Chair:

Sen. Lee Beyer Rep. Paul Holvey

Staff:

Beth Patrino, Committee Administrator Shelley Raszka, Committee Assistant



78<sup>th</sup> LEGISLATIVE ASSEMBLY JOINT COMMITTEE ON DEPARTMENT OF ENERGY OVERSIGHT

> State Capitol 900 Court St. NE, Rm. 347 Salem, OR 97301 503-986-1751

January 18, 2017

Senate President Peter Courtney Speaker Tina Kotek Oregon State Capitol Salem, Oregon 97310

Dear Senate President Courtney and Speaker Kotek,

The Joint Interim Committee on Department of Energy Oversight (JCDEO) has completed its review of the Oregon Department of Energy (ODOE) and its programs. Over the course of 10 meetings and more than 26 hours of testimony, the committee examined the ODOE mission, programs, and funding; assessed gaps and deficiencies in agency operations and staffing; heard public testimony; and discussed the future of the agency.

As the committee wrapped up the agency review in September, members were offered an opportunity to provide input for inclusion in a draft report. As Co-Chairs, we authored a report of draft recommendations for the committee's consideration which was distributed in late October. After the committee discussed this report in early November, we made revisions to address member concerns and issued a second report in early December. Following this, an alternative set of recommendations was submitted to us. Although both sets of recommendations were discussed at the committee meeting in mid-December, there was not time to reach full consensus. However, there were many core areas of agreement, including:

- There is a continuing need for the Oregon Department of Energy.
- The statutory state energy policy statement and agency's mission statement need to be updated.
- A commission or board should be appointed by the Governor and confirmed by the Senate to oversee ODOE.
- The ODOE director position should require Senate confirmation.
- Incentive programs (tax credit and loan programs) should have objectives and performance metrics clearly identified in statute.
- The Small Energy Loan Program should be returned to its original objectives and a cap should be established on loan size.

We plan to introduce legislation in 2017 to address the above areas of agreement.

Members:

Sen. Chris Edwards Sen. Alan Olsen Sen. Doug Whitsett Rep. Cliff Bentz Rep. Jodi Hack

Rep. Jessica Vega Pederson

Senate President Peter Courtney Speaker Tina Kotek January 18, 2017 Page 2

In closing, we want to recognize ODOE Director Mike Kaplan and his staff for their professionalism, thoughtfulness, and responsiveness throughout this process.

Sincerely,

-Chair

Representative Paul Holvey

Co-Chair

Attachments:

JCDEO Co-Chair Draft Report (12/1/16)

JCDEO Alternative Recommendations (12/5/16)

Comparison of Co-Chair and Alternative Recommendations