

Government-to-Government Activity Report

by the

OREGON
DEPARTMENT OF
ENERGY

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EXECUTIVE SUMMARY

In this report, the Oregon Department of Energy discusses ways the agency has interacted with and learned from Oregon's nine federally recognized Native American Tribes in 2022. The report provides information about efforts and actions to seek input, collaborate, and enhance relations with tribal governments regarding ODOE programs, projects, and other services. This work includes energy policy, energy financial incentives, nuclear safety, emergency preparedness, and energy facility siting, in addition to agency engagement and communications. Below are a few highlights.

Nuclear Safety. Several Tribes have expressed concerns about restricted access to usual and accustomed areas on the Hanford Site, and, in cases where access is permitted, Tribes are concerned about the potential for tribal members to be exposed to hazardous waste as well as the potential for negative effects on first foods and other cultural and natural resources due to inadequate disposal or leaks at the Hanford Nuclear site. The Oregon Hanford Cleanup Board, which includes a representative of the Confederated Tribes of the Umatilla Indian Reservation, met three times in 2022 via conference call and virtual meeting space. The Board also held an in-person meeting and Hanford tour in October to understand and assess the U.S. Department of Energy's Hanford cleanup efforts, including the plans to immobilize high-level tank waste stored in aging underground tanks. The Hanford Natural Resources Trustee Council, which is responsible for conducting the Natural Resources Damage Assessment and Restoration at the Hanford site, actively worked on assessment and planning activities throughout 2022. The Council membership includes the Confederated Tribes of the Umatilla Indian Reservation, the Nez Perce Tribe, and the Yakama Nation, in addition to the states of Oregon and Washington, and federal agencies. Also, a representative from the Confederated Tribes of the Umatilla Indian Reservation serves on the rulemaking advisory committee for ODOE's ongoing rulemaking related to radioactive waste disposal. The RAC has met multiple times in 2022 and will continue its work in 2023.

Emergency Preparedness. ODOE's Emergency Preparedness Manager focused on wildfire and COVID-19 related efforts, as well as the <u>Oregon Fuel Action Plan</u>. In response to wildfires in summer 2021, ODOE provided situation reports during statewide coordination calls to the Tribes on the status of jet fuel delivery issues to local airports supporting firefighting efforts. In 2023, ODOE will lead an update to the state's Energy Security Plan, which will include engagement with Tribal Governments.

Energy Facility Siting. Several Tribes have expressed concerns about the potential for negative effects on cultural and natural resources from transmission, solar, and wind project proposals that are evaluated through the state's Energy Facility Siting process. ODOE's <u>Siting Division</u> continues to notify and coordinate with tribal representatives regarding proposals for new and modified state-jurisdictional energy facilities and rulemakings. Tribes receiving notification are those identified by the Legislative Commission on Indian Services as having potential interest or information on sensitive resources that could be affected by a proposed or modified energy facility. Communication with each tribal government is accompanied by an offer from ODOE staff to meet with the Tribe's Council and/or staff to discuss the notice and review process, along with guidance for cost reimbursement.

Energy Planning, Innovation, and Engagement. ODOE staff participated in meetings with tribal representatives on topics ranging from climate change impacts to energy resilience and clean energy. The 2021 legislature directed ODOE to undertake <u>new studies</u> on the topics of floating offshore wind, renewable hydrogen, regional transmission organizations, and small-scale renewable energy, all of which have been submitted to the Legislature since the 2021 Government-to-Government Report. ODOE's Director sent letters to Tribal Chairs, inviting participation through advisory groups associated

with these studies or to provide input separately to the agency according to their interest and preference.

Energy Financial Incentives. In 2022, ODOE launched two new incentive programs: the \$50 million Community Renewable Energy Grant Program (C-REP) and a \$10 million Energy Efficient Wildfire Rebuilding Incentive. The C-REP advisory committee, which includes a member of the Confederated Tribes of Warm Springs, has been integral in making suggestions about how the program is designed and operates. To date \$2,262,904 in Wildfire incentives have been rebated or reserved. In the first competitive opportunity announcement for C-REP, \$12 million in funding has been offered to 21 projects, including three projects led by Tribes. The agency also continued the Oregon Solar + Storage Rebate Program, which received an additional \$5 million from the Legislature in the 2022 session.

Federal Funding. Following the passage of the Infrastructure Investment and Jobs Act of 2021 (IIJA), and the subsequent passage of the Inflation Reduction Act of 2022 (IRA), ODOE reached out to Tribes with information pertaining to the upcoming opportunities under the federal legislation.

In February 2022, ODOE's Director sent a letter to each Tribal Chair describing potential funding under the IIJA. In August 2022, we sent additional letters to Tribes related to a specific grant opportunity under IIJA Section 40101(d), known informally as Grid Resilience. Under the Grid Resilience program, both federally recognized Tribes and States may receive a formula allocation from the U.S. Department of Energy, provided a compliant application is submitted. In the summer of 2022, ODOE staff met to discuss the federal solicitation with interested tribal staff. As funding opportunities under the IIJA and the IRA continue to become available, ODOE anticipates continued communication with Tribes on this topic.

This report and previous annual Government-to-Government reports are available on the <u>Oregon</u> <u>Department of Energy's website</u>.

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ABOUT ODOE

Our Mission

The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.



Our Values

- We listen and aspire to be inclusive and equitable in our work.
- We are ethical and conduct our work with integrity.
- We are accountable and fiscally responsible in our work and the decisions of our agency.
- We are innovative and focus on problem-solving to address the challenges and opportunities in Oregon's energy sector.
- We conduct our agency practices and processes in a transparent and fair way.

What We Do

On behalf of Oregonians across the state, the Oregon Department of Energy achieves its mission by providing:

- A Central Repository of Energy Data, Information, and Analysis
- A Venue for Problem-Solving Oregon's Energy Challenges
- Energy Education and Technical Assistance
- Regulation and Oversight
- Energy Programs and Activities

INTRODUCTION

In this report, the Oregon Department of Energy looks back at ways the agency has interacted with and learned from Oregon's nine federally recognized Native American Tribes in 2022. We believe that continuing to build on our long-standing relationships with the Tribes makes our agency more effective overall while supporting our work across the state and region. Our recent legislatively directed studies, state financial incentive programs, and opportunities for federal funding have included greater external engagement with an emphasis on furthering our unique relationship with Tribes. We continue to look for opportunities where our programs and projects can be improved with input from Tribes. This report provides an overview of ODOE programs and projects and the collaborative ways we have engaged with tribal governments over the last year.

STRATEGIC PLANNING

ODOE's <u>strategic plan</u> helps prioritize, measure progress, and strengthen alignment between agency goals, programs, and budget. The plan is implemented through five Strategic Imperatives for 2021-2024:

- 1. Expand and Improve External Engagement,
- 2. Build Practices and Processes to Achieve more Inclusive and Equitable Outcomes,
- 3. Assess and Enhance Organizational Data Capabilities,
- 4. Assess and Modernize Agency Programs and Activities,
- 5. Optimize Organizational Efficiency and Impact.

Through this plan, ODOE focuses on how to improve awareness of the agency's work and expand and improve engagement with a core focus on Diversity, Equity, and Inclusion. Outcomes of this work include developing new partnership models and approaches, understanding and investing in community needs and impacts, using the agency's position to create change, and committing to doing internal equity work. A series of objectives and initiatives guides our work, and we will continue to reach out and seek to collaborate with Tribes on implementing this Plan. Follow the strategic planning process and progress reporting dashboards on ODOE's website.



NUCLEAR SAFETY AND ENERGY EMERGENCY PREPAREDNESS DIVISION

The Nuclear Safety and Emergency Preparedness Division supports and interacts with the nine federally recognized Tribes in Oregon, as well as the Confederated Tribes and Bands of the Yakama Nation and the Nez Perce Tribe, on a variety of topics, including Hanford cleanup, restoration of injured natural resources related to the Hanford cleanup, radioactive material transport safety, enforcement of radioactive material disposal rules, and allocation of liquid fuels (primarily diesel, gasoline, jet fuel) during interruption of distribution or supply.

Hanford Cleanup

The Hanford Nuclear Site, operated by the U.S. Department of Energy, is on land ceded by the Confederated Tribes of the Umatilla Indian Reservation and the Confederated Tribes and Bands of the Yakama Nation and is among the usual and accustomed places for the Nez Perce Tribe. The State of Oregon and the CTUIR have a Memorandum of Understanding for coordination on Hanford issues. ODOE is Oregon's lead state agency representing the state's interests in the Hanford cleanup and represents Oregon in the natural resource damage assessment and restoration efforts.

ODOE's technical staff work closely with their counterparts from the CTUIR, Yakama Nation, and Nez Perce Tribe on a variety of cleanup issues, including groundwater remediation, Columbia River corridor cleanup, and closure planning. The CTUIR, Yakama Nation, and Nez Perce Tribe work with ODOE on the Hanford Advisory Board to provide informed recommendations and advice to USDOE, the U.S. Environmental Protection Agency, and the Washington Department of Ecology on policy issues related to the cleanup of the Hanford site.

A representative from the CTUIR sits on the <u>Oregon Hanford Cleanup Board</u>, which is a 20-member advisory group that recommends state policy to Oregon's Governor, Legislative Assembly, and ODOE. The Board also holds USDOE and its contractors accountable and brings Hanford issues to the public. The Board met three times in 2022. Board members discussed the state of the Hanford Site cleanup, Hanford's efforts to immobilize its 56 million gallons of high-level waste stored in aging underground tanks, groundwater cleanup, and other issues of concern. In October, the Board held an in-person meeting in Richland that included a tour of the Hanford Site.

ODOE staff participated in several virtual meetings of the State and Tribal Government Working Group in 2022, which brings together representatives from states and Tribes affected by USDOE sites or facilities associated with the production and cleanup of the nuclear weapons. The CTUIR, the Yakama Nation, the Nez Perce Tribe, and the Wanapum are among more than a dozen Tribes and Pueblos that are members of STGWG. In recent years, STGWG has focused on four priority issue areas: long-term stewardship; waste management; natural resource damage assessment and restoration; and tribal issues. The Group met in person twice in 2022.

Restoration of Injured Natural Resources

ODOE represents Oregon as one of eight natural resource trustees that participate in the Hanford Natural Resource Trustee Council. The other trustees are the CTUIR, the Yakama Nation, the Nez Perce Tribe, the State of Washington, and three federal agencies. The trustees work together to determine the extent of natural resource injury caused by releases of radioactive materials and chemicals into the

environment. After the extent of the injury has been determined and quantified, the HNRTC will establish actions necessary for restoration of the injured resources.

This past year the focus has been on data collection, formulating ways to analyze the data, and creating debit and credit methods to determine how much restoration will be owed to the public. This work focuses on assessing and recovering damages for injury to near-shore aquatic ecosystems of the Columbia River, groundwater, terrestrial ecosystems, and loss of tribal services.

The full HNRTC met nine times in 2022, in addition to technical work group meetings, to assess injury to natural resources due to Hanford operations. The senior trustees met three times in 2022 for updates. These meetings were held virtually because of travel restrictions due to COVID-19. While these travel restrictions prevented in-person meetings and planned field trips, the HNRTC's many working groups continue make more progress than ever through virtual meeting platforms.

Radioactive Materials and Waste Transport Safety

ODOE regulates the transport of radioactive materials and waste in and through Oregon. Approximately 300 to 500 shipments of radioactive material move through Oregon each year. One of the primary transportation corridors in Oregon for radioactive material and waste transportation is Interstate 84 through northeast Oregon, which runs through the CTUIR's reservation lands. Other primary transportation corridors are I-5 and SR 97. ODOE compiles an annual report on radioactive material transport through the state. The 2022 report will be published in advance of the 2023 legislative session; it will be available on our website.

Radioactive Waste Disposal

In the 2021 legislative session, the legislature passed Senate Bill 246, which directs ODOE and the Energy Facility Siting Council to: enhance and update its enforcement and investigation authorities related to radioactive waste disposal, clarify definitions and responsibilities for proper disposal of waste, and conduct administrative rulemaking on the topic. In August 2021, EFSC appointed a rulemaking advisory committee, including a representative from the Confederated Tribes of Umatilla Indian Reservation, to provide advice on these potential rule updates. The RAC has met multiple times and will continue its work in 2023 with an expected decision by the Energy Facility Siting Council on the rulemaking project later in 2023.

Oregon Fuel Action Plan and Energy Security

ODOE is the lead agency representing the fuel sector for energy emergencies and emergency contingency planning. ODOE is responsible for helping ensure adequate fuel supplies to maintain emergency and essential services, and to restore critical infrastructure. This includes developing and maintaining the Oregon Fuel Action Plan.

The Pacific Northwest's most likely catastrophic event is a Cascadia Subduction Zone earthquake. This event would devastate the region's petroleum supply and distribution system. Restoring the region's petroleum infrastructure would likely take months, if not longer. ODOE and other emergency planning partners also prepare for localized emergencies, such as wildfires, ice storms, or other disasters.

The Oregon Fuel Action Plan was developed to address this need. It is designed to coordinate supply of bulk fuel supplies into the state from outside the region to support the state's ongoing emergency response and recovery efforts until the regional infrastructure can be restored. The Oregon Fuel Action Plan designates priority fuel users: the nine federally recognized Tribes, 36 county emergency management agencies, and 18 Emergency Support Function Primary State Agencies. The plan can be activated for local emergencies and is designed to support response efforts to the Cascadia Subduction Zone earthquake. There were no incidents that necessitated full activation of the fuel action plan in 2022; however, ODOE staff engaged and coordinated with other state agencies, local governments, tribal governments, and the private sector particularly during the summer wildfire season to monitor for any issues related to fuel supply and distribution.

ODOE continues to consult, provide guidance, and serve as the subject matter expert lending support to the Tribes on their fuel planning efforts.

In 2023, ODOE will undertake a major effort to update the state's Energy Security Plan, which was last updated in 2012. The Energy Security Plan update will be supported with federal funding from the Infrastructure Investment and Jobs Act, and will include engagement and coordination with Tribal Governments as well as stakeholder groups and the public.

Nuclear Emergency Response Coordination

ODOE is the state's lead agency for nuclear emergency response coordination. The region's only operating nuclear power plant is near Richland, Washington, about 35 miles north of Umatilla, Oregon. ODOE regularly conducts exercises with the power plant operator and state, local, and federal partners to prepare for potential emergencies from the plant. In October, ODOE participated in a FEMA-evaluated radiological emergency response exercise for the power plant along with partner agencies Oregon Health Authority, Oregon Department of Agriculture, Oregon Emergency Response System, Oregon State University, Oregon Emergency Response System, Umatilla and Morrow Counties, and the Oregon National Guard's Civil Support Team.

ENERGY FACILITY SITING

Energy Facility Siting Council

The Oregon Energy Facility Siting Council (EFSC) is a seven-member volunteer board appointed by the Governor and confirmed by the Oregon Senate. EFSC is responsible for reviewing applications for site certificates for all state-jurisdictional energy facilities. ODOE administers the state energy facility siting process, which consolidates state agency and local government regulations into a single review process.

EFSC includes Member Perry Chocktoot, a traditional arts and crafts practitioner who previously served as the Culture and Heritage Department Director for the Klamath Tribes and served twice on the Klamath Tribes Tribal Council.

EFSC meets regularly throughout the year in locations geographically near proposed facilities. A summary of the latest information on energy projects under state jurisdiction is updated monthly and posted on ODOE's website.

The December 2022 Project Update (current as of the date of this report and updated monthly) is <u>also</u> <u>available online</u>.

Energy Facility Siting Division

The Energy Facility Siting Division at ODOE provides staff to EFSC, helping it complete its review of proposed energy facilities and amendments to approved facilities. This effort brings together project developers, state agencies, tribal governments, local and regional governments, interested members of the public, and other stakeholders to make sure proposed projects are evaluated, permitted, built, operated, and decommissioned consistent with all applicable standards, laws, and regulations. For example, state standards include protections for historic, cultural, and archaeological resources; threatened and endangered species; and fish and wildlife habitat. A summary of EFSC's standards is available online.

The division also provides ongoing compliance oversight for facilities that are under construction or in operation.

Project Notification

Energy facility siting rules require the Siting Division to provide notices and requests for input to tribal governments, the public, local governments, and state agencies at designated steps throughout the site certification application and amendment processes. Through these notices and requests, the Siting Division provides details of proposed energy facilities to the Tribes and invites the Tribes' participation in the site certificate application review process. Specifically, during review of each proposed facility or amendment, the Siting Division seeks the Tribes' input and expertise on potential effects on Tribal historic and cultural resources. In addition to the formal notices, Siting Division staff offer to meet with tribal representatives to discuss both the EFSC process and specific site certificate application issues. Early in the review process, the applicant is required to identify Tribes that may have an interest in a proposed facility or amendment by communicating with the Legislative Commission on Indian Services.

Not all energy projects are evaluated by the state's EFSC; many are evaluated by decision makers at the county or federal level. In 2019, the types of renewable energy projects that are evaluated through the state process changed through HB 2329. Local jurisdictions reviewing projects under HB 2329 authority must apply all existing state and local land use procedural and substantive requirements, and upon

receipt of an application must notify federally recognized Tribes that may be affected by the project. Below is a summary table, which was prepared by staff for the <u>2020 Biennial Energy Report</u>, on energy project jurisdiction that shows which types of projects are evaluated through counties, HB 2329, state, and federal processes.

	Primary Permitting Authority					
Renewable Energy Project Type	County	County with HB 2329	EFSC	Oregon Water Resources Commission	Oregon Department of State Lands	Federal Government
Solar Photovoltaic High Value Farmland	< = 100 acres	> 100 acres & < = 160 acres	> 160 acres	N/A	N/A	N/A
Arable Farmland	< = 100 acres	> 100 acres & < = 1,280 acres	> 1,280 acres (2 sq. miles)	N/A	N/A	N/A
Other Land	< = 320 acres	> 320 acres & < = 1,920 acres	> 1,920 acres (3 sq. miles)	N/A	N/A	N/A
Onshore Wind	N/A	< = 150 MW	> 150 MW	N/A	N/A	N/A
Geothermal	N/A	< = 55.5 MW	> 55.5 MW	N/A	N/A	N/A
Biomass	< 6 BBTU/day	N/A	> 6 BBTU/day	N/A	N/A	N/A
Offshore (wind and wave)	N/A	N/A	N/A	N/A	< = 3 Miles Offshore	> 3 Miles & < = 200 Offshore (Bureau of Ocean Energy Mgmt)
Battery Storage	All projects	N/A	N/A	N/A	N/A	N/A
Hydroelectric	N/A	N/A	N/A	Projects in waters of the state	N/A	Projects in waters of the US (FERC)
Pumped Hydroelectric	N/A	N/A	N/A	Certain projects	N/A	All projects (FERC)

Opportunities for Energy Project Review Cost-Reimbursement for Tribes

In 2015 ODOE introduced and the legislature passed Senate Bill 259, which amended ORS 469.360 and ORS 469.421 to add authority for EFSC to compensate the nine federally recognized Oregon Tribes for their review of historical and cultural resources and related Tribal Codes during the Notice of Intent and application review phases of the EFSC process. Applicants for a site certificate fund the compensation, which is paid through a reimbursement agreement between ODOE and each tribal government.

To date, ODOE has entered into reimbursement agreements with the Coquille Indian Tribe, Burns Paiute Tribe, the Confederated Tribes of the Umatilla Indian Reservation, and the Klamath Tribe resulting in nearly \$25,300 in reimbursement. Staff continues to reach out to other Tribes that could be affected by EFSC jurisdictional projects in an effort to establish reimbursement agreements. Questions about or interest in reimbursement agreements for Oregon Tribes should be directed to the Siting Division's financial analyst, Sisily Fleming, at sisily.fleming@energy.oregon.gov or 503-559-7081.

Siting-Related Project Outreach to Tribes

Throughout the year, Siting Division staff coordinated with tribal governments' natural resource and archeological staff to request feedback and guidance on potential impacts from certificate holder proposed changes to approved energy facilities and a proposed energy facility located around the state. Generally, Siting Division communications to tribal governments consist of a notice or memorandum requesting review and feedback during the following application phases: Receipt of Notice of Intent under OAR 345-015-0120, Receipt of Preliminary Application for Site Certificate under OAR 345-015-0180, and Determination of a Complete Application for Site Certificate under OAR 345-015-0200

In 2022, the Oregon Department of Energy and the Energy Facility Siting Council reviewed and approved certificate holder requests for site certificate amendments (changes to approved site certificates) for one transmission line (not constructed); two solar PV energy facilities (not constructed) and one operational wind facility. These facilities include Obsidian Solar Center (Lake County), Carty Generating Station solar component (Morrow County); Boardman to Hemingway Transmission Line (Morrow, Umatilla, Union, Baker and Malheur counties); Stateline Wind Project (Umatilla County). Several other new applications and amendments were in various stages of review in 2022 but did not receive formal approval from Council during the calendar year.

ODOE distributed detailed memorandums or notices to each of the potentially affected Tribes (as identified by the Legislative Commission on Indian Services) during the review phases for the above-referenced facilities to offer information and request tribal input. Based on the Department's review request and outreach to tribal governments for the referenced facilities, all issues and interests identified by tribal contacts were addressed based on comments received.

In some cases, Tribes may elect to seek resolution of their concerns about a proposed energy facility outside of the EFSC process. If applicable, Siting Division staff would request a formal response from the Tribe/tribal contact to document the Tribes' determination that potential impacts to tribal resources from a proposed or modified facility were adequately evaluated and mitigated. The Department recognizes that each Tribe has its own history, present-day experience, preferences, and legal rights; accordingly, Siting Division staff seek to continually educate themselves in order to best coordinate with each Tribe. We are grateful to tribal staff who have taken the time to participate in phone conferences and provide comments in response to the Department's request throughout the siting process. For more information about facilities currently undergoing ODOE/EFSC's review, please refer to the Siting Division's Project Updates, which are updated monthly.

Energy Facility Siting Council Rulemaking

The Energy Facility Siting Council <u>conducts rulemaking</u> to adopt rules and standards for the siting, construction, and oversight of energy facilities and other areas within the Council's subject matter jurisdiction, including the regulation of radioactive materials and wastes. Siting Division staff requests input from tribal governments during the development of proposed rules and seeks to include representatives of tribal governments in rulemaking advisory committees and other public rulemaking meetings and workshops.

On January 4, 2022, the Council requested input from representatives of the nine federally recognized Tribes on the Council's proposal to adopt a new siting standard for Wildfire Prevention and Risk Mitigation. The Council met with interested tribal government staff to discuss options to minimize impacts to tribal resources during wildfire response at energy facility sites and made changes to the proposed rules in response. The new standard was adopted on July 29, 2022.

On April 28, 2022, the Council requested input on proposed amendment of the Protected Areas, Scenic Resources, and Recreation Standards. The Council did not receive specific input from tribal government representatives, but did discuss how historic properties of religious and cultural significance to Indian Tribes are addressed under federal law and the Council's Standards as part of the rulemaking process. The Council directed staff to evaluate potential rule changes to align the Council's Historic, Cultural and Archaeological Resources Standard with federal processes in future rulemaking, along with options to encourage early communication between applicants and tribal governments to identify historic, cultural, and archaeological resources early in the site certificate application process.

The Council conducted expedited rulemaking to update its Carbon Dioxide Emissions Standards and implement new standards restricting development of fossil-fueled power plants in Oregon in accordance with HB 2021 (2021). The Notice of Proposed Rulemaking was provided to all persons on the Council's rulemaking mailing list required under ORS 183.335(5), which includes representatives from the Coquille Indian Tribe, the Burns Paiute Tribe, Confederated Tribes of Coos, Lower Umpqua & Siuslaw Indians, Confederated Tribes of Grand Ronde Community, the Confederated Tribes of the Umatilla Indian Reservation, and the Confederated Tribes of the Warms Springs Reservation of Oregon.

The Council will review staff's recommended rulemaking schedule for 2023-2025 and provide additional input on rulemaking priorities for the coming year at its meeting on December 16, 2022. The rulemaking schedule contains several new and previously approved rulemaking projects which may affect tribal interests, including the aforementioned project related to the Council's Historic, Cultural and Archaeological Resources Standard. As part of ongoing efforts to improve engagement with Tribes in the rulemaking process, the Energy Facility Siting Council intends to continue to send notification letters to Tribal Chairs early in the rulemaking process for all rulemaking projects that may affect tribal interests.

ENERGY PLANNING, POLICY, AND INNOVATION

The Energy Planning & Innovation Division supports ODOE's mission by pursuing programs and policies that help Oregonians conserve energy, use energy more efficiently, and produce energy using renewable sources. The Division's two sections, Energy Efficiency & Conservation and Energy Technology & Policy, collaborate with ODOE's other divisions, state and federal agencies, Tribes, local governments, and stakeholders to help support the development of clean energy resources and integrate those resources into the state's transmission and distribution system. The division offers energy expertise across sectors,

including efficiency in buildings and manufacturing and alternative fuels and infrastructure, while helping Oregon build a more resilient energy system – one that is well prepared to respond to issues such as climate change and natural disasters.

ODOE provides staff support to the <u>Oregon Global Warming Commission</u> and accordingly is collecting and analyzing data and information as part of the process to develop <u>Oregon's Greenhouse Gas Emission Reduction Plan: Roadmap to 2035</u>. The roadmap will identify and analyze actions across all sectors that can reduce greenhouse gas emissions and/or sequester carbon, and provide additional co-benefits for Oregonians and Tribal communities. Commission Chair Cathy Macdonald wrote a joint letter with ODOE's director to each Tribe requesting input and participation. The letters requested an interview to discuss this project early in the process to better understand each Tribe's preferences for engagement and discuss thoughts on how to make the engagement process as meaningful and effective as possible. In addition, a Tribal member from the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians was selected to the Natural and Working Lands Advisory Committee.

In 2021, ODOE received a grant from U.S. Department of Agriculture to create a <u>Rural & Agricultural Energy Audit Program</u>. The funding supports energy audits for Oregon rural small businesses and agricultural producers statewide. ODOE uses the grant funding to pay for 75 percent of the cost of an energy audit (payable to the auditor conducting the audit); program participants will be responsible for the remaining 25 percent of the cost. ODOE will be sharing more information with Tribes in 2022-23 to find out if there is interest in these types of energy audits, which can help participants understand how to save energy and save money.

The 2021 legislature directed ODOE to undertake <u>new studies</u> on the topics of floating offshore wind, renewable hydrogen, regional transmission organizations, and small-scale renewable energy, all of which have been submitted since the 2021 Government-to-Government Report. ODOE's Director sent letters to each Tribal Chair and invited Tribes to participate in advisory groups associated with these studies or provide input separately to the agency according to their interest and preference.

ODOE recently published the <u>2022 Biennial Energy Report</u>. In preparation for the report, the ODOE Director sent letter to each of the tribal chairs in January 2022 to gather input in scoping the report. ODOE was able to highlight Tribes in an "Energy 101" on the energy landscape, along with tribal energy projects and climate programs. This iteration of the report also includes a new online, interactive <u>energy history timeline</u> that shows how Oregon's energy systems have evolved over time, from harnessing the state's various natural resources to human events like technology development and energy crises. The timeline also shares events that significantly affected Oregon's Tribes, the original inhabitants of the area.

The Biennial Energy Report includes a <u>recommendation</u> for the state to develop a statewide energy strategy and to do so through an inclusive public process. ODOE appreciated the leadership shown by CRITFC in developing the 2022 Energy Vision, and hopes that Tribes will participate in the development of an energy strategy at the state level. A letter was sent to each Tribal Chair announcing publication of the Biennial Energy Report in November 2022 and agency staff will conduct outreach to offer presentations and staff briefings to tribal staff and council.

The agency completed the <u>Oregon Renewable Energy Siting Assessment</u> in June 2022, which was funded through an U.S. Department of Defense grant. Working in partnership with the Department of Land Conservation & Development and Oregon State University's Institute for Natural Resources, the project aimed to create relevant educational tools about renewable energy conflicts and compatibility by collecting data, information, and perspectives to create a transparent, consistent collection of trusted,

accurate information in Oregon. ODOE's Director sent letters to the nine Tribal Council Chairs, and many tribal staff participated in project focus groups. The project finished with presentation to the Culture Cluster and the Natural Resources Working Group. While the grant has since closed, additional funding may be available to maintain the ORESA Mapping and Report Tool, with agency staff continuing to offer to facilitate discussions and demonstrations of the tool with tribal staff or tribal council.

ODOE works closely with the <u>Northwest Power & Conservation Council</u>, and the two Oregon council members are administratively supported by ODOE. ODOE staff collaborate with Oregon's council members, including Louie Pitt, who is Director of Governmental Affairs for the Confederated Tribes of Warm Springs. Mr. Pitt brings deep energy and natural resources knowledge to the Council.

STRATEGIC ENGAGEMENT AND COLLABORATION

As the 2023 session approaches, ODOE has focused throughout 2022 on connecting our strategic plan with new budget and policy requests of the Legislature. As part of this process, the agency sent letters to each Tribal chair in May 2022.

The agency is putting forward two <u>legislative concepts</u> in 2023: one to extend the Oregon Solar + Storage Rebate Program by five years and another to establish a community navigator program at the agency to assist Oregon Tribes and environmental justice communities to apply for funding for energy projects or energy capacity. This second concept was inspired by conversation with Danny Martinez of the Confederated Tribes of the Warm Springs. Danny is a member of the Community Renewable Energy Grant Program Advisory Committee and he shared just how challenging it is to find the capacity to apply for state and federal grant programs.

In addition to our two legislative concepts, the agency <u>put forward</u> a set of policy option packages – or requests for new funding – for consideration by Governor-Elect Tina Kotek as she crafts the Governor's Recommended Budget. These policy options packages include rolling over funding for new and existing incentive programs, adding staff to enhance the agency's data and research capabilities, and – perhaps most relevant to Tribal governments – adding both a community navigator position and an equity-focused position for the agency.

ODOE staff participated in LCIS, Natural Resource Work Group, and Cultural Resources Cluster meetings during 2022. In addition, ODOE's Director participated in the Annual Tribal-State Government-to-Government Summit in Florence. Over the past year, staff from several of ODOE's divisions have taken advantage of opportunities to participate in events and conferences that have included tribal representatives to share information about the state's work in energy.

ODOE has formed an internal tribal engagement coordination team made up of staff from the divisions of the agency. The purposes of this team include: sharing information about agency engagement and coordination with Oregon Tribes; brainstorming ideas for collaboration with Oregon Tribes; implementing changes to further improve tribal relations for the agency; providing resources for agency staff; and pulling together information to share with tribal staff. ODOE will be expanding this team's effort over the next two years as part of our strategic plan initiative to "Build on existing tribal engagement efforts by expanding internal responsibilities and resources, and reaching out to Tribes to assess and amplify shared interests and priorities."

ENERGY FINANCIAL INCENTIVES

The Energy Development Services Division has managed <u>energy incentive programs</u> at the Oregon Department of Energy for over 40 years, helping Oregonians conserve energy, install energy efficient equipment, and develop renewable energy projects. In 2020, ODOE launched the Oregon Solar + Storage Rebate program, with an initial \$2 million budget. The Legislature allocated an additional \$10 million for the solar rebate program in 2021 and added \$5 million more in 2022. Also in 2021, the Legislature created a new \$10.8 million Energy Efficient Wildfire Rebuilding Program at the agency, as well as a new \$50 million Community Renewable Energy Grant Program. In 2022, the Legislature directed \$25 million to the Oregon Department of Energy for two heat pump incentive programs that will launch in 2023: the Oregon Rental Home Heat Pump Program and the Community Heat Pump Deployment Program. The agency has sent formal letters to Tribal chairs about these programs as they have been developed, including in February 2022 about the Oregon Solar + Storage Rebate Program, the Community Renewable Energy Grant Program, and the Energy Efficient Wildfire Rebuilding Program, and in November 2022 about the heat pump programs.

Community Renewable Energy Grant Program

The Community Renewable Energy Grant Program – often called C-REP - provides grants to offset the cost of planning and developing community renewable energy and energy resilience projects. The program's aims include making community renewable energy projects economically feasible, promoting small-scale renewable energy projects, and providing a variety of direct benefits to communities across the state. The program limits eligible applicants for grants to public bodies, including Tribes, cities, counties, and ports (among others). Oregon's nine federally recognized Tribes may submit applications, or be a partner on applications, for a grant to plan or develop a project. One of the program's focuses will be to ensure environmental justice communities are involved in, and benefit from, projects. Fifty percent or more of the initial program fund is allocated for grants to fund projects that primarily serve at least one environmental justice community. The program aims to increase the involvement of tribal communities in the siting, planning, designing, and evaluation of proposed community renewable energy projects by assessing tribal communities' involvement in, and leadership of, relevant projects during the competitive review of the applications.

The first round of applications opened in 2022, with the <u>first grant awardees announced</u> this fall. Three tribal projects were selected for funding the first round.

- The Burns Paiute Tribe has been offered \$89,718 for planning to connect a local community cooperative biomass district heating system to the Tribal community center in Burns.
- The Confederated Tribes of Coos, Lower Umpqua & Siuslaw Indians have been offered \$1,000,000 for a community energy resilience project with net-metered solar and battery storage with microgrid systems to power tribal buildings during grid outages.
- Confederated Tribes of Umatilla Indian Reservation has been offered \$1,000,000 for a
 community renewable energy project, in partnership with the Tutuilla Solar Oregon Community
 Solar project. This project consists of a net-meter solar system to be installed to serve a Tribal
 housing project and to assist the completion of the Tutuilla Solar Oregon Community Solar
 project located on Tribal property, allowing the Tribe and other Pacific Power customers to
 subscribe to the solar energy produced under Oregon Community Solar rules.

A second round of applications will open for C-REP soon, and additional rounds will follow in the second half of 2023 and in 2024.

Solar + Storage Rebate Program

The <u>Oregon Solar + Storage Rebate Program</u> issues rebates to participating contractors, who pass the savings on to eligible customers as a reduction in the price of the installed system (ODOE's program staff do not work directly with the customers). To claim a rebate, a contractor must first apply for a reservation of rebate funds prior to the start of project installation. Reservations are converted into cash rebates once a contractor certifies a project complete. The legislature directed the department to make at least 25 percent of the rebate budget available for projects installed for low- or moderate-income residential customers and low-income service providers. Low-income service providers are a specific group of non-residential customers that provide assistive services to lower-income individuals and households. This program won a national <u>State Leadership in Clean Energy Award</u> from the Clean Energy States Alliance in 2022.

In early 2022, program rules were updated to encourage more tribal project participation. The department sent a letter to Oregon Tribal governments requesting input as part of the 2022 program rulemaking. As a result of this input, the following language has been added to program rules to make it easier for tribal buildings to qualify as low-income service providers: "A tribal or local government entity such as a city, county or school district which uses public buildings to provide social services to low- or moderate-income individuals, or to provide emergency shelter and/or communications in disaster situations." ODOE hopes that more Solar + Storage Rebate funds will be used by Tribal governments on their buildings to install solar panels and batteries.

Energy Efficient Wildfire Rebuilding Incentive Program

This program provides <u>incentives for energy efficient rebuilding</u> of residential, commercial, and public buildings destroyed by wildfire between August 1 and September 30, 2020. The program provides incentives to encourage building owners to rebuild to current energy code building standards or above. To date, \$2,262,904 in Wildfire incentives have been rebated or reserved. ODOE collaborated with the Oregon Office of Emergency Management to identify all damaged and destroyed structures in the 2020 wildfires, specifically evaluating if any residential or commercial structures suffered major damage or were destroyed on tribal government lands. No structures were identified.

Heat Pump Programs

As 2022 comes to a close, ODOE is in the midst of rulemaking on two new heat pump programs. These programs are both expected to open in the first half of 2023.

The \$10 million Community Heat Pump Deployment Program was established by SB 1536 earlier this year and will provide financial assistance (loans, grants, rebates, or incentives) toward the purchase and installation of heat pumps in residences. The \$10 million will be distributed between regional administrators for 11 regions in the state, as well as any federally recognized Tribes that choose to apply to be administrators for their own territory. Regional administrators may partner with other organizations in the implementation of their programs, but only one entity can be the lead applicant. Regional administrators will be able to use up to 15 percent of the amount awarded to administer their program.

The \$15 million Oregon Rental Home Heat Pump Program was also established by SB 1536 earlier this year and provide rebates and grants towards the purchase and installation of heat pumps. Financial assistance will be available for owners of rental units, rentals that are classified as manufactured dwelling or RVs, and as rebates to contractors. Funding prioritization may include low- and moderate-income residential tenants and to support heat pumps with superior energy efficiency.

In addition to the formal letter sent ahead of the formal rulemaking program in November, the agency will also reach out to Tribes and tribal staff to raise awareness and encourage participation in these two opportunities to provide cooling and heating and increase energy efficiency in homes.

POLICY ON GOVERNMENT-TO-GOVERNMENT RELATIONS

ODOE's Tribal Policy on Government-to-Government Relations is attached and made a part of the 2022 Government-to-Government Report.

CONCLUSION

The Oregon Department of Energy continues to engage and collaborate with the nine federally recognized tribal governments in Oregon. These efforts have been focused on strengthening our relationships with tribal representatives and providing services and information that is beneficial. We have also sought out tools to help our staff improve their understanding of Tribes and the importance of promoting government-to-government relations with the nine federally recognized tribal governments in Oregon. We will continue to ensure this is part of our agency culture. We welcome input on how we can assist tribal governments, improve our relationships, and collaborate more effectively.

FOR MORE INFORMATION

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ATTACHMENT 1: ODOE POLICY ON STATE/TRIBAL GOVERNMENT-TO-GOVERNMENT RELATIONS

OREGON DEPARTMENT OF ENERGY

Internal Policies and Procedures



Subject: State/Tribal Government to

Government Relations Policy Number: ADM-08 Policy Owner: Director

Effective Date: December 14, 2020

Approved: [SIGNATURE ON FILE]

Janine Benner, Director

Applicability:

This policy applies to all Oregon Department of Energy employees.

Purpose:

The purpose of this policy is to promote government to government relations between the Oregon Department of Energy and Oregon's nine federally recognized tribes.

This policy is adopted pursuant to ORS 182.162-168, which requires state agencies to develop and implement tribal relations policies.

Policy:

ODOE recognizes and respects the sovereign status of Oregon's federally recognized tribes and their respective authorities on tribal lands. It is the policy of the Oregon Department of Energy to promote positive government to government relations, communications and cooperation with the tribes in areas where development and implementation of agency programs may affect tribal lands, activities, or interests.

ODOE believes that continuing to build on our long-standing relationships with the tribes makes our agency more effective overall while supporting our work across the state and region. The tribes are advancing innovative programs and projects; ODOE is committed to learning from the tribes about this work and finding opportunities where our agency programs can be valuable resources for the tribes. ODOE also continues to look for opportunities where agency programs and projects can be improved with input from the tribes. Positive government to government relations, communications and cooperation increases our collective ability to lead Oregon to a safe, equitable, clean, and sustainable energy future.

The Director designates a key agency contact for the purpose of serving as a liaison with tribal governments (known as the Tribal Liaison) and provides the contact information for the Tribal Liaison on the agency website and to the Legislative Commission on Indian Services. The Tribal Liaison coordinates with the tribes, supports internal agency programs and projects, and participates in Tribal-State cluster meetings.

ODOE promotes strong government to government relationships at the leadership, managerial, and staff levels with the tribes. ODOE will demonstrate its commitment to positive government to government relations with the tribes through such practices as follows:

The ODOE Director, Tribal Liaison, and Administrators or staff of each agency division, will meet regularly
with each tribe to discuss issues of mutual interest and explore opportunities for greater state/tribal
partnership and collaboration.

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- ODOE will identify managers and employees who are responsible for developing and implementing agency programs that affect the tribes.
- ODOE will make a reasonable effort to cooperate with tribes in the development and implementation of agency programs that affect the tribes such as early notification and engagement.
- ODOE will support and participate in cooperative efforts between tribal governments and federal, state, and/or local governments through its Hanford Clean-Up Board and the Energy Facility Siting Council, through the safe transportation of radioactive waste through the state, through the allocation of petroleum during times of shortages and disruptions, and through the development and implementation of energy policies and programs, including energy incentive programs.
- ODOE will seek and invite tribal representation on ODOE advisory boards and working groups that are of
 interest to the tribes.
- ODOE will support the exchange of relevant data collected by ODOE staff or by tribal governments.
- ODOE will consult with the Legislative Commission on Indian Services on matters concerning tribal government.
- ODOE staff who have regular communication with the tribes will receive periodic training on the legal status of the tribes, the legal rights of members of the tribes and issues of concern of the tribes through training provided by the Department of Administrative Services and/or other learning opportunities.
- ODOE will disseminate this policy to all ODOE employees and to new employees through new employee
 orientation and will maintain the policy on the Intranet.
- ODOE will submit an annual report to the Governor and the Commission on Indian Services on the activities of the agency that support ORS 182.162-168.
- ODOE will seek other opportunities to learn from and build relationships with the tribes.

History:

- November 30, 2016: Policy established.
- December 14, 2020: Policy revised to provide greater specificity and clarity on ODOE's engagement with the tribes.

References:

ORS 182.162–182.168 ORS 190.110 Executive Order 96-30

Attachments:

None

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