HB 2020 A STAFF MEASURE SUMMARY

House Committee On Energy and Environment

Action Date: 04/17/17

Action: Do pass with amendments and be referred to

Rules. (Printed A-Eng.)

Vote: 5-4-0-0

Yeas: 5 - Barnhart, Helm, Holvey, Marsh, Power **Nays:** 4 - Bentz, Johnson, Reschke, Smith DB

Fiscal: Fiscal impact issued
Revenue: No revenue impact

Prepared By: Beth Reiley, LPRO Analyst

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 provide 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. Directs Board to hold public hearings and provide an opportunity for public comment.

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, ODEC, Department of Land Conservation and Development, Housing and Community Services Department and Department of Consumer and Business Services; 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 ODEC, in coordination with 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 to Legislative Assembly no later than September 15, 2018.

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.

HB 2020 A STAFF MEASURE SUMMARY

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

ISSUES DISCUSSED:

- Department of Energy Oversight Committee process during the 2016-2017 interim
- Climate-related programs in other agencies
- History of Energy Supplier Assessment
- Purpose and mission of Department of Energy

EFFECT OF AMENDMENT:

Directs the Oregon Energy and Climate Board (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 Oregon Department of Energy and Climate (ODEC), Department of Land Conservation and Development, Housing and Community Services Department and Department of Consumer and Business Services.

Removes climate census report requirement. Requires ODEC, in coordination with 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 to Legislative Assembly no later than September 15, 2018.

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