



CITY OF BEND

Building Electrification Policy Options Analysis: Process and Timelines

Cassie Lacy

Senior Management Analyst

City Managers Office

Michael Selkirk

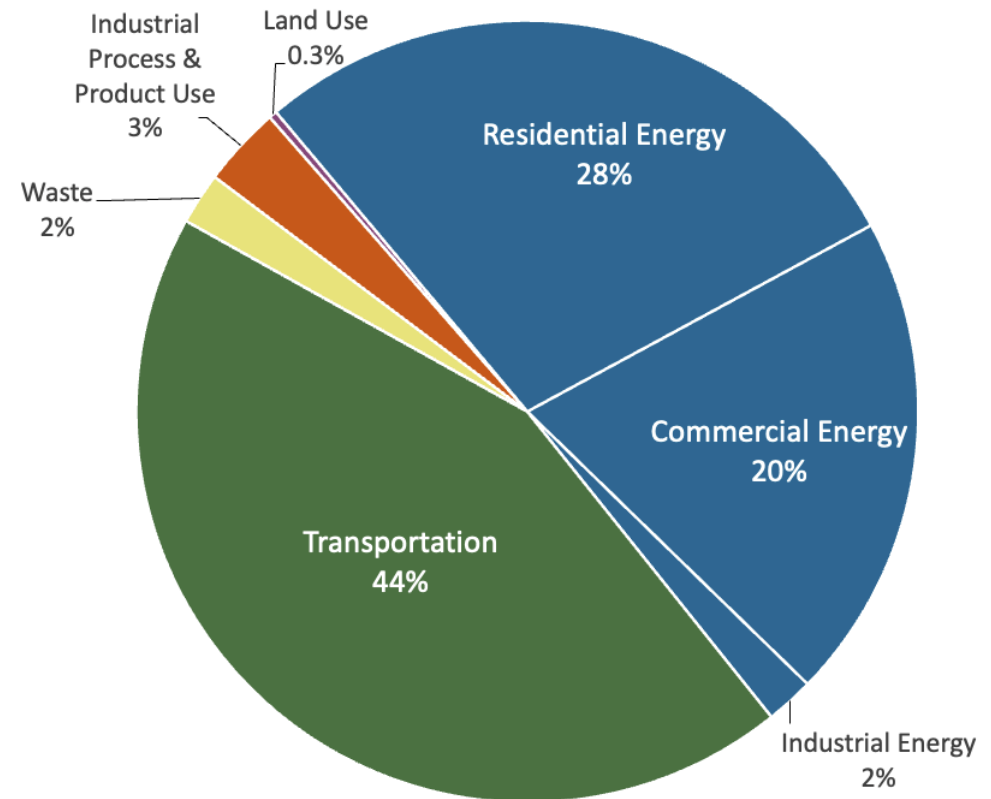
Associate City Attorney

Background

- Council Goals include responding to community interests including natural gas policy
- Building electrification means to encourage use of electricity rather fossil-fuel technologies for power needs in buildings
- Supports climate action goals:
 - 48% of community emissions from buildings
 - 24% of building emissions from natural gas
- Increased community interest
- Evolving legal landscape

→ *Need to better understand and consider options for promoting electrification in Bend*

Bend Community GHG Emissions (2022)



Legal Framework

- Basic legal principles at play: home rule and preemption
 - Bend is a home rule City, meaning it has broad authority to make laws to protect the health and safety unless preempted by state or federal law.
- Federal Law
 - Energy Policy and Conservation Act (EPCA)
 - Sets energy conservation standards for covered consumer appliances; requires certain testing and labeling of consumer products.
 - Preempts local “regulation concerning the energy efficiency, energy use” of a “covered product” unless certain standards are met.
 - *California Restaurant Association v. Berkeley* (9th Circuit 2024)
 - City of Berkeley, California enacted an ordinance prohibiting natural gas piping from the gas meter to and within a newly constructed building.
 - 9th Circuit held the ordinance was preempted by the EPCA because it rendered gas appliances useless and was thus a “regulation concerning . . . energy.”

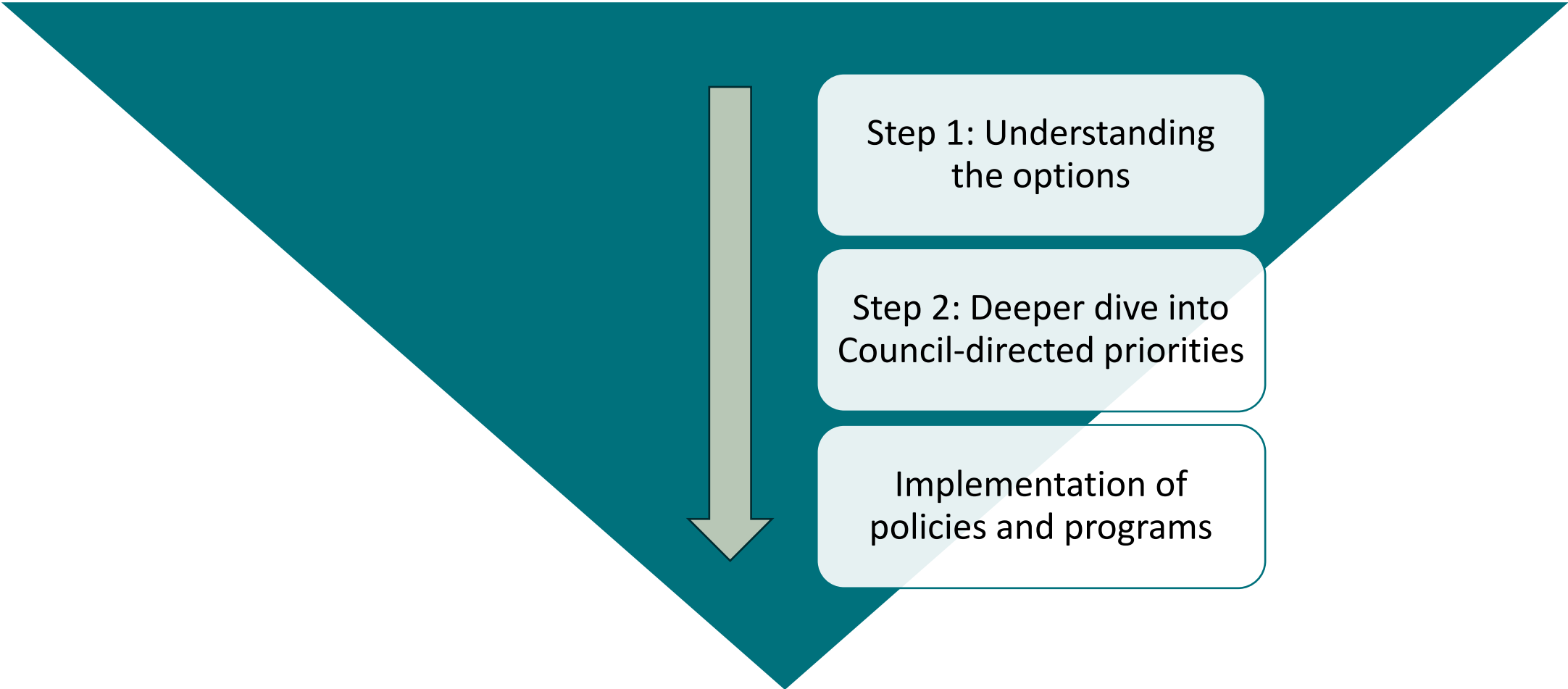


Legal Framework – State Law

- Two things to remember:
 - Oregon law is often different from the law in other states
 - Policies in other states may have been enacted by the state, county or air quality/pollution control district, rather than a city, or if by a city, the state laws and/or jurisdiction of the particular city may differ
- Oregon State Laws that may preempt or to consider:
 - State Building Code(s) is applicable and uniform in municipalities throughout the state
 - “No municipality shall enact or enforce any ordinance, rule or regulation relating to the same matters encompassed by the state building code but which provides different requirements unless authorized by the Director of the department of Consumer and Business Services.”
 - HB 3409 (2023)
 - Among other things, requires state department of energy to set energy performance standards for covered commercial buildings
 - Preemption provision allowing cities to regulate in this area provided certain standards are met
 - DOE is in rule making process so we don't yet know energy performance standards



2 Step Process



Scope of Analysis

Step 1: Understand the Options

Areas of Investigation

- Best practices review of range of options to promote electrification, including voluntary (i.e. incentives, commitments) and regulatory (restrictions) options
- Understand high-level approach, costs, benefits, and feasibility considerations
- Understand high-level legal considerations and risks
- Understand other potential impacts – health, equity, resiliency
- Limited stakeholder interviews

Conclusions & Recommendations

- Determine biggest potential opportunities and/or which to take out of consideration
- Scope further analysis needed and specific stakeholders to be engaged
- Recommendations on short-term actionable programs
- Recommendations to come from the Environment and Climate Committee

Direction from Council: Which policies or programs to continue investigating and which to pursue as short-term actions. Direction on public engagement for Step 2 investigation.



Timeline: Step 1

April/May 2024

Procurement: Hire for consultant services needed

May-July 2024

Analysis: Best practices research, developing policy options, high level analysis

August - September
2024

Environment & Climate Committee Meeting: Results of analysis to ECC and ECC develop recommendation.

October 2024

Council Check In: Results and ECC Recommendation. Direction from Council on which to further assess or pursue as short-term actions. Direction on Public Engagement for Step 2



Example Policies and Programs



Incentivizing
electrification



Disincentivizing
non-electric
technologies



City-level
commitments
around
operations and
City facilities



Supporting
statewide policy



Decarbonizing
natural gas
supply with
alternative fuel
sources



Restrictions and
requirements



Scope of Analysis

Step 2: Deeper Dive into Council Prioritized Policies

Areas of Investigation

- Potential GHG impacts
- Legal risks and considerations
- Other impacts: health, affordability, resiliency, equity
- Costs to households
- Costs to industry
- Technical considerations
- Feasibility
- More comprehensive stakeholder interviews

Conclusions & Recommendations

- Determine which policies have highest impact and best outcomes
- Additional stakeholder engagement to review analysis and develop recommendation, as directed by Council in Step 1

Direction from Council: Whether and which policies to implement. Determine process for doing so.



Timeline: Step 2

November-December 2024

Define resource needs and implementation plan for short-term actions to be included in Council Goal Setting for FY25-27

November-December 2024

Determine stakeholder engagement group and process (ad hoc committee, stakeholder groups)

January-April 2025

Deep Dive Analysis on Prioritized Policies: Data collection and analysis, stakeholder interviews

May – July 2025

Stakeholder Meetings and Developing Recommendations: Stakeholders determined based on policies under consideration

August 2025

Council Check In: Analysis results and recommendation to Council. Seek Council direction on next steps – policy/program development or additional engagement and analysis



Public Engagement

Step 1: Leverage Environment & Climate Committee

- All meetings open to public and allow for public comment

Step 2: Convene broader stakeholder groups

- Step 1 helps identify specific stakeholder perspectives that should be included
- Project website with status and updates
- Additional public engagement can be considered at Council check-in's when recommendations are being delivered (i.e. roundtables, Q&A sessions, listening sessions)
- Additional public engagement would be necessary when new policies or programs would be developed



Accommodation Information for People with Disabilities



To obtain this information in an alternate format such as Braille, large print, electronic formats, etc. please contact Cassie Lacy at clacy@bendoregon.gov or 541-323-8587; Relay Users Dial 7-1-1.

