

SB 634 -3 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

Prepared By: Beth Reiley, LPRO Analyst

Meeting Dates: 5/22, 5/24

WHAT THE MEASURE DOES:

Adds woody biomass used for specified purposes to list of qualifying green energy technologies that may be used to satisfy requirement that 1.5 percent of total contract price for construction, reconstruction or major renovation of a public building be spent to include green energy technology. Establishes that if woody biomass is employed at a site located away from site of public building to meet 1.5 percent requirement, it is not required to replace or constitute a purchase of green energy technology that employs woody biomass that existed on date on which the original building permit for the public building was issued. Establishes that in evaluating whether off-site location meets requirement, contracting agency is required to compare costs of on-site and off-site locations. Applies to public contracts entered into after effective date of Act. Takes effect on 91st day after adjournment of 2017 legislative session.

Fiscal Impact: Has Minimal Fiscal Impact

Revenue Impact: Has Minimal Revenue Impact

Senate Vote: Passed. Ayes, 30

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-3 Replaces measure. Authorizes use of woody biomass energy technology as alternative to including green energy technology as part of construction, reconstruction or major renovation of a public building if: woody biomass energy technology creates new energy generation capacity; is located in area that is in compliance with Department of Environmental Quality standards for emission particulate matter or if it is in area that does not comply with standards uses pelletized fuel or produces same level, or lower level of particulate matter than pelletized fuel; and contracting agency has considered environmental impacts. Authorizes DEQ to require additional emission control technology. Takes effect on 91st day after 2017 regular legislative session adjourns sine die.

BACKGROUND:

Oregon law requires public entities to spend 1.5 percent of the total price of a public improvement contract for new construction or the major renovation of a public building on green energy technology. Public entities include, but are not limited to, state agencies, community colleges, school districts and education services districts and local government. In 2012, Senate Bill 1533 allowed the use of geothermal energy to satisfy the 1.5 percent requirement if the water used as a heat source is at temperatures of more than 140 degrees Fahrenheit. In 2015, House Bill 3329 modified the standard for geothermal energy resources to qualify as a green energy technology if the water used as a heat source is more than 128 degrees Fahrenheit and the system is used for a public school building.

Senate Bill 634 would add woody biomass used as a fuel for space heating or water heating, or as a fuel for a combined heat and power system, to the list of qualifying green energy technology.