## A-Engrossed House Bill 3610

Ordered by the House February 13 Including House Amendments dated February 13

Sponsored by COMMITTEE ON ELECTIONS, ETHICS AND RULES (at the request of House Interim Committee on Energy and the Environment)

## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires that certain state agencies report recommendations regarding greenhouse gas emissions reduction goals to Oregon Global Warming Commission. [Modifies rulemaking authority of Environmental Quality Commission.] Requires that copy of report and updates to report be provided to Legislative Assembly.

Allows Environmental Quality Commission to require registration and reporting by persons who import, sell or distribute for use in this state electricity or fossil fuels. Directs commission to minimize burden of reporting to extent it is consistent with purposes of commission rules.

Increases membership of Oregon Global Warming Commission by two voting members and three nonvoting members. Clarifies ex officio nonvoting membership of Oregon Global Warming Commission. Clarifies that majority of voting members of Oregon Global Warming Commission constitutes quorum for transaction of business. [Requires certain reporting to Legislative Assembly.]

Declares emergency, effective on passage.

## A BILL FOR AN ACT

- Relating to climate change; creating new provisions; amending ORS 468A.215, 468A.220, 468A.225 and 468A.235; and declaring an emergency.
- 4 Be It Enacted by the People of the State of Oregon:
- 5 **SECTION 1.** ORS 468A.235 is amended to read:
  - 468A.235. (1) The Oregon Global Warming Commission shall recommend ways to coordinate state and local efforts to reduce greenhouse gas emissions in Oregon consistent with the greenhouse gas emissions reduction goals established by ORS 468A.205 and shall recommend efforts to help Oregon prepare for the effects of global warming. The Office of the Governor and state agencies working on **state**, multistate and regional efforts to reduce greenhouse gas emissions shall inform the commission **and the Legislative Assembly** about these efforts and shall consider input from the commission for such efforts.
  - (2) The following agencies shall identify existing programs and activities that could contribute to meeting the greenhouse gas emissions reduction goals specified in ORS 468A.205:
    - (a) The State Department of Energy;
- 16 (b) The Department of Transportation;
  - (c) The Public Utility Commission;
- 18 (d) The State Forestry Department;
- 19 (e) The Department of Environmental Quality;
- 20 (f) The Water Resources Department;

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

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(g) The Department of Higher Education;

- (h) The State Department of Agriculture;
- (i) The Department of Land Conservation and Development;
  - (j) The Oregon Department of Administrative Services; and
    - (k) Any other agency designated by the Oregon Global Warming Commission.
    - (3) After identifying programs and activities as required by subsection (2) of this section, each agency shall prepare a report that sets forth recommendations for changes to the identified programs and activities that could help the State of Oregon achieve the greenhouse gas emissions reduction goals specified in ORS 468A.205. The report shall identify the cost to the agency of implementing the recommendations.
    - (4) In making recommendations under subsection (3) of this section, each agency shall identify the costs and benefits to the economy of Oregon of implementing the recommendations.
    - (5) Each agency shall update the report required by subsection (3) of this section every two years and provide a copy of the updated report to the commission on or before October 1 of each even-numbered year. Agencies shall submit the updated reports to the Legislative Assembly on or before October 1 of each even-numbered year in the manner provided by ORS 192.245.
  - <u>SECTION 1a.</u> Each agency shall submit the report required under ORS 468A.235 (3) by October 1, 2008.
  - SECTION 2. Section 3 of this 2008 Act is added to and made a part of ORS chapter 468A. SECTION 3. (1) In addition to any registration and reporting that may be required under ORS 468A.050, the Environmental Quality Commission by rule may require registration and reporting by:
  - (a) Any person who imports, sells or distributes for use in this state electricity, the generation of which emits greenhouse gases; or
  - (b) Any person who imports, sells or distributes for use in this state fossil fuel that generates greenhouse gases when combusted.
  - (2) Rules adopted by the commission under this section for electricity that is imported, sold or distributed for use in this state may require reporting of information necessary to determine greenhouse gas emissions from generating facilities and transmission equipment that is used to produce and transmit the electricity.
  - (3)(a) The commission shall allow consumer-owned utilities, as defined in ORS 757.270, to comply with reporting requirements imposed under this section by the submission of a report prepared by a third party. A report submitted under this paragraph may include information for more than one consumer-owned utility, but must include all information required by the commission for each individual utility.
  - (b) For the purpose of determining greenhouse gas emissions related to electricity purchased from the Bonneville Power Administration by a consumer-owned utility, as defined in ORS 757.270, the commission may require only that the utility report:
  - (A) The number of megawatt hours of electricity purchased by the utility from the Bonneville Power Administration, segregated by the types of contracts entered into by the utility with the Bonneville Power Administration; and
  - (B) The percentage of each fuel or energy type used to produce electricity purchased under each type of contract.

- (4) Rules adopted by the commission under this section for fossil fuel that is imported, sold or distributed for use in this state may require reporting of the type and quantity of the fuel and any additional information necessary to determine the carbon content of the fuel. For the purpose of determining greenhouse gas emissions related to liquefied petroleum gas, the commission shall allow reporting using publications or submission of data by the American Petroleum Institute but may require reporting of such other information necessary to achieve the purposes of the rules adopted by the commission under this section.
- (5) To the extent it is consistent with the purposes of the rules adopted by the commission under this section, the commission shall minimize the burden of the reporting required under this section by:
- (a) Allowing concurrent reporting of information that is also reported to another state agency;
  - (b) Allowing electronic reporting;

- (c) Allowing use of good engineering practice calculations in reports, or of emission factors published by the United States Environmental Protection Agency;
- (d) Establishing thresholds for the amount of specific greenhouse gases that may be emitted or generated without reporting;
- (e) Requiring reporting by the fewest number of persons in a fuel distribution system that will allow the commission to acquire the information needed by the commission; or
  - (f) Other appropriate means and procedures determined by the commission.
- (6) For purposes of this section, "greenhouse gas" has the meaning given that term in ORS 468A.210.

SECTION 4. ORS 468A.215 is amended to read:

- 468A.215. (1) There is created the Oregon Global Warming Commission. The commission shall consist of [25] **30** members, including [11] **13** voting members appointed by the Governor under this section and [14] **17** ex officio nonvoting members specified in ORS 468A.220.
- (2) Members of the commission appointed under this section shall be appointed so as to be representative of the social, environmental, cultural and economic diversity of the state and to be representative of the policy, science, education and implementation elements of the efforts to reduce greenhouse gas emissions and to prepare Oregon for the effects of global warming. Of the members appointed by the Governor under this section:
  - (a) One member shall have significant experience in manufacturing;
  - (b) One member shall have significant experience in energy;
  - (c) One member shall have significant experience in transportation;
  - (d) One member shall have significant experience in forestry;
  - (e) One member shall have significant experience in agriculture; [and]
  - (f) One member shall have significant experience in environmental policy;
  - (g) One member shall represent the interests of labor; and
  - (h) One member shall represent the interests of consumer-owned utilities.
- (3) The Governor shall select a chairperson and a vice chairperson from among the members appointed under this section.
- (4) The term of office of a member appointed under this section is four years. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on January 31 next following. A member appointed under this section is eligible for reappointment. In case of vacancy for any cause, the Governor shall make an appointment to become immediately effective

1 for the unexpired term.

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- 2 (5) The members of the commission appointed under this section must be residents of this state.
- 3 Failure of a member to maintain compliance with the eligibility requirements related to the mem-
- 4 ber's appointment shall result in disqualification from serving on the commission.
  - (6) Voting members of the commission appointed under this section are entitled to expenses as provided in ORS 292.495 (2).
    - **SECTION 5.** ORS 468A.220 is amended to read:
- 8 468A.220. (1) In addition to the members appointed under ORS 468A.215, the Oregon Global 9 Warming Commission shall include the following ex officio **nonvoting** members:
  - (a) The Director of the State Department of Energy;
- 11 (b) The Director of Transportation;
- 12 (c) The chairperson of the Public Utility Commission of Oregon;
  - (d) The Director of the Department of Environmental Quality;
- 14 (e) The Director of Agriculture;
  - (f) The State Forester;
    - (g) The Water Resources Director; and
  - (h) [Three] Six additional ex officio nonvoting members, each from a state agency or an academic institution.
  - (2) The following representatives of the Legislative Assembly also shall serve as ex officio non-voting members:
  - (a) Two members of the Senate, not from the same political party, appointed by the President of the Senate; and
  - (b) Two members of the House of Representatives, not from the same political party, appointed by the Speaker of the House of Representatives.
  - (3) Each legislative member serves at the pleasure of the appointing authority and may serve [so] as long as the member remains in the chamber of the Legislative Assembly from which the member was appointed.
    - **SECTION 6.** ORS 468A.225 is amended to read:
  - 468A.225. (1) A majority of the **voting** members of the Oregon Global Warming Commission constitutes a quorum for the transaction of business.
  - (2) The commission shall meet at times and places specified by a majority of the **voting** members of the commission.
  - (3) The State Department of Energy shall provide clerical, technical and management personnel to serve the commission. Other agencies shall provide support as requested by the department or the commission.
  - <u>SECTION 7.</u> This 2008 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2008 Act takes effect on its passage.

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