

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
Vote:	7 - 0 - 0
Yeas:	Beyer, Burley, Cannon, Garrard, Read, Smith G., Dingfelder
Nays:	0
Exc.:	0
Prepared By:	Beth Patrino, Administrator
Meeting Dates:	2/5, 2/12

WHAT THE MEASURE DOES: Requires a state agency that is authorized to finance construction, purchase or renovation of structures used by the state, to reduce the amount of energy the agency uses by at least 20 percent by June 30, 2015, from a baseline amount the Oregon Department of Energy (ODE) determines by rule based on usage in calendar year 2000. Requires agency to report annually to the ODE regarding energy use. Requires agency that fails to meet the 20 percent energy reduction requirement on or after June 30, 2015, to submit biennial energy conservation plan to the department. Authorizes the department to, by rule, require prequalification of prospective bidders for a person to submit a bid or proposal to direct an energy consumption analysis for a state agency (unless the person is a professional engineer or architect), enter into an energy savings performance contract or perform services related to the preparation of state agency plan. Authorizes ODE to recover the costs of administering the program from authorized state agencies.

ISSUES DISCUSSED:

- Prequalification of prospective bidders
- Issues relating to implementing energy savings in rented facilities
- Potential cost-savings to the state from energy use reductions
- Definition of "facility"
- Scope of Director's authority

EFFECT OF COMMITTEE AMENDMENT: Removes requirement that state agencies prepare a plan by 2010. Requires Department of Energy to work with state agencies in developing rules to implement the program.

BACKGROUND: The state energy efficiency program (SEED) was established in 1991. The law directs state agencies to work with the Oregon Department of Energy to ensure cost-effective energy conservation measures are included in new and renovated public buildings. It was revised in 2001 to require that all state facilities constructed on or after June 30, 2001 exceed the energy conservation provisions of the Oregon state building code by 20 percent or more. The Energy Conservation Initiative was added to the SEED program in 2001. The initiative requires a 10 percent reduction in state agency energy usage in existing facilities. In March 2006, Governor Kulongoski's Executive Order 06-02 directed state agencies to reduce energy usage by an additional 10 percent to 20 percent by 2015.

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This summary has not been adopted or officially endorsed by action of the committee.