

# D R A F T

## SUMMARY

Modifies statewide greenhouse gas emissions reduction goals.

Directs Environmental Quality Commission to adopt by rule standards and requirements to ensure compliance with modified statewide greenhouse gas emissions goals. Directs Department of Environmental Quality to implement and enforce rules.

Refers Act to people for their approval or rejection at next regular general election held throughout this state.

## A BILL FOR AN ACT

1

2 Relating to greenhouse gas emissions; creating new provisions; amending  
3 ORS 184.617, 184.621, 283.398, 283.401, 468A.205, 468A.235, 468A.240,  
4 468A.250, 468A.260 and 757.357; and providing that this Act shall be re-  
5 ferred to the people for their approval or rejection.

6 Whereas climate change and ocean acidification caused by greenhouse gas  
7 emissions are having significant detrimental effects on public health and the  
8 economic vitality, natural resources and environment of this state, and sci-  
9 entists predict that the impacts of climate change will worsen if action is  
10 not taken to curb greenhouse gas emissions; and

11 Whereas Oregon's people and communities, as a result of climate change,  
12 are suffering from worsening wildfire and smoke, which endanger health and  
13 destroy property; and

14 Whereas our state's salmon, crabs, shellfish and other seafood sources are  
15 diminishing, harming fishing families and local economies; and

16 Whereas drinking water is threatened by toxic algae blooms; and

17 Whereas drought is impacting farmers' and ranchers' ability to provide  
18 our food; and

1 Whereas flooding from sea level rise imperils coastal businesses and  
2 homes; and

3 Whereas critical infrastructure, supply chains and communities are ex-  
4 posed to extreme weather damage; and

5 Whereas worsening air quality exacerbates breathing problems like  
6 asthma, especially for children and elders; and

7 Whereas workers suffer through heat waves, risking their health; and

8 Whereas the negative impacts of climate change on our forests and rivers  
9 will hobble Oregon's tourism and natural resources industries; and

10 Whereas the world's leading scientists say we have only a decade to sig-  
11 nificantly reduce greenhouse gas emissions before locking in irreversible  
12 harm; and

13 Whereas the climate crisis is a state and national emergency; and

14 Whereas voluntary action is no longer sufficient, and Oregon must do its  
15 share to reduce greenhouse gas emissions; and

16 Whereas engagement by the United States federal government is emerging  
17 too slowly to address the scope, magnitude and urgency of climate change  
18 and ocean acidification; and

19 Whereas Oregon can join together with other jurisdictions similarly re-  
20 solved to exercise a leadership role encouraging more states, the federal  
21 government and the international community to act to reduce greenhouse gas  
22 emissions on a trajectory in accordance with the best available science by  
23 a transition to clean, renewable energy and low-carbon practices; and

24 Whereas solutions to the climate crisis, both near-term and long-term,  
25 will create economic and job opportunities for our state in the fields of  
26 greenhouse gas mitigation, carbon sequestration and necessary adaptation;  
27 and

28 Whereas a transition to clean energy and climate adaptation will demand  
29 a wide variety of workers' skill sets throughout Oregon, inspire innovative  
30 technologies and strategies, position our economy to be more competitive in  
31 a low-carbon world and provide other public health and economic benefits,

1 such as future energy cost savings; and

2 Whereas taking action on climate change can create economic opportu-  
3 nities for rural Oregonians, by utilizing this state's forests and other natural  
4 and working lands, which are among the most productive carbon sinks  
5 globally, by providing many other important ecological, social and economic  
6 benefits, adding to the state's renewable energy base and by enhancing the  
7 resiliency of critical infrastructure such as irrigation systems; and

8 Whereas climate policies, rules and programs must be designed to protect  
9 climate-impacted communities, such as Indian tribes, rural communities,  
10 workers, low-income households and people of color, and to provide climate-  
11 impacted communities with opportunities for job creation and training, with  
12 investments in infrastructure, economic development, air quality improve-  
13 ments, energy savings and conservation, healthy forests and other natural  
14 and working lands, and with increased utilization of clean energy technolo-  
15 gies; and

16 Whereas climate policies, rules and programs must facilitate a just eco-  
17 nomic transition to a clean energy future by protecting the existing  
18 workforce and creating new pathways to employment through workforce de-  
19 velopment in clean energy, energy efficiency, adaptation and carbon  
20 sequestration sectors; and

21 Whereas climate policies, rules and programs must respect the rights and  
22 ability of Indian tribes to exercise their stewardship and sovereign authority  
23 over their sovereign trust lands and resources, such that the state must make  
24 reasonable efforts to cooperate with Indian tribes in the development and  
25 implementation of programs that affect Indian tribes; now, therefore,

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

27

28 **GREENHOUSE GAS EMISSIONS REDUCTION REQUIREMENTS**

29

30 **SECTION 1.** ORS 468A.205 is amended to read:

31 468A.205. (1) The Legislative Assembly declares that it is the policy of

1 this state to reduce greenhouse gas emissions in Oregon [*pursuant to the*  
2 *following greenhouse gas emissions reduction goals*] **to 90 percent below 1990**  
3 **emissions levels by 2050, with an incremental greenhouse gas emis-**  
4 **sions limit of at least 50 percent below 1990 emissions levels by 2035.**

5 **(2) In furtherance of the policy set forth in subsection (1) of this**  
6 **section:**

7 **(a) Greenhouse gas emissions in Oregon from fossil fuel and indus-**  
8 **trial sources shall be reduced:**

9 **(A) To at least 50 percent below 1990 emissions levels by 2035; and**

10 **(B) To at least 90 percent below 1990 emissions levels by 2050; and**

11 **(b) This state shall achieve net zero greenhouse gas emissions by**  
12 **2050.**

13 [*(a) By 2010, arrest the growth of Oregon's greenhouse gas emissions and*  
14 *begin to reduce greenhouse gas emissions.*]

15 [*(b) By 2020, achieve greenhouse gas levels that are 10 percent below 1990*  
16 *levels.*]

17 [*(c) By 2050, achieve greenhouse gas levels that are at least 75 percent below*  
18 *1990 levels.*]

19 [(2)] **(3) The Legislative Assembly declares that it is the policy of this**  
20 **state for state and local governments, businesses, nonprofit organizations**  
21 **and individual residents to prepare for the effects of [*global warming*] **cli-****  
22 **mate change** and by doing so, prevent and reduce the social, economic and  
23 environmental effects of [*global warming*] **climate change.**

24 [(3) *This section does not create any additional regulatory authority for an*  
25 *agency of the executive department as defined in ORS 174.112.*]

26 **(4) The Environmental Quality Commission shall adopt rules to**  
27 **ensure compliance with the greenhouse gas emissions limits described**  
28 **in subsections (1) and (2) of this section.**

29 **(5) Except as limited by the United States Constitution or Oregon**  
30 **Constitution, the rulemaking authority described in subsection (4) of**  
31 **this section includes the authority to:**

1 (a) Enact programs, policies or market-based mechanisms neces-  
2 sary or beneficial to achieve the greenhouse gas emissions limits de-  
3 scribed in subsections (1) and (2) of this section;

4 (b) Regulate greenhouse gas emissions and sources of greenhouse  
5 gas emissions produced, imported, sold, dispensed, allocated or dis-  
6 tributed for use in Oregon, including, but not limited to, electricity,  
7 transportation fuels and natural gas; and

8 (c) Charge and collect fees, levy fines and take other actions nec-  
9 essary to ensure compliance with the greenhouse gas emissions limits  
10 described in subsections (1) and (2) of this section.

11 (6) The rules adopted by the commission under subsection (4) of this  
12 section must seek to safeguard, to the maximum extent possible, the  
13 interests of communities disproportionately impacted by air pollution  
14 or climate change, taking into consideration geographic,  
15 socioeconomic, historic disadvantage, public health and environmental  
16 criteria. Communities disproportionately impacted by air pollution or  
17 climate change may include, but are not limited to, urban, suburban,  
18 rural, coastal or tribal communities and areas with above-average  
19 concentrations of low-income households, historically disadvantaged  
20 households, high unemployment, high rent burden, sensitive popu-  
21 lations or residents with low levels of educational attainment.

22 (7) The Department of Environmental Quality shall implement and  
23 enforce rules adopted by the commission under subsection (4) of this  
24 section.

25 **SECTION 2.** The Environmental Quality Commission shall begin  
26 rulemaking to adopt the rules required under section 1 (4) of this 2020  
27 Act not later than February 1, 2021.

28  
29 **CONFORMING AMENDMENTS**

30  
31 **SECTION 3.** ORS 184.617 is amended to read:

1 184.617. (1) The Oregon Transportation Commission shall:

2 (a) Establish the policies for the operation of the Department of Trans-  
3 portation in a manner consistent with the policies and purposes of ORS  
4 184.610 to 184.665.

5 (b) Develop and maintain state transportation policies, including but not  
6 limited to policies related to the management, construction and maintenance  
7 of highways and other transportation systems in Oregon, including but not  
8 limited to aviation, ports and rail.

9 (c) Develop and maintain a comprehensive, 20-year long-range plan for a  
10 safe, multimodal transportation system for the state which encompasses  
11 economic efficiency, orderly economic development and environmental qual-  
12 ity. The comprehensive, long-range plan:

13 (A) Must include, but not be limited to, aviation, highways, mass transit,  
14 ports, rails and waterways; and

15 (B) Must be used by all agencies and officers to guide and coordinate  
16 transportation activities and to ensure transportation planning utilizes the  
17 potential of all existing and developing modes of transportation.

18 (d) In coordination with the State Marine Board, the Oregon Business  
19 Development Department, the State Aviation Board, cities, counties, mass  
20 transit districts organized under ORS 267.010 to 267.394 and transportation  
21 districts organized under ORS 267.510 to 267.650, develop plans for each mode  
22 of transportation and multimodal plans for the movement of people and  
23 freight. Subject to paragraph (c) of this subsection, the plans must include  
24 a list of projects needed to maintain and develop the transportation  
25 infrastructure of this state for at least 20 years in the future.

26 (e) For the plans developed under paragraph (d) of this subsection, include  
27 a list of projects for at least 20 years into the future that are capable of  
28 being accomplished using the resources reasonably expected to be available.  
29 As the plans are developed by the commission, the Director of Transportation  
30 shall prepare and submit implementation programs to the commission for  
31 approval. Work approved by the commission to carry out the plans shall be

1 assigned to the appropriate unit of the Department of Transportation or  
2 other appropriate public body, as defined in ORS 174.109.

3 (f) Initiate studies, as it deems necessary, to guide the director concerning  
4 the transportation needs of Oregon.

5 (g) Prescribe the administrative practices followed by the director in the  
6 performance of any duty imposed on the director by law.

7 (h) Seek to enter into intergovernmental agreements with local govern-  
8 ments and local service districts, as those terms are defined in ORS 174.116,  
9 to encourage cooperation between the department and local governments and  
10 local service districts to maximize the efficiency of transportation systems  
11 in Oregon.

12 (i) Review and approve the department's:

13 (A) Proposed transportation projects, as described in the Statewide  
14 Transportation Improvement Program, and any significant transportation  
15 project modifications, as determined by the commission;

16 (B) Proposed budget form prior to the department submitting the form to  
17 the Oregon Department of Administrative Services under ORS 291.208;

18 (C) Anticipated capital construction requirements;

19 (D) Construction priorities; and

20 (E) Selection, vacation or abandonment of state highways.

21 (j) Adopt a statewide transportation strategy on greenhouse gas emissions  
22 to aid in achieving the greenhouse gas emissions reduction [*goals*] **limits** set  
23 forth in ORS 468A.205. The commission shall focus on reducing greenhouse  
24 gas emissions resulting from transportation. In developing the strategy, the  
25 commission shall consider state and federal programs, policies and incentives  
26 related to reducing greenhouse gas emissions. The commission shall consult  
27 and cooperate with metropolitan planning organizations, other state agen-  
28 cies, local governments and stakeholders and shall actively solicit public  
29 review and comment in the development of the strategy.

30 (k) Perform any other duty vested in it by law.

31 (2) The commission has general power to take any action necessary to

1 coordinate and administer programs relating to highways, motor carriers,  
2 motor vehicles, public transit, rail, transportation safety and such other  
3 programs related to transportation.

4 (3) The commission may require the director to furnish whatever reports,  
5 statistics, information or assistance the commission may request in order to  
6 study the department or transportation-related issues.

7 **SECTION 4.** ORS 184.621 is amended to read:

8 184.621. The Oregon Transportation Commission shall work with  
9 stakeholders to review and update the criteria used to select projects within  
10 the Statewide Transportation Improvement Program. When revising the  
11 project selection criteria the commission shall consider whether the project:

12 (1) Improves the state highway system or major access routes to the state  
13 highway system on the local road system to relieve congestion by expanding  
14 capacity, enhancing operations or otherwise improving travel times within  
15 high-congestion corridors.

16 (2) Enhances the safety of the traveling public by decreasing traffic crash  
17 rates, promoting the efficient movement of people and goods and preserving  
18 the public investment in the transportation system.

19 (3) Supports improvements necessary for Oregon's economic growth and  
20 competitiveness, accessibility to industries and economic development.

21 (4) Provides the greatest benefit in relation to project costs as analyzed  
22 under ORS 184.659.

23 (5) Fosters livable communities by demonstrating that the investment  
24 does not undermine sustainable urban development.

25 (6) Enhances the value of transportation projects through designs and  
26 development that reflect environmental stewardship and community sensi-  
27 tivity.

28 (7) Is consistent with the state's greenhouse gas emissions reduction  
29 [*goals*] **limits** and reduces Oregon's dependence on foreign oil.

30 (8) To the extent practicable, ensures that the state's transportation  
31 infrastructure is resilient in the event of a natural disaster.



1 (9) Is located near operations conducted for mining aggregate or process-  
2 ing aggregate as described in ORS 215.213 (2)(d) or 215.283 (2)(b).

3 **SECTION 5.** ORS 283.398 is amended to read:

4 283.398. (1) As used in this section and ORS 283.401, “zero-emission vehi-  
5 cle” means a battery electric vehicle, a plug-in hybrid electric vehicle or a  
6 hydrogen fuel cell vehicle or any type of vehicle defined by the State De-  
7 partment of Energy or the Environmental Quality Commission by rule as a  
8 “zero-emission vehicle” if the vehicle’s type and fuel are consistent with the  
9 goals set forth in this section.

10 (2) The Legislative Assembly finds that:

11 (a) Motor vehicle emissions contribute significantly to air pollution in  
12 this state.

13 (b) In 2019, the Oregon transportation sector was responsible for approx-  
14 imately 40 percent of this state’s greenhouse gas emissions, and light-duty  
15 vehicles were responsible for more than half of the transportation sector’s  
16 emissions.

17 (c) Motor vehicle emissions, especially greenhouse gases, are difficult to  
18 reduce and will rise over time if not limited by additional laws and regu-  
19 lations.

20 (d) Absent significant changes in the types of motor vehicles used by  
21 people and businesses in Oregon, the state will not meet the greenhouse gas  
22 emissions reduction [*goals*] **limits** set forth in ORS 468A.205.

23 (e) In ORS 757.357, the Legislative Assembly found that transportation  
24 electrification is necessary to reduce petroleum use, achieve optimum levels  
25 of energy efficiency and carbon reduction, meet federal and state air quality  
26 standards, meet this state’s greenhouse gas emissions reduction [*goals*] **limits**  
27 set forth in ORS 468A.205 and improve the public health and safety.

28 (f) Existing federal and state incentives and programs are insufficient to  
29 transform the motor vehicle market on a timeline that will protect  
30 Oregonians from the worst impacts of global climate change.

31 (g) The purchase and ownership of zero-emission vehicles can reduce the

1 overall energy costs paid by Oregon households and the specific costs asso-  
2 ciated with meeting transportation needs.

3 (h) A robust and well-operating market for zero-emission vehicles is es-  
4 sential to meeting this state's greenhouse gas emissions reduction goals.

5 (i) Certain residents and communities face greater barriers to purchasing  
6 or leasing zero-emission vehicles, and additional support and innovative sol-  
7 utions are necessary to ensure that all Oregon households benefit from  
8 transportation electrification.

9 (3) The Legislative Assembly declares the following goals:

10 (a) Transformation of the motor vehicle market must occur no later than  
11 2035.

12 (b) Programs and support must be provided to accelerate Oregonians'  
13 purchase and use of zero-emission vehicles until greenhouse gas emissions  
14 from vehicles are declining at a rate consistent with this state's greenhouse  
15 gas emissions reduction [*goals*] **limits** set forth in ORS 468A.205.

16 (c) The adoption and use of zero-emission vehicles must be evaluated  
17 regularly to determine whether the rate of the adoption and use of zero-  
18 emission vehicles will put the state on course to meet its greenhouse gas  
19 emissions reduction [*goals*] **limits**.

20 (4) To promote acquisition and use of zero-emission vehicles, all entities  
21 of the executive department, as defined in ORS 174.112, shall lead by example  
22 by:

23 (a) Purchasing or leasing light-duty or medium-duty zero-emission vehi-  
24 cles, consistent with ORS 283.327, when purchasing or leasing vehicles;

25 (b) Adopting policies and rules that promote the goals set forth in this  
26 section; and

27 (c) Considering recommendations submitted in the report required by ORS  
28 283.401 that relate to zero-emission vehicles and adopting the recommen-  
29 dations when feasible.

30 **SECTION 6.** ORS 283.401 is amended to read:

31 283.401. (1) On or before September 15 of each odd-numbered year, the

1 State Department of Energy shall submit to the Governor and an interim  
2 committee of the Legislative Assembly related to the environment a report  
3 on adoption of zero-emission vehicles in this state and the progress the state  
4 is making to achieve reductions in greenhouse gas emissions in the trans-  
5 portation sector. The report shall provide:

6 (a) A review, using existing studies, market reports, polling data or other  
7 publicly available information, of the market in this state for zero-emission  
8 vehicles and any barriers to adopting zero-emission vehicles in this state;

9 (b) An assessment of the state's progress in promoting the goals set forth  
10 in ORS 283.398; and

11 (c) The date on which the state is predicted to meet the goals set forth  
12 in ORS 283.398.

13 (2) The department may contract with third parties to assist in performing  
14 the duties described in subsection (1) of this section.

15 (3) The department shall assess the state's progress under subsection  
16 (1)(b) of this section. The assessment must focus on commercially available,  
17 or near-commercially available, zero-emission vehicle technology, to the ex-  
18 tent possible, and rely on existing studies, data and analysis. In the assess-  
19 ment, the department shall evaluate:

20 (a) Whether the transportation sector is on course to reduce the share  
21 of greenhouse gas emissions from motor vehicles, as defined in ORS 801.360,  
22 consistent with the greenhouse gas emissions reduction [*goals*] **limits** set  
23 forth in ORS 468A.205.

24 (b) The sales figures and numbers of zero-emission vehicles that are  
25 owned in Oregon, including forecasts as to whether:

26 (A) By 2020, 50,000 registered motor vehicles will be zero-emission vehi-  
27 cles;

28 (B) By 2025, at least 250,000 registered motor vehicles will be zero-  
29 emission vehicles;

30 (C) By 2030, at least 25 percent of registered motor vehicles, and at least  
31 50 percent of new motor vehicles sold annually, will be zero-emission vehi-

1 cles; and

2 (D) By 2035, at least 90 percent of new motor vehicles sold annually will  
3 be zero-emission vehicles.

4 (c) The sales figures and numbers of zero-emission vehicles that are owned  
5 in Oregon, differentiated, to the extent feasible, by demographic factors, in-  
6 cluding whether persons that own zero-emission vehicles reside in urban or  
7 rural areas.

8 (d) The availability and reliability of public and private electric vehicle  
9 charging infrastructure that is needed to support the targets for zero-  
10 emission vehicle sales and registration identified in paragraph (b) of this  
11 subsection. The department shall assess reliability under this paragraph only  
12 if the department requests and obtains information on reliability from pro-  
13 viders of electric vehicle charging infrastructure.

14 (e) The incremental purchase cost difference, before and after federal and  
15 state incentives, between the purchase cost of a zero-emission vehicle and the  
16 purchase cost of a comparable vehicle powered by an internal combustion  
17 engine.

18 (f) The zero-emission vehicles that are available for purchase in all mar-  
19 ket segments.

20 (g) Oregonians' awareness of motor vehicle options, the benefits of owning  
21 zero-emission vehicles and the true costs of motor vehicle ownership.

22 (h) The carbon intensity of fuel consumed by the Oregon transportation  
23 sector as a whole.

24 (i) The general progress toward electrification of all fossil fuel-based  
25 transportation modes.

26 (j) Opportunities to minimize impacts to the electric grid from transpor-  
27 tation electrification, including rate design, managed charging, vehicle-to-  
28 grid services and electricity conservation techniques.

29 (k) In consultation with the Department of Transportation, the impact of  
30 the sales and ownership of zero-emission vehicles on revenues that would  
31 otherwise accrue to the State Highway Fund under ORS 366.505.

1 (4) If the State Department of Energy determines that the state is not on  
2 course to meet the goals set forth in ORS 283.398, the department shall make  
3 recommendations in the report required by this section, including recom-  
4 mendations for legislation. Recommended legislation:

5 (a) May not mandate required levels of motor vehicle sales.

6 (b) Must promote the zero-emission vehicle market, address barriers to  
7 adoption of zero-emission vehicles in the light-duty portion of the transpor-  
8 tation sector, encourage transportation electrification and further the goals  
9 set forth in ORS 283.398.

10 **SECTION 7.** ORS 468A.235 is amended to read:

11 468A.235. The Oregon Global Warming Commission shall recommend ways  
12 to coordinate state and local efforts to reduce greenhouse gas emissions in  
13 Oregon consistent with the greenhouse gas emissions reduction [*goals*] **limits**  
14 established by ORS 468A.205 and shall recommend efforts to help Oregon  
15 prepare for the effects of [*global warming*] **climate change**. The Office of  
16 the Governor and state agencies working on multistate and regional efforts  
17 to reduce greenhouse gas emissions shall inform the commission about these  
18 efforts and shall consider input from the commission for such efforts.

19 **SECTION 8.** ORS 468A.240 is amended to read:

20 468A.240. (1) In furtherance of the greenhouse gas emissions reduction  
21 [*goals*] **limits** established by ORS 468A.205, the Oregon Global Warming  
22 Commission may recommend statutory and administrative changes, policy  
23 measures and other recommendations to be carried out by state and local  
24 governments, businesses, nonprofit organizations or residents. In developing  
25 its recommendations, the commission shall consider economic, environ-  
26 mental, health and social costs, and the risks and benefits of alternative  
27 strategies, including least-cost options. The commission shall solicit and  
28 consider public comment relating to statutory, administrative or policy rec-  
29 ommendations.

30 (2) The commission shall examine greenhouse gas cap-and-trade systems,  
31 including a statewide and multistate carbon cap-and-trade system and

1 market-based mechanisms, as a means of achieving the greenhouse gas  
2 emissions reduction [*goals*] **limits** established by ORS 468A.205.

3 (3) The commission shall examine possible funding mechanisms to obtain  
4 low-cost greenhouse gas emissions reductions and energy efficiency en-  
5 hancements, including but not limited to those in the natural gas industry.

6 **SECTION 9.** ORS 468A.250 is amended to read:

7 468A.250. (1) The Oregon Global Warming Commission shall track and  
8 evaluate:

9 (a) Economic, environmental, health and social assessments of [*global*  
10 *warming*] **climate change** impacts on Oregon and the Pacific Northwest;

11 (b) Existing greenhouse gas emissions reduction policies and measures;

12 (c) Economic, environmental, health and social costs, and the risks and  
13 benefits of alternative strategies, including least-cost options;

14 (d) The physical science of global warming;

15 (e) Progress toward the greenhouse gas emissions reduction [*goals*] **limits**  
16 established by ORS 468A.205;

17 (f) Greenhouse gases emitted by various sectors of the state economy, in-  
18 cluding but not limited to industrial, transportation and utility sectors;

19 (g) Technological progress on sources of energy the use of which gener-  
20 ates no or low greenhouse gas emissions and methods for carbon  
21 sequestration;

22 (h) Efforts to identify the greenhouse gas emissions attributable to the  
23 residential and commercial building sectors;

24 (i) The carbon sequestration potential of Oregon's forests, alternative  
25 methods of forest management that can increase carbon sequestration and  
26 reduce the loss of carbon sequestration to wildfire, changes in the mortality  
27 and distribution of tree and other plant species and the extent to which  
28 carbon is stored in tree-based building materials;

29 (j) The advancement of regional, national and international policies to  
30 reduce greenhouse gas emissions;

31 (k) Local and regional efforts to prepare for the effects of [*global*

1 *warming*] **climate change**; and

2 (L) Any other information, policies or analyses that the commission de-  
3 termines will aid in the achievement of the greenhouse gas emissions re-  
4 duction [*goals*] **limits** established by ORS 468A.205.

5 (2) The commission shall:

6 (a) Work with the State Department of Energy and the Department of  
7 Environmental Quality to evaluate all gases with the potential to be  
8 greenhouse gases and to determine a carbon dioxide equivalency for those  
9 gases; and

10 (b) Use regional and national baseline studies of building performance to  
11 identify incremental targets for the reduction of greenhouse gas emissions  
12 attributable to residential and commercial building construction and oper-  
13 ations.

14 **SECTION 10.** ORS 468A.260 is amended to read:

15 468A.260. The Oregon Global Warming Commission shall submit a report  
16 to the Legislative Assembly, in the manner provided by ORS 192.245, by  
17 March 31 of each odd-numbered year that describes Oregon's progress toward  
18 achievement of the greenhouse gas emissions reduction [*goals*] **limits** estab-  
19 lished by ORS 468A.205. The report may include relevant issues and trends  
20 of significance, including trends of greenhouse gas emissions, emerging pub-  
21 lic policy and technological advances. The report also may discuss measures  
22 the state may adopt to mitigate the impacts of [*global warming*] **climate**  
23 **change** on the environment, the economy and the residents of Oregon and  
24 to prepare for those impacts.

25 **SECTION 11.** ORS 757.357 is amended to read:

26 757.357. (1) As used in this section:

27 (a) "Electric company" has the meaning given that term in ORS 757.600.

28 (b) "Transportation electrification" means:

29 (A) The use of electricity from external sources to provide power to all  
30 or part of a vehicle;

31 (B) Programs related to developing the use of electricity for the purpose

1 described in subparagraph (A) of this paragraph; and

2 (C) Infrastructure investments related to developing the use of electricity  
3 for the purpose described in subparagraph (A) of this paragraph.

4 (c) “Vehicle” means a vehicle, vessel, train, boat or any other equipment  
5 that is mobile.

6 (2) The Legislative Assembly finds and declares that:

7 (a) Transportation electrification is necessary to reduce petroleum use,  
8 achieve optimum levels of energy efficiency and carbon reduction, meet fed-  
9 eral and state air quality standards, meet this state’s greenhouse gas emis-  
10 sions reduction [*goals*] **limits** described in ORS 468A.205 and improve the  
11 public health and safety;

12 (b) Widespread transportation electrification requires that electric com-  
13 panies increase access to the use of electricity as a transportation fuel;

14 (c) Widespread transportation electrification requires that electric com-  
15 panies increase access to the use of electricity as a transportation fuel in low  
16 and moderate income communities;

17 (d) Widespread transportation electrification should stimulate innovation  
18 and competition, provide consumers with increased options in the use of  
19 charging equipment and in procuring services from suppliers of electricity,  
20 attract private capital investments and create high quality jobs in this state;

21 (e) Transportation electrification and the purchase and use of electric  
22 vehicles should assist in managing the electrical grid, integrating generation  
23 from renewable energy resources and improving electric system efficiency  
24 and operational flexibility, including the ability of an electric company to  
25 integrate variable generating resources;

26 (f) Deploying transportation electrification and electric vehicles creates  
27 the opportunity for an electric company to propose, to the Public Utility  
28 Commission, that a net benefit for the customers of the electric company is  
29 attainable; and

30 (g) Charging electric vehicles in a manner that provides benefits to elec-  
31 trical grid management affords fuel cost savings for vehicle drivers.



1 (3) The Public Utility Commission shall direct each electric company to  
2 file applications, in a form and manner prescribed by the commission, for  
3 programs to accelerate transportation electrification. A program proposed  
4 by an electric company may include prudent investments in or customer re-  
5 bates for electric vehicle charging and related infrastructure.

6 (4) When considering a transportation electrification program and deter-  
7 mining cost recovery for investments and other expenditures related to a  
8 program proposed by an electric company under subsection (3) of this sec-  
9 tion, the commission shall consider whether the investments and other ex-  
10 penditures:

11 (a) Are within the service territory of the electric company;

12 (b) Are prudent as determined by the commission;

13 (c) Are reasonably expected to be used and useful as determined by the  
14 commission;

15 (d) Are reasonably expected to enable the electric company to support the  
16 electric company's electrical system;

17 (e) Are reasonably expected to improve the electric company's electrical  
18 system efficiency and operational flexibility, including the ability of the  
19 electric company to integrate variable generating resources; and

20 (f) Are reasonably expected to stimulate innovation, competition and  
21 customer choice in electric vehicle charging and related infrastructure and  
22 services.

23 (5)(a) Tariff schedules and rates allowed pursuant to subsection (3) of this  
24 section:

25 (A) May allow a return of and a return on an investment made by an  
26 electric company under subsection (3) of this section; and

27 (B) Shall be recovered from all customers of an electric company in a  
28 manner that is similar to the recovery of distribution system investments.

29 (b) A return on investment allowed under this subsection may be earned  
30 for a period of time that does not exceed the depreciation schedule of the  
31 investment approved by the commission. When an electric company's invest-

1 ment is fully depreciated, the commission may authorize the electric company  
2 to donate the electric vehicle charging infrastructure to the owner of the  
3 property on which the infrastructure is located.

4 (6) For purposes of ORS 757.355, electric vehicle charging infrastructure  
5 provides utility service to the customers of an electric company.

6 (7) In authorizing programs described in subsection (3) of this section, the  
7 commission shall review data concerning current and future adoption of  
8 electric vehicles and utilization of electric vehicle charging infrastructure.  
9 If market barriers unrelated to the investment made by an electric company  
10 prevent electric vehicles from adequately utilizing available electric vehicle  
11 charging infrastructure, the commission may not permit additional invest-  
12 ments in transportation electrification without a reasonable showing that  
13 the investments would not result in long-term stranded costs recoverable  
14 from the customers of electric companies.

15

16

#### CAPTIONS

17

18 **SECTION 12. The unit captions used in this 2020 Act are provided**  
19 **only for the convenience of the reader and do not become part of the**  
20 **statutory law of this state or express any legislative intent in the**  
21 **enactment of this 2020 Act.**

22

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#### REFERRAL

24

25 **SECTION 13. This 2020 Act shall be submitted to the people for their**  
26 **approval or rejection at the next regular general election held**  
27 **throughout this state.**

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