

HB 2020 -2 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

Prepared By: Beth Reiley, LPRO Analyst

Meeting Dates: 3/20, 3/27, 4/17

WHAT THE MEASURE DOES:

Renames the State Department of Energy the **Oregon Department of Energy and Climate** (ODEC) and modifies duties to include: collect, compile and analyze energy data and serve as the central repository for energy and climate information, to which all agencies shall send energy and climate-related research; monitor energy industry research and developments; track and evaluate information that will aid in the achievement of Oregon's greenhouse gas emissions reduction goals; and providing staff support to certain Boards and Commissions. Requires ODEC Director to be confirmed by the Senate.

Establishes **Oregon Energy and Climate Board** (Board) as oversight and advisory body for ODEC. Requires Energy and Climate Director and an Oregon member of the Pacific Northwest Electric Power and Conservation Planning Council to serve as ex officio members. Requires the Governor to appoint five members to the board to serve four-year terms, requires members be well informed in energy and climate issues and include: an economist; member from an Oregon higher education institution; residential energy user representative; commercial or industrial energy users representative; and member with transportation expertise. Requires Board to elect chairperson and vice-chairperson. Stipulates Board member may not have financial interest with any business entity that would be subject to energy resource supplier assessment and cannot serve more than two consecutive terms. Requires Board to advise ODEC on implementation, administration and enforcement of department programs and activities; development of department policies; and budget preparation forms. Requires Energy Facility Siting Council and Oregon Hanford Cleanup Board to provide regular reports to the Board.

Establishes **Interagency Climate Coordinating Committee** (Committee), comprised of the following ex officio members: directors from the Department of Transportation, Department of Agriculture, Water Resources Department, Oregon Business Development, Department and Fish and Wildlife; Public Utility Commission chairperson; State Forester; and any other agency representative necessary to administering policies or programs related to energy and climate. Requires the Committee to identify, evaluate and make recommendations to the Board on ways to coordinate state policies and programs related to energy and climate.

Requires Board and ODEC to review and develop a **climate census report** on existing policies and programs that relate to greenhouse gas emissions or climate change to submit to the appropriate interim committees of the Legislative Assembly no later than September 15, 2018. Sunsets climate census report requirement on December 31, 2018. Requires climate census report to include a proposal for restructuring Oregon's greenhouse gas emissions or climate change policies.

Abolishes the **Oregon Global Warming Commission** (GWC) and requires all records, property and work product within jurisdiction of GWC Chair to be delivered to ODEC.

Becomes operative January 1, 2018, but authorizes actions to be taken before operative date. Takes effect on 91st day following adjournment sine die.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Directs the Oregon Energy and Climate Board to hold public hearings and provide an opportunity for public comment. Appoints the directors of the following agencies to the Interagency Climate Coordinating Committee: the Energy and Climate Director, the Director of the Department of Land Conservation and Development, the Director of the Housing and Community Services Department and the Director of the Department of Consumer and Business Services.

Removes climate census report requirement. Requires Oregon Department of Energy and Climate,, in coordination with Oregon Energy and Climate Board, to develop and submit proposal, including recommendations for legislation for restructuring state’s policies and programs related to greenhouse gas emissions or climate change. Requires Department to submit proposal to Legislative Assembly no later than September 15, 2018. Sunsets climate census report requirement on December 31, 2018.

REVENUE: No revenue impact

FISCAL: Fiscal impact issued

BACKGROUND:

The Department of Energy was first established in 1975 in response to the national energy crisis. Its statutory mission is to promote the efficient use of energy and advocate for the use and development of new renewable energy. In the 41 years since its creation, it has been assigned a variety of energy-related responsibilities, including some regulatory functions. In January, 2016 the Joint Interim Committee on Department of Energy Oversight (Committee) was appointed to conduct a thorough review of the Oregon Department of Energy (ODOE) and to make recommendations to the 2017 session. The Committee was directed by the Senate President and the Speaker of the House to focus its work on the following elements: review of the agency’s charge, mission, and statutory responsibilities; review of the agency’s organizational structure and funding streams; assessment of the current gaps and deficiencies in the agency’s operational structure and personnel capacity to fulfill its mission and programs; and assessment of the agency’s capacity to facilitate stakeholder relationships, both public and private, to fulfill its mission.

House Bill 2020 changes the name of ODOE to the Oregon Department of Energy and Climate (ODEC) and broadens the agency's duties to include both energy and climate related responsibilities. In addition, the Act establishes the Oregon Energy and Climate Board (Board) as an advisory body for ODEC. House Bill 2020 also establishes the Interagency Climate Coordinating Committee to make recommendations to Board on ways to coordinate state policies and programs related to energy and climate and abolishes the Oregon Global Warming Commission.