

SB 952 A STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

Action Date: 04/17/17

Action: Without recommendation as to passage, but with amendments and requesting referral to Rules. (Printed A-Eng.)

Vote: 5-0-0-0

Yeas: 5 - Beyer, Girod, Monroe, Riley, Thomsen

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Patrick Brennan, LPRO Analyst

WHAT THE MEASURE DOES:

Establishes the Oregon Energy Commission as a policy and rulemaking body for the Oregon Department of Energy, transfers certain duties from the Department and Department Director to the Commission, and makes modifications to the general duties of the Department. Modifies state energy policy. Directs Department to develop statewide strategic energy report and present a draft of the report to the Legislative Assembly no later than September 15, 2019; directs the Commission to adopt the report by January 1, 2020 and to periodically review and update the report. Requires the Department to provide an annual comprehensive energy report to the Governor and Legislative Assembly. Transfers some programs currently under the Department to other agencies and repeals other Department programs. Extends eligibility for residential energy tax credits to January 1, 2020. Reduces to 0.1 percent the maximum percentage of an energy supplier's gross operating revenue for the annual energy resource supplier assessment and modifies the definition of "gross operating revenue" for purposes of the assessment. Prohibits transfer of energy-related tax credits held by tax-exempt or government entities and provides for purchase of such credits by the Department. Requires Department to study further departmental restructuring and to present findings of the study to interim committees of the Legislative Assembly by September 15, 2018; sunsets requirement on December 31, 2018. Becomes operative January 1, 2018. Declares emergency, effective on passage

ISSUES DISCUSSED:

- Need for an oversight body for Oregon Department of Energy
- Different approaches taken by Senate Bill 908 and Senate Bill 952
- Fiscal impact of measure
- Work of oversight committee
- Supplier assessment fee
- Need to determine which state agency will address climate issues

EFFECT OF AMENDMENT:

Specifies Oregon Energy Commission is to collect data from all available sources. Directs that Commission provide technical assistance and report to Governor, Legislative Assembly and other agencies. Directs Commission evaluation to consider cost-effectiveness. Replaces requirement for statewide strategic energy plan with requirement for statewide strategic energy report. Replaces sections on Small Scale Local Energy Projects and Records, Property, Employees. Changes appropriation of moneys from Clean Energy Deployment Fund and Renewable Energy Development Subaccount from Oregon Department of Energy (ODOE) to Oregon Business Development Department (OBDD). Adds Alternative Fuel Vehicle Revolving Fund to list of funds abolished upon measure's operative date. Replaces \$3 million allocation to OBDD with unspecified allocation. Revises section on Audits. Designates OBDD as

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entity to which energy-related tax credits may be sold.

BACKGROUND:

The Oregon Department of Energy (ODOE) is the state's regulatory entity for energy production and transmission. It consists of five divisions: Nuclear Safety and Emergency Preparedness; Energy Development Services; Energy Planning and Innovation; Energy Siting; and Central services.