

Oregon Clean Energy Economic Stimulus and Jobs Act

Purpose

Ensure large renewable energy projects can meet federal deadlines for full tax credits by temporarily streamlining state permitting.

Background

- Recent federal policy changes clawed back renewable energy tax credits, creating a steep deadline for many projects.
- Oregon's Governor issued Executive Order 25-2025 directing agencies to expedite all shovel-ready renewable energy projects.
- Despite this directive, large projects currently have no viable path to meet state permitting timelines, putting at risk the 30–40% federal tax credits essential for project financing.

The Problem

- Oregon's EFSC permitting framework was designed decades ago for nuclear and fossil fuel facilities—not modern renewable energy projects.
- EFSC's stated timeline is 18–24 months from Notice of Intent to Final Order, yet developers report actual timelines of 30–45 months.
- Smaller projects can use county permitting, but large-acreage projects are pushed into EFSC's lengthy process.
- 6–12 major renewable projects, representing thousands of prevailing-wage jobs, are at risk of missing federal deadlines.
- Losing the 30–40% federal tax credits forces utilities into higher-cost procurement, increasing future electricity rates for Oregon consumers.

The Solution

- Create a temporary EFSC exemption for projects that are required to use EFSC but could otherwise qualify for local permitting. Eligible projects would:
 - Meet U.S. Treasury criteria for “start of construction” by July 6, 2026
 - Submit a county land-use application by December 31, 2028
 - Provide written attestation that the project is on track to energize within four years of start of construction

Why It Matters

- Lower-cost clean energy comes online faster, reducing long-term utility rate pressure.
- Job creation: A single 500 MW project requires 500–800 skilled workers at peak construction, all under prevailing wage and apprenticeship requirements tied to federal tax credits.
- Oregon secures billions in private investment and positions itself as a national leader in clean-energy deployment.

State Progress Towards Estimated Renewable share of 2040 Clean Energy Goals

Clean Non-Hydro capacity built	5,801 MW
Estimate Total Needed by 2040	30,000 MW
Remaining Capacity to Build	24,199 MW

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