

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5512-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Dingfelder
Carrier – Senate: Sen. Devlin**

Action: Do Pass as Amended and Be Printed A-Engrossed

Vote: 15 – 4 – 2

House – Yeas: D. Edwards, Galizio, Nathanson, Nolan, Shields

– Nays: Garrard, Hanna, Jenson, Morgan

– Exc:

Senate – Yeas: Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett

– Nays:

– Exc: Bates, Winters

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Reviewed By: Michelle Deister, Legislative Fiscal Office

Meeting Date: 4/6/07

Agency

Department of Energy

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Biennium

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Senator Richard Devlin, Natural Resources Subcommittee Chair

Budget Summary*

	2005-07		2007-09		Percentage Committee Change from Governor's Budget
	Legislatively Approved Budget (1)	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	
General Fund	\$ 0	\$ 8,900,000	\$ 1,500,000	\$ -7,400,000	-83.1%
Other Funds	18,365,467	20,531,525	20,397,639	-133,886	-0.7%
Other Funds Nonlimited	139,717,257	158,006,507	158,006,507	0	0.0%
Federal Funds	5,507,683	5,533,258	5,533,258	0	0.0%
Total	\$ 163,590,407	\$ 192,971,290	\$ 185,437,404	\$ -7,533,886	-3.9%

Position Summary

Authorized Positions	86	99	89	-10
Full-time Equivalent (FTE) Positions	84.71	98.38	88.50	-9.88

(1) Includes adjustments through the December 2006 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Department of Energy (DOE) has several sources of Other Funds revenues. They include the following: the Small-Scale Energy Loan Program (SELP) which includes general obligation bond sales (\$80 million in 2005-07), loan repayments, interest income, energy supplier assessments, settlement funds, application fees related to the Business Energy Tax Credit, energy siting fees, and fees for services related to the program for schools and self-directed efficiency projects stemming from electric marketing restructuring (Senate Bill 1149).

Federal Funds received from the U.S. Department of Energy support various activities including oversight at the Hanford Nuclear site, deployment of technologies and energy sources that improve energy efficiencies in new building construction, promotion and utilization of alternative fuels, infrastructure development, and renewable resource projects. Federal Funds are also received for work related to tracking, monitoring, emergency planning for shipment of low-level radioactive waste materials, and testing for contamination related to the Lakeview uranium mediation site. Additionally, the U.S. Department of Agriculture and the Environmental Protection Agency provide funds that support both conservation and renewable energy programs. There were no revenue changes, fee ratifications, revenue source changes or other significant revenue actions approved by the Subcommittee.

Summary of Subcommittee Action

The mission of the DOE is to ensure Oregon has an adequate supply of reliable and affordable energy and is safe from nuclear contamination, by helping Oregonians save energy, develop clean energy resources, promote renewable energy, and clean up nuclear waste. DOE encourages energy conservation through public information and incentive programs which provide loans or tax credits for implementing energy efficient technologies in residences, public sector buildings, and private sector businesses.

The DOE staffs two boards: The Energy Facility Siting Council, a seven-member citizen board that decides whether large energy facilities may be built in Oregon; regulates the construction, operation, and decommissioning of energy facilities; and oversees the disposal of low-level radioactive wastes, and the Hanford Cleanup Board, a 20 member board, that addresses clean-up issues at the nuclear site and represents Oregon's interest in issues involving Hanford, with a focus on protecting the Columbia River and ensuring safe transportation routes for shipments of radioactive waste. In addition, the agency staffs a number of task forces and workgroups created by Executive Order.

The Subcommittee approved a budget of \$185,437,404 total funds consisting of \$1,500,000 General Fund, \$20,397,639 Other Funds, \$158,006,507 Other Funds Non-Limited, and \$5,533,258 Federal Funds, including 89 positions (88.50 full-time equivalents). The approved budget is 8.8 percent greater than the Essential Budget Level (EBL). The increase includes additional staff needed to manage current workload and General Fund for the Oregon Museum of Science and Industry (OMSI) debt repayment.

Package 100: Strategic Program Delivery, was approved by the Subcommittee. As approved by the Subcommittee, this package makes permanent four limited duration positions, reauthorizes two limited duration positions, adds three new positions (two permanent and one limited duration), and adds a total of 0.98 FTE to make permanent three part time positions. The package increases Other Funds by \$1,238,132 and 9.98 FTE.

The Subcommittee approved the following budget note related to Package 101 – Governor's Energy Savings Goal:

Budget Note

The Department of Energy is encouraged to contract with state agencies for energy audits that would be paid from Other Funds revenue with the goal of generating additional energy efficiency for those agencies. Should this effort be successful, the Department may return to the Emergency Board to seek limited duration positions and expenditure limitation to conduct these audits on a fee for service basis.

Package 102: OMSI Loan, was approved by the Subcommittee in the amount of \$1,500,000 General Fund. This package is for payment on the OMSI loan.

Package 801: LFO Analyst Adjustment, was approved by the Subcommittee in the amount of \$5,800 Other Funds revenue transfer to cover per diem expenses of the Energy Facility Siting Council, which is housed in the Office of the Governor.

Summary of Performance Measure Action

See attached Legislatively Adopted 2007-09 Key Performance Measures form.