

SB 678 A STAFF MEASURE SUMMARY

Senate Committee On Rules

Action Date: 06/20/23

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 3-0-3-0

Yeas: 3 - Lieber, Manning Jr, President Wagner

Exc: 3 - Hansell, Knopp, Steiner

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Beth Reiley

Meeting Dates: 6/13, 6/20

WHAT THE MEASURE DOES:

Establishes policy of the State related to benefits from offshore wind energy development and local and regional communities and economies. Requires the Department of Land Conservation and Development (DLCD) to conduct outreach and engage and coordinate with state agencies, local governments, and affected communities to carry out policies of state established by the Act. Establishes policy of the State to: (1) support engagement between offshore wind energy developers and certain communities and entities; (2) minimize and mitigate adverse effects of survey activity related to offshore wind leasing while maximizing benefits; and (3) promote economic diversification and resilience. Requires DLCD to conduct, or support, federal consistency reviews of offshore wind leasing decisions and related actions off the Oregon Coast made by the federal Bureau of Ocean Energy Management. Authorizes DLCD to engage consultant. Requires DLCD to draft report summarizing activities related to Act; review state policies related to offshore wind development; and provide recommendations for improving state policy. Requires report to be submitted to interim committees of the Legislative Assembly related to energy and development no later than December 31, 2024. Repeals reporting provision of Act on January 2, 2025. Appropriates \$250,000 from the General Fund for the biennium beginning July 1, 2023, to DLCD to carry out Act. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Offshore wind energy potential in Oregon
- Resilience of energy grid on coast
- Role of local stakeholders in process

EFFECT OF AMENDMENT:

Modifies policy of the State so that a meaningful share of the benefits from offshore wind energy development go to local and regional communities and that, to the extent practicable, the benefits from offshore wind energy development are reinvested into local and regional economies. Removes direction to the Governor to draft a report, through the Regional Solutions Program, for consideration by the federal Bureau of Ocean Energy Management. Requires the Department of Land Conservation and Development (DLCD) to conduct outreach and engage and coordinate with state agencies, local governments, and affected communities to carry out certain state policies established by the Act. Establishes policy of the State to: (1) support engagement between offshore wind energy developers and certain communities and entities; (2) minimize and mitigate adverse effects of survey activity related to offshore wind leasing while maximizing benefits; and (3) promote economic diversification and resilience. Requires DLCD to conduct, or support, federal consistency reviews of offshore wind leasing decisions and related actions off the Oregon Coast made by the federal Bureau of Ocean Energy Management. Authorizes DLCD to engage consultant. Requires DLCD to draft report summarizing activities related to Act; review state

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BACKGROUND:

Offshore wind is a renewable energy technology being deployed in shallow waters across the world and is advancing into deeper waters by affixing wind turbine technology to floating platforms. In 2022, the Oregon Department of Energy issued the *Floating Offshore Wind: Benefits and Challenges for Oregon* report (Report). According to the Report, technical modeling has shown potential to develop dozens of gigawatts of offshore wind energy along the southern Oregon and northern California coast.

Senate Bill 678 A would establish the policy of the State related to benefits from offshore wind energy development and local and regional communities and economies. The Act would require the Department of Land Conservation and Development to conduct outreach and engage and coordinate with state agencies, local governments, and affected communities to carry out policies of Act.