

A-Engrossed
House Bill 3179

Ordered by the House April 7
Including House Amendments dated April 7

Sponsored by Representative HELM; Representatives EVANS, LEVY E, OWENS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Requires State Department of Energy to study permitting requirements for renewable energy facilities and to develop recommendations to improve permitting process. Directs department to submit findings to interim committees of Legislative Assembly related to energy not later than September 15, 2024.]

Modifies definition of "renewable energy facility" for purposes of county permitting process for solar photovoltaic power generation facility.

Prohibits Department of Transportation from discriminating against or favoring renewable energy facility when reviewing or granting application to place, build or construct on right of way of state highway or county road.

A BILL FOR AN ACT

1
2 Relating to the permitting of renewable energy facilities; amending ORS 215.446, 374.305 and 469.300.

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

4 **SECTION 1.** ORS 215.446 is amended to read:

5 215.446. (1) As used in this section:

6 (a) "Average electric generating capacity" has the meaning given that term in ORS 469.300.

7 (b) "Energy generation area" has the meaning given that term in ORS 469.300.

8 (c) "Renewable energy facility" means:

9 (A) A solar photovoltaic power generation facility using:

10 (i) More than 100 acres but not more than *[160]* **240** acres located on high-value farmland as
11 defined in ORS 195.300;

12 (ii) More than 100 acres but not more than *[1,280]* **2,560** acres located on land that is predomi-
13 nantly cultivated or that, if not cultivated, is predominantly composed of soils that are in capability
14 classes I to IV, as specified by the National Cooperative Soil Survey operated by the Natural Re-
15 sources Conservation Service of the United States Department of Agriculture; or

16 (iii) More than 320 acres but not more than *[1,920]* **3,840** acres located on any other land.

17 (B) An electric power generating plant with an average electric generating capacity of at least
18 35 megawatts but less than 50 megawatts if the power is produced from geothermal or wind energy
19 at a single plant or within a single energy generation area.

20 (2) An application for a land use permit to establish a renewable energy facility must be made
21 under ORS 215.416. An applicant must demonstrate to the satisfaction of the county that the
22 renewable energy facility meets the standards under subsection (3) of this section.

23 (3) In order to issue a permit, the county shall require that the applicant:

24 (a)(A) Consult with the State Department of Fish and Wildlife, prior to submitting a final appli-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 cation to the county, regarding fish and wildlife habitat impacts and any mitigation plan that is
2 necessary;

3 (B) Conduct a habitat assessment of the proposed development site;

4 (C) Develop a mitigation plan to address significant fish and wildlife habitat impacts consistent
5 with the administrative rules adopted by the State Fish and Wildlife Commission for the purposes
6 of implementing ORS 496.012; and

7 (D) Follow administrative rules adopted by the State Fish and Wildlife Commission and rules
8 adopted by the Land Conservation and Development Commission to implement the Oregon Sage-
9 Grouse Action Plan and Executive Order 15-18.

10 (b) Demonstrate that the construction and operation of the renewable energy facility, taking into
11 account mitigation, will not result in significant adverse impacts to historic, cultural and
12 archaeological resources that are:

13 (A) Listed on the National Register of Historic Places under the National Historic Preservation
14 Act (P.L. 89-665, 54 U.S.C. 300101 et seq.);

15 (B) Inventoried in a local comprehensive plan; or

16 (C) Evaluated as a significant or important archaeological object or archaeological site, as those
17 terms are defined in ORS 358.905.

18 (c) Demonstrate that the site for a renewable energy facility, taking into account mitigation, can
19 be restored adequately to a useful, nonhazardous condition following permanent cessation of con-
20 struction or operation of the facility and that the applicant has a reasonable likelihood of obtaining
21 financial assurances in a form and amount satisfactory to the county to secure restoration of the
22 site to a useful, nonhazardous condition.

23 (d) Meet the general and specific standards for a renewable energy facility adopted by the En-
24 ergy Facility Siting Council under ORS 469.470 (2) and 469.501 that the county determines are ap-
25 plicable.

26 (e) Provide the financial assurances described in paragraph (c) of this subsection in the form and
27 at the time specified by the county.

28 (4) Upon receipt of a reasonable cost estimate from the state agency or tribe, the applicant and
29 county may jointly enter into a cost reimbursement agreement administered by the county with:

30 (a) The State Department of Fish and Wildlife to receive comments under subsection (3)(a) of
31 this section.

32 (b) The State Historic Preservation Officer or any affected federally recognized Indian tribe to
33 receive comments under subsection (3)(b) of this section.

34 (c) The State Department of Energy to receive comments under subsection (3)(c) and (d) of this
35 section as well as comments regarding other matters as the county may require.

36 (5) A county that receives an application for a permit under this section shall, upon receipt of
37 the application, provide notice to persons listed in subsection (6) of this section. The notice must
38 include, at a minimum:

39 (a) A description of the proposed renewable energy facility;

40 (b) A description of the lots or parcels subject to the permit application;

41 (c) The dates, times and locations where public comments or public testimony on the permit
42 application can be submitted; and

43 (d) The contact information for the governing body of the county and the applicant.

44 (6) The notice required under subsection (5) of this section must be delivered to:

45 (a) The State Department of Fish and Wildlife;

- 1 (b) The State Department of Energy;
- 2 (c) The State Historic Preservation Officer;
- 3 (d) The Oregon Department of Aviation;
- 4 (e) The United States Department of Defense; and
- 5 (f) Federally recognized Indian tribes that may be affected by the application.

6 **SECTION 2.** ORS 374.305 is amended to read:

7 374.305. (1) A person may not place, build or construct on the right of way of any state highway
8 or county road, any approach road, structure, pipeline, ditch, cable or wire, or any other facility,
9 thing or appurtenance, or substantially alter any such facility, thing or appurtenance or change the
10 manner of using any such approach road without first obtaining written permission from the De-
11 partment of Transportation with respect to state highways or the county court or board of county
12 commissioners with respect to county roads. **In reviewing or granting an application for written**
13 **permission, the department or a county court or board of county commissioners may not**
14 **discriminate against or favor a renewable energy facility.**

15 (2) After written notice of not less than 10 days to the permittee and an opportunity for a
16 hearing, the department with respect to crossings over a state highway and the county court or
17 board of county commissioners with respect to crossings over a county road may abolish any
18 crossing at grade by a private road or may alter or change any private road crossing when the
19 public safety, public convenience and the general welfare require the alteration or change.

20 **SECTION 3.** ORS 469.300 is amended to read:

21 469.300. As used in ORS 469.300 to 469.563, 469.590 to 469.619, 469.930 and 469.992, unless the
22 context requires otherwise:

23 (1) "Applicant" means any person who makes application for a site certificate in the manner
24 provided in ORS 469.300 to 469.563, 469.590 to 469.619, 469.930 and 469.992.

25 (2) "Application" means a request for approval of a particular site or sites for the construction
26 and operation of an energy facility or the construction and operation of an additional energy facility
27 upon a site for which a certificate has already been issued, filed in accordance with the procedures
28 established pursuant to ORS 469.300 to 469.563, 469.590 to 469.619, 469.930 and 469.992.

29 (3) "Associated transmission lines" means new transmission lines constructed to connect an en-
30 ergy facility to the first point of junction of such transmission line or lines with either a power
31 distribution system or an interconnected primary transmission system or both or to the Northwest
32 Power Grid.

33 (4) "Average electric generating capacity" means the peak generating capacity of the facility
34 divided by one of the following factors:

- 35 (a) For wind facilities, 3.00;
- 36 (b) For geothermal energy facilities, 1.11; or
- 37 (c) For all other energy facilities, 1.00.

38 (5) "Combustion turbine power plant" means a thermal power plant consisting of one or more
39 fuel-fired combustion turbines and any associated waste heat combined cycle generators.

40 (6) "Construction" means work performed on a site, excluding surveying, exploration or other
41 activities to define or characterize the site, the cost of which exceeds \$250,000.

42 (7) "Council" means the Energy Facility Siting Council established under ORS 469.450.

43 (8) "Department" means the State Department of Energy created under ORS 469.030.

44 (9) "Director" means the Director of the State Department of Energy appointed under ORS
45 469.040.

1 (10) "Electric utility" means persons, regulated electrical companies, people's utility districts,
2 joint operating agencies, electric cooperatives, municipalities or any combination thereof, engaged
3 in or authorized to engage in the business of generating, supplying, transmitting or distributing
4 electric energy.

5 (11)(a) "Energy facility" means any of the following:

6 (A) An electric power generating plant with a nominal electric generating capacity of 25 mega-
7 watts or more, including but not limited to:

8 (i) Thermal power;

9 (ii) Combustion turbine power plant; or

10 (iii) Solar thermal power plant.

11 (B) A nuclear installation as defined in this section.

12 (C) A high voltage transmission line of more than 10 miles in length with a capacity of 230,000
13 volts or more to be constructed in more than one city or county in this state, but excluding:

14 (i) Lines proposed for construction entirely within 500 feet of an existing corridor occupied by
15 high voltage transmission lines with a capacity of 230,000 volts or more;

16 (ii) Lines of 57,000 volts or more that are rebuilt and upgraded to 230,000 volts along the same
17 right of way; and

18 (iii) Associated transmission lines.

19 (D) A solar photovoltaic power generation facility using more than:

20 (i) [160] **240** acres located on high-value farmland as defined in ORS 195.300;

21 (ii) [1,280] **2,560** acres located on land that is predominantly cultivated or that, if not cultivated,
22 is predominantly composed of soils that are in capability classes I to IV, as specified by the National
23 Cooperative Soil Survey operated by the Natural Resources Conservation Service of the United
24 States Department of Agriculture; or

25 (iii) [1,920] **3,840** acres located on any other land.

26 (E) A pipeline that is:

27 (i) At least six inches in diameter, and five or more miles in length, used for the transportation
28 of crude petroleum or a derivative thereof, liquefied natural gas, a geothermal energy form in a
29 liquid state or other fossil energy resource, excluding a pipeline conveying natural or synthetic gas;

30 (ii) At least 16 inches in diameter, and five or more miles in length, used for the transportation
31 of natural or synthetic gas, but excluding:

32 (I) A pipeline proposed for construction of which less than five miles of the pipeline is more than
33 50 feet from a public road, as defined in ORS 368.001; or

34 (II) A parallel or upgraded pipeline up to 24 inches in diameter that is constructed within the
35 same right of way as an existing 16-inch or larger pipeline that has a site certificate, if all studies
36 and necessary mitigation conducted for the existing site certificate meet or are updated to meet
37 current site certificate standards; or

38 (iii) At least 16 inches in diameter and five or more miles in length used to carry a geothermal
39 energy form in a gaseous state but excluding a pipeline used to distribute heat within a geothermal
40 heating district established under ORS chapter 523.

41 (F) A synthetic fuel plant which converts a natural resource including, but not limited to, coal
42 or oil to a gas, liquid or solid product intended to be used as a fuel and capable of being burned to
43 produce the equivalent of two billion Btu of heat a day.

44 (G) A plant which converts biomass to a gas, liquid or solid product, or combination of such
45 products, intended to be used as a fuel and if any one of such products is capable of being burned

1 to produce the equivalent of six billion Btu of heat a day.

2 (H) A storage facility for liquefied natural gas constructed after September 29, 1991, that is de-
3 signed to hold at least 70,000 gallons.

4 (I) A surface facility related to an underground gas storage reservoir that, at design injection
5 or withdrawal rates, will receive or deliver more than 50 million cubic feet of natural or synthetic
6 gas per day, or require more than 4,000 horsepower of natural gas compression to operate, but ex-
7 cluding:

8 (i) The underground storage reservoir;

9 (ii) The injection, withdrawal or monitoring wells and individual wellhead equipment; and

10 (iii) An underground gas storage reservoir into which gas is injected solely for testing or res-
11 ervoir maintenance purposes or to facilitate the secondary recovery of oil or other hydrocarbons.

12 (J) An electric power generating plant with an average electric generating capacity of 50
13 megawatts or more if the power is produced from geothermal or wind energy at a single energy fa-
14 cility or within a single energy generation area.

15 (b) "Energy facility" does not include a hydroelectric facility or an energy facility under para-
16 graph (a)(A)(iii) or (D) of this subsection that is established on the site of a decommissioned United
17 States Air Force facility that has adequate transmission capacity to serve the energy facility.

18 (12) "Energy generation area" means an area within which the effects of two or more small
19 generating plants may accumulate so the small generating plants have effects of a magnitude similar
20 to a single generating plant of 35 megawatts average electric generating capacity or more. An "en-
21 ergy generation area" for facilities using a geothermal resource and covered by a unit agreement,
22 as provided in ORS 522.405 to 522.545 or by federal law, shall be defined in that unit agreement. If
23 no such unit agreement exists, an energy generation area for facilities using a geothermal resource
24 shall be the area that is within two miles, measured from the electrical generating equipment of the
25 facility, of an existing or proposed geothermal electric power generating plant, not including the site
26 of any other such plant not owned or controlled by the same person.

27 (13) "Extraordinary nuclear occurrence" means any event causing a discharge or dispersal of
28 source material, special nuclear material or by-product material as those terms are defined in ORS
29 453.605, from its intended place of confinement off-site, or causing radiation levels off-site, that the
30 United States Nuclear Regulatory Commission or its successor determines to be substantial and to
31 have resulted in or to be likely to result in substantial damages to persons or property off-site.

32 (14) "Facility" means an energy facility together with any related or supporting facilities.

33 (15) "Geothermal reservoir" means an aquifer or aquifers containing a common geothermal fluid.

34 (16) "Local government" means a city or county.

35 (17) "Nominal electric generating capacity" means the maximum net electric power output of
36 an energy facility based on the average temperature, barometric pressure and relative humidity at
37 the site during the times of the year when the facility is intended to operate.

38 (18) "Nuclear incident" means any occurrence, including an extraordinary nuclear occurrence,
39 that results in bodily injury, sickness, disease, death, loss of or damage to property or loss of use
40 of property due to the radioactive, toxic, explosive or other hazardous properties of source material,
41 special nuclear material or by-product material as those terms are defined in ORS 453.605.

42 (19) "Nuclear installation" means any power reactor, nuclear fuel fabrication plant, nuclear fuel
43 reprocessing plant, waste disposal facility for radioactive waste, and any facility handling that
44 quantity of fissionable materials sufficient to form a critical mass. "Nuclear installation" does not
45 include any such facilities that are part of a thermal power plant.

1 (20) "Nuclear power plant" means an electrical or any other facility using nuclear energy with
2 a nominal electric generating capacity of 25 megawatts or more, for generation and distribution of
3 electricity, and associated transmission lines.

4 (21) "Person" means an individual, partnership, joint venture, private or public corporation, as-
5 sociation, firm, public service company, political subdivision, municipal corporation, government
6 agency, people's utility district, or any other entity, public or private, however organized.

7 (22) "Project order" means the order, including any amendments, issued by the State Department
8 of Energy under ORS 469.330.

9 (23)(a) "Radioactive waste" includes all material which is discarded, unwanted or has no present
10 lawful economic use, and contains mined or refined naturally occurring isotopes, accelerator
11 produced isotopes and by-product material, source material or special nuclear material as those
12 terms are defined in ORS 453.605.

13 (b) "Radioactive waste" does not include:

14 (A) Materials identified by the council by rule as presenting no significant danger to the public
15 health and safety.

16 (B) Uranium mine overburden or uranium mill tailings, mill wastes or mill by-product materials
17 as those terms are defined in Title 42, United States Code, section 2014, on June 25, 1979.

18 (24) "Related or supporting facilities" means any structure, proposed by the applicant, to be
19 constructed or substantially modified in connection with the construction of an energy facility, in-
20 cluding associated transmission lines, reservoirs, storage facilities, intake structures, road and rail
21 access, pipelines, barge basins, office or public buildings, and commercial and industrial structures.
22 "Related or supporting facilities" does not include geothermal or underground gas storage reser-
23 voirs, production, injection or monitoring wells or wellhead equipment or pumps.

24 (25) "Site" means any proposed location of an energy facility and related or supporting facilities.

25 (26) "Site certificate" means the binding agreement between the State of Oregon and the appli-
26 cant, authorizing the applicant to construct and operate a facility on an approved site, incorporating
27 all conditions imposed by the council on the applicant.

28 (27) "Thermal power plant" means an electrical facility using any source of thermal energy with
29 a nominal electric generating capacity of 25 megawatts or more, for generation and distribution of
30 electricity, and associated transmission lines, including but not limited to a nuclear-fueled,
31 geothermal-fueled or fossil-fueled power plant, but not including a portable power plant the principal
32 use of which is to supply power in emergencies. "Thermal power plant" includes a nuclear-fueled
33 thermal power plant that has ceased to operate.

34 (28) "Transportation" means the transport within the borders of the State of Oregon of radio-
35 active material destined for or derived from any location.

36 (29) "Underground gas storage reservoir" means any subsurface sand, strata, formation, aquifer,
37 cavern or void, whether natural or artificially created, suitable for the injection, storage and with-
38 drawal of natural gas or other gaseous substances. "Underground gas storage reservoir" includes a
39 pool as defined in ORS 520.005.

40 (30) "Utility" includes:

41 (a) A person, a regulated electrical company, a people's utility district, a joint operating agency,
42 an electric cooperative, municipality or any combination thereof, engaged in or authorized to engage
43 in the business of generating, transmitting or distributing electric energy;

44 (b) A person or public agency generating electric energy from an energy facility for its own
45 consumption; and

1 (c) A person engaged in this state in the transmission or distribution of natural or synthetic gas.
2 (31) "Waste disposal facility" means a geographical site in or upon which radioactive waste is
3 held or placed but does not include a site at which radioactive waste used or generated pursuant
4 to a license granted under ORS 453.635 is stored temporarily, a site of a thermal power plant used
5 for the temporary storage of radioactive waste from that plant for which a site certificate has been
6 issued pursuant to this chapter or a site used for temporary storage of radioactive waste from a
7 reactor operated by a college, university or graduate center for research purposes and not con-
8 nected to the Northwest Power Grid. As used in this subsection, "temporary storage" includes
9 storage of radioactive waste on the site of a nuclear-fueled thermal power plant for which a site
10 certificate has been issued until a permanent storage site is available by the federal government.
11
