

Enrolled
Senate Bill 825

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CHAPTER

AN ACT

Relating to reporting requirements for energy programs; amending ORS 276.915, 470.110 and 470.140.

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

SECTION 1. ORS 276.915 is amended to read:

276.915. (1) An authorized state agency may construct or renovate a facility only if the authorized state agency determines that the design incorporates all reasonable cost-effective energy conservation measures and alternative energy systems. The determination by the authorized state agency shall include consideration of indoor air quality issues and operation and maintenance costs.

(2) Whenever an authorized state agency determines that a major facility is to be constructed or renovated, the authorized state agency shall cause to be included in the design phase of the construction or renovation a provision that requires an energy consumption analysis to be prepared for the facility under the direction of a professional engineer or registered architect or under the direction of a person that is prequalified in accordance with this section. The authorized state agency and the State Department of Energy shall agree to the list of energy conservation measures and alternative energy systems that the energy consumption analysis will include. The energy consumption analysis and facility design shall be delivered to the State Department of Energy during the design development phase of the facility design. The State Department of Energy shall review the energy consumption analysis and forward its findings to the authorized state agency within 10 working days after receiving the energy consumption analysis, if practicable.

(3) The State Department of Energy, in consultation with authorized state agencies, shall adopt rules to carry out the provisions of ORS 276.900 to 276.915. These rules shall:

(a) Include a simplified and usable method for determining which energy conservation measures and alternative energy systems are cost-effective. The method shall reflect the energy costs of the utility serving the facility.

(b) Prescribe procedures for determining if a facility design incorporates all reasonable cost-effective energy conservation measures and alternative energy systems.

(c) Establish fees through which an authorized state agency will reimburse the State Department of Energy for the department's review of energy consumption analyses and facility designs and the department's reporting tasks. The fees imposed may not exceed 0.2 percent of the capital construction cost of the facility and must be included in the energy consumption analysis required in subsection (2) of this section. The State Department of Energy may provide for a waiver of fees and reviews if the authorized state agency demonstrates that the facility will be designed and constructed in a manner that incorporates only cost-effective energy conservation measures or in a

manner that exceeds the energy conservation provisions of the state building code by 20 percent or more.

(d) Periodically define highly efficient facilities. A facility constructed or renovated after June 30, 2001, shall exceed the energy conservation provisions of the state building code by 20 percent or more, unless otherwise required by rules adopted under this section.

[(e) Establish guidelines for implementing subsection (4) of this section.]

[(f)] (e) Establish guidelines for incorporating energy efficiency requirements into lease agreements of 10 or more years to be phased in as current lease agreements expire or as new lease agreements are entered into, allowing reasonable time for the owner to implement the requirements of this section.

[(g)] (f) Establish criteria by which the State Department of Energy determines that a person is prequalified to perform work in accordance with this section.

[(4) Before June 30, 2015, an authorized state agency shall reduce the total amount of energy the authorized state agency uses in the authorized state agency's owned facilities by at least 20 percent from a baseline amount the State Department of Energy determines by rule based on usage in calendar year 2000.]

[(5)] (4) An authorized state agency shall report annually to the State Department of Energy concerning energy use in the authorized state agency's facilities. The State Department of Energy shall specify by rule the form and content of and deadlines for the reports. **The rules must minimize costs to state agencies of the reports and minimize duplication of reporting requirements for building energy performance standards under ORS 469.275 to 469.291.**

[(6) An authorized state agency that fails to achieve and maintain a 20 percent reduction in energy use on and after June 30, 2015, shall submit biennial energy conservation plans to the State Department of Energy. The State Department of Energy shall specify by rule the form and content of and deadlines for the energy conservation plans.]

[(7)] (5) The State Department of Energy by rule may require mandatory prequalification as a condition for a person to submit a bid or proposal to perform the following work for an authorized state agency:

(a) Direct an energy consumption analysis for an authorized state agency under subsection (2) of this section, unless the person is a professional engineer or a registered architect;

(b) Enter into an energy savings performance contract; or

(c) Perform energy audits, building commissioning, monitoring and verification services and other services related to the operation and management of a facility's energy systems, except for architectural, engineering, photogrammetric mapping, transportation planning or land surveying services as defined in ORS 279C.100.

[(8)] (6) The State Department of Energy may recover from authorized state agencies the costs associated with administering the provisions of this section, including costs associated with adopting rules, maintaining a state energy use database and prequalifying a person under this section.

[(9)] (7) The State Department of Energy and the Oregon Department of Administrative Services shall jointly prepare a biennial report summarizing the progress toward achieving the goals of this section. The biennial report shall be made available to the public.

SECTION 2. ORS 470.140 is amended to read:

470.140. *[(1)]* In accordance with the applicable provisions of ORS chapter 183, the Director of the State Department of Energy may adopt rules considered necessary to carry out the purposes of this chapter.

[(2) The director shall submit to the Legislative Assembly and the Governor a biennial report of the transactions of the Small Scale Local Energy Project Loan Fund and the Small Scale Local Energy Project Administration and Bond Sinking Fund in such detail as will accurately indicate the condition of the funds.]

SECTION 3. ORS 470.110 is amended to read:

470.110. The Director of the State Department of Energy may accept gifts of money or other property from any source, given for the purposes of ORS 470.050 to 470.120, 470.140 *[(1)]* and 470.150

to 470.210. Money so received shall be paid into the Small Scale Local Energy Project Loan Fund. Money or other property so received shall be used for the purposes for which received.

Passed by Senate February 27, 2025

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Obadiah Rutledge, Secretary of Senate

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Rob Wagner, President of Senate

Passed by House May 5, 2025

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Julie Fahey, Speaker of House

Received by Governor:

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Approved:

.....M,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M,....., 2025

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Tobias Read, Secretary of State