EXECUTIVE ORDER NO. 20-04

DIRECTING STATE AGENCIES TO TAKE ACTIONS TO REDUCE AND REGULATE GREENHOUSE GAS EMISSIONS

WHEREAS, climate change and ocean acidification caused by greenhouse gas (GHG) emissions are having significant detrimental effects on public health and on Oregon's economic vitality, natural resources, and environment; and

WHEREAS, climate change has a disproportionate effect on the physical, mental, financial, and cultural wellbeing of impacted communities, such as Native American tribes, communities of color, rural communities, coastal communities, lower-income households, and other communities traditionally underrepresented in public processes, who typically have fewer resources for adapting to climate change and are therefore the most vulnerable to displacement, adverse health effects, job loss, property damage, and other effects of climate change; and

WHEREAS, climate change is contributing to an increase in the frequency and severity of wildfires in Oregon, endangering public health and safety and damaging rural economies; and

WHEREAS, the world's leading climate scientists, including those in the Oregon Climate Change Research Institute, predict that these serious impacts of climate change will worsen if prompt action is not taken to curb emissions; and

WHEREAS, the Intergovernmental Panel on Climate Change has identified limiting global warming to 2 degrees Celsius or less as necessary to avoid potentially catastrophic climate change impacts, and remaining below this threshold requires accelerated reductions in GHG emissions to levels at least 80 percent below 1990 levels by 2050; and

WHEREAS, Oregon, as a member of the U.S. Climate Alliance, has committed to implementing policies to advance the emissions reduction goals of the international Paris Agreement; and

WHEREAS, GHG emissions present a significant threat to Oregon's public health, economy, safety, and environment; and

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WHEREAS, the transition from fossil fuels to cleaner energy resources can significantly reduce emissions and increase energy security and the resilience of Oregon communities in the face of climate change; and

WHEREAS, emissions from the transportation sector are the single largest source of GHG emissions in Oregon; and

WHEREAS, actions to reduce GHG emissions in Oregon's transportation sector will provide substantial public health co-benefits by reducing air pollutants from the combustion of gasoline and diesel fuel that are harmful to human health; and

WHEREAS, the rapid transition from internal combustion engines to zero-emission vehicles will play a key role in reducing emissions from the transportation sector and advancing the state's GHG emissions reduction goals; and

WHEREAS, zero-emission vehicles provide multiple benefits to Oregonians, including lower operating, maintenance, and fuel costs, and lower emissions of GHGs and other pollutants; and

WHEREAS, the Legislature established ambitious goals for the adoption of zero-emission vehicles in Senate Bill 1044 (2019); and

WHEREAS, rapid actions and investments by Oregon's utility sector to reduce GHG emissions and improve the resilience of the energy system in the face of climate change and wildfire risk can reduce risks for utility customers; and

WHEREAS, transitioning the traditional natural gas supply to renewable natural gas can significantly reduce GHG emissions; and

WHEREAS, energy efficiency standards in the built environment can reduce operating costs, save renters and homeowners money on their utility bills, improve the comfort and habitability of dwellings, and reduce GHG emissions; and

WHEREAS, product energy efficiency standards reduce costs for consumers, save energy, and reduce GHG emissions; and

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WHEREAS, in the absence of effective federal engagement on these issues, it is the responsibility of individual states to take immediate actions to address climate change and ocean acidification; and

WHEREAS, after thorough hearings within the Oregon Legislature, a majority of both chambers support addressing climate change, and the failure of the Oregon Legislature to attain quorum has thwarted legislative action to achieve science-based GHG emissions reduction goals; and

WHEREAS, given the urgency and severity of the risks from climate change and ocean acidification, and the failure of the Legislature to address these immediate harms, the executive branch has a responsibility to the electorate, and a scientific, economic, and moral imperative to reduce GHG emissions and to reduce the worst risks of climate change and ocean acidification for future generations, to the greatest extent possible within existing laws; and

WHEREAS, existing laws grant authority to state agencies to take actions to regulate and encourage a reduction of GHG emissions in a variety of circumstances; and

WHEREAS, the Legislature through the Emergency Board took action on March 9, 2020, to provide permanent funding to the executive branch to pursue executive action on reducing GHG emissions; and

WHEREAS, considering climate change in agency planning and decision making will help inform decisions regarding climate change risks and avoid higher mitigation and adaptation costs in the future; and

WHEREAS, all agencies with jurisdiction over the sources of GHG emissions will need to continue to develop and implement programs that reduce emissions to reach the state's GHG goals; and

WHEREAS, all agencies with jurisdiction over natural and working landscapes in Oregon will need to prepare and plan for the impacts of climate change and take actions to encourage carbon sequestration and storage; and

WHEREAS, the Legislature previously established the goal of achieving GHG levels "at least 75 percent below 1990 levels" by 2050, and our State has an urgent, moral obligation to set and achieve more ambitious GHG reduction goals.

NOW, THEREFORE, IT IS HEREBY DIRECTED AND ORDERED:

1. **State Agencies**. The following state commissions and state agencies are subject to the directives set forth in this Executive Order:

   A. Business Oregon;

   B. Department of Administrative Services (DAS);

   C. Department of Consumer and Business Services Building Codes Division (BCD);

   D. Department of Land Conservation and Development (DLCD) and Land Conservation and Development Commission (LCDC);

   E. Environmental Justice Task Force;

   F. Environmental Quality Commission (EQC) and Department of Environmental Quality (DEQ);

   G. Oregon Department of Agriculture (ODA);

   H. Oregon Department of Energy (ODOE);

   I. Oregon Department of Fish and Wildlife (ODFW);

   J. Oregon Department of Forestry (ODF);

   K. Oregon Department of Transportation (ODOT) and Oregon Transportation Commission (OTC);

   L. Oregon Global Warming Commission;

   M. Oregon Health Authority (OHA);

   N. Oregon Water Resources Department (OWRD);

   O. Oregon Watershed Enhancement Board (OWEB); and

   P. Public Utility Commission of Oregon (PUC).

2. **GHG Emissions Reduction Goals**. Consistent with the minimum GHG reduction goals set forth in ORS 468A.205(1)(c), this Executive Order establishes science-based GHG emissions reduction goals, and calls for the State of Oregon to reduce its GHG emissions (1) at least 45 percent below 1990 emissions levels by 2035; and (2) at least 80 percent below 1990 emissions levels by 2050.

3. **General Directives to State Agencies**. From the date of this Executive Order, the state commissions and state agencies listed in paragraph 1 are directed to take the following actions:

   A. GHG Reduction Goals. Agencies shall exercise any and all authority and discretion vested in them by law to help facilitate Oregon's achievement of the GHG emissions reduction goals set forth in paragraph 2 of this Executive Order.

   B. Expedited Agency Processes. To the full extent allowed by law, agencies shall prioritize and expedite any processes and procedures, including but not limited to rulemaking processes and agency dockets, that could accelerate reductions in GHG emissions.

   C. Agency Decisions. To the full extent allowed by law, agencies shall consider and integrate climate change, climate change impacts, and the state's GHG emissions reduction goals into their planning, budgets, investments, and policy making decisions. While carrying out that directive, agencies are directed to:

      (1) Prioritize actions that reduce GHG emissions in a cost-effective manner;

      (2) Prioritize actions that will help vulnerable populations and impacted communities adapt to climate change impacts; and

      (3) Consult with the Environmental Justice Task Force when evaluating climate change mitigation and adaptation priorities and actions.

   D. Report on Proposed Actions. The following agencies are directed to report to the Governor by May 15, 2020, on proposed actions within their statutory authority to reduce GHG emissions and mitigate climate change impacts: DEQ, DLCD, ODA, ODOE, ODFW, ODF, ODOT, OWRD, OWEB, and PUC.

E. Participation in Interagency Workgroup on Climate Impacts to Impacted Communities. The Governor's Office will convene an interagency workgroup on climate impacts to impacted communities to develop strategies to guide state climate actions, with participation by the following agencies and commissions: DEQ, DLCD, ODA, ODF, ODFW, ODOE, ODOT, OHA, OWEB, OWRD, PUC, Environmental Justice Task Force, Oregon Global Warming Commission, Oregon Parks and Recreation Department, and Oregon Sustainability Board.

4. **Directives to the Environmental Quality Commission and the Department of Environmental Quality**. In addition to the general directives set forth in paragraph 3, the EQC and DEQ are directed to take the following actions:

A. Oregon's Clean Fuel Standards. Pursuant to its authority under ORS 468A.265 *et seq.* and other applicable laws, the EQC and DEQ shall take actions necessary to amend the low carbon fuel standards, and the schedule to phase in implementation of those standards, with the goal of reducing the average amount of GHG emissions per unit of fuel energy by 20 percent below 2015 levels by 2030, and 25 percent below 2015 levels by 2035.

B. Clean Fuel Credits for Electrification. The EQC and DEQ are directed to advance methods accelerating the generation and aggregation of clean fuels credits by utilities that can advance the transportation electrification goals set forth in Senate Bill 1044 (2019).

C. Sector-specific GHG Cap and Reduce Program. Pursuant to its authority under ORS 468A.005 *et seq.* and other applicable laws, the EQC and DEQ shall take actions necessary to:

(1) Cap and reduce GHG emissions from large stationary sources of GHG emissions, consistent with the science-based emissions reduction goals set forth in paragraph 2 of this Executive Order;

(2) Cap and reduce GHG emissions from transportation fuels, including gasoline and diesel fuel, consistent with the science-based emissions reduction goals set forth in paragraph 2 of this Executive Order; and

(3) Cap and reduce GHG emissions from all other liquid and gaseous fuels, including natural gas, consistent with the science-based emissions reduction goals set forth in paragraph 2 of this Executive Order.

D. Regulation of Landfill Methane Emissions. The EQC and DEQ shall take actions necessary to reduce methane gas emissions from landfills, as defined in ORS 459.005(14), that are aligned with the most stringent standards and requirements for reducing methane gas emissions from landfills adopted among the states having a boundary with Oregon.

E. Reduction of Food Waste. The EQC and DEQ are directed to take actions necessary to prevent and recover food waste, with the goal of reducing food waste by 50 percent by 2030, to reduce GHG emissions resulting from such waste, including but not limited to engaging with states and other jurisdictions, industry, food retailers, and brand manufacturers to develop and implement strategies to prevent and recover food waste.

F. Timeline and Implementation.

(1) No later than May 15, 2020, DEQ shall submit a report to the Governor regarding an estimated timeline for rulemaking necessary for implementing the directives of paragraph 4(A)–(B) and paragraph 4(D)–(E), above.

(2) DEQ shall submit a preliminary report to the Governor by May 15, 2020, regarding program options to cap and reduce emissions from large stationary sources, transportation fuels, and other liquid and gaseous fuels that can commence no later than January 1, 2022. A final report shall be due by June 30, 2020.

(3) Reports submitted pursuant to paragraph 4 of this Executive Order also should detail DEQ's plans to engage impacted communities during the rulemaking process, in a manner consistent with ORS chapter 183.

5. **Directives to the Public Utility Commission of Oregon**. In addition to the general directives set forth in paragraph 3, the PUC is directed to consider the following factors and values, consistent with state law:

A. Statement of Public Interest. It is in the interest of utility customers and the public generally for the utility sector to take actions that result in rapid reductions of GHG emissions, at reasonable costs, to levels consistent with the GHG emissions reduction goals set forth in paragraph 2 of this Executive Order, including transitioning to clean energy resources and expanding low carbon transportation choices for Oregonians.

B. Regulatory Considerations. Executive Order 00-06, which ensures that the PUC maintains its independence in decision making, is reaffirmed. The directives in this Executive Order are consistent with Executive Order 00-06. When carrying out its regulatory functions, the PUC is directed to:

(1) Determine whether utility portfolios and customer programs reduce risks and costs to utility customers by making rapid progress towards reducing GHG emissions consistent with Oregon's reduction goals;

(2) Encourage electric companies to support transportation electrification infrastructure that supports GHG reductions, helps achieve the transportation electrification goals set forth in Senate Bill 1044 (2019), and is reasonably expected to result in long-term benefit to customers;

(3) Prioritize proceedings and activities, to the extent consistent with other legal requirements, that advance decarbonization in the utility sector, and exercise its broad statutory authority to reduce GHG emissions, mitigate energy burden experienced by utility customers, and ensure system reliability and resource adequacy;

(4) Evaluate electric companies' risk-based wildfire protection plans and planned activities to protect public safety, reduce risks to utility customers, and promote energy system resilience in the face of increased wildfire frequency and severity, and in consideration of the recommendations made by the Governor's Council on Wildfire Response 2019 Report and Recommendations;

(5) Convening periodic workshops for purposes of assisting electric companies, consumer-owned utilities, and operators of electrical distribution systems to develop and share best practices for mitigating wildfire risk; and

(6) In cooperation with Oregon Housing and Community Services, establish a public process to address and mitigate differential energy burdens and other inequities of affordability and environmental justice, including rate design and other programs to mitigate energy burden.

6. **Directives to the Department of Consumer and Business Services Building Codes Division**. In addition to the general directives set forth in paragraph 3, BCD is directed to take the following actions:

A. Energy Efficiency Goal for New Construction. BCD, through its advisory boards and committees, and in cooperation with ODOE, is directed to adopt building energy efficiency goals for 2030 for new residential and commercial construction. That goal shall represent at least a 60 percent reduction in new building annual site consumption of energy, excluding electricity used for transportation or appliances, from the 2006 Oregon residential and commercial codes.

B. Code Progress and Updates. BCD, through its advisory boards and committees, and in cooperation with ODOE, is directed to evaluate and report on Oregon's current progress toward achieving the goal for new residential and commercial buildings, pursuant to paragraph 6(A) of this Executive Order, and options for achieving steady progress toward the goal over the next three code cycles (2023, 2026, and 2029). Pursuant to its authority under ORS 455.500, BCD also is directed to update the Reach Code on the same timeline. No later than September 15, 2020, BCD should submit a report to the Governor on current progress and options for achieving the goals over the next three code cycles. The report should be updated every three years thereafter.

C. Baseline Metrics and Reductions. BCD, in cooperation with ODOE, is directed to agree on metrics, based on best practice and academic research, to inform the baseline and reductions associated with the code updates set forth in paragraph 6(B).

7. **Directives to the Oregon Department of Energy**. In addition to the general directives set forth in paragraph 3, ODOE is directed to take the following actions:

   A. Energy Efficiency Standards. ODOE is directed to pursue emissions reductions by establishing and updating energy efficiency standards for products at least to levels equivalent to the most stringent standards among West Coast jurisdictions, including grid-connected appliances that can be utilized to manage end-use flexible electrical loads. ODOE also is directed to periodically evaluate and update those standards, as practicable, to remain at least equivalent to the most stringent standards among West Coast jurisdictions.

   B. Rulemaking. ODOE is directed to take actions necessary to establish and update energy efficiency standards for products sold or installed in Oregon that include but are not limited to the following:

      (1) High CRI fluorescent lamps;

      (2) Computers and computer monitors;

      (3) Faucets;

      (4) Shower heads;

      (5) Commercial fryers;

      (6) Commercial dishwashers;

      (7) Commercial steam cookers;

      (8) Residential ventilating fans;

      (9) Electric storage water heaters; and

      (10) Portable electric spas.

   C. Timeline. Any rulemaking necessary to implement the directives set forth in paragraph 7(B) should be completed by September 1, 2020.

   D. Third-Party Validation for Cost Savings. ODOE, in cooperation with BCD, is directed to contract with a third party consulting firm to assess cost implications, including long-term energy cost savings, of the energy efficiency and building code actions set forth in paragraph 6(A)–(B) of this Executive Order.

8. **Directives to the Department of Administrative Services**. In addition to the general directives set forth in paragraph 3, DAS is directed to take the following actions:

   A. Procurement Model for Zero-Emission Vehicles. DAS is directed to develop a statewide policy and plan for state agencies to follow for procuring zero-emission vehicles, which local governments and special government bodies may use as a model program for furthering adoption of zero-emission vehicles for their fleets. The model program shall provide for a rate of procurement of zero-emission vehicles consistent with the findings and goals set forth in ORS 283.398 and the provisions of ORS 283.327. The model program may provide for DAS to participate in, sponsor, conduct, or administer cooperative procurements in accordance with ORS 279A.200 to ORS 279A.225, under which DAS, local governments, and special government bodies may procure zero-emission vehicles.

   B. GHG Implications of Contracting. DAS is directed to review existing state procurement laws and practices to identify potential improvements that can reduce GHG emissions, consistent with the GHG reduction goals set forth in paragraph 2 of this Executive Order. DAS shall provide a report to the Governor no later than September 15, 2020, detailing options.

   C. GHG Reduction Goals and Electrification Goals. DAS is directed to support the state in meeting the GHG reduction goals set forth in paragraph 2 of this Executive Order, and the zero-emission vehicle adoption goals set forth in Senate Bill 1044 (2019), through the rapid conversion of state fleets to zero-emission vehicles, and the expansion of electric vehicle charging infrastructure for public buildings. DAS shall provide a report to the Governor no later than September 15, 2020, detailing its plan.

9. **Directives to the Oregon Transportation Commission, Oregon Department of Transportation, Land Conservation and Development Commission, Environmental Quality Commission, and Oregon Department of Energy**.

A. In a letter from the Governor, dated September 23, 2019, the OTC, LCDC, EQC, and ODOE were directed to prioritize implementation of the Statewide Transportation Strategy, adopted by the OTC. Those agencies are further directed to include the following elements in their implementation of the Statewide Transportation Strategy:

(1) Establishment of GHG emissions reduction performance metrics; and

(2) Amendments to the Transportation Planning Rule that direct changes to the transportation plans of metropolitan planning areas to meet GHG reduction goals.

B. ODOT and DLCD are directed to identify and implement means to provide financial and technical assistance to metropolitan planning areas for amendment to transportation and land use plans that meet the state GHG reduction goals, or more stringent goals adopted by a metropolitan planning area.

C. Implementation of the directives set forth in paragraph 9(A)–(B) shall be at the highest level within the agencies, with regular and direct reporting to the Governor. The first report shall be made to the Governor no later than June 30, 2020.

10. **Directives to the Oregon Department of Transportation**. In addition to the general directives set forth in paragraph 3, ODOT is directed to take the following actions:

A. In consultation with DEQ, ODOE, other appropriate state agencies, and public utilities, ODOT is directed to conduct a statewide transportation electrification infrastructure needs analysis, with particular focus on rural areas of the state, across use types and vehicle classes, to facilitate the transportation electrification goals set forth in Senate Bill 1044 (2019). The study should be completed no later than June 30, 2021.

B. ODOT is directed to develop and apply a process for evaluating the GHG emissions implications of transportation projects as part of its regular capital planning and Statewide Transportation Improvement Program planning processes. ODOT shall provide a report on the process to the Governor no later than June 30, 2021.

11. **Directives to Oregon Health Authority**. In addition to the general directives set forth in paragraph 3, OHA is directed to take the following actions:

    A. OHA is directed to deliver a report to the Governor, the Oregon Global Warming Commission, and the Environmental Justice Task Force no later than September 1, 2020, on the public health impacts of climate change in Oregon, with particular emphasis on the risks faced by vulnerable communities, including Oregon's nine federally recognized Native American tribes, communities of color, low income communities, and rural communities. OHA is directed to update the report annually.

    B. OHA is directed to study the impacts of climate change on youth depression and mental health in Oregon and deliver a report to the Governor no later than June 30, 2021.

    C. OHA and the Oregon Occupational Safety and Health Administration (OSHA) are directed to jointly develop a proposal for standards to protect workplace employees from exposure to wildfire smoke and excessive heat. The proposal should be completed no later than June 30, 2021.

12. **Directives to Oregon Global Warming Commission**. In addition to the general directives set forth in paragraph 3, the Global Warming Commission is directed to take the following actions:

    A. In coordination with ODA, ODF, and OWEB, the Oregon Global Warming Commission is directed to submit a proposal to the Governor for consideration of adoption of state goals for carbon sequestration and storage by Oregon's natural and working landscapes, including forests, wetlands, and agricultural lands, based on best available science. The proposal shall be submitted no later than June 30, 2021.

    B. Consistent with its reporting requirements in House Bill 3543 (2007), the Oregon Global Warming Commission shall also include reporting on progress toward the GHG reduction goals set forth in paragraph 2 of this Executive Order, and the zero-emission vehicle adoption goals set forth in SB 1044 (2019).

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13. **Effectiveness**. This Executive Order will remain in effect unless and until it is superseded by statute or another Executive Order.

Done at Salem, Oregon, this 10th day of March, 2020.

Kate Brown
GOVERNOR

ATTEST:

Bev Clarno
SECRETARY OF STATE