

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 554 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

Prepared by: Kim To
Reviewed by: Michelle Deister, Daron Hill, Laurie Byerly
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Measure Description:

Creates Task Force on Renewable Resource Generation and Transmission Development Areas.

Government Unit(s) Affected:

Legislative Administration, Department of Energy, Department of Land Conservation and Development, Counties, Cities, Legislative Assembly

Summary of Expenditure Impact:

See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

SB 554 establishes the 15-member Task Force on Renewable Resource Generation and Transmission Development Areas charged with identifying renewable resource generation development areas within the state, including producing a map of existing generation resource and transmission lines and potential renewable resource generation development areas. The task force is required to hold at least four meetings that are open to the public, and submit a report to the Legislative Assembly on or before October 1, 2012. The task force sunsets on the convening date of the 2013 legislative session. The bill contains an emergency clause and is effective on passage.

Legislative Administration

Passage of this bill is anticipated to have a minimal impact on the Legislative Administration budget. The bill requires the Legislative Administrator to provide staff support to the task using existing resources or support from a private entity represented by the task force. The bill allows the task force to meet at times and places specified by the call of the chair or the majority of the voting members. Members of the task force are not entitled to compensation or reimbursement so no expenses for task force members are included in the fiscal.

Department of Energy (ODOE), and Department of Land Conservation and Development (DLCD)

SB 554 specifically instructs ODOE and DLCD to assist the task force in the performance of its duties, including furnishing information and advice that the members of the task force consider necessary to perform their duties. The bill also directs and encourages ODOE and DLCD to share expertise with the task force. The Department of Energy and DLCD anticipates that agency staff and resources will be enlisted to assist with gathering information, evaluating recommendations, coordinating efforts, and supporting the task force in carrying out the provisions of this bill.

ODOE reports that in order to reprioritize duties and responsibilities of existing staff with the expertise to effectively contribute to the task force, the agency would need to a full-time limited duration Operations and Policy Analyst 4 position (0.75 FTE) to backfill for existing staff assigned to the taskforce. ODOE estimates the cost for this position to be \$156,708 Other Funds for the 2011-13 biennium.

At this time, the fiscal impact of this bill to DLCD is indeterminate depending on the level of participation and contribution required.

Cities and Counties

The League of Oregon Cities and the Association of Oregon Counties are identified as participants of the task force. This fiscal assumes that membership on the task force will have minimal impact on cities and counties, and that any task force work can be absorbed with existing resources.

The fiscal acknowledges that the bill specifically mandates that the Legislative Administrator must provide support to the task force from existing resources or, if approved by the Legislative Administrator and a majority of the members of the task force, the task force may accept staff support from a private entity represented on the task force by an official or employee of the private entity. Furthermore, the bill only directs and encourages the participation of the Department of Energy and the Department of Land Conservation and Development. However, note that the bill requires the task force to:

1. Produce a map of existing resources and transmission lines and potential renewable resource generation development areas within the state that have potential to support competition among renewable energy developers for development of renewable resource generation projects.
2. Hold at least four meetings that are open to the public.
3. Solicit and receive comments, including written comments, from members of the public.
4. Consider and give weight to comments received from members of the public, affected counties, cities, electric utilities, customers of electric utilities, environmental groups and other stakeholders or interested parties.
5. Consider [a] the transmission needs of the renewable resource generation development areas to locations in which customers can use the renewable resources [b] the potential development of various renewable resources; [c] the potential for local community development and consumption of renewable resources; and [d] the quality, amount and commercial likelihood of the development of the resources, including state and federal statutes that explicitly prohibit the development of specific land designations within Oregon.

In order to adequately accomplish these duties, the task force may need resources that are beyond what Legislative Administration, the Department of Energy and DLCD are capable of providing, given the resource constraints of the respective agencies' budgets and the funding restrictions mandated by the bill's language.

In order to produce a map of existing and potential resource sites, the task force may need to contract with subject matter experts including spatial data collection and refinement specialists. ODOE reports that currently the agency has only one Geographic Information System (GIS) technician on staff. Any work required to collect layers, to assemble maps, and to refine outputs from the GIS database will have to be outsourced.

In addition, taking into account the contentious nature of energy siting issues, and the wide variety of stakeholders that the bill requires the task force to engage in substantive dialogue and divisive decision making, the task force may need to engage a mediator or other third party facilitators in order to foster local, state and federal cooperation in balancing the state's energy needs with economic development and the burdens that energy infrastructures impose on local communities.