

SB 952 B STAFF MEASURE SUMMARY

Senate Committee On Rules

Action Date: 06/22/17

Action: Do pass with amendments to the A-Eng bill. Refer to Ways and Means. (Printed B-Eng.)

Vote: 3-0-2-0

Yeas: 3 - Burdick, Ferrioli, Roblan

Exc: 2 - Beyer, Boquist

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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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:

- Effect of amendment

EFFECT OF AMENDMENT:

Increases current exemption of annual assessment payments to \$2,500. Requires Department of Energy to include review of opportunities for public participation in Siting Council proceedings as part of required study.

BACKGROUND:

The Oregon Department of Energy (ODOE) was established in 1975 in response to the national energy crisis. Its mission is to promote the efficient use of energy and to advocate for the use and development of new renewable energy. In the 41 years since its creation, ODOE has been assigned a variety of energy-related responsibilities, including regulatory functions. The Department is structured around four operative divisions: Nuclear Safety and Emergency Preparedness; Energy Planning and Innovation; Energy Development Services; and Energy Facility Siting.

The Department is overseen by a Director who is appointed by the Governor, and currently is staffed by 84 permanent ODOE employees. The agency's 2015-17 operating budget is \$37.4 million, with revenue coming from program fees, federal dollars and \$13.1 million assessed on energy suppliers. The Department receives no General Fund revenue.