

# Designing a Greenhouse Gas Emissions Cap and Reduce Program

Scoping Phase Kick-off Webinar  
July 29, 2020

# Webinar Participation Tips

## Thank you for joining us today!

- Please join audio by either phone or computer, not both.
- Following the presentation, participants will be able to ask questions of staff, then share comments. If you have a question or comment, click “Raise Hand” to get in the queue to speak. If you have joined by phone you can press \*9 to raise your hand.
  - The facilitator will call on participants who raised their hand and we will unmute your line to speak.
- Additionally, you can submit written comments to the hosts by using the Q&A box located on your Zoom toolbar.

# Introductions

## **Kearns & West**

**Sylvia Ciborowski**

Senior Director / Facilitator

## **Oregon DEQ**

**Colin McConnaha**

Manager, Office of GHG Programs

**Lauren Slawsky**

Climate Change Policy Analyst

**Jason Eisdorfer**

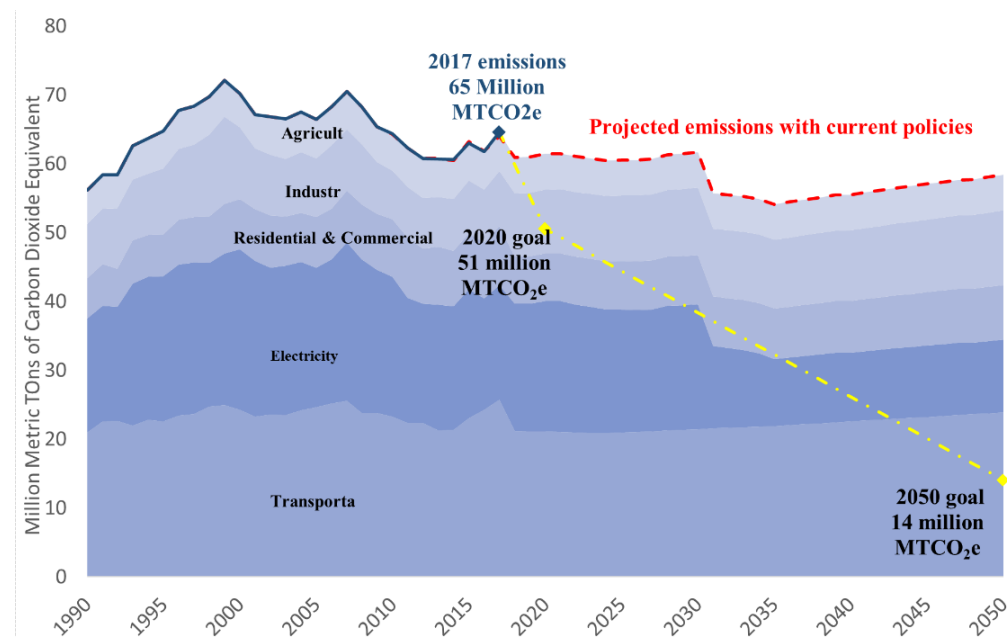
Policy Advisor

# Today's Meeting

Time	Topic
3:00 – 3:35 p.m.	DEQ Presentation <ul style="list-style-type: none"><li>• Introductions</li><li>• Background and purpose of cap and reduce program</li><li>• Review of activities to date</li><li>• Introduction to public engagement during scoping phase</li><li>• Next steps</li></ul>
3:35 – 3:50 p.m.	Clarifying question and answer session related to today's presentation and DEQ's program development process
3:50 – 4:30 p.m.	Comment period to share desired outcomes or to raise issues

# Why Reduce Greenhouse Gas Emissions?

- Oregon has many programs to reduce GHG emissions, but we are not on track to do our part toward avoiding the worst impacts of climate change
- Executive Order 20-04 directs state agencies to develop a suite of new programs to address climate change
- DEQ is working to implement key directives in the Executive Order, including capping and reducing GHG emissions from key sectors



# Cap and Reduce

Executive Order 20-04 directives to EQC and DEQ:

## Sector-Specific Cap and Reduce Program

- Take **actions** necessary to cap and reduce GHG emissions consistent with science-based emissions reduction goals from sectors including:
  - Large stationary sources
  - Transportation fuels, including gasoline and diesel
  - All other liquid and gaseous fuels including natural gas

## Reports to Governor

- ✓ Submit a **preliminary report** to the Governor by May 15, 2020, regarding program options to cap and reduce emissions from the above sectors that can commence no later than January 1, 2022
- ✓ Submit a **final report** to the Governor by June 30, 2020

# Overall Process Timeline



# Phase 1 Activities

- **May 15:** Submitted preliminary report to the Governor
- **May 15-June 15:** Received 33 comments during public comment period
- **May 26-June 8:** Hosted 3 online listening sessions with over 200 participants
- **June 30:** Submitted final report to the Governor
- **Ongoing:** Engagement with Environmental Justice organizations

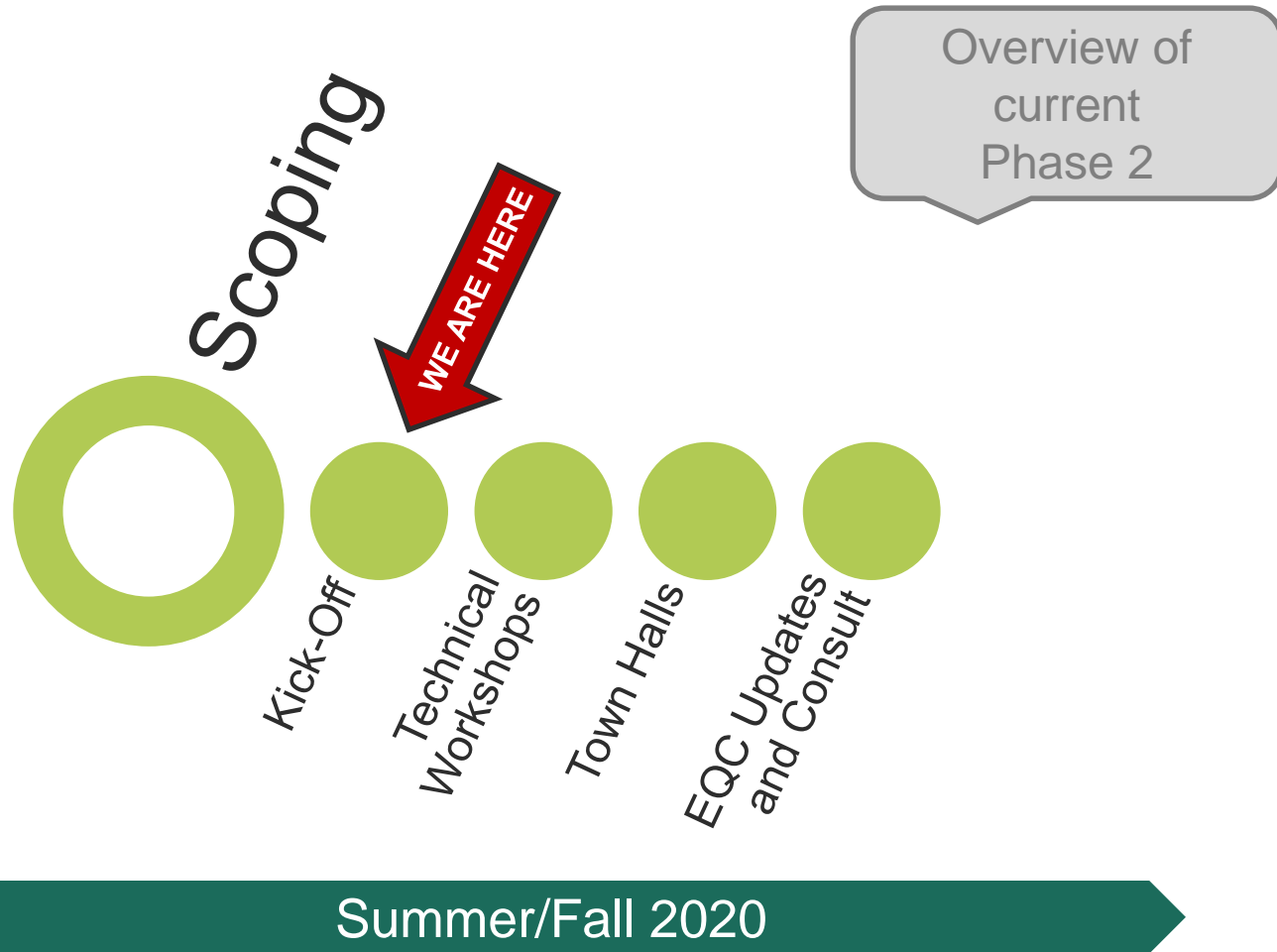
Reports and comments received are posted on DEQ's website: [www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx](http://www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx)



# Key Themes from Phase 1 Comments

- Support for DEQ's proposed process
- Support for inclusive approach
- Support for action on climate and the need to reduce GHG emissions
- Seeking clarifications on program costs
- Seeking avoidance of leaking of emissions or jobs to outside of Oregon
- Importance of equity and inclusion

# Timeline: Phase 2



# Phase 2: Policy and Program Scoping

## Purpose

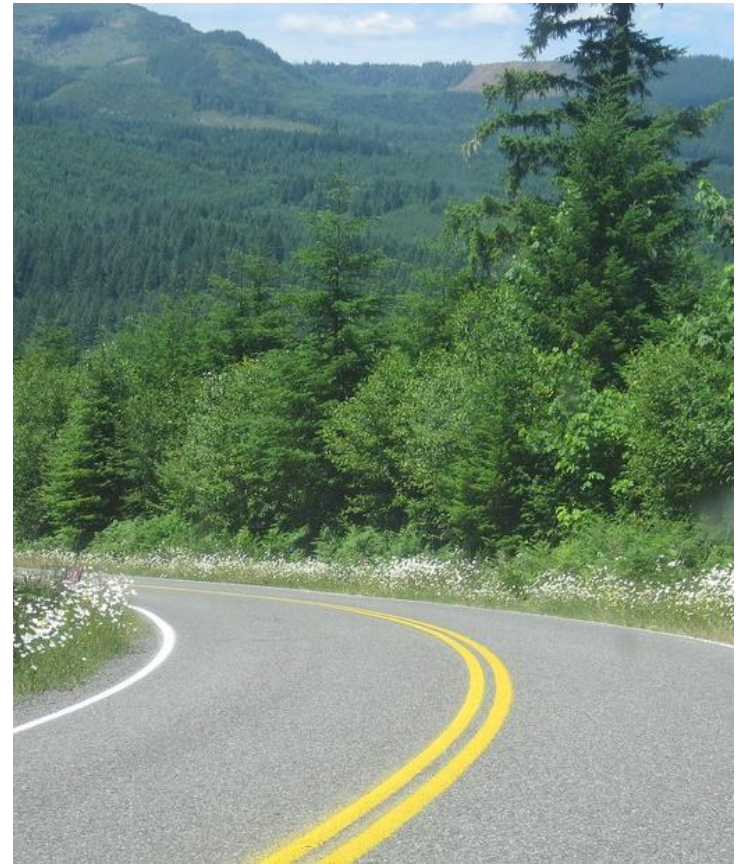
- Continued engagement before opening rulemaking (Phase 3)
- Discuss program design features
- Identify areas for attention during the rulemaking
- Receive input on perspectives and representation need during the rulemaking

## Goals

- Common understanding of priority issues, legal constraints, potential policy mechanisms
- Focused consideration of equity issues
- Allow opportunity to inform design and direction of rulemaking (Phase 3)

# Guiding Principles

- Offer multiple, accessible options for public comment
- Provide both technical policy discussions and open public meetings
- Report back about technical discussions
- Ensure public health and welfare during COVID-19
- Support participation by providing advance notice of meetings and meeting materials
- Engage with underrepresented and underserved communities
- Seek opportunities to address local issues of interest



# Public Engagement Opportunities

## Technical Workshops

Detailed discussions about specific policy design options, key issues, and solutions

## Town Halls

DEQ presentation followed by public comment period

## Additional Opportunities

- Submit written comment after meetings
- Focused stakeholder meetings to address specific issues of interest, as requested
- Briefings provided to and meetings with community organizations, as requested

# Technical Workshops

- **Purpose:**
  - Engage technical experts around specific policy topics
  - Learn and ask questions about DEQ's proposed policy options
  - Provide input to inform program design principles and proposals
- **Format:** Six topic-specific webinars with DEQ presentation, potentially break-out groups, and report out. RSVPs requested.
- **Meeting Material:** Topic-specific issue brief posted in advance
- **Outcomes:** Presentation and summaries will be posted to DEQ's website

# Technical Workshops

Topic	Example Questions
Program Scope	Which GHGs should be covered? What sources should be regulated? Which entities are responsible for regulated emissions?
Program Stringency	How quickly should cap(s) decline? What is the rationale for these decline rates?
Alternative Compliance Options	Should the program allow for alternative ways of complying with cap(s) aside from DEQ-issued permits? Should the program allow permits from other GHG regulatory programs? Should the program award additional credits to certain actions or investments that reduce GHGs?
Distribution of Compliance Instruments	How should the program allow emissions and how should permits to emit be issued? How can the program avoid emissions leakage? What other factors should the program consider when distributing permits (sectoral differences, market dynamics, etc.)?
Cost Effectiveness	How should the program account for sectoral differences? Should the program allow for trading? Under what circumstances? What strategies exist to reduce economic burden on impacted communities and small businesses?
Impacted Communities	Considering all the above elements, how can impacted communities be protected? What strategies are needed to prevent negative impacts? How does the program incorporate priorities of these communities?

# Town Halls

- **Purpose:**
  - Share policy design input received during technical workshops
  - Receive input on refined program design principles and proposals
  - Receive comments about community values and priorities
  - Explain rules advisory committee role and what to expect during the rulemaking phase
- **Timeframe:** Early to mid-October
- **Format:** Three meetings offered at various times during the day; currently assuming webinars
- **Meeting material:** “Guide to Cap and Reduce Program Policies” posted in advance
- **Outcomes:** Presentation and summaries will be posted to DEQ’s website.



# Tentative Meeting Dates

## TECHNICAL WORKSHOPS

### 1. Program Scope

Wednesday, Aug. 19  
9 a.m. – 1:30 p.m.

### 2. Program Stringency

Wednesday, Aug. 26  
9 a.m. – 1:30 p.m.

### 3. Alternative Compliance Options

Wednesday, Sept. 2  
9 a.m. – 1:30 p.m.

### 4. Distribution of Compliance Instruments

Wednesday, Sept. 9  
9 a.m. – 1:30 p.m.

### 5. Cost Effectiveness

Tuesday, Sept. 15  
9 a.m. – 1:30 p.m.

### 6. Impacted Communities

Thursday, Sept. 17  
9 a.m. – 1 p.m.

## TOWN HALL STYLE PUBLIC MEETINGS

### Town Hall 1

Thursday, Oct. 1  
5 p.m. – 8 p.m.

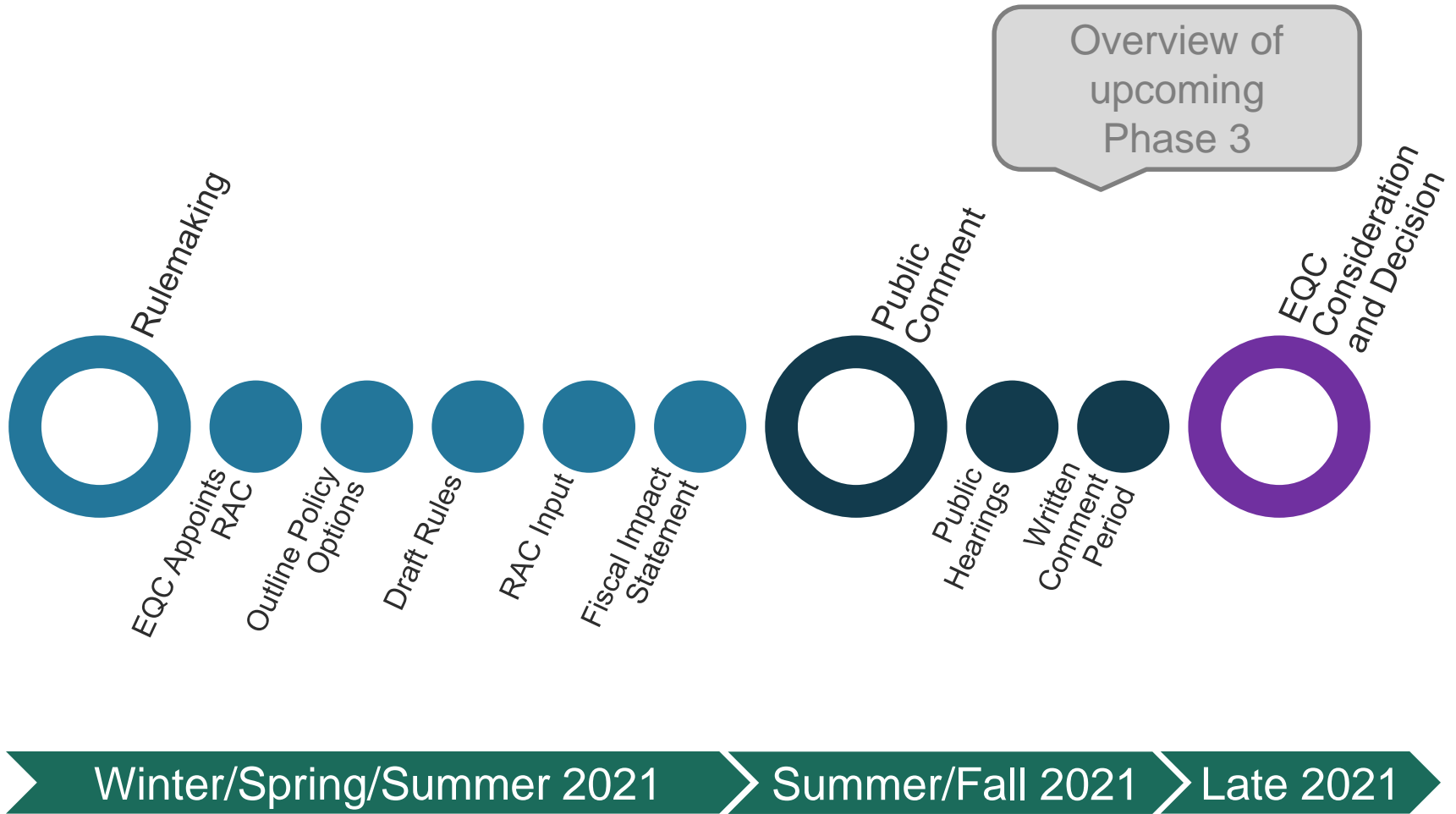
### Town Hall 2

Thursday, Oct. 8  
5 p.m. – 8 p.m.

### Town Hall 3

Wednesday, Oct. 14  
1 p.m. – 4 p.m.

# Timeline: Phase 3



# EQC and DEQ Rulemaking

## **What is rulemaking?**

- A process develop rules needed to achieve policy goals
- The EQC is a rulemaking body that adopts proposed rules into administrative law by voting
- DEQ prepares proposed rules for EQC consideration

## **What is the process that must be followed for rulemaking?**

- DEQ must conduct a rulemaking in accordance with standards set in the Oregon Administrative Procedures Act

## **What is the role of the Rulemaking Advisory Committee?**

- EQC-appointed committee to inform the rules
- Provide the agency and Environmental Quality Commission with advice and recommendations to guide regulations
- Includes members representing interested parties such as impacted communities, environmental advocates, and potentially regulated entities

# Next Steps

- Today's meeting and a summary will be posted to the cap and reduce website:  
[www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx](http://www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx)
- DEQ will announce upcoming meetings during the scoping phase two weeks in advance
- Meeting materials will be posted to the website prior to meetings
- Future public comment opportunities will be posted to the program website

# Clarifying Questions?

**3:35 – 3:50 p.m.**

Visit [www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx](http://www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx) for more information and to sign up for updates on upcoming meetings

# Q&A Instructions

- **To ask a verbal question:**
  - Click “Raise Hand”  
If you have joined by phone press \*9 to raise your hand.
  - The facilitator will call on participants. You will receive an “unmute” request. Please accept it.
  - Keep your question to two minutes or less.
- **To submit a written question:**
  - Click “Q&A.” Type your question in the Q&A box.
  - Staff will respond to questions verbally or in writing through the Q&A pod as time permits.
- Please provide your name and affiliation



# Comments?

**3:50 – 4:30 p.m.**

Visit [www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx](http://www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx) for more information and to sign up for updates on upcoming meetings

# Comment Instructions

- **To make a verbal comment:**
  - Click “Raise Hand”  
If you have joined by phone press \*9 to raise your hand.
  - The facilitator will call on participants. You will receive an “unmute” request. Please accept it.
  - Keep your comment to two minutes or less.
- **To submit a written comment:**
  - Click “Q&A.” Type your comment in the Q&A box.
  - Or submit written comments to DEQ by email:  
CapandReduce@deq.state.or.us
- Please provide your name and affiliation





# Contact Us

- **Email:** [CapandReduce@deq.state.or.us](mailto:CapandReduce@deq.state.or.us)
- **Sign up for email updates:**  
[www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx](http://www.oregon.gov/deq/ghgp/Pages/ghg-cap-and-reduce.aspx)
- **For alternative formats and materials in languages other than English:** 800-452-4011 or email [deqinfo@deq.state.or.us](mailto:deqinfo@deq.state.or.us)