

# Senate Bill 607

Sponsored by Senator ROBLAN

## 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 **as introduced**.

Specifies circumstances related to issuance of certain authorizations for wave energy facilities and devices.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to wave energy; creating new provisions; amending ORS 274.867; and declaring an emer-  
3 gency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 274.867 is amended to read:

6 274.867. (1) In accordance with applicable provisions of ORS chapter 183, the Director of the  
7 Department of State Lands may adopt rules for the authorization of wave energy facilities or de-  
8 vices.

9 **(2) When the comprehensive plan of a county and land use regulations implementing the**  
10 **plan contain provisions specifically addressing wave energy facilities or devices, and a person**  
11 **submits an application to the county for a permit under ORS 215.402 to 215.438 to establish**  
12 **and operate a wave energy facility or device in Oregon's territorial sea, as defined in ORS**  
13 **196.405, the director may issue the authorization for the wave energy facility or device under**  
14 **subsection (1) of this section either:**

15 **(a) Conditioned upon the subsequent issuance by the county of the permit for the wave**  
16 **energy facility or device; or**

17 **(b) Only after the county has approved or denied the application for a permit for the**  
18 **wave energy facility or device.**

19 [(2)] **(3)** Unless exempted under rules adopted by the director under this section, an owner or  
20 operator of a facility or device sited within Oregon's territorial sea[, *as defined in ORS 196.405,*] that  
21 converts the kinetic energy of waves into electricity shall maintain cost estimates of the amount of  
22 financial assurance that is necessary, and demonstrate evidence of financial assurance, for:

23 (a) The costs of closure and post-closure maintenance, excluding the removal of anchors that lie  
24 beneath submerged lands in Oregon's territorial sea, of the facility or device; and

25 (b) Any corrective action required to be taken at the site of the facility or device.

26 [(3)] **(4)** The financial assurance requirements established by subsection [(2)] **(3)** of this section  
27 may be satisfied by any one or a combination of the following:

28 (a) Insurance;

29 (b) Establishment of a trust fund;

30 (c) A surety bond;

31 (d) A letter of credit;

**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.

1 (e) Qualification as a self-insurer; or

2 (f) Any other method set forth in rules adopted by the director.

3 [(4)] (5) In adopting rules to implement the provisions of this section, the director may specify  
4 policy or other contractual terms, conditions or defenses necessary to establish evidence of financial  
5 assurance.

6 [(5)(a)] (6)(a) The owner or operator of a facility or device described in subsection [(2)] (3) of  
7 this section must provide the evidence of financial assurance required under this section for closure,  
8 post-closure maintenance and corrective action at the time operation of the facility or device is  
9 authorized.

10 (b) By January 31 of each subsequent calendar year, the owner or operator of the facility or  
11 device must update the information required under this subsection with the Department of State  
12 Lands.

13 [(6)] (7) When financial assurance is required for corrective action at the site of a facility or  
14 device described in subsection [(2)] (3) of this section, the owner or operator shall provide evidence  
15 of financial assurance before beginning corrective action.

16 [(7)] (8) An owner or operator required to provide financial assurance under this section shall  
17 establish provisions satisfactory to the director for disposing of any excess moneys received or in-  
18 terest earned on moneys received for financial assurance.

19 **SECTION 2. The amendments to ORS 274.867 by section 1 of this 2013 Act apply to all**  
20 **wave energy facilities and devices for which an application for authorization is made to the**  
21 **Department of State Lands on or after the effective date of this 2013 Act.**

22 **SECTION 3. This 2013 Act being necessary for the immediate preservation of the public**  
23 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**  
24 **on its passage.**

25 \_\_\_\_\_