

A-Engrossed House Bill 2627

Ordered by the House April 24
Including House Amendments dated April 24

Sponsored by Representative LININGER; Representatives JOHNSON, NATHANSON, WHITSETT, WITT (Pre-session filed.)

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 State Department of Energy to conduct study *[of State of Oregon's return on investment, for period beginning July 1, 2007, and ending June 30, 2014, in]* **to analyze** programs adopted by state to support *[clean energy generation, renewable energy generation and]* energy efficiency.

Requires department to **submit preliminary** report of study findings to *[Seventy-ninth]* Legislative Assembly not later than February 1, *[2017]* **2016, and to submit final report by February 1, 2018.**

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the state's return on energy investments; and declaring an emergency.

3 Whereas assessing how the state's return on investment in programs previously adopted by the
4 state to support clean energy generation, renewable energy generation and energy efficiency will
5 support responsible investment in future programs by quantifying and cataloging the value that in-
6 vestments in clean energy, renewable energy and energy efficiency deliver to the state; and

7 Whereas a goal of determining the state's return on its investments in clean energy, renewable
8 energy and energy efficiency is to help the state identify what types of investments are the most
9 fruitful and productive so that future investments can provide the greatest benefits to Oregon com-
10 munities; now, therefore,

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

12 **SECTION 1. The Legislative Assembly finds and declares that:**

13 **(1) It is in the interest of this state to promote research and assessment of state energy**
14 **incentive and loan programs; and**

15 **(2) The requirements of section 2 of this 2015 Act will assist the Legislative Assembly in**
16 **better aligning the state's energy incentive and loan programs with state policies that apply**
17 **to energy and ensuring that taxpayers are receiving the best value for the state's invest-**
18 **ments in energy incentive and loan programs.**

19 **SECTION 2. (1) The State Department of Energy shall:**

20 **(a) Conduct a study to analyze the programs adopted by the state to support energy ef-**
21 **iciency under ORS 315.331, 316.116, 469B.100 to 469B.118 and 469B.270 to 469B.306. For the**
22 **period beginning July 1, 2007, and ending June 30, 2014, the study shall:**

23 **(A) Assess the costs and benefits to the state for each program; and**

24 **(B) Describe obstacles the department encountered in the administration of each pro-**
25 **gram; and**

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 **(b) Develop the following standardized criteria for assessing the costs and benefits to the**
2 **state for each program listed in paragraph (a) of this subsection, which shall be used where**
3 **applicable in the completion of the study required under paragraph (a) of this subsection and**
4 **developed in such a manner that the department may use the criteria as tools for assessing**
5 **programs in the future:**

6 **(A) An employment impact per dollar invested methodology; and**

7 **(B) A process for the standardization and normalization of data across the programs**
8 **described in paragraph (a) of this subsection.**

9 **(2) In assessing, under subsection (1)(a)(A) of this section, the costs and benefits appli-**
10 **cable to each program, the department may consider factors that may include, but are not**
11 **limited to:**

12 **(a) The total costs associated with the program.**

13 **(b) Eligible project costs under the program.**

14 **(c) The projected total cost of projects that received funding under the program.**

15 **(d) The program's impacts on employment.**

16 **(e) Impacts on the total tax benefit to the state anticipated to be received from state and**
17 **local taxes due to the program.**

18 **(f) Energy conservation and efficiency in the form of energy savings achieved due to the**
19 **program.**

20 **(g) The reductions in carbon emissions achieved through the program.**

21 **(h) Infrastructure improvements related to projects funded under the program.**

22 **(i) Industry development or market transformations related to projects funded under the**
23 **program, and how those developments or transformations are distinct from, or duplicative**
24 **of, comparative industry developments or market transformations that occurred in this state**
25 **during the study period without the assistance of the program.**

26 **(3) The department shall submit to the Legislative Assembly:**

27 **(a) A preliminary report on the progress of the study and the development of standard**
28 **criteria required by this section no later than February 1, 2016; and**

29 **(b) A final report on the results of the study and the standard criteria developed no later**
30 **than February 1, 2018.**

31 **SECTION 3.** **Sections 1 and 2 of this 2015 Act are repealed on January 2, 2019.**

32 **SECTION 4.** **This 2015 Act being necessary for the immediate preservation of the public**
33 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
34 **on its passage.**