SB 928-7 (LC 3516) 4/8/19 (MAM/ps)

Requested by SENATE COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

PROPOSED AMENDMENTS TO SENATE BILL 928

- 1 On page 1 of the printed bill, line 8, after "469.097," insert "469.100,".
- 2 In line 9, after "469.300," insert "469.310,".
- ³ In line 10, after "469.450," insert "469.470, 469.501,".
- 4 In line 23, after "701.532," insert "757.230,".
- 5 In line 24, after "2007," delete the rest of the line.
- 6 In line 25, delete "Oregon Laws 2007,".
- 7 In line 26 delete "184.425, 184.427, 184.429, 184.431, 184.433, 184.435,".

8 On page 2, line 1, after "468A.260," insert "469.010,".

In line 6, after "701.119" insert "and sections 8a and 8b, chapter 739,
Oregon Laws 2007".

11 Delete line 14 and insert "469.010 to 469.155".

12 Delete lines 21 through 24 and insert:

"(3) It is the goal of Oregon to promote the efficient use of energy resources, to develop low-carbon technologies, resources and services to enhance this state's economic competitiveness and to assist Oregon industries and households with the equitable transition to an affordable and reliable energy system and a mix of energy resources that can achieve the state's greenhouse gas emissions reduction goals.".

- 19 In line 29, after "conservation" insert ", energy efficiency".
- 20 Delete lines 40 and 41 and insert:
- 21 "(f) That the state pursue opportunities to conserve energy, to increase

- energy efficiency, to enhance resilience to the impacts of climate change and
 to reduce emissions associated with the built environment.".
- 3 On page 3, line 2, after "that" insert "promote innovation and".

4 In line 21, delete "clean".

- 5 Delete line 22 and insert "energy conservation, energy efficiency and en-6 ergy safety.".
- 7 In line 23, after "cooperate" insert "as requested".
- 8 In line 24, delete "any proceedings and all".
- 9 In line 27, after "Governor" insert "and the Legislative Assembly".

10 In line 29, delete "problems" and insert "challenges".

- In line 37, after "192.355," insert "192.690,".
- 12 In line 38, after "469.563," insert "469.579,".
- 13 In line 42, delete "clean".
- 14 In line 43, delete "clean".
- 15 On page 4, line 5, delete "clean".
- In line 6, delete "ORS 469.010" and insert "section 2 of this 2019 Act".

17 On page 5, line 1, delete "and".

- 18 In line 2, delete the period and insert ";
- ¹⁹ "(g) The Director of Agriculture or the designee of the director;
- 20 "(h) The Director of the Department of Environmental Quality or the 21 director's designee;
- "(i) A member of the Public Utility Commission or the designee of the
 chairperson of the commission;
- ²⁴ "(j) The Director of Transportation or the director's designee;
- 25 "(k) The Director of the Housing and Community Services Department 26 of the director's designee;
- 27 "(L) The Water Resources Director or the director's designee; and
- "(m) The Director of the Oregon Health Authority or the director'sdesignee.".
- 30 Delete lines 36 through 41 and insert:

"SECTION 7. Notwithstanding the term of office specified by sec-1 tion 6 of this 2019 Act, of the members first appointed by the Governor $\mathbf{2}$ to the Oregon Energy and Climate Board: 3 "(1) Two shall serve for terms ending July 1, 2020. 4 "(2) Two shall serve for terms ending July 1, 2021. 5 "(3) Two shall serve for terms ending July 1, 2022. 6 "(4) Three shall serve for terms ending July 1, 2023.". 7 On page 6, line 1, after "development of the" insert "rules and". 8 After line 16, insert: 9 "SECTION 8a. (1) No later than September 15 of each year, the 10 Oregon Climate Board shall submit a report, in the manner provided 11 in ORS 192.245, to the Legislative Assembly on activities related to 12implementing the establishment of the Oregon Climate Authority. 13 "(2) The report shall include, but need not be limited to, informa-14 tion on: 15"(a) The transfer of programs between the authority and other state 16 agencies as provided for by law; and 17 "(b) The development of capacity by the authority to implement, 18 administer and enforce the programs and activities of the authority. 19 "(3) The report may include recommendations for legislation. 20"SECTION 8b. Section 8a of this 2019 Act is repealed January 2, 212023.". 22Delete lines 19 through 22 and insert: 2324"(Amendments to statute, operative on effective date of Act) 2526"SECTION 8c. ORS 468A.280 is amended to read: 27"468A.280. (1) [In addition to any registration and reporting that may be 28required under ORS 468A.050, the Environmental Quality Commission by rule 29 may require registration and reporting by:] As used in this section: 30

"(a) 'Air contamination source' has the meaning given that term
in ORS 468A.005.

"(b) 'Greenhouse gas' includes, but is not limited to, carbon dioxide,
methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur
hexafluoride and nitrogen trifluoride.

6 "(2) The Environmental Quality Commission by rule may require 7 registration and reporting of information necessary to determine 8 greenhouse gas emissions by:

9 "(a) A person in control of an air contamination source of any class
10 for which registration and reporting is required under ORS 468A.050.

"[(a)] (b) [Any] A person who imports, sells, allocates or distributes electricity for use in this state [electricity, the generation of which emits greenhouse gases].

"[(b)] (c) [Any] A person who imports, sells or distributes for use in this
 state fossil fuel that generates greenhouse gases when combusted.

"(3) A person required to register and report under subsection (2) 16 of this section shall register with the Department of Environmental 17 Quality and make reports containing information that the commission 18 by rule may require that is relevant to determining and verifying 19 greenhouse gas emissions. The commission may by rule require the 20person to provide an audit by an independent and disinterested party 21to verify that the greenhouse gas emissions information reported by 22the person is true and accurate. 23

"[(2)] (4) Rules adopted by the commission under this section for electricity that is imported, sold, allocated or distributed for use in this state may require reporting of information necessary to determine greenhouse gas emissions from generating facilities used to produce the electricity and related electricity transmission line losses.

"[(3)(a)] (5)(a) The commission shall allow consumer-owned utilities, as
 defined in ORS 757.270, to comply with reporting requirements imposed under

this section by the submission of a report prepared by a third party. A report submitted under this paragraph may include information for more than one consumer-owned utility, but must include all information required by the commission for each individual utility.

5 "(b) For the purpose of determining greenhouse gas emissions related to 6 electricity purchased from the Bonneville Power Administration by a 7 consumer-owned utility, as defined in ORS 757.270, the commission may re-8 quire only that the utility report:

9 "(A) The number of megawatt-hours of electricity purchased by the utility 10 from the Bonneville Power Administration, segregated by the types of con-11 tracts entered into by the utility with the Bonneville Power Administration; 12 and

"(B) The percentage of each fuel or energy type used to produce electricity purchased under each type of contract.

"[(4)(a)] (6)(a) Rules adopted by the commission pursuant to this section for electricity that is purchased, imported, sold, allocated or distributed for use in this state by an electric company, as defined in ORS 757.600, must be limited to the reporting of:

"(A) The generating facility fuel type and greenhouse gas emissions
 emitted from generating facilities owned or operated by the electric company;

"(B) The megawatt-hours of electricity generated by the electric
 company for use in this state;

(B) (C) Greenhouse gas emissions emitted from transmission equipment owned or operated by the electric company;

²⁵ "[(C)] (**D**) The number of megawatt-hours of electricity purchased by the ²⁶ electric company for use in this state, including information, if known, on:

27 "(i) The seller of the electricity to the electric company; and

²⁸ "(ii) The original generating facility fuel type or types; and

²⁹ "[(D)] (**E**) An estimate of the amount of greenhouse gas emissions[, using ³⁰ default greenhouse gas emissions factors established by the commission by

1 *rule*,] attributable to:

2 "(i) Electricity purchases made by a particular seller to the electric 3 company;

"(ii) Electricity purchases from an unknown origin or from a seller who
is unable to identify the original generating facility fuel type or types;

"(iii) Electricity purchases for which a renewable energy certificate under
ORS 469A.130 has been issued but subsequently transferred or sold to a person other than the electric company;

9 "(iv) Electricity transmitted for others by the electric company; and
10 "(v) Total energy losses from electricity transmission and distribution
11 equipment owned or operated by the electric company.

"(b) Pursuant to paragraph (a) of this subsection, a multijurisdictional 12 electric company may rely upon a cost allocation methodology approved by 13 the Public Utility Commission for reporting emissions allocated in this state. 14 "[(5)] (7) Rules adopted by the commission under this section for [fossil] 15 fuel that is imported, sold or distributed for use in this state may require 16 reporting of the type and quantity of the fuel and any additional information 17 necessary to determine the [carbon content] greenhouse gas emissions as-18 sociated with the use or combustion of the fuel. [For the purpose of de-19 termining greenhouse gas emissions related to liquefied petroleum gas, the 20commission shall allow reporting using publications or submission of data by 21the American Petroleum Institute but may require reporting of such other in-22formation necessary to achieve the purposes of the rules adopted by the com-23mission under this section.] 24

²⁵ "[(6)] (8) To an extent that is consistent with the purposes of the rules ²⁶ adopted by the commission under this section, the commission shall minimize ²⁷ the burden of the reporting required under this section by:

"(a) Allowing concurrent reporting of information that is also reported
to another state agency;

30 "(b) Allowing electronic reporting;

"(c) Allowing use of good engineering practice calculations in reports, or
of emission factors published by the United States Environmental Protection
Agency;

"(d) Establishing thresholds for the amount of specific greenhouse gases
that may be emitted or generated without reporting;

6 "(e) Requiring reporting by the fewest number of persons in a fuel dis-7 tribution system that will allow the commission to acquire the information 8 needed by the commission; or

9 "(f) Other appropriate means and procedures determined by the commis-10 sion.

11 "[(7) As used in this section, 'greenhouse gas' has the meaning given that 12 term in ORS 468A.210.]

(9) The department may require a person for which registration and reporting is required under subsection (2) of this section to provide any pertinent records related to verification of greenhouse gas emissions in order to determine compliance with and to enforce this section and rules adopted pursuant to this section.

"(10) If a person required to register and report under subsection (2) of this section fails to submit a report under this section, the department may develop an assigned emissions level for the person if necessary for the purpose of regulating persons under any program for the regulation of greenhouse gas emissions adopted by the Legislative Assembly.

"(11)(a) By rule the commission may establish a schedule of fees for registration and reporting under this section. Before establishing fees pursuant to this subsection, the commission shall consider the total fees for each person subject to registration and reporting under this section.

"(b) The commission shall limit the fees established under this
 subsection to the anticipated cost of developing, implementing and

1 analyzing data collected under greenhouse gas emissions registration

2 and reporting programs.

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"(Transfer from Department of Environmental Quality to Oregon Climate Authority, operative January 1, 2022)".

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7 On page 8, delete lines 11 through 45 and delete page 9.

8 On page 10, delete lines 1 through 22 and insert:

9 "SECTION 16. ORS 468A.280, as amended by section 8c of this 2019 Act
10 is amended to read:

11 "468A.280. (1) As used in this section:

"(a) 'Air contamination source' has the meaning given that term in ORS468A.005.

"(b) 'Greenhouse gas' includes, but is not limited to, carbon dioxide,
 methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur
 hexafluoride and nitrogen trifluoride.

"(2) The [Environmental Quality Commission] Director of the Oregon
 Climate Authority by rule may require registration and reporting of infor mation necessary to determine greenhouse gas emissions by:

"(a) A person in control of an air contamination source of any class for
which registration and reporting is required under ORS 468A.050.

"(b) A person who imports, sells, allocates or distributes electricity for
use in this state.

"(c) A person who imports, sells or distributes for use in this state fossil
fuel that generates greenhouse gases when combusted.

"(3) A person required to register and report under subsection (2) of this
section shall register with the [Department of Environmental Quality]
Oregon Climate Authority and make reports containing information that
the [commission] director by rule may require that is relevant to determining and verifying greenhouse gas emissions. The [commission] director may

by rule require the person to provide an audit by an independent and disinterested party to verify that the greenhouse gas emissions information reported by the person is true and accurate.

"(4) Rules adopted by the [commission] **director** under this section for electricity that is imported, sold, allocated or distributed for use in this state may require reporting of information necessary to determine greenhouse gas emissions from generating facilities used to produce the electricity and related electricity transmission line losses.

9 "(5)(a) The [commission] **director** shall allow consumer-owned utilities, 10 as defined in ORS 757.270, to comply with reporting requirements imposed 11 under this section by the submission of a report prepared by a third party. 12 A report submitted under this paragraph may include information for more 13 than one consumer-owned utility, but must include all information required 14 by the [commission] **director** for each individual utility.

15 "(b) For the purpose of determining greenhouse gas emissions related to 16 electricity purchased from the Bonneville Power Administration by a 17 consumer-owned utility, as defined in ORS 757.270, the [commission] director 18 may require only that the utility report:

"(A) The number of megawatt-hours of electricity purchased by the utility from the Bonneville Power Administration, segregated by the types of contracts entered into by the utility with the Bonneville Power Administration; and

"(B) The percentage of each fuel or energy type used to produce electricity purchased under each type of contract.

²⁵ "(6)(a) Rules adopted by the [*commission*] **director** pursuant to this sec-²⁶ tion for electricity that is purchased, imported, sold, allocated or distributed ²⁷ for use in this state by an electric company, as defined in ORS 757.600, must ²⁸ be limited to the reporting of:

"(A) The generating facility fuel type and greenhouse gas emissions
 emitted from generating facilities owned or operated by the electric company;

"(B) The megawatt-hours of electricity generated by the electric company
for use in this state;

3 "(C) Greenhouse gas emissions emitted from transmission equipment 4 owned or operated by the electric company;

5 "(D) The number of megawatt-hours of electricity purchased by the elec-6 tric company for use in this state, including information, if known, on:

7 "(i) The seller of the electricity to the electric company; and

8 "(ii) The original generating facility fuel type or types; and

9 "(E) An estimate of the amount of greenhouse gas emissions attributable 10 to:

11 "(i) Electricity purchases made by a particular seller to the electric 12 company;

"(ii) Electricity purchases from an unknown origin or from a seller who
 is unable to identify the original generating facility fuel type or types;

"(iii) Electricity purchases for which a renewable energy certificate under
ORS 469A.130 has been issued but subsequently transferred or sold to a person other than the electric company;

"(iv) Electricity transmitted for others by the electric company; and
 "(v) Total energy losses from electricity transmission and distribution
 equipment owned or operated by the electric company.

"(b) Pursuant to paragraph (a) of this subsection, a multijurisdictional 21electric company may rely upon a cost allocation methodology approved by 22the Public Utility Commission for reporting emissions allocated in this state. 23"(7) Rules adopted by the [commission] director under this section for 24fuel that is imported, sold or distributed for use in this state may require 25reporting of the type and quantity of the fuel and any additional information 26necessary to determine the greenhouse gas emissions associated with the use 27or combustion of the fuel. 28

"(8) To an extent that is consistent with the purposes of the rules adopted
by the [commission] director under this section, the [commission] director

1 shall minimize the burden of the reporting required under this section by:

"(a) Allowing concurrent reporting of information that is also reported
to another state agency;

4 "(b) Allowing electronic reporting;

"(c) Allowing use of good engineering practice calculations in reports, or
of emission factors published by the United States Environmental Protection
7 Agency;

8 "(d) Establishing thresholds for the amount of specific greenhouse gases
9 that may be emitted or generated without reporting;

"(e) Requiring reporting by the fewest number of persons in a fuel distribution system that will allow the [commission] **director** to acquire the information needed by the [commission] **director**; or

"(f) Other appropriate means and procedures determined by the [commis sion] director.

"(9) The [department] **authority** may require a person for which registration and reporting is required under subsection (2) of this section to provide any pertinent records related to verification of greenhouse gas emissions in order to determine compliance with and to enforce this section and rules adopted pursuant to this section.

"(10) If a person required to register and report under subsection (2) of this section fails to submit a report under this section, the [*department*] **authority** may develop an assigned emissions level for the person if necessary for the purpose of regulating persons under any program for the regulation of greenhouse gas emissions adopted by the Legislative Assembly.

²⁵ "(11)(a) By rule the [commission] **director** may establish a schedule of fees ²⁶ for registration and reporting under this section. Before establishing fees ²⁷ pursuant to this subsection, the [commission] **director** shall consider the ²⁸ total fees for each person subject to registration and reporting under this ²⁹ section.

30 "(b) The [commission] director shall limit the fees established under this

subsection to the anticipated cost of developing, implementing and analyzing
 data collected under greenhouse gas emissions registration and reporting
 programs.".

4 In line 32, after "192.355," insert "192.690,".

In line 36, after "469.563," insert "469.566 to 469.583, 469.584, 469.585,
469.586, 469.587,".

7 In line 42, delete "sections 8a and".

8 In line 43, delete "8b (2), chapter 739, Oregon Laws 2017,".

9 On page 13, delete lines 32 through 45 and delete pages 14 through 19.

10 On page 20, delete lines 1 through 32 and insert:

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¹⁵ **"SECTION 26.** ORS 469.120 is amended to read:

"469.120. (1) The [State Department of Energy] Oregon Climate Author ity Account is established.

"(Provisions Related to the Energy Supplier Assessment,

operative July 1, 2020)

18 "(2) The account shall consist of all funds received by the [State Depart-

ment of Energy] **Oregon Climate Authority** pursuant to law. All moneys in the account are continuously appropriated to the [*State Department of Energy*] **Oregon Climate Authority** for payment of expenses of the [*department*] **authority** and of the Energy Facility Siting Council.

"(3) Moneys collected under ORS 469.421 (8) may be expended only for the purposes of programs and activities that the council and the department are charged with administering and authorized to conduct under the laws of this state, including those enumerated in ORS 469.030.

"(4) The Director of the [State Department of Energy] Oregon Climate Authority shall keep a record of all moneys deposited in the account. The record shall indicate by special cumulative accounts the source from which moneys are derived and the individual activity or program, including any

activities described in ORS 469.424, against which each withdrawal is charged. On or after October 1 of each year, the director shall make available, upon request, the record for the prior fiscal year to any energy resource supplier that has paid the assessment imposed under ORS 469.421 (8). The director shall make the record available within 30 days of receiving the request.

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"SECTION 27. ORS 469.421 is amended to read:

"469.421. (1) Subject to the provisions of ORS 469.441, any person sub-8 mitting a notice of intent, a request for exemption under ORS 469.320, a re-9 quest for an expedited review under ORS 469.370, a request for an expedited 10 review under ORS 469.373, a request for the [State Department of Energy] 11 **Oregon Climate Authority** to approve a pipeline under ORS 469.405 (3), an 12 application for a site certificate or a request to amend a site certificate shall 13 pay all expenses incurred by the Energy Facility Siting Council and the 14 [department] **authority** related to the review and decision of the council. 15Expenses under this subsection may include: 16

17 "(a) Legal expenses;

18 "(b) Expenses incurred in processing and evaluating the application;

¹⁹ "(c) Expenses incurred in issuing a final order or site certificate;

"(d) Expenses incurred in commissioning an independent study under ORS
469.360;

"(e) Compensation paid to a state agency, a tribe or a local government
pursuant to a written contract or agreement relating to compensation as
provided for in ORS 469.360; or

25 "(f) Expenses incurred by the council in making rule changes that are 26 specifically required and related to the particular site certificate.

"(2) Every person submitting a notice of intent to file for a site certificate, a request for exemption or a request for expedited review shall pay the fee required under the fee schedule established under ORS 469.441 to the [department] **authority** prior to submitting the notice or request to the

council. To the extent possible, the full cost of the evaluation shall be paid 1 from the fee paid under this subsection. However, if costs of the evaluation $\mathbf{2}$ exceed the fee, the person submitting the notice or request shall pay any 3 excess costs shown in an itemized statement prepared by the council. In no 4 event shall the council incur evaluation expenses in excess of 110 percent $\mathbf{5}$ of the fee initially paid unless the council provides prior notification to the 6 applicant and a detailed projected budget the council believes necessary to 7 complete the project. If costs are less than the fee paid, the excess shall be 8 refunded to the person submitting the notice or request. 9

"(3) Before submitting a site certificate application, the applicant shall 10 request from the [department] authority an estimate of the costs expected 11 to be incurred in processing the application. The [department] authority 12shall inform the applicant of that amount and require the applicant to make 13 periodic payments of the costs pursuant to a cost reimbursement agreement. 14 The cost reimbursement agreement shall provide for payment of 25 percent 15of the estimated costs when the applicant submits the application. If costs 16 of the evaluation exceed the estimate, the applicant shall pay any excess 17 costs shown in an itemized statement prepared by the council. In no event 18 shall the council incur evaluation expenses in excess of 110 percent of the 19 fee initially estimated unless the council provided prior notification to the 20applicant and a detailed projected budget the council believes is necessary 21to complete the project. If costs are less than the fee paid, the council shall 22refund the excess to the applicant. 23

"(4) Any person who is delinquent in the payment of fees under subsections (1) to (3) of this section shall be subject to the provisions of subsection (11) of this section.

"(5) Subject to the provisions of ORS 469.441, each holder of a certificate
shall pay an annual fee, due every July 1 following issuance of a site certificate. For each fiscal year, upon approval of the [department's] **authority's** budget authorization by an odd-numbered year regular session

of the Legislative Assembly or as revised by the Emergency Board meeting 1 in an interim period or by the Legislative Assembly meeting in special ses- $\mathbf{2}$ sion or in an even-numbered year regular session, the Director of the [State 3 Department of Energy] **Oregon Climate Authority** promptly shall enter an 4 order establishing an annual fee based on the amount of revenues that the $\mathbf{5}$ director estimates is needed to fund the cost of ensuring that the facility is 6 being operated consistently with the terms and conditions of the site certif-7 icate, any order issued by the [department] authority under ORS 469.405 (3) 8 and any applicable health or safety standards. In determining this cost, the 9 director shall include both the actual direct cost to be incurred by the 10 council and the [department] authority to ensure that the facility is being 11 operated consistently with the terms and conditions of the site certificate, 12any order issued by the [department] authority under ORS 469.405 (3) and 13 any applicable health or safety standards, and the general costs to be in-14 curred by the council and the [department] authority to ensure that all 15certificated facilities are being operated consistently with the terms and 16 conditions of the site certificates, any orders issued by the [department] au-17 thority under ORS 469.405 (3) and any applicable health or safety standards 18 that cannot be allocated to an individual, licensed facility. Not more than 19 35 percent of the annual fee charged each facility shall be for the recovery 20of these general costs. The fees for direct costs shall reflect the size and 21complexity of the facility, the anticipated costs of ensuring compliance with 22site certificate conditions, the anticipated costs of conducting site in-23spections and compliance reviews as described in ORS 469.430, and the an-24ticipated costs of compensating state agencies and local governments for 2526 participating in site inspection and compliance enforcement activities at the request of the council. 27

"(6) Each holder of a site certificate executed after July 1 of any fiscal
year shall pay a fee for the remaining portion of the year. The amount of the
fee shall be set at the cost of regulating the facility during the remaining

1 portion of the year determined in the same manner as the annual fee.

"(7) When the actual costs of regulation incurred by the council and the $\mathbf{2}$ [department] authority for the year, including that portion of the general 3 regulation costs that have been allocated to a particular facility, are less 4 than the annual fees for that facility, the unexpended balance shall be re- $\mathbf{5}$ funded to the site certificate holder. When the actual regulation costs in-6 curred by the council and the [department] **authority** for the year, including 7 that portion of the general regulation costs that have been allocated to a 8 particular facility, are projected to exceed the annual fee for that facility, 9 the director may issue an order revising the annual fee. 10

"(8)(a) In addition to any other fees required by law, each energy resource supplier shall pay to the [*department*] **authority** annually its share of an assessment to fund the programs and activities of the council and the [*department*] **authority**.

"(b) Prior to filing an agency request budget under ORS 291.208 for pur-15 poses related to the compilation and preparation of the Governor's budget 16 under ORS 291.216, the director shall determine the projected aggregate 17 amount of revenue to be collected from energy resource suppliers under this 18 subsection that will be necessary to fund the programs and activities of the 19 council and the [department] authority for each fiscal year of the upcoming 20biennium. After making that determination, the director shall convene a 21public meeting with representatives of energy resource suppliers and other 22interested parties for the purpose of providing energy resource suppliers with 23a full accounting of: 24

25 "(A) The projected revenue needed to fund each [*department*] program or 26 activity of the authority; and

"(B) The projected allocation of moneys derived from the assessment imposed under this subsection to each [*department*] program or activity of the
authority.

30 "(c) Upon approval of the budget authorization of the council and the

[department] authority by an odd-numbered year regular session of the 1 Legislative Assembly, the director shall promptly enter an order establishing $\mathbf{2}$ the amount of revenues required to be derived from an assessment pursuant 3 to this subsection in order to fund programs and activities that the council 4 and the [department] authority are charged with administering and author- $\mathbf{5}$ ized to conduct under the laws of this state, including those enumerated in 6 ORS 469.030, for the first fiscal year of the forthcoming biennium. On or 7 before June 1 of each even-numbered year, the director shall enter an order 8 establishing the amount of revenues required to be derived from an assess-9 ment pursuant to this subsection in order to fund the programs and activities 10 that the council and the [department] authority are charged with adminis-11 tering and authorized to conduct under the laws of this state, including those 12 enumerated in ORS 469.030, for the second fiscal year of the biennium. The 13 order shall take into account any revisions to the biennial budget of the 14 council and the [department] authority made by the Emergency Board 15 meeting in an interim period or by the Legislative Assembly meeting in 16 special session or in an even-numbered year regular session. 17

"(d) Each order issued by the director pursuant to paragraph (c) of this subsection shall allocate the aggregate assessment set forth in the order to energy resource suppliers in accordance with paragraph (e) of this subsection.

"(e) The amount assessed to an energy resource supplier shall be based 22on the ratio which that supplier's annual gross operating revenue derived 23within this state in the preceding calendar year bears to the total gross op-24erating revenue derived within this state during that year by all energy re-25source suppliers. The assessment against an energy resource supplier shall 26not exceed 0.375 percent of the supplier's gross operating revenue derived 27within this state in the preceding calendar year. The director shall exempt 28from payment of an assessment any individual energy resource supplier 29 whose calculated share of the annual assessment is less than \$250. 30

"(f) The director shall send each energy resource supplier subject to as-1 sessment pursuant to this subsection a copy of each order issued by regis- $\mathbf{2}$ tered or certified mail or through use of an electronic medium with 3 electronic receipt verification. The amount assessed to the energy resource 4 supplier pursuant to the order shall be considered to the extent otherwise $\mathbf{5}$ permitted by law a government-imposed cost and recoverable by the energy 6 resource supplier as a cost included within the price of the service or prod-7 uct supplied. 8

9 "(g) The amounts assessed to individual energy resource suppliers pursu-10 ant to paragraph (e) of this subsection shall be paid to the [*department*] 11 **authority** as follows:

"(A) Amounts assessed for the first fiscal year of a biennium shall be paid
 not later than 90 days following adjournment sine die of the odd-numbered
 year regular session of the Legislative Assembly; and

(B) Amounts assessed for the second fiscal year of a biennium shall be paid not later than July 1 of each even-numbered year or 90 days following adjournment sine die of the even-numbered year regular session of the Legislative Assembly, whichever is later.

"(h) An energy resource supplier shall provide the director, on or before 19 May 1 of each year, a verified statement showing its gross operating reve-20nues derived within the state for the calendar or fiscal year that was used 21by the energy resource supplier for the purpose of reporting federal income 22taxes for the preceding calendar or fiscal year. The statement must be in the 23form prescribed by the director and is subject to audit by the director. The 24statement must include an entry showing the total operating revenue derived 25by petroleum suppliers from fuels sold that are subject to the requirements 26of Article IX, section 3a, of the Oregon Constitution, and ORS 319.020 with 27reference to aircraft fuel and motor vehicle fuel, and ORS 319.530. The di-28rector may grant an extension of not more than 15 days for the requirements 29 of this subsection if: 30

1 "(A) The energy supplier makes a showing of hardship caused by the 2 deadline;

"(B) The energy supplier provides reasonable assurance that the energy
supplier can comply with the revised deadline; and

5 "(C) The extension of time does not prevent the council or the 6 [department] **authority** from fulfilling its statutory responsibilities.

7 "(i) As used in this section:

8 "(A) 'Energy resource supplier' means an electric utility, natural gas 9 utility or petroleum supplier supplying, generating, transmitting or distrib-10 uting electricity, natural gas or petroleum products in Oregon.

"(B) 'Gross operating revenue' means gross receipts from sales or service made or provided within this state during the regular course of the energy supplier's business, but does not include either revenue derived from interutility sales within the state or revenue received by a petroleum supplier from the sale of fuels that are subject to the requirements of Article IX, section 3a, of the Oregon Constitution, or ORS 319.020 or 319.530.

"(C) 'Petroleum supplier' has the meaning given that term in ORS 469.020. 17 (i) In determining the amount of revenues that must be derived from any 18 class of energy resource suppliers by assessment pursuant to this subsection, 19 the director shall take into account all other known or readily ascertainable 20sources of revenue to the council and [department] authority, including, but 21not limited to, fees imposed under this section and federal funds, and may 22take into account any funds previously assessed pursuant to ORS 469.420 23(1979 Replacement Part) or section 7, chapter 792, Oregon Laws 1981. 24

"(k) Orders issued by the director pursuant to this section shall be subject to judicial review under ORS 183.484. The taking of judicial review shall not operate to stay the obligation of an energy resource supplier to pay amounts assessed to it on or before the statutory deadline.

"(9)(a) In addition to any other fees required by law, each operator of a nuclear fueled thermal power plant or nuclear installation within this state shall pay to the [department] authority annually on July 1 an assessment in an amount determined by the director to be necessary to fund the activities of the state and the counties associated with emergency preparedness for a nuclear fueled thermal power plant or nuclear installation. The assessment shall not exceed \$461,250 per year. Moneys collected as assessments under this subsection are continuously appropriated to the [department] authority for this purpose.

8 "(b) The [*department*] **authority** shall maintain and cause other state 9 agencies and counties to maintain time and billing records for the expendi-10 ture of any fees collected from an operator of a nuclear fueled thermal power 11 plant under paragraph (a) of this subsection.

"(10) Reactors operated by a college, university or graduate center for research purposes and electric utilities not connected to the Northwest Power Grid are exempt from the fee requirements of subsections (5), (8) and (9) of this section.

"(11)(a) All fees assessed by the [*director*] **authority** against holders of site certificates for facilities that have an installed capacity of 500 megawatts or greater may be paid in several installments, the schedule for which shall be negotiated between the [*director*] **authority** and the site certificate holder.

"(b) Energy resource suppliers or applicants or holders of a site certif-21icate who fail to pay a fee provided under subsections (1) to (9) of this sec-22tion after it is due and payable shall pay, in addition to that fee, a penalty 23of two percent of the fee a month for the period that the fee is past due. Any 24payment made according to the terms of a schedule negotiated under para-25graph (a) of this subsection shall not be considered past due. The director 26may bring an action to collect an unpaid fee or penalty in the name of the 27State of Oregon in a court of competent jurisdiction. The court may award 28reasonable attorney fees to the director if the director prevails in an action 29 under this subsection. The court may award reasonable attorney fees to a 30

defendant who prevails in an action under this subsection if the court determines that the director had no objectively reasonable basis for asserting the claim or no reasonable basis for appealing an adverse decision of the trial court.

5

"SECTION 28. ORS 469.426 is amended to read:

6 "469.426. (1) The Director of the [State Department of Energy] Oregon 7 Climate Authority shall convene an advisory work group composed of 8 stakeholders representing energy resource suppliers, the customers who ul-9 timately pay for the energy supplier assessment imposed under ORS 469.421 10 (8) through their energy bills and other groups that have an interest in the 11 provision and regulation of energy in this state.

"(2) The advisory work group shall review and make recommendations to
 the director on the [State Department of Energy's] Oregon Climate
 Authority's proposals related to:

¹⁵ "(a) Planning, policy and technical analysis;

16 "(b) Legislative concepts; and

17 "(c) The department's requested budget.

"(3) The work group shall meet at least two times per year at the call ofthe director.

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"(Provisions Related to the Energy Supplier Assessment, operative July 1, 2021)

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"SECTION 28a. ORS 469.120, as amended by section 26 of this 2019 Act,
is amended to read:

²⁶ "469.120. (1) The Oregon Climate Authority Account is established.

"(2) The account shall consist of all funds received by the Oregon Climate Authority pursuant to law. All moneys in the account are continuously appropriated to the Oregon Climate Authority for payment of expenses of the authority and of the Energy Facility Siting Council. "(3) Moneys collected under ORS 469.421 (8) may be expended only for the
purposes [of programs and activities that the council and the department are
charged with administering and authorized to conduct under the laws of this
state, including those enumerated in ORS 469.030.] specified in ORS 469.421
(8)(a).

"(4) The Director of the Oregon Climate Authority shall keep a record 6 of all moneys deposited in the account. The record shall indicate by special 7 cumulative accounts the source from which moneys are derived and the in-8 dividual activity or program, including any activities described in ORS 9 469.424, against which each withdrawal is charged. On or after October 1 of 10 each year, the director shall make available, upon request, the record for the 11 prior fiscal year to any energy resource supplier that has paid the assessment 12imposed under ORS 469.421 (8). The director shall make the record available 13 within 30 days of receiving the request. 14

"SECTION 28b. ORS 469.421, as amended by section 27 of this 2019 Act,
 is amended to read:

"469.421. (1) Subject to the provisions of ORS 469.441, any person sub-17 mitting a notice of intent, a request for exemption under ORS 469.320, a re-18 quest for an expedited review under ORS 469.370, a request for an expedited 19 review under ORS 469.373, a request for the Oregon Climate Authority to 20approve a pipeline under ORS 469.405 (3), an application for a site certificate 21or a request to amend a site certificate shall pay all expenses incurred by 22the Energy Facility Siting Council and the authority related to the review 23and decision of the council. Expenses under this subsection may include: 24

25 "(a) Legal expenses;

²⁶ "(b) Expenses incurred in processing and evaluating the application;

²⁷ "(c) Expenses incurred in issuing a final order or site certificate;

"(d) Expenses incurred in commissioning an independent study under ORS
469.360;

30 "(e) Compensation paid to a state agency, a tribe or a local government

pursuant to a written contract or agreement relating to compensation as
 provided for in ORS 469.360; or

"(f) Expenses incurred by the council in making rule changes that are
specifically required and related to the particular site certificate.

"(2) Every person submitting a notice of intent to file for a site certif- $\mathbf{5}$ icate, a request for exemption or a request for expedited review shall pay the 6 fee required under the fee schedule established under ORS 469.441 to the 7 authority prior to submitting the notice or request to the council. To the 8 extent possible, the full cost of the evaluation shall be paid from the fee paid 9 under this subsection. However, if costs of the evaluation exceed the fee, the 10 person submitting the notice or request shall pay any excess costs shown in 11 an itemized statement prepared by the council. In no event shall the council 12incur evaluation expenses in excess of 110 percent of the fee initially paid 13 unless the council provides prior notification to the applicant and a detailed 14 projected budget the council believes necessary to complete the project. If 15costs are less than the fee paid, the excess shall be refunded to the person 16 submitting the notice or request. 17

"(3) Before submitting a site certificate application, the applicant shall 18 request from the authority an estimate of the costs expected to be incurred 19 in processing the application. The authority shall inform the applicant of 20that amount and require the applicant to make periodic payments of the 21costs pursuant to a cost reimbursement agreement. The cost reimbursement 22agreement shall provide for payment of 25 percent of the estimated costs 23when the applicant submits the application. If costs of the evaluation exceed 24the estimate, the applicant shall pay any excess costs shown in an itemized 25statement prepared by the council. In no event shall the council incur eval-26uation expenses in excess of 110 percent of the fee initially estimated unless 27the council provided prior notification to the applicant and a detailed 28projected budget the council believes is necessary to complete the project. 29 If costs are less than the fee paid, the council shall refund the excess to the 30

1 applicant.

2 "(4) Any person who is delinquent in the payment of fees under sub-3 sections (1) to (3) of this section shall be subject to the provisions of sub-4 section (11) of this section.

(5) Subject to the provisions of ORS 469.441, each holder of a certificate $\mathbf{5}$ shall pay an annual fee, due every July 1 following issuance of a site cer-6 tificate. For each fiscal year, upon approval of the authority's budget au-7 thorization by an odd-numbered year regular session of the Legislative 8 Assembly or as revised by the Emergency Board meeting in an interim period 9 or by the Legislative Assembly meeting in special session or in an even-10 numbered year regular session, the Director of the Oregon Climate Authority 11 promptly shall enter an order establishing an annual fee based on the 12 amount of revenues that the director estimates is needed to fund the cost of 13 ensuring that the facility is being operated consistently with the terms and 14 conditions of the site certificate, any order issued by the authority under 15 ORS 469.405 (3) and any applicable health or safety standards. In determining 16 this cost, the director shall include both the actual direct cost to be incurred 17 by the council and the authority to ensure that the facility is being operated 18 consistently with the terms and conditions of the site certificate, any order 19 issued by the authority under ORS 469.405 (3) and any applicable health or 20safety standards, and the general costs to be incurred by the council and the 21authority to ensure that all certificated facilities are being operated con-22sistently with the terms and conditions of the site certificates, any orders 23issued by the authority under ORS 469.405 (3) and any applicable health or 24safety standards that cannot be allocated to an individual, licensed facility. 25Not more than 35 percent of the annual fee charged each facility shall be for 26the recovery of these general costs. The fees for direct costs shall reflect the 27size and complexity of the facility, the anticipated costs of ensuring compli-28ance with site certificate conditions, the anticipated costs of conducting site 29 inspections and compliance reviews as described in ORS 469.430, and the 30

anticipated costs of compensating state agencies and local governments for
participating in site inspection and compliance enforcement activities at the
request of the council.

"(6) Each holder of a site certificate executed after July 1 of any fiscal
year shall pay a fee for the remaining portion of the year. The amount of the
fee shall be set at the cost of regulating the facility during the remaining
portion of the year determined in the same manner as the annual fee.

"(7) When the actual costs of regulation incurred by the council and the 8 authority for the year, including that portion of the general regulation costs 9 that have been allocated to a particular facility, are less than the annual 10 fees for that facility, the unexpended balance shall be refunded to the site 11 certificate holder. When the actual regulation costs incurred by the council 12 and the authority for the year, including that portion of the general regu-13 lation costs that have been allocated to a particular facility, are projected 14 to exceed the annual fee for that facility, the director may issue an order 15 revising the annual fee. 16

"(8)(a) In addition to any other fees required by law, each energy resource supplier shall pay to the authority annually its share of an assessment to fund:

20 "(A) The programs and activities of the council [and the authority.];

21 "(B) The energy services programs of the authority; and

"(C) The administrative overhead and shared services costs of the 22authority that are attributable to the programs and activities de-23scribed in subparagraphs (A) and (B) of this paragraph, unless the 24administrative overhead or shared services costs are funded by ex-25penses or fees paid pursuant to subsection (1), (5) or (6) of this section. 26"(b) Prior to filing an agency request budget under ORS 291.208 for pur-27poses related to the compilation and preparation of the Governor's budget 28under ORS 291.216, the director shall determine the projected aggregate 29 amount of revenue to be collected from energy resource suppliers under this 30

subsection that will be necessary to fund the programs and activities of the council and the authority **described in paragraph** (a) of this subsection for each fiscal year of the upcoming biennium. After making that determination, the director shall convene a public meeting with representatives of energy resource suppliers and other interested parties for the purpose of providing energy resource suppliers with a full accounting of:

"(A) The projected revenue needed to fund each [program or activity] energy services program of the authority; and

9 "(B) The projected allocation of moneys derived from the assessment im-10 posed under this subsection to each [*program or activity*] **energy services** 11 **program** of the authority.

"(c) Upon approval of the budget authorization of the council and the 12 authority by an odd-numbered year regular session of the Legislative As-13 sembly, the director shall promptly enter an order establishing the amount 14 of revenues required to be derived from an assessment pursuant to this sub-15 section in order to fund programs and activities described in paragraph (a) 16 of this subsection that the council and the authority are charged with ad-17 ministering and authorized to conduct under the laws of this state[, includ-18 ing those enumerated in ORS 469.030,] for the first fiscal year of the 19 forthcoming biennium. On or before June 1 of each even-numbered year, the 20director shall enter an order establishing the amount of revenues required 21to be derived from an assessment pursuant to this subsection in order to fund 22the programs and activities described in paragraph (a) of this subsection 23that the council and the authority are charged with administering and au-24thorized to conduct under the laws of this state[, including those enumerated 25in ORS 469.030,] for the second fiscal year of the biennium. The order shall 26take into account any revisions to the biennial budget of the council and the 27authority made by the Emergency Board meeting in an interim period or by 28the Legislative Assembly meeting in special session or in an even-numbered 29 year regular session. 30

"(d) Each order issued by the director pursuant to paragraph (c) of this subsection shall allocate the aggregate assessment set forth in the order to energy resource suppliers in accordance with paragraph (e) of this subsection.

"(e) The amount assessed to an energy resource supplier shall be based $\mathbf{5}$ on the ratio which that supplier's annual gross operating revenue derived 6 within this state in the preceding calendar year bears to the total gross op-7 erating revenue derived within this state during that year by all energy re-8 source suppliers. The assessment against an energy resource supplier shall 9 not exceed 0.375 percent of the supplier's gross operating revenue derived 10 within this state in the preceding calendar year. The director shall exempt 11 from payment of an assessment any individual energy resource supplier 12 whose calculated share of the annual assessment is less than \$250. 13

"(f) The director shall send each energy resource supplier subject to as-14 sessment pursuant to this subsection a copy of each order issued by regis-15 tered or certified mail or through use of an electronic medium with 16 electronic receipt verification. The amount assessed to the energy resource 17 supplier pursuant to the order shall be considered to the extent otherwise 18 permitted by law a government-imposed cost and recoverable by the energy 19 resource supplier as a cost included within the price of the service or prod-20uct supplied. 21

"(g) The amounts assessed to individual energy resource suppliers pursuant to paragraph (e) of this subsection shall be paid to the authority as follows:

"(A) Amounts assessed for the first fiscal year of a biennium shall be paid
not later than 90 days following adjournment sine die of the odd-numbered
year regular session of the Legislative Assembly; and

"(B) Amounts assessed for the second fiscal year of a biennium shall be
paid not later than July 1 of each even-numbered year or 90 days following
adjournment sine die of the even-numbered year regular session of the Leg-

1 islative Assembly, whichever is later.

"(h) An energy resource supplier shall provide the director, on or before $\mathbf{2}$ May 1 of each year, a verified statement showing its gross operating reve-3 nues derived within the state for the calendar or fiscal year that was used 4 by the energy resource supplier for the purpose of reporting federal income $\mathbf{5}$ taxes for the preceding calendar or fiscal year. The statement must be in the 6 form prescribed by the director and is subject to audit by the director. The 7 statement must include an entry showing the total operating revenue derived 8 by petroleum suppliers from fuels sold that are subject to the requirements 9 of Article IX, section 3a, of the Oregon Constitution, and ORS 319.020 with 10 reference to aircraft fuel and motor vehicle fuel, and ORS 319.530. The di-11 rector may grant an extension of not more than 15 days for the requirements 12of this subsection if: 13

14 "(A) The energy supplier makes a showing of hardship caused by the 15 deadline;

"(B) The energy supplier provides reasonable assurance that the energy
 supplier can comply with the revised deadline; and

"(C) The extension of time does not prevent the council or the authorityfrom fulfilling its statutory responsibilities.

20 "(i) As used in this section:

"(A) 'Energy resource supplier' means an electric utility, natural gas
utility or petroleum supplier supplying, generating, transmitting or distributing electricity, natural gas or petroleum products in Oregon.

24 "(B)(i) 'Energy services program' means a program or activity 25 undertaken pursuant to the duties, functions and powers of the au-26 thority that:

"(I) Provides expertise or technical or research support related to
 the administration of state energy policies and programs;

29 "(II) Provides energy data, analysis and tools; or

30 "(III) Supports energy conservation, energy efficiency, energy sys-

tem planning, reliability and safety, energy storage, renewable energy
 resources, or alternative energy resources or fuels.

"(ii) 'Energy services program' does not mean any program adopted
by the Legislative Assembly and administered by the authority to place
a cap on anthropogenic greenhouse gas emissions and to provide for
a market-based mechanism for covered entities to demonstrate compliance with the program.

8 "[(B)] (C) 'Gross operating revenue' means gross receipts from sales or 9 service made or provided within this state during the regular course of the 10 energy supplier's business, but does not include either revenue derived from 11 interutility sales within the state or revenue received by a petroleum sup-12 plier from the sale of fuels that are subject to the requirements of Article 13 IX, section 3a, of the Oregon Constitution, or ORS 319.020 or 319.530.

"[(C)] (D) 'Petroleum supplier' has the meaning given that term in ORS
469.020.

"(j) In determining the amount of revenues that must be derived from any class of energy resource suppliers by assessment pursuant to this subsection, the director shall take into account all other known or readily ascertainable sources of revenue to the council and authority, including, but not limited to, fees imposed under this section and federal funds, and may take into account any funds previously assessed pursuant to ORS 469.420 (1979 Replacement Part) or section 7, chapter 792, Oregon Laws 1981.

"(k) Orders issued by the director pursuant to this section shall be subject to judicial review under ORS 183.484. The taking of judicial review shall not operate to stay the obligation of an energy resource supplier to pay amounts assessed to it on or before the statutory deadline.

(L) No later than September 15 of each even-numbered year, the Secretary of State shall conduct an audit to determine whether the assessment and uses of the energy resource supplier assessment by the authority during the previous biennium complied with the provisions of this subsection. The secretary shall provide a copy of the audit report issued for an audit under this section to the director and to the
Oregon Climate Board.

"(9)(a) In addition to any other fees required by law, each operator of a 4 nuclear fueled thermal power plant or nuclear installation within this state $\mathbf{5}$ shall pay to the authority annually on July 1 an assessment in an amount 6 determined by the director to be necessary to fund the activities of the state 7 and the counties associated with emergency preparedness for a nuclear fueled 8 thermal power plant or nuclear installation. The assessment shall not exceed 9 \$461,250 per year. Moneys collected as assessments under this subsection are 10 continuously appropriated to the authority for this purpose. 11

"(b) The authority shall maintain and cause other state agencies and counties to maintain time and billing records for the expenditure of any fees collected from an operator of a nuclear fueled thermal power plant under paragraph (a) of this subsection.

"(10) Reactors operated by a college, university or graduate center for research purposes and electric utilities not connected to the Northwest Power Grid are exempt from the fee requirements of subsections (5), (8) and (9) of this section.

"(11)(a) All fees assessed by the authority against holders of site certificates for facilities that have an installed capacity of 500 megawatts or greater may be paid in several installments, the schedule for which shall be negotiated between the authority and the site certificate holder.

"(b) Energy resource suppliers or applicants or holders of a site certificate who fail to pay a fee provided under subsections (1) to (9) of this section after it is due and payable shall pay, in addition to that fee, a penalty of two percent of the fee a month for the period that the fee is past due. Any payment made according to the terms of a schedule negotiated under paragraph (a) of this subsection shall not be considered past due. The director may bring an action to collect an unpaid fee or penalty in the name of the

State of Oregon in a court of competent jurisdiction. The court may award reasonable attorney fees to the director if the director prevails in an action under this subsection. The court may award reasonable attorney fees to a defendant who prevails in an action under this subsection if the court determines that the director had no objectively reasonable basis for asserting the claim or no reasonable basis for appealing an adverse decision of the trial court.

8 "SECTION 28c. ORS 469.426, as amended by section 28 of this 2019 Act,
9 is amended to read:

¹⁰ "469.426. (1) The Director of the Oregon Climate Authority shall convene ¹¹ an advisory work group composed of stakeholders representing energy re-¹² source suppliers, the customers who ultimately pay for the energy supplier ¹³ assessment imposed under ORS 469.421 (8) through their energy bills and ¹⁴ other groups that have an interest in the provision and regulation of energy ¹⁵ in this state.

"(2) The advisory work group shall review and make recommendations to
 the director on the Oregon Climate Authority's proposals related to:

18 "[(a) Planning, policy and technical analysis;]

19 "[(b) Legislative concepts; and]

20 "[(c) The department's requested budget.]

"(a) Planning, policy and technical analysis as it pertains to the
 provision of energy in this state;

"(b) The programs of the Oregon Climate Authority that are energy
 services programs, as that term is defined in ORS 469.421; and

"(c) The portion of the authority's requested biennial budget that
is eligible for funding through the energy supplier assessment pursuant to ORS 469.421 (8)(a).

"(3) The work group shall meet at least two times per year at the call ofthe director.

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"(Provisions Related to the Energy Supplier Assessment, operative January 1, 2022)

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"SECTION 28d. ORS 469.421, as amended by sections 27 and 28b of this
2019 Act, is amended to read:

"469.421. (1) Subject to the provisions of ORS 469.441, any person sub-6 mitting a notice of intent, a request for exemption under ORS 469.320, a re-7 quest for an expedited review under ORS 469.370, a request for an expedited 8 review under ORS 469.373, a request for the Oregon Climate Authority to 9 approve a pipeline under ORS 469.405 (3), an application for a site certificate 10 or a request to amend a site certificate shall pay all expenses incurred by 11 the Energy Facility Siting Council and the authority related to the review 12and decision of the council. Expenses under this subsection may include: 13

14 "(a) Legal expenses;

15 "(b) Expenses incurred in processing and evaluating the application;

¹⁶ "(c) Expenses incurred in issuing a final order or site certificate;

"(d) Expenses incurred in commissioning an independent study under ORS
469.360;

"(e) Compensation paid to a state agency, a tribe or a local government
 pursuant to a written contract or agreement relating to compensation as
 provided for in ORS 469.360; or

"(f) Expenses incurred by the council in making rule changes that are specifically required and related to the particular site certificate.

"(2) Every person submitting a notice of intent to file for a site certificate, a request for exemption or a request for expedited review shall pay the fee required under the fee schedule established under ORS 469.441 to the authority prior to submitting the notice or request to the council. To the extent possible, the full cost of the evaluation shall be paid from the fee paid under this subsection. However, if costs of the evaluation exceed the fee, the person submitting the notice or request shall pay any excess costs shown in

an itemized statement prepared by the council. In no event shall the council incur evaluation expenses in excess of 110 percent of the fee initially paid unless the council provides prior notification to the applicant and a detailed projected budget the council believes necessary to complete the project. If costs are less than the fee paid, the excess shall be refunded to the person submitting the notice or request.

"(3) Before submitting a site certificate application, the applicant shall 7 request from the authority an estimate of the costs expected to be incurred 8 in processing the application. The authority shall inform the applicant of 9 that amount and require the applicant to make periodic payments of the 10 costs pursuant to a cost reimbursement agreement. The cost reimbursement 11 agreement shall provide for payment of 25 percent of the estimated costs 12when the applicant submits the application. If costs of the evaluation exceed 13 the estimate, the applicant shall pay any excess costs shown in an itemized 14 statement prepared by the council. In no event shall the council incur eval-15uation expenses in excess of 110 percent of the fee initially estimated unless 16 the council provided prior notification to the applicant and a detailed 17 projected budget the council believes is necessary to complete the project. 18 If costs are less than the fee paid, the council shall refund the excess to the 19 applicant. 20

"(4) Any person who is delinquent in the payment of fees under subsections (1) to (3) of this section shall be subject to the provisions of subsection (11) of this section.

²⁴ "(5) Subject to the provisions of ORS 469.441, each holder of a certificate ²⁵ shall pay an annual fee, due every July 1 following issuance of a site cer-²⁶ tificate. For each fiscal year, upon approval of the authority's budget au-²⁷ thorization by an odd-numbered year regular session of the Legislative ²⁸ Assembly or as revised by the Emergency Board meeting in an interim period ²⁹ or by the Legislative Assembly meeting in special session or in an even-³⁰ numbered year regular session, the Director of the Oregon Climate Authority

promptly shall enter an order establishing an annual fee based on the 1 amount of revenues that the director estimates is needed to fund the cost of $\mathbf{2}$ ensuring that the facility is being operated consistently with the terms and 3 conditions of the site certificate, any order issued by the authority under 4 ORS 469.405 (3) and any applicable health or safety standards. In determining $\mathbf{5}$ this cost, the director shall include both the actual direct cost to be incurred 6 by the council and the authority to ensure that the facility is being operated 7 consistently with the terms and conditions of the site certificate, any order 8 issued by the authority under ORS 469.405 (3) and any applicable health or 9 safety standards, and the general costs to be incurred by the council and the 10 authority to ensure that all certificated facilities are being operated con-11 sistently with the terms and conditions of the site certificates, any orders 12issued by the authority under ORS 469.405 (3) and any applicable health or 13 safety standards that cannot be allocated to an individual, licensed facility. 14 Not more than 35 percent of the annual fee charged each facility shall be for 15the recovery of these general costs. The fees for direct costs shall reflect the 16 size and complexity of the facility, the anticipated costs of ensuring compli-17 ance with site certificate conditions, the anticipated costs of conducting site 18 inspections and compliance reviews as described in ORS 469.430, and the 19 anticipated costs of compensating state agencies and local governments for 20participating in site inspection and compliance enforcement activities at the 21request of the council. 22

"(6) Each holder of a site certificate executed after July 1 of any fiscal year shall pay a fee for the remaining portion of the year. The amount of the fee shall be set at the cost of regulating the facility during the remaining portion of the year determined in the same manner as the annual fee.

"(7) When the actual costs of regulation incurred by the council and the authority for the year, including that portion of the general regulation costs that have been allocated to a particular facility, are less than the annual fees for that facility, the unexpended balance shall be refunded to the site certificate holder. When the actual regulation costs incurred by the council and the authority for the year, including that portion of the general regulation costs that have been allocated to a particular facility, are projected to exceed the annual fee for that facility, the director may issue an order revising the annual fee.

"(8)(a) In addition to any other fees required by law, each energy resource
supplier shall pay to the authority annually its share of an assessment to
fund:

9 "(A) The programs and activities of the council;

10 "(B) The energy services programs of the authority; and

"(C) The administrative overhead and shared services costs of the authority that are attributable to the programs and activities described in subparagraphs (A) and (B) of this paragraph, unless the administrative overhead or shared services costs are funded by fees pursuant to subsections (1), (5) or (6) of this section.

"(b) Prior to filing an agency request budget under ORS 291.208 for pur-16 poses related to the compilation and preparation of the Governor's budget 17 under ORS 291.216, the director shall determine the projected aggregate 18 amount of revenue to be collected from energy resource suppliers under this 19 subsection that will be necessary to fund the programs and activities of the 20council and the authority described in paragraph (a) of this subsection for 21each fiscal year of the upcoming biennium. After making that determination, 22the director shall convene a public meeting with representatives of energy 23resource suppliers and other interested parties for the purpose of providing 24energy resource suppliers with a full accounting of: 25

26 "(A) The projected revenue needed to fund each energy services program 27 of the authority; and

"(B) The projected allocation of moneys derived from the assessment im posed under this subsection to each energy services program of the authority.
 "(c) Upon approval of the budget authorization of the council and the

authority by an odd-numbered year regular session of the Legislative As-1 sembly, the director shall promptly enter an order establishing the amount $\mathbf{2}$ of revenues required to be derived from an assessment pursuant to this sub-3 section in order to fund programs and activities described in paragraph (a) 4 of this subsection that the council and the authority are charged with ad- $\mathbf{5}$ ministering and authorized to conduct under the laws of this state for the 6 first fiscal year of the forthcoming biennium. On or before June 1 of each 7 even-numbered year, the director shall enter an order establishing the 8 amount of revenues required to be derived from an assessment pursuant to 9 this subsection in order to fund the programs and activities described in 10 paragraph (a) of this subsection that the council and the authority are 11 charged with administering and authorized to conduct under the laws of this 12 state for the second fiscal year of the biennium. The order shall take into 13 account any revisions to the biennial budget of the council and the authority 14 made by the Emergency Board meeting in an interim period or by the Leg-15 islative Assembly meeting in special session or in an even-numbered year 16 regular session. 17

"(d) Each order issued by the director pursuant to paragraph (c) of this subsection shall allocate the aggregate assessment set forth in the order to energy resource suppliers in accordance with paragraph (e) of this subsection.

"(e) The amount assessed to an energy resource supplier shall be based 22on the ratio which that supplier's annual gross operating revenue derived 23within this state in the preceding calendar year bears to the total gross op-24erating revenue derived within this state during that year by all energy re-25source suppliers. The assessment against an energy resource supplier shall 26not exceed 0.375 percent of the supplier's gross operating revenue derived 27within this state in the preceding calendar year. The director shall exempt 28from payment of an assessment any individual energy resource supplier 29 whose calculated share of the annual assessment is less than \$250. 30

"(f) The director shall send each energy resource supplier subject to as-1 sessment pursuant to this subsection a copy of each order issued by regis- $\mathbf{2}$ tered or certified mail or through use of an electronic medium with 3 electronic receipt verification. The amount assessed to the energy resource 4 supplier pursuant to the order shall be considered to the extent otherwise $\mathbf{5}$ permitted by law a government-imposed cost and recoverable by the energy 6 resource supplier as a cost included within the price of the service or prod-7 uct supplied. 8

9 "(g) The amounts assessed to individual energy resource suppliers pursu-10 ant to paragraph (e) of this subsection shall be paid to the authority as fol-11 lows:

"(A) Amounts assessed for the first fiscal year of a biennium shall be paid
 not later than 90 days following adjournment sine die of the odd-numbered
 year regular session of the Legislative Assembly; and

(B) Amounts assessed for the second fiscal year of a biennium shall be paid not later than July 1 of each even-numbered year or 90 days following adjournment sine die of the even-numbered year regular session of the Legislative Assembly, whichever is later.

"(h) An energy resource supplier shall provide the director, on or before 19 May 1 of each year, a verified statement showing its gross operating reve-20nues derived within the state for the calendar or fiscal year that was used 21by the energy resource supplier for the purpose of reporting federal income 22taxes for the preceding calendar or fiscal year. The statement must be in the 23form prescribed by the director and is subject to audit by the director. The 24statement must include an entry showing the total operating revenue derived 25by petroleum suppliers from fuels sold that are subject to the requirements 26of Article IX, section 3a, of the Oregon Constitution, and ORS 319.020 with 27reference to aircraft fuel and motor vehicle fuel, and ORS 319.530. The di-28rector may grant an extension of not more than 15 days for the requirements 29 of this subsection if: 30

1 "(A) The energy supplier makes a showing of hardship caused by the 2 deadline;

"(B) The energy supplier provides reasonable assurance that the energy
supplier can comply with the revised deadline; and

5 "(C) The extension of time does not prevent the council or the authority 6 from fulfilling its statutory responsibilities.

7 "(i) As used in this section:

8 "(A) 'Energy resource supplier' means an electric utility, natural gas 9 utility or petroleum supplier supplying, generating, transmitting or distrib-10 uting electricity, natural gas or petroleum products in Oregon.

"(B)(i) 'Energy services program' means a program or activity undertaken
 pursuant to the duties, functions and powers of the authority that:

"(I) Provides expertise, technical or research support related to the ad ministration of state energy policies and programs;

¹⁵ "(II) Provides energy data, analysis and tools; or

"(III) Supports energy conservation, energy efficiency, energy system
 planning, reliability and safety, energy storage, renewable energy resources,
 or alternative energy resources or fuels.

"(ii) 'Energy services program' does not mean the greenhouse gas reporting program under ORS 468A.280 and rules adopted pursuant to ORS 468A.280 or any program adopted by the Legislative Assembly and administered by the authority to place a cap on anthropogenic greenhouse gas emissions and to provide for a market-based mechanism for covered entities to demonstrate compliance with the program.

"(C) 'Gross operating revenue' means gross receipts from sales or service made or provided within this state during the regular course of the energy supplier's business, but does not include either revenue derived from interutility sales within the state or revenue received by a petroleum supplier from the sale of fuels that are subject to the requirements of Article IX, section 3a, of the Oregon Constitution, or ORS 319.020 or 319.530.

"(D) 'Petroleum supplier' has the meaning given that term in ORS 469.020. 1 (i) In determining the amount of revenues that must be derived from any $\mathbf{2}$ class of energy resource suppliers by assessment pursuant to this subsection, 3 the director shall take into account all other known or readily ascertainable 4 sources of revenue to the council and authority, including, but not limited $\mathbf{5}$ to, fees imposed under this section and federal funds, and may take into ac-6 count any funds previously assessed pursuant to ORS 469.420 (1979 Replace-7 ment Part) or section 7, chapter 792, Oregon Laws 1981. 8

9 "(k) Orders issued by the director pursuant to this section shall be subject 10 to judicial review under ORS 183.484. The taking of judicial review shall not 11 operate to stay the obligation of an energy resource supplier to pay amounts 12 assessed to it on or before the statutory deadline.

"(L) No later than September 15 of each even-numbered year, the Secretary of State shall conduct an audit to determine whether the assessment and uses of the energy resource supplier assessment by the authority during the previous biennium complied with the provisions of this subsection. The secretary shall provide a copy of the audit report issued for an audit under this section to the director and to the Oregon Climate Board.

"(9)(a) In addition to any other fees required by law, each operator of a 19 nuclear fueled thermal power plant or nuclear installation within this state 20shall pay to the authority annually on July 1 an assessment in an amount 21determined by the director to be necessary to fund the activities of the state 22and the counties associated with emergency preparedness for a nuclear fueled 23thermal power plant or nuclear installation. The assessment shall not exceed 24\$461,250 per year. Moneys collected as assessments under this subsection are 25continuously appropriated to the authority for this purpose. 26

"(b) The authority shall maintain and cause other state agencies and counties to maintain time and billing records for the expenditure of any fees collected from an operator of a nuclear fueled thermal power plant under paragraph (a) of this subsection. "(10) Reactors operated by a college, university or graduate center for research purposes and electric utilities not connected to the Northwest Power Grid are exempt from the fee requirements of subsections (5), (8) and (9) of this section.

5 "(11)(a) All fees assessed by the authority against holders of site certif-6 icates for facilities that have an installed capacity of 500 megawatts or 7 greater may be paid in several installments, the schedule for which shall be 8 negotiated between the authority and the site certificate holder.

"(b) Energy resource suppliers or applicants or holders of a site certif-9 icate who fail to pay a fee provided under subsections (1) to (9) of this sec-10 tion after it is due and payable shall pay, in addition to that fee, a penalty 11 of two percent of the fee a month for the period that the fee is past due. Any 12payment made according to the terms of a schedule negotiated under para-13 graph (a) of this subsection shall not be considered past due. The director 14 may bring an action to collect an unpaid fee or penalty in the name of the 15State of Oregon in a court of competent jurisdiction. The court may award 16 reasonable attorney fees to the director if the director prevails in an action 17 under this subsection. The court may award reasonable attorney fees to a 18 defendant who prevails in an action under this subsection if the court de-19 termines that the director had no objectively reasonable basis for asserting 20the claim or no reasonable basis for appealing an adverse decision of the 21trial court. 22

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"(Energy Program Review Task Force)

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²⁶ "<u>SECTION 29.</u> (1) The Energy Program Review Task Force is established.

28 "(2) The task force consists of:

29 "(a) Five members appointed as follows:

30 "(A) The President of the Senate shall appoint one member from

among the members of the Senate who also serves as a member of a
 committee of the Legislative Assembly related to climate;

"(B) The Speaker of the House of Representatives shall appoint one
member from among the members of the House of Representatives
who also serves as a member of a committee of the Legislative Assembly related to climate; and

"(C) The Governor shall appoint three members who represent the
interests of key stakeholders of the Oregon Climate Authority; and

9 "(b) The following six ex officio, voting members:

10 "(A) The chairperson of the Oregon Climate Board;

11 "(B) The Director of the Oregon Climate Authority;

"(C) The Director of the Oregon Department of Administrative
 Services or a designee of the director;

"(D) One member of the Public Utility Commission or a designee
 of the chairperson of the commission;

"(E) The Director of the Department of Environmental Quality or
 a designee of the director; and

"(F) The Director of the Department of Land Conservation and
 Development or a designee of the director.

20 "(3) The task force shall:

"(a) Review and provide recommendations to the Governor and to the Legislative Assembly, which may include recommendations for legislation, regarding the most appropriate state agency to provide for administration of the duties of the Energy Facility Siting Council established under ORS 469.450;

"(b) If the task force determines that duties related to the Energy Facility Siting Council should be transferred to another state agency, provide recommendations to the Governor and to the Legislative Assembly, which may include recommendations for legislation, for a proposal for accomplishing the transfer no later than July 1, 2021; 1 "(c) Review all the duties, functions and powers of the Oregon Cli-2 mate Authority to assess whether the programs and activities carried 3 out pursuant to those duties, functions and powers properly align with 4 the policy stated in section 2 of this 2019 Act and the duties of the 5 authority provided for in section 3 of this 2019 Act; and

"(d) Provide recommendations to the Governor and to the Legisla-6 tive Assembly, which may include recommendations for legislation, 7 on duties, functions and powers of the State Department of Energy 8 that will be transferred to the Oregon Climate Authority on the oper-9 ative date specified in section 261 (1) of this 2019 Act that should be 10 abolished, amended or transferred to other agencies of state govern-11 ment in order to ensure that the programs and activities of the Oregon 12 Climate Authority properly align with the policy stated in section 2 13 of this 2019 Act and the duties of the authority provided for in section 14 3 of this 2019 Act. 15

"(4) In conducting the duties provided for in subsection (3) of this
 section, the task force shall take into consideration:

"(a) Alignment of the duties, functions and powers of the Oregon
Climate Authority with the policy stated in section 2 of this 2019 Act
and the duties of the authority provided for in section 3 of this 2019
Act, and otherwise with the mission of the authority;

22 "(b) The core staffing and expertise of the authority;

"(c) The administrative capacities of the authority and other agen cies of state government relative to administering specific duties,
 functions or powers of the authority; and

"(d) The efficiencies that may be gained or lost by abolishing,
 amending or transferring certain duties, functions or powers of the
 authority.

"(5) A majority of the voting members of the task force constitutes
a quorum for the transaction of business.

1 "(6) Official action by the task force requires the approval of a 2 majority of the voting members of the task force.

"(7) The task force shall elect one of its members to serve as
chairperson.

5 "(8) If there is a vacancy for any cause, the appointing authority 6 shall make an appointment to become immediately effective.

"(9) The task force shall meet at times and places specified by the
call of the chairperson or of a majority of the voting members of the
task force.

"(10) The task force may adopt rules necessary for the operation
 of the task force.

12 "(11) In the manner provided by ORS 192.245, the task force:

"(a) Shall submit an initial report, which may include recommen dations for legislation, to the Governor and an interim committee of
 the Legislative Assembly related to climate no later than November
 30, 2019; and

"(b) May submit an additional report, which may include recommendations for legislation, to the Governor and an interim committee
of the Legislative Assembly related to climate no later than September
15, 2020.

"(12) The Oregon Climate Authority shall provide staff support to
 the task force.

"(13) Members of the Legislative Assembly appointed to the task
 force are nonvoting members of the task force and may act in an ad visory capacity only.

"(14) Members of the task force who are not members of the Leg islative Assembly are not entitled to compensation or reimbursement
 for expenses and serve as volunteers on the task force.

"(15) All agencies of state government, as defined in ORS 174.111,
 are directed to assist the task force in the performance of the duties

of the task force and, to the extent permitted by laws relating to
 confidentiality, to furnish information and advice the members of the
 task force consider necessary to perform their duties.

4 "<u>SECTION 30.</u> Section 29 of this 2019 Act is repealed on December
5 31, 2020.".

6 On page 74, delete line 11 and insert "in section 2 of this 2019 Act and 7 ORS 469.310.".

8 In line 24, delete "ORS 469.010 and" and insert "section 2 of this 2019 Act
9 and ORS".

In line 28, after "in" delete the rest of the line and insert "section 2 of this 2019 Act and ORS 469.310.".

12 On page 75, line 7, restore "192.690,".

13 In line 26, restore "192.690,".

14 On page 76, after line 16, insert:

¹⁵ "SECTION 90a. ORS 469.100 is amended to read:

"469.100. (1) All agencies shall consider the policy stated in [ORS
 469.010] section 2 of this 2019 Act in adopting or modifying their rules and
 policies.

"(2) All agencies shall review their rules and policies to determine their
consistency with the policy stated in [ORS 469.010] section 2 of this 2019
Act.".

22 In line 18, delete "(1)".

Delete lines 25 through 27.

24 On page 83, after line 33, insert:

²⁵ **"SECTION 98a.** ORS 469.310 is amended to read:

²⁶ "469.310. In the interests of the public health and the welfare of the peo-²⁷ ple of this state, it is the declared public policy of this state that the siting, ²⁸ construction and operation of energy facilities shall be accomplished in a ²⁹ manner consistent with protection of the public health and safety and in ³⁰ compliance with the energy policy and air, water, solid waste, land use and

other environmental protection policies of this state. It is, therefore, the 1 purpose of ORS 469.300 to 469.563, 469.590 to 469.619, 469.930 and 469.992 to $\mathbf{2}$ exercise the jurisdiction of the State of Oregon to the maximum extent per-3 mitted by the United States Constitution and to establish in cooperation 4 with the federal government a comprehensive system for the siting, moni- $\mathbf{5}$ toring and regulating of the location, construction and operation of all en-6 ergy facilities in this state. It is furthermore the policy of this state, 7 notwithstanding [ORS 469.010 (2)(f)] section 2 (4)(j) of this 2019 Act and 8 the definition of cost-effective in ORS 469.020, that the need for new gener-9 ating facilities, as defined in ORS 469.503, is sufficiently addressed by reli-10 ance on competition in the market rather than by consideration of 11 cost-effectiveness and shall not be a matter requiring determination by the 12 Energy Facility Siting Council in the siting of a generating facility, as de-13 fined in ORS 469.503.". 14

15 On page 97, after line 29, insert:

¹⁶ **"SECTION 112a.** ORS 469.470 is amended to read:

¹⁷ "469.470. The Energy Facility Siting Council shall:

"(1) Conduct and prepare, independently or in cooperation with others,
 studies, investigations, research and programs relating to all aspects of site
 selection.

"(2) In accordance with the applicable provisions of ORS chapter 183, and subject to the provisions of ORS 469.501 (3), adopt standards and rules to perform the functions vested by law in the council including the adoption of standards and rules for the siting of energy facilities pursuant to ORS 469.501, and implementation of the energy policy of the State of Oregon set forth in [ORS 469.010 and 469.310] section 2 of this 2019 Act and ORS 469.310.

"(3) Encourage voluntary cooperation by the people, municipalities,
counties, industries, agriculture, and other pursuits, in performing the functions vested by law in the council.

"(4) Advise, consult, and cooperate with other agencies of the state, political subdivisions, industries, other states, the federal government and affected groups, in furtherance of the purposes of ORS 469.300 to 469.563, 469.590 to 469.619, 469.930 and 469.992.

5 "(5) Consult with the Water Resources Commission on the need for power 6 and other areas within the expertise of the council when the Water Re-7 sources Commission is determining whether to allocate water for hydroelec-8 tric development.

9 "(6) Perform such other and further acts as may be necessary, proper or 10 desirable to carry out effectively the duties, powers and responsibilities of 11 the council described in ORS 469.300 to 469.563, 469.590 to 469.619, 469.930 12 and 469.992.

¹³ "SECTION 112b. ORS 469.501 is amended to read:

"469.501. (1) The Energy Facility Siting Council shall adopt standards for
the siting, construction, operation and retirement of facilities. The standards
may address but need not be limited to the following subjects:

"(a) The organizational, managerial and technical expertise of the applicant to construct and operate the proposed facility.

19 "(b) Seismic hazards.

"(c) Areas designated for protection by the state or federal government,
 including but not limited to monuments, wilderness areas, wildlife refuges,
 scenic waterways and similar areas.

²³ "(d) The financial ability and qualifications of the applicant.

"(e) Effects of the facility, taking into account mitigation, on fish and
wildlife, including threatened and endangered fish, wildlife or plant species.

"(f) Impacts of the facility on historic, cultural or archaeological resources listed on, or determined by the State Historic Preservation Officer
to be eligible for listing on, the National Register of Historic Places or the
Oregon State Register of Historic Properties.

30 "(g) Protection of public health and safety, including necessary safety

1 devices and procedures.

2 "(h) The accumulation, storage, disposal and transportation of nuclear 3 waste.

4 "(i) Impacts of the facility on recreation, scenic and aesthetic values.

5 "(j) Reduction of solid waste and wastewater generation to the extent 6 reasonably practicable.

"(k) Ability of the communities in the affected area to provide sewers and
sewage treatment, water, storm water drainage, solid waste management,
housing, traffic safety, police and fire protection, health care and schools.

"(L) The need for proposed nongenerating facilities as defined in ORS 469.503, consistent with the state energy policy set forth in [ORS 469.010 and 469.310] section 2 of this 2019 Act and ORS 469.310. The council may consider least-cost plans when adopting a need standard or in determining whether an applicable need standard has been met. The council shall not adopt a standard requiring a showing of need or cost-effectiveness for generating facilities as defined in ORS 469.503.

"(m) Compliance with the statewide planning goals adopted by the Land
Conservation and Development Commission as specified by ORS 469.503.

19 "(n) Soil protection.

"(o) For energy facilities that emit carbon dioxide, the impacts of those
emissions on climate change. For fossil-fueled power plants, as defined in
ORS 469.503, the council shall apply a standard as provided for by ORS
469.503 (2).

"(2) The council may adopt exemptions from any need standard adopted
under subsection (1)(L) of this section if the exemption is consistent with the
state's energy policy set forth in [ORS 469.010 and 469.310] section 2 of this
2019 Act and ORS 469.310.

(3)(a) The council may issue a site certificate for a facility that does not meet one or more of the applicable standards adopted under subsection (1) of this section if the council determines that the overall public benefits of the facility outweigh any adverse effects on a resource or interest protectedby the applicable standards the facility does not meet.

"(b) The council by rule shall specify the criteria by which the council
makes the determination described in paragraph (a) of this subsection.

5 "(4) Notwithstanding subsection (1) of this section, the council may not 6 impose any standard developed under subsection (1)(b), (f), (j) or (k) of this 7 section to approve or deny an application for an energy facility producing 8 power from wind, solar or geothermal energy. However, the council may, to 9 the extent it determines appropriate, apply any standards adopted under 10 subsection (1)(b), (f), (j) or (k) of this section to impose conditions on any site 11 certificate issued for any energy facility.".

12 On page 105, line 16, delete "ORS".

Delete line 17 and insert "section 2 of this 2019 Act and ORS 469.310.".

14 On page 150, delete lines 43 through 45.

15 On page 151, delete lines 1 through 14 and insert:

"<u>NOTE:</u> Section 208 was deleted by amendment. Subsequent sections were
 not renumbered.".

18 On page 170, after line 40, insert:

19 "SECTION 243a. ORS 757.230 is amended to read:

"757.230. (1) The Public Utility Commission shall provide for a compre-20hensive classification of service for each public utility, and such classifica-21tion may take into account the quantity used, the time when used, the 22purpose for which used, the existence of price competition or a service al-23ternative, the services being provided, the conditions of service and any 24other reasonable consideration. Based on such considerations the commission 25may authorize classifications or schedules of rates applicable to individual 26customers or groups of customers. The service classifications and schedule 27forms shall be designed consistently with the requirements of [ORS 469.010] 28section 2 of this 2019 Act. Each public utility is required to conform its 29 schedules of rates to such classification. If the commission determines that 30

a tariff filing under ORS 757.205 results in a rate classification primarily
related to price competition or a service alternative, the commission, at a
minimum, shall consider the following:

"(a) Whether the rate generates revenues at least sufficient to cover relevant short and long run costs of the utility during the term of the rates;

6 "(b) Whether the rate generates revenues sufficient to insure that just and 7 reasonable rates are established for remaining customers of the utility;

8 "(c) For electric and natural gas utilities:

9 "(A) Whether it is appropriate to incorporate interruption of service in 10 the utility's rate agreement with the customer; and

11 "(B) Whether the rate agreement requires the utility to acquire new re-12 sources to serve the load; and

"(d) For electric utilities, for service to load not previously served, the
effect of the rate on the utility's average system cost through the residential
exchange provision of the Pacific Northwest Electric Power Planning and
Conservation Act of 1980, Public Law 96-501, as amended.

"(2) The commission may prescribe such changes in the form in which the schedules are issued by any public utility as may be found to be expedient. The commission shall adopt rules which allow any person who requests notice of tariff filings described under subsection (1) of this section to receive such notice.".

22 On page 181, delete lines 8 through 21 and insert:

²³ "<u>SECTION 251.</u> ORS 757.617 is amended to read:

²⁴ "757.617. (1)[(a)] The Public Utility Commission and the [State Department ²⁵ of Energy] **Oregon Climate Authority** jointly shall select an independent ²⁶ nongovernmental entity to prepare a biennial report to the Legislative As-²⁷ sembly describing program spending and results for public purpose require-²⁸ ments undertaken pursuant to ORS 757.612. [The first report shall be due on ²⁹ January 1, 2003.] **The report may include:**

30 "(a) Proposed modifications to public purpose requirements under-

1 taken pursuant to ORS 757.612; and

2 "(b) Recommendations regarding the public purpose funding re-3 quirements under ORS 757.612.

"[(b) The commission and the department jointly shall select an independent nongovernmental entity to prepare a report to the Legislative Assembly
describing proposed modifications to public purpose requirements undertaken
pursuant to ORS 757.612. The report shall be due on January 1, 2007.]

8 "[(c) The commission and the department jointly shall select an independent 9 nongovernmental entity to prepare a report to the Legislative Assembly recom-10 mending whether the public purpose funding requirements under ORS 757.612 11 should be renewed. The report shall be due on January 1, 2011.]

"(2) The Housing and Community Services Department shall prepare a
biennial report to the Legislative Assembly describing program spending and
needs for low-income bill assistance. [*The first report shall be due on January 1, 2003.*]".

16 On page 184, delete lines 17 through 34 and insert:

"SECTION 255. (1) The following funds are abolished on the opera tive date specified in section 261 (1) of this 2019 Act:

19 "(a) The Energy Project Supplemental Fund;

20 "(b) The Energy Project Bond Loan Fund;

21 "(c) The Jobs, Energy and Schools Fund; and

²² "(d) The Energy Revenue Bond Repayment Fund.

"(2) Any moneys remaining in the funds specified in subsection (1)(a) and (b) of this section on the operative date specified in section 261 (1) of this 2019 Act that are unexpended, unobligated and not subject to any conditions shall be transferred to the Small Scale Local Energy Project Administration and Bond Sinking Fund created under ORS 470.300.

"(3) Any moneys remaining in the funds specified in subsection
 (1)(c) and (d) of this section on the operative date specified in section

261 (1) of this 2019 Act that are unexpended, unobligated and not subject to any conditions shall be transferred to the Clean Energy Deployment Fund established under ORS 470.800.".

4 On page 185, line 8, delete "2020" and insert "2021".

5 In line 9, delete "2020" and insert "2021".

6 In line 13, delete "184.425, 184.427, 184.429, 184.431, 184.433, 184.435,".

7 In line 14, after "468A.260," insert "469.010,".

8 In line 19, after "701.119" insert "and sections 8a and 8b, chapter 739,
9 Oregon Laws 2007,".

10 Delete lines 23 through 44 and insert:

"SECTION 261. (1)(a) Sections 17 to 25 and 255 to 259 of this 2019
Act, the amendments to statutes and session law by sections 26 to 28
and 31 to 254 of this 2019 Act and the repeal of statutes by section 260
of this 2019 Act become operative on July 1, 2020.

"(b) The Director of the Oregon Climate Authority, the Oregon 15Climate Authority, the Director of the State Department of Energy, 16 the State Department of Energy, the Director of the Oregon Business 17 Development Department, the Oregon Business Development Depart-18 ment and the Governor may adopt rules and take any action before 19 the operative date specified in paragraph (a) of this subsection that is 20necessary to enable the directors, the departments and the authority 21to exercise, on and after the operative date specified in paragraph (a) 22of this subsection, the duties, functions and powers of the directors, 23the departments and the authority pursuant to sections 17 to 25 and 24255 to 259 of this 2019 Act, the amendments to statutes and session law 25by sections 26 to 28 and 31 to 254 of this 2019 Act and the repeal of 26statutes by section 260 of this 2019 Act. 27

"(c) Any rules adopted pursuant to paragraph (b) of this subsection
 may not become operative before the operative date specified in para graph (a) of this subsection.

"(2)(a) The amendments to statutes by sections 28a, 28b and 28c of
this 2019 Act become operative July 1, 2021.

"(b) The Director of the Oregon Climate Authority and the Oregon Climate Authority may take any action before the operative date specified in paragraph (a) of this subsection that is necessary to enable the director and the authority, on and after the operative date specified in paragraph (a) of this subsection, to carry out the duties, function and powers of the director and the authority pursuant to the amendments to statutes by sections 28a, 28b and 28c of this 2019 Act.

"(3)(a) Sections 9 to 15 of this 2019 Act and the amendments to
 statutes by sections 16 and 28d of this 2019 Act become operative on
 January 1, 2022.

"(b) The Director of the Oregon Climate Authority, the Oregon 13 Climate Authority, the Director of the Department of Environmental 14 Quality, the Department of Environmental Quality and the Environ-15mental Quality Commission may take any action before the operative 16 date specified in paragraph (a) of this subsection that is necessary to 17 enable the directors, the department, the commission and the au-18 thority, on and after the operative date specified in paragraph (a) of 19 this subsection, to carry out the duties, function and powers of the 20directors, the department, the commission and the authority pursuant 21to sections 9 to 15 of this 2019 Act and the amendments to statutes by 22sections 16 and 28d of this 2019 Act.". 23

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