

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 392 - A

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Haylee Morse-Miller
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Date: March 18, 2021**Measure Description:**

Directs Department of Environmental Quality to study fugitive emissions from natural gas production and transportation.

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT), Public Utility Commission (PUC), Department of Energy (DOE), Department of Environmental Quality (DEQ)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2021-23 Biennium	2023-25 Biennium
Department of Environmental Quality - General Fund	\$300,000	\$0
Total Funds	\$300,000	\$0
Positions	0	0
FTE	0.00	0.00

Analysis:

SB 392 - A directs the Department of Environmental Quality (DEQ), in consultation with the Public Utilities Commission (PUC) and the Oregon Department of Energy (ODOE), to conduct a study on fugitive methane emissions associated with the production, storage, transportation, and delivery of natural gas consumed in or transported through Oregon. DEQ is to provide the results of the study, and any recommendations for legislation to minimize the adverse impacts of fugitive methane emissions, in a report the interim committees of the Legislative Assembly related to the environment no later than November 15, 2022.

DEQ anticipates that the costs of conducting this study will total around \$300,000 General Fund based on contracted studies of similar scope and complexity, and the timeline to complete this study. While some data to be included in this study is already available to DEQ, the Department notes that a consultant will be needed for certain aspects of the study, such as to collect and analyze data regarding natural gas infrastructure and regulations for jurisdictions outside of Oregon; to develop lifecycle carbon intensity values for natural gas consumed in Oregon; to identify best practices to mitigate fugitive natural gas emissions, and how those practices are currently used in Oregon; and various other study elements as required by this measure.

PUC and ODOE anticipate no fiscal impact from this measure.