B-Engrossed Senate Bill 38

Ordered by the House June 1 Including Senate Amendments dated April 30 and House Amendments dated June 1

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with presession filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Environment and Natural Resources)

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.

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

Directs Department of Environmental Quality to evaluate funding for reporting program and to report on evaluation to Seventy-sixth Legislative Assembly or to any special session of Seventy-fifth Legislative Assembly.

Declares emergency, effective on passage.

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- Relating to climate change; and declaring an emergency.
- 3 Be It Enacted by the People of the State of Oregon:
 - SECTION 1. Section 2 of this 2009 Act is added to and made a part of ORS chapter 468A.
- 5 SECTION 2. (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
 - ORS 468A.050, the Environmental Quality Commission by rule may require registration and reporting by:
 - (a) Any person who imports, sells, allocates or distributes for use in this state electricity, the generation of which emits greenhouse gases.
 - (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, allocated or distributed for use in this state may require reporting of information necessary to determine greenhouse gas emissions from generating facilities used to produce the electricity and related electricity transmission line losses.
 - (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:

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- (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)(a) Rules adopted by the commission pursuant to this section for electricity that is purchased, imported, sold, allocated or distributed for use in this state by an electric company, as defined in ORS 757.600, must be limited to the reporting of:
- (A) Greenhouse gas emissions emitted from generating facilities owned or operated by the electric company;
- (B) Greenhouse gas emissions emitted from transmission equipment owned or operated by the electric company;
- (C) The number of megawatt-hours of electricity purchased by the electric company for use in this state, including information, if known, on:
 - (i) The seller of the electricity to the electric company; and
 - (ii) The original generating facility fuel type or types; and

- (D) An estimate of the amount of greenhouse gas emissions, using default greenhouse gas emissions factors established by the commission by rule, attributable to:
 - (i) Electricity purchases made by a particular seller to the electric company;
- (ii) Electricity purchases from an unknown origin or from a seller who is unable to identify the original generating facility fuel type or types;
- (iii) Electricity purchases for which a renewable energy certificate under ORS 469A.130 has been issued but subsequently transferred or sold to a person other than the electric company;
 - (iv) Electricity transmitted for others by the electric company; and
- (v) Total energy losses from electricity transmission and distribution equipment owned or operated by the electric company.
- (b) Pursuant to paragraph (a) of this subsection, a multijurisdictional electric company may rely upon a cost allocation methodology approved by the Public Utility Commission for reporting emissions allocated in this state.
- (5) 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.
- (6) To an extent that 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.
- (7) As used in this section, "greenhouse gas" has the meaning given that term in ORS 468A.210.

SECTION 3. The Department of Environmental Quality shall evaluate the funding mechanism for developing and implementing the greenhouse gas reporting program established under ORS 468A.050 and section 2 of this 2009 Act, including whether a schedule of fees should be established for persons required to report under section 2 of this 2009 Act. The department shall report to the Seventy-sixth Legislative Assembly, or to any special session of the Seventy-fifth Legislative Assembly, in the manner provided by ORS 192.245.

<u>SECTION 4.</u> This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage.

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