

**PROPOSED AMENDMENTS TO
SENATE BILL 606**

1 On page 1 of the printed bill, delete lines 5 through 27.

2 On page 2, delete lines 1 through 30 and insert:

3 **“SECTION 1.** ORS 274.867 is amended to read:

4 “274.867. (1) In accordance with applicable provisions of ORS chapter 183,
5 the Director of the Department of State Lands may adopt rules for the au-
6 thorization of wave energy facilities or devices.

7 “(2) [*Unless exempted under rules adopted by the director under this sec-*
8 *tion,*] An owner or operator of a facility or device sited within Oregon’s
9 territorial sea, as defined in ORS 196.405, that converts the kinetic energy
10 of waves into electricity shall maintain cost estimates of the amount of fi-
11 nancial assurance that is necessary, and demonstrate evidence of financial
12 assurance, for:

13 “(a) The costs of closure and post-closure maintenance, excluding the re-
14 moval of anchors that lie beneath submerged lands in Oregon’s territorial
15 sea, of the facility or device; and

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

18 **“(3) The cost estimates required by subsection (2) of this section**
19 **must be prepared by a person qualified by experience and knowledge**
20 **to prepare such cost estimates.**

21 “[3] (4) The financial assurance requirements established by subsection
22 (2) of this section may be satisfied by any one or a combination of the fol-

1 lowing:

2 “(a) Insurance;

3 “(b) Establishment of a trust fund;

4 “(c) A surety bond; **or**

5 “(d) A letter of credit[;].

6 “[(e) *Qualification as a self-insurer; or*]

7 “[(f) *Any other method set forth in rules adopted by the director.*]

8 “[(4)] **(5)** In adopting rules to implement the provisions of this section, the
9 director may specify policy or other contractual terms, conditions or defenses
10 necessary to establish evidence of financial assurance.

11 “[(5)(a) *The owner or operator of a facility or device described in subsection*
12 *(2) of this section must provide the evidence of financial assurance required*
13 *under this section for closure, post-closure maintenance and corrective action*
14 *at the time operation of the facility or device is authorized.*]

15 “**(6)(a) Prior to the time that operation of a facility or device de-**
16 **scribed in subsection (2) of this section is authorized, the owner or**
17 **operator of the facility or device must provide the director with a plan**
18 **for decommissioning the facility or device after the cessation of use**
19 **of that facility or device for the conversion of the kinetic energy of**
20 **waves into electricity. The plan for decommissioning the facility or**
21 **device must include, but need not be limited to:**

22 “**(A) Information regarding the anticipated useful life of the facility**
23 **or device;**

24 “**(B) The cost estimates required by subsection (2) of this section;**

25 “**(C) The evidence of financial assurance required by subsections (2)**
26 **and (4) of this section;**

27 “**(D) A description of the method and schedule for updating the**
28 **costs of decommissioning the facility or device;**

29 “**(E) A description of the anticipated methods that will be used to**
30 **close the facility or device, engage in post-closure maintenance and**

1 **take any corrective action required at the site of the facility or device;**
2 **and**

3 **“(F) Any other information required by the director by rule.**

4 **“(b) By January 31 of each subsequent calendar year, the owner or oper-**
5 **ator of the facility or device must update the information required under this**
6 **subsection with the Department of State Lands.**

7 **“[(6)] (7) [When financial assurance is required for corrective action at the**
8 **site of a facility or device described in subsection (2) of this section, the] An**
9 **owner or operator shall provide evidence of financial assurance before be-**
10 **ginning corrective action at the site of a facility or device described in**
11 **subsection (2) of this section.**

12 **“[(7)] (8) An owner or operator [required to provide financial assurance**
13 **under this section] shall establish provisions satisfactory to the director for**
14 **disposing of any excess moneys received or interest earned on moneys re-**
15 **ceived for financial assurance.**

16 **“(9)(a) An owner or operator of a facility or device described in**
17 **subsection (2) of this section must initiate removal of all equipment**
18 **related to that facility or device, excluding anchors, cables and any**
19 **other equipment that lies at least one meter beneath submerged lands**
20 **in Oregon’s territorial sea, within 12 months after the cessation of use**
21 **of that facility or device for the conversion of the kinetic energy of**
22 **waves into electricity.**

23 **“(b) All equipment required to be removed under this subsection**
24 **must be removed within two years after the cessation of use of the**
25 **facility or device for the conversion of the kinetic energy of waves into**
26 **electricity.**

27 **“(c) The director may extend the deadlines under this subsection if**
28 **the owner or operator of the facility or device can show good cause**
29 **and has undertaken a good faith effort to remove the equipment as**
30 **required by this subsection.”.**

1 In line 31, delete “3” and insert “2”.

2 In line 34, delete “4” and insert “3”.

3 On page 3, line 3, delete “5” and insert “4”.

4 In line 20, delete “6” and insert “5”.

5 In line 23, delete “and section 2 of this 2013 Act”.

6 After line 28, insert:

7 **“SECTION 6. (1) The State Department of Energy shall study issues**
8 **related to the transmission of electricity from wave energy facilities**
9 **and devices.**

10 **“(2) The scope of issues to be studied may include, but is not limited**
11 **to:**

12 **“(a) Opportunities for the ownership and financing of structures for**
13 **the transmission of electricity from wave energy facilities or devices;**

14 **“(b) Barriers to the development of structures for the transmission**
15 **of electricity from wave energy facilities and devices;**

16 **“(c) Construction and maintenance of structures for the trans-**
17 **mission of electricity from wave energy facilities and devices;**

18 **“(d) The costs and benefits of establishing consolidated trans-**
19 **mission capacity for multiple wave energy projects; and**

20 **“(e) Risk management and decommissioning issues related to wave**
21 **energy facilities and devices and to transmission capacity.**

22 **“(3) The department shall seek public input regarding the scope of**
23 **issues to be studied.**

24 **“(4) The department shall report the results of the study required**
25 **by this section to the interim committees of the Legislative Assembly**
26 **related to environment and natural resources on or before November**
27 **1, 2014.**

28 **“SECTION 7. Section 6 of this 2013 Act is repealed on January 2,**
29 **2015.”.**

30 In line 29, delete “7” and insert “8”.

1 In line 32, delete "8" and insert "9".

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