

A-Engrossed
Senate Bill 334

Ordered by the Senate March 20
Including Senate Amendments dated March 20

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Business and Transportation)

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 develop, *[and]* maintain **and periodically update** inventory of biogas and renewable natural gas resources available to this state.

Requires department, no later than September 15, 2018, to develop initial inventory and report on initial inventory to appropriate interim committees of Legislative Assembly.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to renewable natural gas; and prescribing an effective date.

3 Whereas renewable natural gas is a processed gas derived from biogas that is generated from
4 organic waste or other organic materials; and

5 Whereas renewable natural gas is generated from sources throughout the State of Oregon, in-
6 cluding dairies, wastewater treatment plants and landfills; and

7 Whereas use of renewable natural gas benefits air quality by resulting in reduced greenhouse
8 gas emissions; and

9 Whereas renewable natural gas has a low carbon intensity as compared to petroleum-based fu-
10 els; and

11 Whereas the development of renewable natural gas has been supported by the federal govern-
12 ment and the State of Oregon for use in the transportation sector as a means to reduce the carbon
13 intensity of transportation fuels; and

14 Whereas development of renewable natural gas provides benefits to producers, including
15 municipalities, agriculture and commercial entities; and

16 Whereas renewable natural gas can be used in vehicles; and

17 Whereas increasing this state's air quality will result in public health benefits; and

18 Whereas the Legislative Assembly will provide leadership and guidance for business, industry
19 and local governments by facilitating the development and conveyance of renewable natural gas in
20 Oregon; now, therefore,

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

22 **SECTION 1. (1) As used in this section:**

23 (a) **"Biogas" means gas that is generated from organic waste or other organic materials**
24 **through anaerobic digestion, gasification, pyrolysis or other technology that converts organic**
25 **waste to gas.**

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) "Renewable natural gas" is biogas that has been processed to be interchangeable with
2 conventional natural gas for the purpose of meeting pipeline quality standards or transpor-
3 tation fuel grade requirements.

4 (2) The State Department of Energy shall develop, maintain and periodically update an
5 inventory of biogas and renewable natural gas resources available to this state. The inven-
6 tory must include, but need not be limited to:

7 (a) A list of the potential biogas and renewable natural gas sources in this state and the
8 estimated potential production quantities available at each source;

9 (b) An estimate of the energy content of listed potential biogas and renewable natural
10 gas sources;

11 (c) An estimate of the range of technologies available to this state for renewable natural
12 gas production by conversion technologies such as anaerobic digestion and thermal
13 gasification; and

14 (d) A list of the existing biogas production sites in this state that includes:

15 (A) The location of each site; and

16 (B) An assessment of the supply-chain infrastructure associated with the site.

17 (3) The department shall utilize the inventory required by this section, and any other
18 relevant information as considered necessary by the department, to develop and periodically
19 revise an estimate of:

20 (a) The potential quantity of renewable natural gas that could be produced in this state
21 and delivered for use:

22 (A) As a transportation fuel in the form of compressed natural gas or liquefied natural
23 gas; and

24 (B) By residential, commercial and industrial consumers of natural gas;

25 (b) The potential for the use of renewable natural gas in this state to reduce greenhouse
26 gas emissions;

27 (c) The potential for renewable natural gas in this state to improve air quality; and

28 (d) The technical, market, policy and regulatory barriers to developing and utilizing
29 renewable natural gas in this state.

30 (4) The department shall appoint an advisory committee to assist in developing, main-
31 taining and periodically updating the inventory required by this section. The committee must
32 include but not be limited to persons familiar with the renewable natural gas industry. The
33 committee shall make recommendations to the department:

34 (a) Regarding the identification and removal of barriers to producing and utilizing biogas
35 and renewable natural gas in this state as a means toward providing the greatest feasible
36 reductions in greenhouse gas emissions and improvements in air quality;

37 (b) On establishing policies to promote renewable natural gas; and

38 (c) On any other matters related to this section, as requested by the department.

39 **SECTION 2.** The State Department of Energy shall, no later than September 15, 2018,
40 develop the initial inventory required by section 1 of this 2017 Act and submit a report on
41 the initial inventory to the appropriate interim committees of the Legislative Assembly in
42 the manner provided by ORS 192.245.

43 **SECTION 3.** Section 2 of this 2017 Act is repealed on December 31, 2018.

44 **SECTION 4.** This 2017 Act takes effect on the 91st day after the date on which the 2017
45 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.

