



ENERGY

2018 SUMMARY OF LEGISLATION MEASURE SUMMARIES

The *2018 Summary of Legislation – Energy* summarizes selected measures related to this policy area that were considered by the 79th Oregon Legislative Assembly, including bills, memorials, and resolutions. This publication will become part of a more comprehensive *2018 Summary of Legislation* that includes all topic area summaries and committee membership lists.

This publication begins with a table highlighting measures that establish task forces or create reporting requirements. The summaries of selected measures follow in three groups—bills, memorials, and resolutions—each listed in numerical order.

Each summary provides information on the chief sponsors, committees assigned, background and current law, description of the measure, and date when the measure, if enacted, becomes effective. Each summary also includes a link to the measure on the [Oregon Legislative Information System \(OLIS\)](#), which provides a more comprehensive staff measure summary, all versions of the measure, amendments, public testimony, a complete measure history, and final vote tallies.

The *2018 Summary of Legislation* focuses on policy measures. Information on revenue measures is available on the [Legislative Revenue Office website](#). Information on the state budget and selected legislation that impacts state agencies is available on the [Legislative Fiscal Office website](#).

The Legislative Policy and Research Office will update this publication with each bill's effective date and assigned chapter in Oregon Laws 2018 when that information becomes available.

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ENERGY TASK FORCES AND REPORTING REQUIREMENTS

The following bills created task forces and reporting requirements. Additional information is provided in the bill summaries.

| Bill Number | Requirement | Deadline |
|-------------|--|--------------------------------------|
| HB 4022 | Department of Administrative Services must report on the implementation of state agencies installing electric vehicle charging stations. | February 1st of 2019, 2021, and 2023 |

Cap-and-Invest Program

At the request of: Senate Interim Committee on Environment and Natural Resources

Committees: Senate Environment and Natural Resources, Senate Rules

Background and Current Law: A cap-and-trade program is a market-based system designed to reduce greenhouse gas emissions. Total allowed emissions are capped at a given level that decreases each year. Polluters are required to buy an allowance for each ton of greenhouse gas they emit above a specified amount, as quantified through mandatory reporting of emissions to the government.

Ten states currently have cap-and-trade systems. Nine are Northeastern states that joined together in 2009 to create a common carbon market through the Regional Greenhouse Gas Initiative. California runs a separate program that began in 2012 and is linked to the Canadian province of Quebec's cap-and-trade program through the Western Climate Initiative. Ontario began a cap-and-trade program in 2017.

Bill Summary: Senate Bill 1507-A and House Bill 4001 would have directed the Environmental Quality Commission to adopt a program to establish a cap on total anthropogenic greenhouse gas emissions (GHG) by covered entities and a market-based compliance mechanism. The measures would have declared that the program's purposes are to reduce GHG emissions consistent with statewide GHG emissions limits and to promote carbon sequestration and adaptation and resilience by the state's working lands, fish and wildlife resources, communities, and economy in the face of climate change and ocean acidification. Auction proceeds from the program were to be invested in projects, programs, and activities to further the purposes of the program. The measures would have also established a Program Advisory Committee and a Joint Legislative Committee on Climate.

Oregon Energy Commission

Chief Sponsors: Sens. Olsen, Beyer

Committees: Senate Business and Transportation, Joint Ways and Means

Background and Current Law: The Oregon Department of Energy (ODOE) was established in 1975 in response to the national energy crisis. ODOE is overseen by a Governor-appointed Director. During the 2015-2016 legislative interim, the Joint Interim Committee on Department of Energy Oversight conducted a review of ODOE.

Bill Summary: Senate Bill 1519-A would have established the Oregon Energy Commission as the policy and rulemaking body for ODOE, required ODOE to develop a statewide strategic energy plan, and transferred certain duties of ODOE and its Director to the Commission. The measure would have transferred duties and powers of the ODOE related to small-scale local energy project loans and the clean energy deployment program to the Oregon Business Development Department. Senate Bill 1519-A would have also made a change to the annual energy resource supplier assessment.

Cap-and-Invest Program

Chief Sponsors: Rep. Helm; Sens. Dembrow, Beyer; Reps. Hernandez, Marsh, Williamson

Committees: House Energy and Environment, House Rules

Background and Current Law: A cap-and-trade program is a market-based system designed to reduce greenhouse gas emissions. Total allowed emissions are capped at a given level that decreases each year. Polluters are required to buy an allowance for each ton of greenhouse gas they emit above a specified amount, as quantified through mandatory reporting of emissions to the government.

Ten states currently have cap-and-trade systems. Nine are Northeastern states that joined together in 2009 to create a common carbon market through the Regional Greenhouse Gas Initiative. California runs a separate program that began in 2012 and is linked to the Canadian province of Quebec's cap-and-trade program through the Western Climate Initiative. Ontario began a cap-and-trade program in 2017.

Bill Summary: House Bill 4001 and Senate Bill 1507-A would have directed the Environmental Quality Commission to adopt a program to establish a cap on total anthropogenic greenhouse gas emissions (GHG) by covered entities and a market-based compliance mechanism. The measures would have declared that the program's purposes are to reduce GHG emissions consistent with statewide GHG emissions limits and to promote carbon sequestration and adaptation and resilience by the state's working lands, fish and wildlife resources, communities, and economy in the face of climate change and ocean acidification. Auction proceeds from the program were to be invested in projects, programs, and activities to further the purposes of the program. The measures would have also established a Program Advisory Committee and a Joint Legislative Committee on Climate.

[House Bill 4022](#)

Effective Date: June 2, 2018

Electric Vehicle Charging Stations

Chief Sponsors: Rep. Barnhart

Committees: House Energy and Environment, Senate General Government and Accountability

Background and Current Law: Electric vehicles use electric currents provided by onboard batteries for power and movement. Recharging the batteries of an electric vehicle can take several hours if the batteries are significantly depleted. In 2013, the Legislative Assembly enacted Senate Bill 536 which authorized state agencies to provide electric vehicle charging stations for public use on agency property, but prohibited agencies from setting the price at a level that would subsidize the operations of a private entity or the cost of electricity to the public. Under current law, the Department of Administrative Services (DAS) is limited to installing no more than 10 electric vehicle charging stations per biennium, and other agencies are limited to installing five.

Bill Summary: House Bill 4022 authorizes state agencies to install an appropriate number of charging stations as determined by rule and to set a price for the electricity that recovers the cost of operation to the maximum extent practicable, not to exceed 110 percent of the market price.

Oregon Laws 2018: Chapter 90

[House Bill 4121-A](#)

Not Enacted

Home Weatherization, Retrofit, and Affordability Program

Chief Sponsors: Rep. Marsh

Committees: House Economic Development and Trade, Joint Ways and Means

Background and Current Law: Oregon Housing and Community Services has developed programs and services to support housing stability and promote energy improvement. Locally administered weatherization programs help lower income residents reduce heating costs while improving the efficiency and condition of their homes. Homeowners previously used Oregon's Residential Energy Tax Credits, which ended in 2017, to improve residential energy efficiency. The Small-Scale Energy Loan Program also previously provided long-term fixed rate loans for Oregon energy projects.

Bill Summary: House Bill 4121-A would have required Oregon Housing and Community Services to establish and administer a program to provide incentive payments, funding, and grants for certain energy improvement projects. Incentive payments would have been made directly to construction contractors for qualified projects. The bill would have required the department to reserve a portion of program funding for energy efficiency, weatherization, solar technology, and affordable housing activities.

Oregon Energy Board

Chief Sponsors: Rep. Holvey; Sen. Dembrow; Rep. Helm

Committees: House Energy and Environment, Joint Ways and Means

Background and Current Law: The Oregon Department of Energy (ODOE) was established in 1975 in response to the national energy crisis. Its statutory mission is to promote the efficient use of energy and advocate for the use and development of new renewable energy. Since its creation, ODOE has been assigned a variety of energy-related responsibilities, including some regulatory functions. In January 2016, the Joint Interim Committee on Department of Energy Oversight (Committee) was appointed to conduct a thorough review of ODOE and make recommendations to the 2017 Legislative Assembly. The Committee was directed by the Senate President and the Speaker of the House to focus on the following: ODOE's charge, mission, and statutory responsibilities; its organizational structure and funding streams; current gaps and deficiencies in its operational structure and capacity to fulfill its mission and programs; and its capacity to facilitate both public and private stakeholder relationships to fulfill its mission.

Bill Summary: House Bill 4148 would have established the Oregon Energy Board (Board) as the advisory body for ODOE. The Board would have been charged with developing a statewide strategic energy plan for implementing energy policies and advising and making recommendations to ODOE on proposals related to planning, policy, technical analyses, legislative concepts, and ODOE's requested budget.