#### HB 3181-1

On page 1 of the printed bill, line 2, before the period insert "; and declaring an emergency". Delete lines 4 through 28 and delete pages 2 through 3 and insert:

#### DEFINITIONS

## SECTION 1. (1) As used in Sections 1 through 13 of this 2023 Act:

- (a) "ESEE impacts" means the positive and negative economic, social, environmental, and energy impacts that could result from a decision to allow, limit, or prohibit an allowable land use in context of other allowable uses.
- (b) "Environmental justice community" has the meaning given that term in ORS 182.535.
- (c) "Public body" has the meaning given that term in ORS 174.109.
- (d) "Transmission Development Corridor," means an extended geographic area through which a transmission line can pass to:
- (A) Connect areas of current and future energy demand with areas of current and future renewable electricity generation;
- (B) Reduce negative ESEE impacts to local communities, habitat, natural resources, agriculture and forestry; and
- (C) Maximize positive ESEE impacts to renewable energy projects, local communities, habitat, natural resources, agriculture and forestry.

## FINDING OPPORTUNITIES AND REDUCING CONFLICT IN ENERGY SITING PROCESS

- SECTION 2. (1) The State Department of Energy and the Department of Land Conservation and Development shall establish the Finding Opportunities and Reducing Conflict in Energy Siting process. The purpose of the process is to: (a) Identify the scale and characteristics of terrestrial locations where renewable energy can be best sited in Oregon to meet clean electricity goals to encompass suitable sites where it is appropriate to encourage or incentivize renewable energy development based on:
- (A) Factors including but not limited to site and land characteristics, resource potential, current or future transmission access, and points of potential interconnection; and
- (B) Avoiding, minimizing, or mitigating negative ESEE impacts and maximizing positive ESEE impacts with regard to natural resources, agriculture, forestry, habitat, historic, cultural and archeological resources, or community needs;
- (b) Identify factors that help minimize the footprint and impact of transmission development;
- (c) Identify regulatory or policy changes or resource needs necessary to streamline or expedite the siting of renewable energy while balancing other land uses and support for communities adjacent to renewable energy and transmission siting; and
- (d) Promulgate rules as appropriate to meet the purposes of subsections (a), (b) and (c) of this subsection.
- (2) The State Department of Energy and the Department of Land Conservation and Development may enter into intergovernmental agreements under ORS chapter 190 with:
- (a) Relevant state agencies, including but not limited to the State Department of Fish and Wildlife, the Public Utilities Commission, the Department of State Lands, the State Historic Preservation Office, the State Department of Agriculture, the Department of Environmental Quality, the Department of Geologic and Mineral Industries, the Water Resources Department, the Watershed Enhancement Board, the State Department of Aviation, and the State Department of Forestry;
- (b) Tribal governments; and
- (c) County governments;
- (3) The purposes of the intergovernmental agreements in subsection (2) of this section are to:

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- (a) Support with the duties in this section;
- (b) Furnishing information or technical assistance with regard to the process in this section;
- (c) Participation in the advisory committee established in subsection (2) of this section as appropriate;
- (d) Providing feedback on the work and membership of the advisory committee in subsection (5) of this section;
- (e) Identifying opportunities to streamline processes and permit review across and between agencies;
- (f) Other needs as identified by the members of the intergovernmental agreement; and
- (g) For tribal governments only:
- (A) Consultation about how best to protect historic, cultural, archeological and natural resources without exposing sensitive information; and
- (B) Consultation about how to improve and resource tribal governments around renewable energy and transmission development.
- (4) The Land Conservation and Development Commission and the Energy Facilities Siting Council shall appoint the Finding Opportunities and Reducing Conflict in Energy Siting Advisory Committee to support the purpose in subsection (1) of this section.
- (5) In appointing members, the Land Conservation and Development Commission and the Energy Facilities Siting Council shall solicit and consider recommendations from public bodies, tribal governments, state and federal agencies, energy, community, and conservation advocates, and energy and natural resources industry experts, including renewable energy developers, utilities, and agricultural producer associations.
- (6) The committee appointed under this section shall consist of a number of members as determined by the State Department of Energy and the Department of Land Conservation and Development and shall include state agencies, county governments, and tribal governments as requested in subsection (3)(c) of this section and at least one representative of each of the following interests:
- (a) Public bodies;
- (b) Renewable energy and transmission developers;
- (c) Electric utilities as defined in ORS 757.600;
- (d) The renewable energy Labor representatives of the clean energy workforce or the renewable energy workforce;
- (e) Representatives of environmental justice communities who experience ESEE impacts from renewable energy or transmission development;

Representatives of irrigated and dryland farmland and rangeland owners;

- (g) Representatives with expertise in habitat conservation, preservation, and restoration;
- (h) Representatives with expertise in land use and water; and
- (i) Representatives with expertise in rural economic development and benefit;
- (7) The advisory committee shall:
- (a) Engage as appropriate with and seek feedback from:
- (A) Regional energy planning entities;
- (B) The Energy Facilities Siting Council as defined in ORS 469.450;
- (C) The Environmental Justice Council as defined in ORS 182.538;
- (D) The Land Conservation and Development Commission as defined in ORS 197.030, and
- (E) Relevant federal agencies, including but not limited to the United States Department of Defense, the Bureau of Land Management, and the Bonneville Power Administration;
- (b) Review the Oregon Renewable Energy Siting Assessment to identify missing or outdated local, state, regional, and federal data sets that could be appropriately integrated into the tool;
- (c) Review estimates of new renewable energy capacity and associated land area needed to meet state energy policies, including the potential ESEE impacts of distributed energy resources, utility distribution system plans and any other studies or best available data on the state energy trends;
- (d) Identify factors that help minimize the footprint and impact of transmission development, including:
- (A) Criteria for designating Transmission Development Corridors;
- (B) Reconductoring existing transmission lines;
- (c) Siting in existing rights of way; and
- (D) Community Benefits Agreements as defined by the advisory committee;

- (e) Review the proposed county siting criteria created through the process in section 6 of this 2023 act, identify common themes or principles, consider cumulative impacts, and make recommendations to relevant county commissions for adoption; ;
- (f) Review existing mitigation processes and make recommendations to:
- (A) Establish agricultural mitigation practices and regulation for agricultural land impacted by renewable energy and transmission development;
- (B) Establish and support best practices fish and wildlife habitat mitigation n service of both the goals of ORS 496.012 and ORS 506.109 and process certainty for renewable energy and transmission projects; and
- (C)Identify land characteristics or considerations for regional and landscape-scale habitat needs that may require a higher level or different approach to mitigation;
- (g) Identify regulatory barriers to renewable energy and transmission development that could impede achieving the estimates in subsection (7)(c) of this section and identify:
- (A) How to streamline, align or expedite processes to overcome those barriers; and
- (B) How any process changes could also help avoid, minimize, or mitigate negative ESEE impacts and maximize positive ESEE impacts; and
- (h) Recommend technical assistance resources to support county siting processes and the engagement of public bodies, communities, and tribal governments in renewable energy and transmission siting.
- (8) The advisory committee shall meet at times and places as determined by the advisory committee, and shall hold no less than four public meetings in different parts of the state in areas where renewable energy and transmission development is prevalent and include public comment as a part of every advisory committee meeting.
- (9) Advisory committee members shall be entitled to compensation and expenses as provided in ORS 292.495.
- (10) The State Department of Energy and the Department of Land Conservation and Development may convene sub-committees of the advisory committee in subsection (4) of this section or convene associated workgroups with additional membership from the list in subsection (6) to help the advisory committee to efficiently complete its work.
- (11) The State Department of Energy and the Department of Land Conservation and Development may connect work for the advisory committee in subsection (5) of this section to other relevant processes that may be undertaking similar work or determine that elements of the duties in subsection (7) of this section are better covered in those other processes.
- (12) The State Department of Energy and the Department of Land Conservation and Development shall contract with a third party to complete the duties outlined in this section including but not limited to:
- (a) Meeting facilitation and coordination;
- (b) Process development and coordination; and
- (c) Furnishing data, maps and technical assistance.
- (13) Notwithstanding any other law, any state agency may take action on work performed by the advisory committee and adopt rules based on the work of the advisory committee within two years of the reporting deadline in section 3 of this 2021 act provided there is additional opportunity for public process or public comment.
- SECTION 3. (1) The State Department of Energy and the Department of Land Conservation and Development shall submit a report on the work of the advisory committee in subsection (5) of section 2 of this 2023 Act in the manner provided by ORS 192.245 to to the appropriate interim committees of the Legislative Assembly no later than December 31, 2024.
- (2) The report shall cover the work and recommendations of the advisory committee and any associated rulemakings and may include recommendations for legislation.
- (3) The State Department of Energy and the Department of Land Conservation and Development shall contract with a third party to prepare the report.

SECTION 4. Section 3 of this 2023 Act is repealed on January 2, 2025.

<u>SECTION 5.</u> (1) The State Department of Energy shall update the Oregon Renewable Energy Siting tool with information from:

- (a) Federal inventories or mapping resources as they are available;
- (b) Other regional, state, and local data or mapping projects; and
- (c) Other data as determined by the advisory committee in subsection (5) of section 2 of this 2023 Act.

### COUNTY SITING RESOURCES AND IMPLEMENTATION

SECTION 6. (1) Counties located in Eastern Oregon as defined in ORS 321.700 shall identify criteria consistent with statewide planning goals to allow conditional use review for a renewable energy facility as defined in ORS 215.446 and local criteria for Transmission Development Corridors.

- (2) In making their criteria determinations, counties shall consider the quality and quantity of available land, conflicting uses and an analysis of ESEE impacts and shall create opportunities for public comment and engagement with landowners, renewable energy developers, local state agency staff and relevant agriculture, conservation and community associations and advocates.
- (3) Counties may work together regionally to identify common criteria or work independently and may contract with a third party to support this work.
- (4) Counties may utilize the funding identified in section 7 of this 2023 act to support this work.
- (5) Each county or regional group of counties shall present their criteria to the advisory committee established in section 2 of this 2023 act and the advisory committee shall act as a review board for the criteria and will make recommendations to relevant county commissions for adoption.
- (6) A county may adopt the criteria as a post-acknowledgement plan amendment to a comprehensive plan after receiving recommendations from the advisory committee established in section 2 of this 2023 act and after public comment.

<u>SECTION 7.</u> (1) Within the General Fund Grant Program the Department of Land Conservation and Development is directed to provide grants to local governments and tribal governments to:

- (a) Participate in the advisory committee in subsection (4) of section 2 of this 2023 Act
- (b) Complete the mapping process in section 6 of this 2023 act;
- (b) Update a comprehensive plan:
- (A) In response to recommendations or rulemakings associated with that process in section 2 of this 2023 act;
- $(B)\ To\ adopt\ criteria\ developed\ in\ section\ 6$  of this 2023 act; or
- (C) To implement changes that facilitate the efficient siting of renewable energy projects or preservation of habitat, agricultural land, or historic, cultural, and archeological resources through mitigation associated with those projects;
- (c) Update resource inventories or other local data sets;
- (d) Obtain technical assistance associated with engaging in renewable energy or transmission development processes;
- (e) Meet staffing or contracting needs associated with reviewing renewable energy permit applications;
- (f) Develop priority plans for county projects that could be completed through funds or fees derived from renewable energy or transmission development;
- (g) Develop mitigation plans or processes, including creating or contributing to mitigation banks associated with renewable energy or transmission development;
- (h) Facilitate local collaborative processes around renewable energy and transmission development;
- (i) Identify and plan for community and workforce needs associated with renewable energy and transmission development including but not limited to education, workforce availability and training, and workforce housing; and
- (j) Develop and implement processes that can support and expedite the duties associated with processing of permit applications as outlined in ORS 215.446 including consolidating processes and resources with other counties.

# RESOURCES TO SUPPORT COMMUNITIES AND TRIBAL GOVERNMENTS

SECTION 8. (1) There is appropriated to the State Department of Energy \$500,000 foState Department of Energy for the purpose of providing technical or financial assistance to tribal governments, public bodies, and community organizations to engage around the permitting of renewable energy and transmissions facilities regulated by the Department under ORS 469.300 through 469.610.

- (2) This appropriation is in addition to and not in lieu of any reimbursement for participation in the review of applications, amendments and compliance activities related to EFSC jurisdictional facilities established under ORS 469.441.
- (3) The department may not use monies collected through the energy resource supplier assessment required under ORS 469.421 (8) to fund grants under this section.
- (4) The department shall disburse funds on an ongoing basis in the form of grants for participation in specific project dockets or Energy Facilities Siting Council rulemakings or for participation on the advisory committee in section 2 of this 2023 act. The department may adopt rules to carry out this section including but not limited to:
- (a) Costs and activities eligible for a grant under the program;
- (b) Procedures for determining and approving eligible entities;
- (c) Terms and conditions for grants awarded under this section;
- (d) Procedures for verifying that grant funds have been used for the purposes for which they were awarded;
- (5) The Energy Facilities Siting Council may evaluate and approve a grant agreement before financial assistance may be provided under the agreement.

### APPROPRIATIONS

SECTION 89. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Energy, for the biennium beginning July 1, 2023, out of the General Fund, the amount of \$\_\_\_\_\_\_\_, to complete the duties in this 2023 Act.

SECTION 10. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development, for the biennium beginning July 1, 2023, out of the General Fund, the amount of \$\_\_\_\_\_\_\_, to complete the duties in this 2023 Act.

SECTION 11. (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Land Conservation and Development General Fund, for the biennium beginning July 1, 2023, out of the General Fund, the amount of \$5,000,000 to administer section 6 of this 2023 Act.

#### **MISCELLANEOUS**

<u>SECTION 12.</u> The unit and section captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.

<u>SECTION 14.</u> This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.