

HB 2143 -1 STAFF MEASURE SUMMARY
House Committee On Energy and Environment

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/31, 4/12

WHAT THE MEASURE DOES:

Changes annual fee for hydroelectric projects producing more than 123.5 theoretical horsepower to a base rate of \$0.687 per theoretical horsepower. Requires the Water Resources Commission to annually adjust the fee based on the specified Consumer Price Index. Changes annual fee to \$50 for hydroelectric projects producing 15 or more theoretical horsepower but not more than 123.5 theoretical horsepower. Establishes an annual fee of \$15 for hydroelectric projects producing less than 15 theoretical horsepower. Changes annual relicensing and reauthorization fee for claimants other than a license holder to match annual fee for other hydroelectric projects. Changes timing requirement to at least once every eight years for appointment of panel to review fee amount. Repeals current reauthorization fee statute. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Establishes that in 2022 and 2023, for a project producing more than 123.5 theoretical horsepower, a holder shall pay \$0.28 per theoretical horsepower as an annual fee. Requires water license or water right certificate holder to pay an annual fee beginning in the year following issuance of the final order if water license or water right certificate is approved for reauthorization. Establishes that the amount of the theoretical horsepower used to calculate the hydroelectric project license fee must be decreased by half for any project located on a river that borders another state.

BACKGROUND:

Hydroelectric project operators in Oregon are required to pay annual fees on each project based on the theoretical horsepower of each project. The fees are deposited into the Water Resources Department Hydroelectric Fund, from which proportions of the fees are used to pay certain hydroelectric program costs accrued by the Oregon Department of Environmental Quality, the Water Resources Commission, and the Water Resources Department. House Bill 2143 would change the annual fees for hydroelectric projects that produce certain theoretical horsepower. The bill would require the Water Resources Commission to annually adjust the fee based on the specified Consumer Price Index. The bill would change the annual relicensing and reauthorization fees to match annual fees for other hydroelectric projects and would revise the fee structure for annual hydroelectric project fee.