



Oregon
Environmental
Council



Support HB 4031

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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