CITY OF BEND

City Hall
710 NW Wall Street
Bend, OR 97703

MEMORANDUM

To: Environment & Climate Committee
From: Cassie Lacy, Senior Management Analyst
Date: March 5, 2026
Re: Electrification Policy Next Steps

At the February 11 work session on electrification policy, Council directed staff to pursue the development of a fee ordinance, based on a fee calculation that staff has proposed that integrates the social cost of carbon, the net carbon emissions of gas appliances, and a tier scaling factor accounting for square footage. Council directed staff to set the fee at 20% of the maximum level based on the fee calculation, based on a desire to set the fee at a lower level than the calculation determined.

Following the February 11 work session, Council approved a motion at their February 18 business meeting to formalize the direction to staff and to approve a work plan to complete the final policy adoption of the fee. In order to create a fee ordinance, Council still needs to provide direction on whether any exemptions should be granted from the fee and what the implementation date of the fee should be. To get feedback on those policy questions and the fee policy as a whole, Council will be directly engaging with a targeted stakeholder group and the broader public. The next steps to advance the fee policy include:

- **Stakeholder Roundtable** - April 8, 2026, 4-6 p.m: this will be a roundtable with invited stakeholder participants, including the Environment and Climate Committee. The focus of the roundtable will be to get feedback from stakeholders about potential exemptions and an implementation date of the fee.
- **Council Work Session** – April 22, 2026, 4-6 p.m: this Council work session will be focused on Council giving direction to staff on exemptions and implementation date of the fee, as informed by the Roundtable on April 8. This will be an opportunity for Council to provide any other final direction that needs to be integrated into the fee ordinance.
- **Special Meeting for a Public Hearing and Fee Ordinance Adoption** – TBD in late May or early June: the Council will hold a special meeting to adopt the fee ordinance. This meeting will include a public hearing on the ordinance to provide a final opportunity for public comments on the fee prior to the Council's decision.

The ECC Chair, or another delegate, is invited to participate in the Stakeholder Roundtable. At the ECC's March 12 meeting, the ECC should discuss any feedback on the topics of exemptions and implementation date that they would like the Chair or representative to bring to the Roundtable discussion.

ECC Discussion:

1. Do you have ideas on what exemptions, if any, should be allowable from the fee?
2. Do you have ideas on what the implementation date of the fee should be?