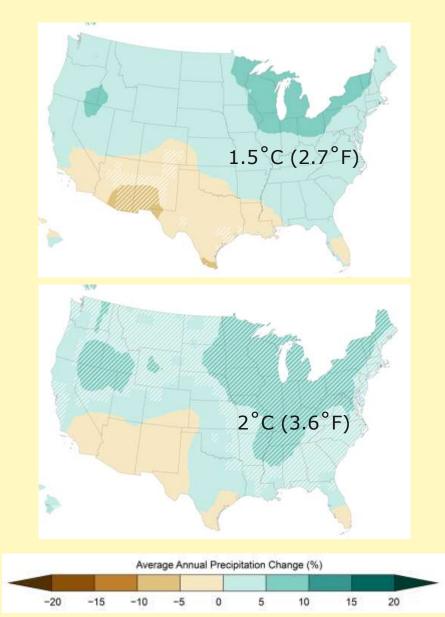
Assumes continued increase in emissions

Observed precipitation



Below average in 16 of the past 22 years

Projected precipitation change

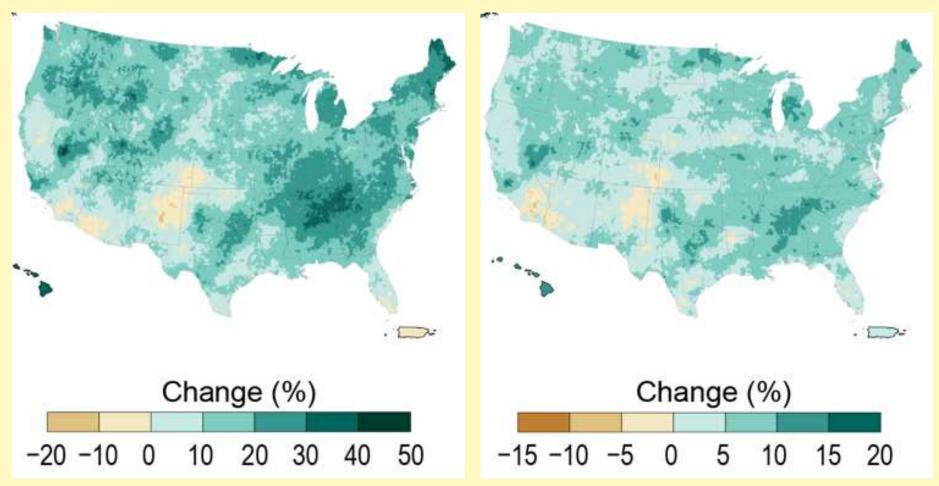


- Changes are relative to 1851–1900
- Hatching indicates
 ≥80% of models
 project change in
 the same direction
- Modest increases and high uncertainty
- Precipitation ≠ water availability

Extreme precipitation at 2°C

Heaviest 1% of days

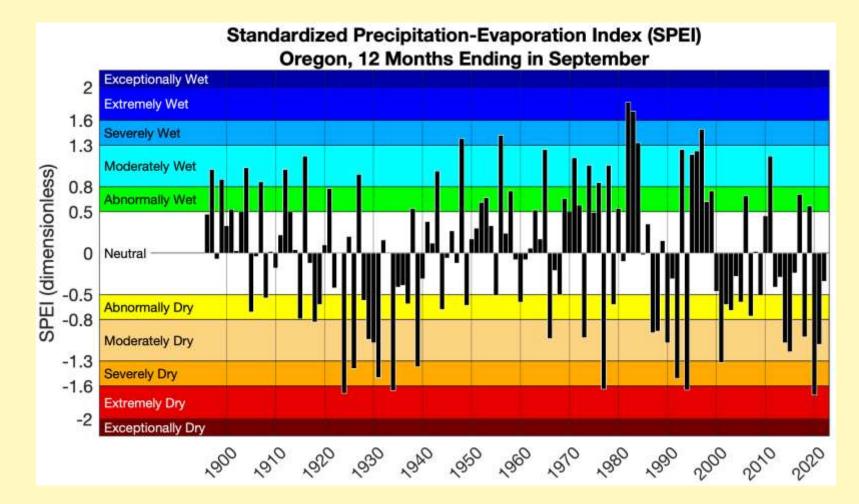
Annual maximum per day



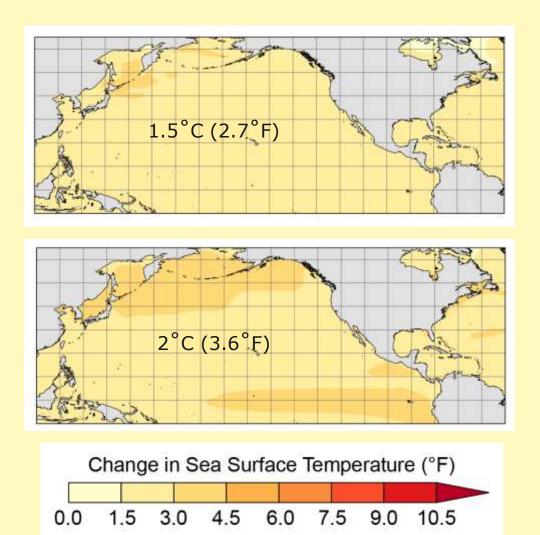
Change relative to 1991–2020

Oregon drought history

- Low precipitation, high evaporation, less snow
- Droughts becoming more common, more severe, and longer



Projected change in sea surface temperature



- Observed warming in North Pacific, 1900– 2016: 1.2 ± 0.5°F per century
- Projected (RCP 8.5):
 5.0 ± 1.1°F by 2080
- Heat waves increase domoic acid risk, heat stress and mortality, economic disruption

Change relative to 1851–1900



2024 Legislative Preview

Christy Splitt Oregon Department of Energy Government Relations Coordinator



SB 1525: Fixes to Recent Legislation



- Extend some deadlines related to new Natural and Working Lands reports, while leaving current deadlines in place for reports related to the Natural and Working Lands Fund (HB 3409 - 2023)
- Extend the Energy Security Plan deadline to match federal deadline and resolve conflicting deadlines in statute (SB 1567 -2022)
- Clarify that partners can pay for project costs under the Community Renewable Energy Grant Program (HB 2021- 2021)
- Likely Amendments: Could incorporate changes to the Community Heat Pump Deployment Program, *if needed* to ensure that all regions and Tribes are served (SB 1536 – 2022); additional



Other Topics We Expect in 2024

- Governor's Priority: Housing Production – including incentive for "Climate-Friendly Homes"
- Stand-Alone Battery Storage
- No EFSC Review on Projects on Federal Land Only
- Standby Generators
- Forestlands Workforce Study

- Clean Energy Manufacturing
- Floating Offshore Wind Roadmap and Labor Standards
- Greenhouse Gas Emissions Goals
- RTO Progress Reporting By Utilities

What do commission members know about and want to share?



NEXT STEPS

