

**FISCAL IMPACT OF PROPOSED LEGISLATION**

79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office

**Measure: HB 3166 - 2**

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Nick Herrera  
Reviewed by: Amanda Beitel, Steve Bender  
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**Measure Description:**

Establishes Oregon Energy and Climate Board as oversight and advisory body for State Department of Energy.

**Government Unit(s) Affected:**

Business Development Department (Business Oregon), Department of Energy

**Analysis:**

This fiscal impact statement is for the purposes of transmitting the measure from the House Committee on Energy and Environment to the Joint Committee on Ways and Means. The bill removes the limitation that no more than 35 percent of the annual energy facility siting fee may be to recover the general costs of the Energy Facility Siting Council and the Department. The bill raises the level at which energy resource suppliers are exempt from paying the energy resource supplier assessment, from \$250 to \$2,500. The bill also establishes the Energy Facility Siting Task Force, and directs the task force to study and make recommendations regarding what constitutes an “energy facility”, ways to improve public participation in the energy facility siting process, and ways to expedite the process for receiving a site certificate for constructing or expanding an energy facility.

Additionally, the bill transfers the Small Scale Local Energy Loan Program (SELP) from the Department of Energy to the Oregon Business Development Department (OBDD). Contracts for the loan program are required to include provisions stating that the loan is payable in full if the Director of OBDD declares default of loan payment or declares that the project funded by the loan fails to meet standards and criteria. OBDD must conduct a study to determine the commercial needs for loans for small scale local energy projects, for the purposes of identifying the highest and best uses of funds. The Governor is directed to resolve any disputes related to the transfer of the loan program.

The bill abolishes the following funds, and moneys remaining in the funds are transferred to the Small Scale Local Energy Project Administration and Bond Sinking Fund: Energy Project Supplemental Fund; Energy Revenue Bond Repayment Fund; Energy Project Bond Loan Fund; and the Alternative Fuel Vehicle Revolving Fund; and Jobs, Energy, and Schools Fund. The bill transfers the balance of the Jobs, Energy, and Schools Fund to the Clean Energy Deployment Fund. OBDD is appropriated \$3 million General Fund in the 2017-19 biennium for the purposes of carrying out the provisions associated with the small scale local energy project program.

The affected agencies will have fiscal impacts associated with this bill, in addition to the \$3 million General Fund appropriation; the amount of these impacts are still being determined. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.